

REPORT

Operational results in 2024 and Operational plan in 2025 of the Supervisory Board

To: The General Meeting of Shareholders of Pha Lai Thermal Power Joint Stock Company

Persuant to The Enterprise Law No. 59/2020/QH14 passed by the National Assembly on June 17, 2020 (Enterprise Law 2020);

Persuant to Decree No. 47/2021/ND-CP dated April 1, 2021, of the Government detailing a number of articles of the Enterprise Law (Decree No. 47);

Persuant to the Charter on Organization and Operation of Pha Lai Thermal Power Joint Stock Company, approved by the General Meeting of Shareholders of Pha Lai Thermal Power Joint Stock Company on June 10, 2024 (Company Charter);

Persuant to the Regulations on Organization and Operation of the Supervisory Board of Pha Lai Thermal Power Joint Stock Company issued on June 10, 2024.

The Supervisory Board respectfully reports to the General Meeting of Shareholders (GMS) of Pha Lai Thermal Power Joint Stock Company on the results of its activities in 2024 and the plan for 2025 as follows:

I. ASSESSMENT OF 2024 PRODUCTION, BUSINESS, INVESTMENT, CONSTRUCTION, AND FINANCIAL RESULTS

1. Electricity production

The Company's electricity production results are shown in the table below:

No .	Indicator	Unit	2024 Plan	2024 Actual	Compared to plan (%)	Actual 2023	Compared actual 2024/2023 (%)
1	Electricity Output		5,262,00	4,580,75	87,05	3,525,34	130
	Line 1	Million kWh	1,476,00	836,60	56,68	663,71	126
	Line 2	Million kWh	3,786,00	3,744,15	98,89	2,861,69	131
2	Electricity Sold (EVN)		4,758,90	4,138,11	86,95	3,188,32	130
	Line 1	Million kWh	1,313,64	702,25	53,45	560,67	125
	Line 2	Million kWh	3,445,26	3,435,86	99,72	2,627,64	131
3	Self-consumption Rate (including losses)	%	9,29	10,25	Not Achieved	10,25	
	Line 1	%	11,00	14,03	Not Achieved	15,39	91
	Line 2	%	8,83	9,10	Not Achieved	9,05	101
4	Net heat rate				Not Achieved		
	Line 1	kJ/kWh	14.649	17.901	Not Achieved	17.895	100
	Line 2	kJ/kWh	11.019	11.317	Not Achieved	11.283	100
5	Responsiveness Factor				Not Achieved		
	Line 1	%	92,38	79,36	Not Achieved		
	Line 2	%	94,87	94,14	Not Achieved		
6	Availability Factor	%	79,91	82,83	Achieved	60,74	136
7	Outage rate		2,5	2,25	Achieved	2,25	100
	Line 1		1,33	1,08	Achieved		
	Line 2		1,00	2,75	Not Achieved		
8	Labor Productivity/Electricity Output	Mil.kWh/Ng	4,86	6,34	Achieved	4,82	132
9	Labor Productivity/Installed Capacity	People/MW	0,77	0,69	Achieved	0,70	99
10	Total Revenue	billion VND	8,755,60	8035,70	91,78	6,280,29	128
	Revenue from Electricity Production	billion VND	8.409,54	7.657,92	91,06	5.795,98	132
	Revenue from Financial Activities	billion VND	324,42	326,67	100,54	464,41	70
	Revenue from Other Activities	billion VND	21,14	51,11	241,76	19,90	257
11	Total Expenses	billion VND	8,328,35	7,597,56	91,23	5,897,89	129
	Expenses for Electricity Production	billion VND	8.318,58	7.593,28	91,28	5.984,15	127
	Expenses for Financial Activities	billion VND	3,75	3,12	83,21	(0,85)	
	Other Expenses	billion VND	6,02	1,15	19,19	4,57	25
12	Total Profit before Tax	billion VND	427,25	438,14	102,55	382,39	115
	Profit from Electricity Production	billion VND	91,00	64,63	71,06	-98,17	
	Profit from Financial Activities	billion VND	321,17	323,55	100,74	465,23	70
	Other Profit	billion VND	15,12	49,95	330,37	15,33	326

