

**MIEN TRUNG PETROLEUM
CONSTRUCTION JOINT STOCK
COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No. 12 /CBTT-XLDKMT

Subject: Disclosure of the 2024 audited
financial statements

Da Nang, 26th March 2025

To:
- **State Securities Commission of Vietnam**
- **Hanoi Stock Exchange**

In accordance with Clause 3 and Clause 4, Article 14 of Circular No. 96/2020/TT-BTC dated 16 November 2020 by the Ministry of Finance, which provides guidance on disclosure of information on the securities market, Mien Trung Petroleum Construction Joint Stock Company (ticker symbol: PXM) hereby submits the following disclosures related to the financial statements for the year 2024 as follows:

8. Audited financial statements for the year 2024

- In compliance with Clause 3, Article 14 of Circular No. 96/2020/TT-BTC, the audited financial statements for the year 2024 comprise:

Separate financial statements; ☒
Consolidated financial statements; ☐
Combined financial statements; ☐

- In accordance with Clause 4, Article 14 of Circular No. 96/2020/TT-BTC, the following explanatory documents must be disclosed together with the financial statements:

+ Has net profit after tax in the income statement changed by 10% or more compared to the same period last year?

Yes ☒

No ☐

Explanatory document on the 10% change in net profit compared to the same period last year:

Yes ☒

No ☐

+ Has the net profit after tax for the reporting period incurred a loss, changing from a profit in the same period last year to a loss in this period, or vice versa?

Yes ☒

No ☐

Explanatory document regarding the loss in the reporting period, transitioning from profit in the same period last year to a loss in this period, or vice versa:

☒ Yes

☐ No

+ Are there any issues related to the audit report of the 2024 financial statements?

☒ Yes

☐ No

Explanatory document on issues related to the audit report of the 2024 financial statements

☒ Yes

☐ No

Recipients:

- As above;
- Board of Directors, Board of Supervisors;
- Archived: General & Finance Department.

Attachment: Audited financial
statements for the year 2024

**AUTHORIZED PERSON
FOR INFORMATION DISCLOSURE**



Huỳnh Le Le Diem

PETROVIETNAM CONSTRUCTION JOINT
STOCK CORPORATION
MIEN TRUNG PETROLEUM
CONSTRUCTION JSC
No. 13./XLDKMT-TCTH

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Da Nang, 26th March 2025

*“Subject: Explanation of matters related to the
auditors’ report on the 2024 financial statements and
net loss for 2024”*

**To: - State Securities Commission of Vietnam
- Hanoi Stock Exchange**

- Pursuant to the Law on Securities No. 54/2019/QH14 dated 26 November 2019 issued by the National Assembly of the Socialist Republic of Vietnam;

- Pursuant to Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance, providing guidance on information disclosure in the securities market;

- Pursuant to the 2024 financial statements audited by AAC Auditing and Accounting Co., Ltd;

Mien Trung Petroleum Construction Joint Stock Company (ticker symbol: PXM) hereby provides the following explanations regarding certain matters related to the audited financial statements for the year 2024:

1. Adverse opinion

- The financial statements were prepared on a going concern basis, which is not appropriate: Regarding the going concern basis, according to the Company’s 2024 financial statements, the accumulated losses amounted to VND638,732,495,146, and equity was negative at VND485,505,781,181. The Company’s short-term liabilities exceeded its current assets by VND486,438,993,959. Most of the Company’s receivables and payables were overdue as per contractual terms. Currently, the Company has no financial resources or workforce to conduct its core business, i.e., construction of works. Since 2014, business operations have mainly involved leasing machinery and equipment, which have gradually deteriorated over the years, leading to reduced income. As a result, revenue is insufficient to cover expenses, causing an increasingly severe financial deficit. The Company is operating at a minimal level, maintaining only essential personnel to handle outstanding matters while awaiting restructuring directives, which may include potential bankruptcy, dissolution, or merger under PetroVietnam Construction Joint Stock Corporation’s restructuring plan. Therefore, the Company's Management has decided to prepare the 2024 financial statements assuming that the Company will continue as a going concern.

- For accounts receivable of VND 83,847,076,345 and accounts payable of VND 155,907,883,784, the Company has not received responses from the relevant parties as of now. These amounts have been overdue since 2012 and 2013, which is why, despite the Company and auditors sending confirmation requests, only a few parties have responded.



- The receivable according to contract progress for the Vinaship Shipyard Project – Package No. 89 - Dredging of the shipping lane, contracted with DungQuat Shipbuilding Industry Company Ltd, amounts to VND19,741,954,541. However, this amount is based solely on finalization documents prepared by the Company and has not been formally approved by the Employer.

- Accrued expenses and work-in-progress for certain projects have been outstanding for several years. At the time of preparing the 2024 financial statements, some projects, including the Vung Ang Thermal Power Plant (Ha Tinh), Dung Quat Bio-Ethanol Plant, and other projects for which DungQuat Shipbuilding Industry Company Ltd is the Employer, remain unfinalized. Since 2013, the Company has relocated several times, and former responsible personnel have left without fully handing over the relevant documentation. As a result, the Company does not have sufficient original records to verify the carrying values of these projects during the 2024 financial audit.

