

No: 2788/BC-PPC

Hai Duong, June 4, 2025

REPORT

**2024 DEVELOPMENT INVESTMENT (DI) CAPITAL UTILIZATION RESULTS
2025 DEVELOPMENT INVESTMENT CAPITAL UTILIZATION PLAN**

To: The 2025 Annual General Meeting of Shareholders
of Pha Lai Thermal Power Joint Stock Company (PPC)

Based on the Enterprise Law No. 59/2020/QH14;

Based on the Charter of Pha Lai Thermal Power Joint Stock Company;

Based on Report No. 2698/BC-PPC dated June 2, 2025 from the Company's General Director regarding the 2025 production and business plan and registration of construction investment portfolios using development investment capital in 2025

Based on Resolution No. 128/NQ-HDQT dated June 3, 2025 from the Company's Board of Directors regarding the approval of voting contents at the 2025 Annual General Meeting of Shareholders.

Based on the Company's 2024 development investment (DI) capital utilization results;

The Company's Board of Directors respectfully reports to the General Meeting of Shareholders (GMS) on the 2024 development investment (DI) capital utilization results and the 2025 DI capital utilization plan with the following contents:

1. Development investment capital unitlisation for 2024

PPC is currently implementing the following projects using Development Investment (DI) capital:

a) Environmental and emissions treatment projects:

1. Project: "Investment in the construction of a flue gas desulfurization system for production Line 1"

- The project's feasibility study report was approved on December 30, 2016, but has been temporarily halted since 2019, pending a legal framework and synchronized solutions.

- The project remains suspended because it needs to be reconsidered to align with the orientation of Power Development Plan VIII (PDP8) (Decision No. 500/QD-TTg dated May 15, 2023, by the Prime Minister, which outlines the direction for fuel conversion for coal-fired power plants that have operated for 40 years) and other relevant decisions (Decision No. 266/QD-TTg dated February 12,



2025, by the Prime Minister, issuing the plan to implement the Global Statement on Transitioning from Coal Power to Clean Energy, which anticipates considering the shutdown of Pha Lai 1 Thermal Power Plant by 2030).

- PPC is still evaluating the impacts of legal regulations, the orientations of the Government, the industry, and the Owner to assess the feasibility, synchronicity, and effectiveness of the project.

- The project's disbursed capital in 2024: VND 0.

2. Project: "Renovation and upgrade of SO_x and NO_x removal systems for Line 2"

- The project's feasibility study report was approved on December 30, 2016, and temporarily halted since 2019, pending a legal framework and synchronized solutions.

- Based on Submission No. 3642/TTr-PPC dated July 5, 2024, from the General Director and directives from EVNGENCO2, the Chairman of the Board of Directors issued a document requesting the implementation of procedures to adjust the project's investment policy. The Company has signed a contract with the Institute of Energy to consult on preparing the revised investment policy report and has submitted it to the Company's Board of Directors for approval of the adjustment.

- The project's disbursed capital in 2024: 0VNĐ.

3. Project: Renovation and upgrade of Line 1 equipment:

- The project's feasibility study report, submitted in 2018, has not yet been approved by the EVN Members' Council (Submission No. 1302/TTr-PPC dated March 9, 2018; and Submission No. 1856/TTr-EVN dated April 17, 2018, from EVN's Executive Board to the Members' Council for approval).

- The project needs to be reconsidered to align with the orientation of Power Development Plan VIII (PDP8) (Decision No. 500/QD-TTg dated May 15, 2023, by the Prime Minister, which outlines the direction for fuel conversion for coal-fired power plants that have operated for 40 years) and other relevant decisions (Decision No. 266/QD-TTg dated February 12, 2025, by the Prime Minister, issuing the plan to implement the Global Statement on Transitioning from Coal Power to Clean Energy, which anticipates considering the shutdown of Pha Lai 1 Thermal Power Plant by 2030).

- Following the issuance of the adjusted PDP8 via Decision 768/QD-TTg dated April 15, 2025, which includes the list of projects for the 1200MW Hai Duong flexible power plant, the Company is now developing a project proposal for its construction to replace Line 1 units. This content will be reported to the General Meeting of Shareholders for their opinion.