2. Business performance results

- Electricity output: In 2024, the Company produced 4,580.75 million kWh, equivalent to 87.05% of the annual plan and 130% compared to 2023. The commercial electricity output in 2024 reached 4,138.11 million kWh, equivalent to 92.88% of the annual plan and 129.8% compared to 2023. Total revenue in 2024 reached VND 8,035.70 billion, equivalent to 127.8% compared to the same period in 2023 and 91.78% compared to the 2024 annual plan. Specifically, revenue from electricity production reached VND 7,657.92 billion, revenue from financial activities reached VND 326.67 billion, and revenue from other production and activities reached VND 51.11 billion, influenced by the following main reasons:

i. The equipment system of Line 1 only maintained operation with 1 boiler and 1 turbine (accounting for approximately 90% of operating hours). This is an inefficient operating method, significantly impacting technical and economic indicators (11 incidents occurred in Line 1 during the year);

ii. The electricity output of Line 2 reached 98.89% of the set plan. The main equipment operated basically stably. There were 13 incidents related to Line 2 equipment during the year (mainly related to pressure pipes and electrical components). Therefore, despite maximizing the operating time of S5 and S6 in the late period of the year, the output of Line 2 did not meet the set plan.

- Revenue: Total revenue in 2024 reached VND 8,035.70 billion, equivalent to 127.95% compared to the same period in 2023 and 91.78% compared to the 2024 annual plan. In which:

i. Revenue from electricity production (excluding deposit interest) in 2024: VND 7,657.92 billion, equivalent to 91.06% of the annual plan and 132.12% compared to 2023. Revenue was lower than the annual plan due to lower output (86.84% compared to the plan) and higher than 2023 due to higher output (129.19% compared to the actual 2023);

ii. Revenue from financial activities (including deposit interest) in 2024 was VND 326.67 billion, equivalent to 100.54% of the annual plan and 70.34% compared to 2023. Revenue was lower than in 2023 due to a decrease in idle funds leading to a decrease in deposit interest revenue. Revenue from dividends of the entities in which the Company invested capital was also lower than in 2023;

iii. Revenue from other production and other revenue in 2024: VND 51.11 billion, equivalent to 241.76% of the 2024 annual plan and 256.8% compared to the same period in 2023. The increase compared to the plan and 2023 was due to the Company receiving compensation money of VND 25.82 billion in 2024 from the Hai Duong Provincial Civil Judgment Enforcement Department, transferred from individuals according to Criminal Judgment No. 66/2023 and Appellate Judgment No. 130/2024.

- Total Expenses in 2024: VND 7,597.56 billion, equivalent to 91.23% of the annual plan and 128.87% compared to 2023. In which: Electricity production costs were VND 7,593.76 billion; financial costs were VND 3.12 billion; other production and operating costs were VND 1.15 billion.

- Total Profit: The Company's profit before tax in 2024 reached VND 438.14 billion, equivalent to 112.35% compared to the same period in 2023, specifically:

i. Profit from electricity production in 2024: VND 65.30 billion (excluding deposit interest and loan interest expenses), equivalent to 71.06% of the annual plan. The decrease compared to the annual plan was due to the net heat rate of both lines increasing compared

to the plan. The increase compared to 2023 was due to lower actual expenses for major repairs of fixed assets. Additionally, in 2023, there were additional expenses for overcoming the incident at Unit 6 (VND 137 billion);

ii. Profit from financial activities (including deposit interest and loan interest expenses) in 2024 was VND 322.55 billion, equivalent to 100.74% of the annual plan and 69.55% compared to 2023. The decrease compared to 2023 was due to a decrease in dividends received from the entities in which the Company invested capital. Deposit interest decreased due to a decrease in idle funds;

iii. Profit from other production and other activities: VND 49.95 billion, equivalent to 330.37% of the annual plan and 325.84% compared to 2023. The increase in profit from other production and activities was due to the Company receiving compensation money of VND 25.82 billion in 2024 from the Hai Duong Provincial Civil Judgment Enforcement Department, transferred from individuals according to Criminal Judgment No. 66/2023 and Appellate Judgment No. 130/2024.