- Loans and financial lease liabilities: The Company's principal and interest on loans from financial institutions remain unconfirmed by the banks. These borrowings have been overdue since 2012 and 2013, but due to financial difficulties, the Company has been unable to settle them. Although the Company attempts to reconcile these debts quarterly, the relevant banks have not responded. The auditors also sent confirmation requests but have not received replies.

2. Business results for 2024:

Net profit after tax: **Negative VND 18,308,368,254**. The primary reason for the loss is the recognition of accrued interest expenses on loans from financial institutions during the year.

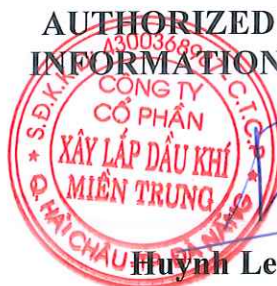
The above provides explanations regarding the key factors impacting the audited financial statements of Mien Trung Petroleum Construction Joint Stock Company for the year 2024.

Sincerely!

Recipients:

- As addressed;
- Board of Directors, Board of Supervisors (for reporting);
- Archive: Administrative Office, General & Finance Department.

**AUTHORIZED PERSON FOR
INFORMATION DISCLOSURE**



Huỳnh Le Le Diem

PETROVIETNAM CONSTRUCTION
JOINT STOCK CORPORATION
MIEN TRUNG PETROLEUM
CONSTRUCTION JSC

No. 14./XLDKMT-TCTH

*"Subject: Explanation of a 10% or more difference in
net profit after tax between the audited 2024 and 2023
financial statements"*

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Da Nang, 26th March 2025

To: - Hanoi Stock Exchange

- Pursuant to the Law on Securities No. 54/2019/QH14 dated 26/11/2019 of the National Assembly of the Socialist Republic of Vietnam;

- Pursuant to Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance, providing guidance on information disclosure in the securities market;

- Pursuant to the 2024 financial statements audited by AAC Auditing and Accounting Co., Ltd.;

Mien Trung Petroleum Construction Joint Stock Company (ticker symbol: PXM) hereby provides the following explanations regarding the changes in the net profit after tax for the year 2024 compared to the same period in 2023, as reflected in the audited 2024 financial statements:

The change in business results for 2024 compared to 2023 is primarily due to the following reasons:

- A significant reduction in administrative expenses during the year, mainly attributed to the recovery of some doubtful receivables, which led to a reversal of provisions for doubtful debts. In addition, the salary fund in 2024 decreased compared to 2023 due to a reduction in personnel.

- During the year, the Company disposed of a batch of machinery and equipment, resulting in an increase in other income compared to 2023.

The above provides explanations regarding the key factors impacting the audited financial statements of Mien Trung Petroleum Construction Joint Stock Company for the year 2024.

Sincerely!

Recipients:

- As addressed above;
- Board of Directors, Board of Supervisors (for reporting);
- Archive: Administrative Office, General & Finance Department

**AUTHORIZED PERSON FOR
INFORMATION DISCLOSURE**



Huỳnh Le Le Diem



**MIEN TRUNG PETROLEUM
CONSTRUCTION JSC**

Financial Statements

For the year ended 31/12/2024



CONTENTS	Page
Report of Director	1 - 2
Independent Auditors' Report	3 - 4
Financial Statements	
• Balance Sheet	5 - 6
• Income Statement	7
• Statement of Cash Flows	8
• Notes to the Financial Statements	9 - 27



REPORT OF DIRECTOR

The Director of Mien Trung Petroleum Construction Joint Stock Company presents this report together with the audited financial statements for the year ended 31/12/2024.

Overview

Mien Trung Petroleum Construction Joint Stock Company (the “Company”) was incorporated pursuant to Decision No. 965/QĐ-XLKD dated 16/11/2009 by the Board of Directors of PetroVietnam Construction Joint Stock Corporation, based on the conversion of Mien Trung Petroleum Construction One Member Limited Liability Company into a joint stock company. The Company is an independent accounting entity, operating under Business Registration Certificate (now Enterprise Registration Certificate) No. 4300368987, issued on 22/11/2009 by the Da Nang Department of Planning and Investment and amended 12 times, most recently 30/05/2023. The Company operates in compliance with its Charter, the Enterprise Law, and other relevant regulations.

The Company was approved for listing its common shares on the Ho Chi Minh City Stock Exchange (HOSE) under the ticker symbol PXM, with the listing effective from 10/06/2010. However, on 15/04/2014, HOSE issued Decision No. 163/QĐ-SGDHCM to delist PXM shares, effective from the same date. Subsequently, on 01/07/2014, the Hanoi Stock Exchange (HNX) officially announced the transfer of PXM shares to the UPCOM market. On 19/05/2016, HNX announced trading restrictions on PXM shares, limiting transactions to Fridays only, with the restriction effective from 26/05/2016.