- The project's disbursed capital in 2024: 0VNĐ.

4. Fuel conversion proposal for production units in Line 1 and Line 2

Based on the orientation of the VIII power plan (including the orientation of fuel conversion for coal-fired power plants with 40 years of operation, plants operating for over 20 years when fuel prices are suitable), the request of the Owner EVN/EVNGENCO2 and the proposal of the Executive Board, the Board of

Directors has allowed the implementation of the fuel conversion project for Line 1 and Line 2 units to orient the Company's production and business strategy in the future.

Based on the results of the project preparation by the Consultant and the report of the Executive Board, the Company is reporting to EVN/EVNGENCO2 for comments.

- Disbursed capital of the project in 2024: 159.98 million VND

b) Power grid projects

1. Project to install new short-circuit current limiting resistors at the 220kV distribution yard of Pha Lai Thermal Power Plant:

- The project has been approved for investment in 2023 and has entered the investment phase.

- In the period of 2023-2025, with the approval of the VIII and VIII power plans adjusted with the provisions of the Electricity Law No. 61/2024/QH15. To ensure the feasibility and suitability of the project with the planning changes, the Company and the Consulting unit have reviewed and re-evaluated the project and it is basically suitable. Based on the assessments of the Consultant, the Executive Board, the Board of Directors' Appraisal Team are considering approving the construction drawing design and project estimate for investment implementation.

- Project disbursement capital in 2024: 625.30 million VND.

2. Project to Expand the 220kV Distribution Yard of Pha Lai Thermal Power Plant:

Based on the requirements for synchronization of the project to upgrade the 285 line expansion of EVNNPT, the approved power plan VIII and the investment policy submission dossier of the Executive Board, the Board of Directors has approved the project investment policy.

- Based on the approved project policy, the Executive Board has hired the Energy Institute Consultant to prepare a project feasibility study report, and PECC4 Consultant to review the project feasibility study report.

- Project disbursement capital in 2024: 0 VND.

c) Other investment projects

1. Project “Additional equipment for the project to ensure information security in Pha Lai Thermal Power Joint Stock Company”:

- Completed project settlement.

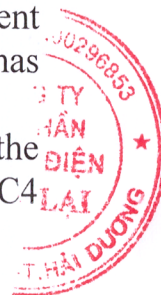
- Project disbursement capital in 2024: 553.85 million VND.

2. Project “Emission monitoring station Line 2 (Upgrade) - Pha Lai Thermal Power Joint Stock Company”

- Investment has been deployed and the project put into use.

- Project disbursement capital in 2024: 137.71 million VND.

2. Development investment capital utilization plan for 2025



Currently, the Power Plan VIII and the National Technical Regulation on Industrial Emissions QCVN 19:2024/BTNMT have been approved. For environmental projects, the unit is reviewing and adjusting the projects to comply with QCVN 19:2024/BTNMT and the project to build a 1,200MW flexible power plant (to replace the units of Line 1) has been included in the planning (2025-2030 period), so PPC has built a capital use plan for 2025 as shown in the following table:

Unit: Million VND

No.	Project	Registered capital use plan for 2025
1	Investment project for the construction of a flue gas desulfurization system for Line 1	-
2	Renovation and upgrade project for the SOx and Nox for Line 2	119,60
3	Renovation and upgrade project for equipment in Line 1	-
4	Installation project for short-circuit current limiting reactor in the 220kV distribution yard of Pha Lai Thermal Power Plant	-
5	Expansion project for the 220kV distribution yard at Pha Lai Thermal Power Plant	50,27
6	Project for the emissions monitoring station in Production Line 2 (upgrading) - Pha Lai Thermal Power Plant	13.868,00
7	Infrastructure upgrade project for the telecommunications transmission network for production supervision and management within PPC	50,00
8	Fuel conversion project for production units in Line 1 and Line 2	444,40
Total		14.532,27

The Board of Directors of the Company respectfully reports to the 2025 Annual General Meeting of Shareholders for PPC approval.

Sincerely./.

**ON BEHALF OF THE BOD
CHAIRMAN**

To:

- As above;
- Planning and Material Supply Department, Project management department.
- Archive: Office, the Board of Director.



Mai Quốc Long