3. Financial Indicators

The financial indicators for 2024, as reflected in the condensed Balance Sheet and some key financial ratios below, show that: The 2024 business performance resulted in a profit, solvency is ensured with a current ratio of 2.71 times (greater than 1), the Debt-to-Equity ratio is 22.31% (maximum regulation is no more than 3 times), and Owner's Equity is preserved and developed with a capital preservation coefficient >1. Details are available in the tables below:

Condensed Balance Sheet and Income Statement 2024

Unit: Million VND

Indicators	Code	End of Period	Beginning of year	Difference	
				Level	%
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(3)/(4)
A. SHORT TERM ASSETS	100	2.730.493	2.929.235	(198.743)	(6,78)
I. CASH AND CASH EQUIVALENTS	110	25.466	23.486	1.980	8,43
II. SHORT-TERM FINANCIAL INVESTMENTS	120	-	100.000	(100.000)	(100,0)
III. SHORT-TERM RECEIVABLES	130	1.837.988	1.978.018	(140.030)	(7,08)
IV. INVENTORIES	140	682.318	709.144	(26.826)	(3,78)
V. OTHER SHORT-TERM ASSETS	150	184.721	118.587	66.133	55,77
B. LONG-TERM ASSETS	200	2.803.195	2.848.682	(45.487)	(1,60)
I. LONG-TERM RECEIVABLES	210	-	-	-	
II. FIXED ASSETS	220	219.363	273.076	(53.713)	(19,67)
III. INVESTMENT PROPERTIES	230	-	-	-	
IV. LONG-TERM WORK IN PROGRESS	240	25.940	25.580	360	1,41
V. LONG-TERM FINANCIAL INVESTMENTS	250	2.497.441	2.500.054	(2.613)	(0,10)
VI. OTHER LONG-TERM ASSETS	260	60.452	49.973	10.479	20,97
TOTAL ASSETS	270	5.533.688	5.777.918	(244.230)	(4,23)
C. LIABILITIES	300	1.009.356	767.100	242.256	31,58

I. SHORT-TERM LIABILITIES	310	1.009.356	767.100	242.256	31,58
II. LONG-TERM LIABILITIES	330	-	-	-	-
D. OWNER'S EQUITY	400	4.524.332	5.010.818	(486.486)	(9,71)
I. OWNER'S EQUITY	410	4.524.332	5.010.818	(486.486)	(9,71)
II. OTHER FUNDS AND RESERVES	430	-	-	-	-
TOTAL EQUITY AND LIABILITIES	440	5.533.688	5.777.918	(244.230)	(4,23)

Đơn vị tính: triệu đồng

No.	Reporting Unit	Parent Company		
		Plan	Actual	%TH/KH
(1)	(2)	(3)	(4)	
1	Revenue	8.755.595	8.035.697	91,78
2	Expenses	8.328.350	7.600.351	91,26
3	Profit before tax	427.246	438.140	102,55
4	Profit after tax	427.246	427.065	99,96

No.	Indicator	Unit	Parent Company		
			Current period	Same period previous year	Increase/Decrease
I	Capital and Assets				
1	Owner's Equity / Total Liability	%	81,73	86,72	- 5,01
2	Account payable / Owner's Equity	lần	0,22	0,15	0,07
3	Account payable/Total liability	%	18,27	13,28	5,00
4	Short term assets/Total Assets	%	49,34	50,70	- 1,36
5	Long term assets/Total Assets	%	50,66	49,30	1,36
II	Solvency				-
1	Quick Ratio	Lần	2,03	2,89	- 0,87
2	Current Ratio	Lần	5,47	7,53	- 2,06
3	Absolute Liquidity Ratio	Lần	2,70	3,82	- 1,12
III	Capital Utilization Efficiency				-
1	Revenue / Total Assets	%	145,22	108,69	36,53
2	Return on Assets (ROA)	%	7,51	6,67	0,85
3	Return on Equity (ROE)	%	8,91	7,58	1,33
IV	Net Cash Flow		1.978	-36.853	38.831
1	Net Cash Flow from Operating Activities	Tr. đồng	493.132	-303.060	796.192
2	Net Cash Flow from Investing Activities	Tr. đồng	397.639	522.981	-125.342
3	Net Cash Flow from Financing Activities	Tr. đồng	-888.793	-256.774	-632.019

4. Major and Regular Maintenance Work

Basically, the maintenance and repair items for the main equipment have been partially completed as required. Regarding costs, major repair expenses in 2024 were VND 194.271 billion, equivalent to 88.94% compared to the same period in 2023 (VND 219.55 billion) and 39.82% compared to the annual plan (VND 487.85 billion). In addition, some issues need to be noted as follows:

- The unit still has some major repair items from the 2022-2024 phase that have not been completed and will be carried over to 2025. Details of these items are listed in Appendix I (attached).

- Overhaul of Unit S3: Four contracts related to the overhaul of Unit S3 have been signed and are being implemented. However, one item related to the overhaul of Boiler 3AB was cancelled due to no bidders meeting the E-bidding document requirements, and the Company is currently carrying out regular maintenance on the related item.

- In 2024, 07 ESP systems of Line 1 were rectified according to the penalty decision and additional penalty form for Pha Lai Thermal Power Joint Stock Company within 12 months (submitted to the Ministry of Natural Resources and Environment to chair the organization of the additional penalty form) by the Environmental Crime Prevention and Control Police Department of the Ministry of Public Security: (i) Decision No. 23/QD-XPHC dated July 7, 2023, of the Head of C05 on administrative violation penalties for PPC; (ii) Decision No. 25/QD-SD dated September 20, 2023, of the Head of C05 on amending a part of the administrative violation penalty decision at PPC. In addition, as the flue gas treatment projects are awaiting further implementation guidelines, the Company is currently organizing the repair of the FGD system of Line 2.

5. Investment, Procurement of Fixed Assets, and Project Investment

- Suspended Projects:

- i. Project for upgrading the SO_x and NO_x removal system for Line 2;
- ii. Project for investing in the construction of a desulfurization system in the flue gas of Line 1;
- iii. Project for converting the use of auxiliary fuel from FO to DO for Line 1 and Line 2;
- iv. Project for upgrading the equipment of Line 1.

- Permanently Stopped Projects: Pha Lai III Planning Permit Application Project.

- Projects Awaiting Investment Policy Approval and Under Investment Implementation:

- i. Flue Gas Monitoring Station for Line 2 - Pha Lai Thermal Power Joint Stock Company (expected completion date: March 30, 2025);
- ii. Project for Expanding the 220kV Bay at the 220kV Switchyard of Pha Lai Thermal Power Plant;
- iii. Work: PPC.DTXD.2020-11 - Project for Converting SCADA Connection Protocol;
- iv. Project for Installing a New Short-Circuit Current Limiting Reactor at the 220kV Switchyard.

- Results of Fixed Asset Procurement in the Year: VND 4.255 billion, achieving 22.98% of the plan (Plan: VND 18.51 billion).

Details are provided in attached Appendices II.1 and II.2.

6. Investment in Affiliated Companies

The total capital the Company invested in affiliated companies and financial investments is VND 2,535.89 billion. During the year, the Company did not increase or divest its capital contributions in these entities, nor did it make capital contributions to other non-electricity sector projects. Financial activity profit: The accumulated profit for 2024 reached VND 325.53 billion. The reason for the increase in financial profit in 2024 compared to the same period and the annual plan is the increase in dividend revenue:

Unit: Million VND

No.	Capital Investment in 2024	Beginning of year	Enf of year	Ownership Percentage (%)	Dividends/Profit Shared
1	Investment in Affiliated Companies				
1.1	Hai Phong Thermal Power Joint Stock Company	1.451.055	1.451.055	25,97	130,11
2	Financial Investment	1.084.843	1.084.843		
2.1	Quang Ninh Thermal Power Joint Stock Company	817.295	817.295	16,35	128,78
2.2	EVN International Joint Stock Company (EIC)	70.800	70.800	19,3	16,28
2.3	Buon Don Hydropower Joint Stock Company	50.250	50.250	15	10,03
2.4	Vietnam Electricity Development JSC	100.000	100.000	10,61	38,46
2.5	Ba Ria Thermal Power Joint Stock Company (BTP)	46.498	46.498	1	1,87

7. Human Resources, Labor, and Salaries:

- The average number of employees in electricity production and business in 2024 at PPC was 721, including: (i) 06 managers and (ii) 715 laborers (approved headcount: 801).

- The total actual salary fund and electrical safety fund for employees in 2024 was VND 278.27 billion, including: (i) the electricity production and business salary fund of VND 243.10 billion; (ii) the electrical safety fund of VND 35.17 billion.

- The Company issued Decision No. 6343/QD-PPC dated November 4, 2024, approving the organizational model of Pha Lai Thermal Power Joint Stock Company, which included the establishment of a Repair Service Center and a Project Management Board directly under the management of the PPC Board of Directors.

- The Company proactively structured its human resources, flexibly allocating personnel among Departments/Offices/Workshops/Projects to optimize employee capabilities; build professionalism; and control labor through job evaluation based on volume and quality of work efficiency to enhance management effectiveness.

- The Company paid attention to fully implementing training programs according to the directives of EVN and EVNGENCO2; providing short-term training in management, professional skills, etc. The cadres and employees sent for training all achieved good results, applying their knowledge in practice to serve their professional work well within the Company.

- The Company implemented salary increases/rank advancements/rank maintenance for employees in accordance with regulations; fully paid social insurance, health insurance, and unemployment insurance as prescribed; and effectively carried out healthcare for

employees such as: periodic health checks, occupational safety and hygiene training, etc. Policies for health recovery, leave, sickness, maternity leave were promptly resolved, ensuring the rights of employees in accordance with the law.

8. Salaries and Remuneration of the Board of Directors and Supervisory Board in 2024 (VND Billion), details as per the following table:

1	Nguyễn Hoàng Hải	General Director	12,00	780,000		780,000	660,35		660,35	
2	Đặng Kiên Quyết	Deputy General Director	12,00	690,000		690,000	584,15		584,15	
3		Deputy General Director		385,250		385,250		-	-	
4		Chief Accountant		351,750		351,750		-	-	
	Total			5.197,500	384,000	5.581,500			4.126,73	

9. Regarding Transactions Between the Company, Subsidiaries, Other Companies Controlled by the Company with Over Fifty Percent (50%) of Charter Capital, and Members of the Board of Directors, General Director, and Related Persons of Those Members; Transactions Between the Company and Companies Where a Member of the Board of Directors is a Founding Member or a Business Manager in the Last Three (03) Years Prior to the Transaction:

Upon reviewing the 2024 Corporate Governance Report and the 2024 Audited Financial Statements of PPC, PPC determined that there were no such transactions as mentioned above.

10. Results of Oversight of the Board of Directors and the Executive Board:

10.1. Results of BOD Oversight:

- In 2024, the BOD issued 352 Resolutions, implementing the Resolutions of the GMS, and the production, business, investment, and financial plan. Details are provided in the attached Appendix.

- The BOD regularly supervised the activities of the Executive Board, ensuring the effective implementation of the BOD's Resolutions, Decisions, and Directives; and promptly addressed the Executive Board's proposals/requests within its authority.

- All BOD members fully participated in BOD meetings. The meeting content was discussed, commented on, and voted on for approval by the BOD members and recorded in the minutes.

- The BOD utilized the advisory apparatus within the Company, ensuring that the Company's management and operations were tightly controlled, in compliance with the Company's Charter, Internal Management Regulations, and relevant legal regulations.

10.2. Results of Oversight of the Executive Board:

- In 2024, the Executive Board closely followed the Resolutions of the GMS and the BOD to manage the Company's production and business activities.

- The Executive Board directed the full implementation of the Resolutions of the GMS and the BOD. The 2024 business performance was profitable, and the owners' equity was preserved.

11. Results of Evaluating the Coordination of Activities Between the Supervisory Board and the Board of Directors, General Director, and Shareholders:

- The Company's Board of Directors promptly and fully provided the Supervisory Board with its Resolutions and Decisions through the D-Office program. The General Director facilitated the Supervisory Board in collecting information and documents related to the Company's production and business activities upon request.

- The Board of Directors, the Supervisory Board, and the Executive Board of the Company closely coordinated in the management, operation, and oversight of the Company's activities.

- In the course of performing its duties, the Supervisory Board always received attention and favorable conditions from the BOD, the General Director, and the Company's Units to complete the tasks assigned by the General Meeting of Shareholders. During the year, the SB did not receive any complaints related to the Company's operations or the management and operation of the BOD and the General Director.

12. Activities of the Supervisory Board:

12.1 Structure of the Supervisory Board Members:

The number of members of PPC's Supervisory Board remained the same in 2024, with a change in Supervisory Board members from June 10, 2024:

- Ông Lương Trường Luân: Head of the Supervisory Board
- Ông Ngô Nguyên Đồng: Member of the Supervisory Board until 10/06/2024.
- Ông Quách Vĩnh Bình: Member of the Supervisory Board
- Ông Cao Xuân Khương: Member of the Supervisory Board from 10/06/2024.

12.2. Scope and Content of Work Performed by the Supervisory Board in 2024:

The Supervisory Board regularly oversaw the management and operational activities of the Board of Directors (BOD) and the Executive Board, ensuring that the Company's operations always complied with the Company's Charter, Internal Management Regulations, the Resolutions of the General Meeting of Shareholders (GMS), and relevant legal regulations. Specific details of the work performed are shown in the table below:

No.	WORK CONTENT	Note
1	Report of the Supervisory Board submitted to the 2024 Annual General Meeting of Shareholders	
2	Proposal submitted to the Annual General Meeting of Shareholders regarding entrusting the BOD of PPC to select an independent audit firm for the semi-annual review and annual audit of the 2024 Financial Statements	
3	Review of the actual salary fund for 2023 and the planned salary fund for 2024	
4	Oversight of the independent audit; witnessing the inventory count and audit of the 2024 Financial Statements	
5	Review of the 2023 Financial Statements	
6	Regular monthly/quarterly oversight of production, business, investment, construction, and financial activities	
7	Oversight of the semi-annual review of the financial statements for the first 6 months of 2024	
8	Review of the Financial Statements for the first 6 months of 2024	
9	Summary of the Supervisory Board's activities for the first 6 months of 2024	
10	Oversight of the independent mid-year audit in 2024	
11	Monitoring, urging, and reviewing the implementation of recommendations based on inspection and supervision results	
12	Participation in meetings organized by the BOD and the General Director related to the functions and tasks of the Supervisors	
13	Summary of 2024 activities and implementation of the 2025 tasks of the Supervisory Board.	

12.3. Supervisory Board Meetings: In 2024, the Supervisory Board held 03 meetings, details as per the table below:

No.	MEETING	CONTENT
1	1 st meeting on 0/04/2024	Oversight of PPC's activities in 2023
2	2 nd meeting on 0/06/2024	Assignment of tasks to Supervisory Board Members and implementation of the 2024 work plan.

3	3 rd meeting on 15/8/2024	<ul style="list-style-type: none"> - Evaluation of the performance results for the first 6 months of 2024, and implementation of tasks for the last 6 months of 2024. - Implementation of the Supervisory Board's first oversight phase.
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12.4. Review of PPC's Audited Financial Statements for 2024

The Supervisory Board approves the Financial Statements of the independent auditor.

12.5. Supervisory Board Plan for 2025

- The Supervisory Board shall perform its functions and duties in accordance with the provisions of the Enterprise Law, the Charter on Organization and Operation of PPC; and the implementation of the General Meeting of Shareholders' resolutions to ensure the legitimate interests of PPC and its Shareholders.

Oversee the management and operational activities of the Board of Directors and the Executive Board in the following areas: i) Compliance with legal regulations and policies related to the Company's operations, the Enterprise Law, the Charter, and internal governance regulations of PPC; ii) Implementation of the Resolutions of the 2024 Annual General Meeting of Shareholders; iii) Implementation of capital construction projects, financial investments, economic contracts for procurement of materials and equipment for production and business, and repairs; iv) Inspection of the use and preservation of PPC's capital; v) Other tasks related to the Company's production, business, and investment activities.

The oversight plan for 2025 is detailed in the table below:

No.	Content	Time (planned)
1	Phase 1: Review - Audit of 2024 Financial Statements	Quý I/2025
1.1	Review - audit of the 2024 Financial Statements in accordance with accounting standards for the fiscal year ending December 31, 2024.	05 working days after issuing independent audited financial report
1.2	Review of the final settlement of the actual 2024 electricity production and business salary fund; Review of the planned 2025 salary fund.	
2	Phase 2: Q1/2025 Oversight	Quater II/2025
2.1	Monitor and inspect the implementation of the 2025 General Meeting of Shareholders' Resolutions.	
2.2	Review, evaluate, and propose revisions to ensure the alignment of the Company's Internal Management Regulations (QCQLNB) with the legal documents of the owner and legal regulations.	
2.3	Inspect the compliance with state regulations in the procurement, management, and use of fuel.	
2.4	Review and evaluate the implementation status of conclusions from supervision, inspection, examination, investigation, and audit reports (if any) of the Company.	
3	Phase 3: Q2/2025 Oversight	Quater III/2025
3.1	Monitor and inspect the implementation of the 2025 General Meeting of Shareholders' Resolutions.	
3.2	Review, evaluate, and propose revisions to ensure the alignment of the Company's Internal Management Regulations	

No.	Content	Time (planned)
	(QCQLNB) with the legal documents of the owner and legal regulations.	
3.3	Inspect the compliance with regulations and the implementation of economic and technical indicators.	
3.4	Inspect the Company's fixed asset repair work.	
3.5	Review and evaluate the implementation status of conclusions from supervision, inspection, examination, investigation, and audit reports (if any) of the Company.	
4	Phase 4: Q3/2025 Oversight	Quater IV/2025
4.1	Review - audit of the semi-annual Financial Statements in accordance with accounting standards.	
4.2	Monitor and inspect the implementation of the 2025 General Meeting of Shareholders' Resolutions.	
4.3	Review, evaluate, and propose revisions to ensure the alignment of the Company's Internal Management Regulations (QCQLNB) with the legal documents of the owner and legal regulations.	
4.4	Inspect the compliance with regulations in the procurement of assets, materials, and equipment serving electricity production.	
4.5	Monitor and evaluate the Board of Directors, General Director, and authorized representatives in the implementation of the rights and obligations of EVNGENCO2 at the Company.	
4.6	Monitor the organization and implementation of investment projects.	
4.7	Review and evaluate the implementation status of conclusions from supervision, inspection, examination, investigation, and audit reports (if any) of the Company.	
5	Summarize the report on the situation and results of the 2025 oversight activities and the plan for implementing the 2026 oversight work of the Company's Supervisory Board: Prepare a report to be sent to the Company's Shareholders.	December/2025

II. COMMENTS AND RECOMMENDATIONS

1. Comments

1.1. Regarding Electricity Production

In 2024, the Company produced 4,580.75 million kWh of electricity, equivalent to 87.05% of the annual plan and 130% compared to 2023. The commercial electricity output in 2024 reached 4,138.11 million kWh, equivalent to 92.88% of the annual plan and 129.8% compared to 2023. Total revenue in 2024 reached VND 8,035.70 billion, equivalent to 127.8% compared to the same period in 2023 and 91.78% compared to the 2024 annual plan. Specifically, revenue from electricity production reached VND 7,657.92 billion, revenue from financial activities reached VND 326.67 billion, and revenue from other production and activities reached VND 51.11 billion.

1.2. Regarding Equipment Repair and Maintenance

- The repair of 07 ESP systems of Line 1 has been completed; however, the FGD system of Line 2 has not yet met the requirements of the competent authorities:

i. Line 1 Equipment: The generating units, having been in operation for over 40 years, have reached the end of their technical and economic life. Many systems and equipment have degraded in efficiency and reliability, such as: Boiler proper (Economizer 1, 2; Air preheater 1, 2; Water wall tubes; Superheaters; Milling system; Flue gas system; Especially, the air preheater systems of Line 1 boilers have significant air leakage, reducing cycle efficiency). In 2024, there were 13 boiler/turbine incidents due to pressure pipe failures and air preheater leaks. Line 1 equipment constantly poses a high risk of incidents and operational mode disruptions.

ii. Line 2 Equipment: After more than 20 years of operation, the equipment has deteriorated, with changes in technology, control software, pressure piping systems, etc. Many pieces of equipment have not been repaired or upgraded in a timely manner, and some key indicators have exceeded design specifications, leading to inefficient operation and exploitation compared to expectations. In 2024, Line 2 experienced 13 incidents, mainly due to pressure pipe ruptures and electronic equipment failures.

- Some major repair items for key equipment under the 2024 plan have not been completed and will be carried over to 2025. Major repair expenses: In terms of costs, major repair expenses in 2024 were VND 194.271 billion, equivalent to 88.94% compared to the same period in 2023 (VND 219.55 billion) and 39.82% compared to the annual plan (VND 487.85 billion); approximately 60% of the cost in the electricity price plan. The failure to complete the annual major repair plan poses a potential risk affecting the stable and efficient operation of the equipment, impacting the achievement of technical indicators.

1.3. Regarding Capital Construction and Fixed Asset Procurement

- For projects that have been approved for investment or have not yet been approved for investment policy: Due to binding conditions and the need for synchronous investment consideration, and the fact that the electricity selling prices and implementation guidelines for these projects have not been reviewed or adjusted.

- The unit needs to have a specific plan and schedule to strive for the completion of fixed asset procurement items carried over from 2023, 2024, and the 2025 plan.

1.4. Regarding Financial and Accounting Management

- According to the independent audit results for 2024, the Auditor issued an opinion that the financial statements present fairly, in all material respects, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations.

- 2024 was a year when Vietnam Electricity and its member units faced many difficulties in production and business, leading to delays in the collection of electricity sales revenue from power generation units, including PPC, compared to the regulations in the power purchase agreement. This resulted in a mismatch between electricity revenue collected and payments to suppliers, including the significant amount payable for coal. Consequently, payment deadlines according to the coal purchase agreements with suppliers were often exceeded.

2. Recommendations

With the above-mentioned 2024 business performance results, the Company has preserved its capital and ensured dividend payments to shareholders as approved by the 2024 Annual General Meeting of Shareholders. However, during its operations, the Company needs to pay attention to the following issues:

2.1. Regarding Electricity Production

- Ensure fuel supply for electricity production, maintaining coal/FO fuel inventory levels as regulated (Coal: 240 thousand tons for March, April, May, June; 160 thousand tons for the remaining months; FO: 4500 tons) in 2025 and subsequent years (or as directed by competent authorities).

- Closely follow the targets and solution groups to gradually restore capacity, improve the reliability and operational efficiency of generating units, and strive to achieve technical and economic indicators.

- Absolutely prevent subjective incidents and recurring incidents. At the same time, comply with regulations on labor discipline and environmental safety.

2.2. Regarding Equipment Repair and Maintenance

- Conduct a comprehensive review of all lists of damaged and degraded systems and equipment, as well as equipment due for repair, to carry out periodic/partial maintenance of generating units according to the plan, ensuring synchronization, efficiency, and quality. In particular, urgently complete the repair, rectification, and implement solutions to ensure the progress of repairs related to flue gas treatment and environmental systems, the S2 and S4 preheater systems of Line 1; Restore the designed capacity of Line 2 units to ensure timely completion of power generation tasks.

- For major repair items/works from previous years and 2024 that have not been completed and are carried over to 2025 with competent authority approval, urgently accelerate the progress and complete the approved repair plan for the year, ensuring safe, reliable, and efficient operation of equipment/works; Strive to complete the annually approved/endorsed major repair plan for key equipment/works, closely following manufacturer recommendations and short-term, medium-term, and long-term solutions of the heat rate reduction roadmap to bring the heat rate value close to the PPA, while avoiding duplication with capacity recovery projects as directed by competent authorities; Strictly manage time in all stages of organizing contractor selection and contract implementation.

2.3. Regarding Capital Construction and Fixed Asset Procurement

In general, the Company needs to assess the feasibility of investment projects, accelerate construction, and complete projects for commissioning, increasing efficiency, and recovering investment capital.

- For projects with approved investment policies: While awaiting the legal framework for project implementation, the costs incurred for the project will continue to be tracked under construction in progress. For the flue gas treatment projects at Pha Lai Thermal Power Plants that are currently suspended, new environmental standards have been issued. It is recommended to expedite the project implementation process to meet environmental standards during operation.

- For projects without approved investment policies: Continue working with competent authorities to seek investment opportunities. For the projects "Expansion of the 220kV bay at the 220kV switchyard of Pha Lai Thermal Power Plant" and "Installation of a new short-circuit current limiting reactor at the 220kV switchyard of Pha Lai Thermal Power Plant," it is necessary to accelerate the implementation process to ensure safe operation of the power system in the area. The direct costs incurred for the project while awaiting the legal framework for project implementation will be tracked under construction in progress.

- In addition, for the fixed asset procurement plan approved annually by the Annual General Meeting of Shareholders, the Company needs to develop an implementation

schedule and complete the set plan, ensuring the economic efficiency of the purchased assets.

2.4. Regarding Financial Activities

Manage and balance cash flow to ensure solvency and meet the requirements of production and business activities. Strengthen the collection of electricity sales revenue receivables and expedite the progress of contract finalization and settlement.

III. PROPOSAL FOR SELECTION OF THE 2025 FINANCIAL STATEMENT AUDIT FIRM

Proposal on the selection of the 2025 Financial Statement audit firm for Pha Lai Thermal Power Joint Stock Company (attached).

The above is the report on the 2024 performance results and the 2025 plan of the Supervisory Board, respectfully submitted to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

To:

- As above (for reporting);
- PPC Board of Directors (for coordination);
- EVNGENCO2 Board of Directors (for reporting);
- Administration and Labor Department (for information disclosure);
- Archive: Office, Supervisory Board.

**ON BEHALF OF THE
SUPERVISORY BOARD
HEAD OF THE BOARD**



Luong Truong Luan