Charter capital: VND150,000,000,000

Paid-in capital as at 31/12/2024: VND150,000,000,000

Head office

- Address: 3rd Floor, Shome Building, 186 Street 30/4, Hoa Cuong Bac Ward, Hai Chau District, Da Nang City
- Tel: 84 (0236) 3635888
- Fax: 84 (0236) 3635777
- Website: www.pvcmt.vn

Operating activities: Leasing and renting of assets

Employees

As at 31/12/2024, the Company had a total workforce of 9 employees (as at 31/12/2023: 10).

Members of the Board of Directors, Supervisory Board, Director, and Chief Accountant during the year and up to the reporting date are as follows:

Board of Directors

- | | | |
|-------------------------|----------|---------------------------|
| • Mr. Nguyen Dinh Phuoc | Chairman | Reappointed on 18/06/2020 |
| • Mr. Le Tuan Nguyen | Member | Reappointed on 18/06/2020 |
| • Mr. Le Duc Anh | Member | Appointed on 12/05/2023 |

REPORT OF DIRECTOR (cont'd)

Supervisory Board

- | | | |
|------------------------|------------------|---------------------------|
| • Mr. Nguyen Trong Dai | Chief Supervisor | Appointed on 12/05/2023 |
| • Mr. Nguyen Van Tinh | Member | Reappointed on 18/06/2020 |

Director and Chief Accountant

- | | | |
|------------------------|------------------|---------------------------|
| • Mr. Le Tuan Nguyen | Director | Reappointed on 24/05/2021 |
| • Ms. Huynh Le Le Diem | Chief Accountant | Appointed on 18/05/2023 |

Independent auditor

These financial statements have been audited by AAC Auditing and Accounting Co., Ltd (Head office: Lot 78-80, Street 30/4; Hai Chau District; Da Nang City; Tel: (84) 0236.3655886; Fax: (84) 0236.3655887; Website: www.aac.com.vn; Email: aac@dng.vnn.vn).

Director's statement of responsibility in respect of the financial statements

The Company's Director is responsible for the preparation and fair presentation of these financial statements on the basis of:

- Complying with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and other relevant regulations;
- Selecting suitable accounting policies and then applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Preparing the financial statements on the going concern basis;
- Responsibility for such internal control as the Director determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

The Director, who acts as the legal representative of the Company, hereby confirms that the accompanying financial statements, including the balance sheet, the income statement, the statement of cash flows, and the notes thereto, give a true and fair view of the financial position of the Company as at 31/12/2024, and of the results of its operations and its cash flows for the year then ended in accordance with the prevailing Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements.



Le Tuan Nguyen

Director

Da Nang, 25 March 2025



No. 450/2025/BCKT-AAC

INDEPENDENT AUDITORS' REPORT

To: The Shareholders, Board of Directors, and Director
Mien Trung Petroleum Construction Joint Stock Company

We have audited the financial statements prepared on 25/03/2025 of Mien Trung Petroleum Construction Joint Stock Company (the "Company"), as set out on pages 5 to 27, which comprise the balance sheet as at 31/12/2024, the income statement and the statement of cash flows for the year ended, and the notes thereto.

Director's Responsibility for the Financial Statements

The Company's Director is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements, and for such internal control as the Director determines is necessary to enable the preparation and presentation 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 Director, 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 adverse audit opinion.

Basis for Adverse Opinion

1. Regarding accounts receivable and accounts payable as at 31/12/2024:

- ✓ The auditor conducted confirmation procedures for accounts receivable totaling VND83,847,076,345. However, as at the date of this report, no responses have been received from the relevant parties.
- ✓ Due to limitations from the Company, the auditor was unable to perform procedures by sending confirmation requests for accounts payable amounting to VND155,907,883,784, as well as for outstanding principal and interest on bank loans (excluding loans from Vietnam Public Joint Stock Commercial Bank – PVcomBank, Da Nang Branch), which amount to VND44,826,790,915 and VND141,822,350,021, respectively (refer to Notes 22 and 20).

These limitations are insurmountable by using alternative audit procedures. Accordingly, we do not express an opinion on the aforementioned receivables and payables or their impact on other related items in the financial statements.

2. As disclosed in Note 9, receivables according to contract progress (relating to the Vinashin Shipyard Project with DungQuat Shipbuilding Industry Co., Ltd.) amounting to VND19,741,954,541 have remained outstanding for many years (since 2013 and earlier). Based on the accounting records available at the Company, we are unable to express an opinion on the balance of this account or its impact on other items in the financial statements.
3. As disclosed in point (*) of Note 20 “Accrued Expenses”, the total other accrued expenses comprise VND458,957,307 representing accrued expenses with no specific transaction details or identifiable entities, a negative balance of VND1,707,041,034 related to accrued expenses for certain projects, and the remaining balance of VND35,112,994,343 pertaining to accrued expenses for long-standing projects. In addition, the Company reports “Work In Progress” amounting to VND41,935,108,842 (with a provision of VND28,400,801,099 already recognized), representing projects that have remained unsolved for many years (refer to item (*) of Note 13). Given the available accounting records, we are unable to express an opinion on the truthfulness and reasonableness of these balances as at the balance sheet date.
4. As disclosed in Note 4, “Going Concern Assumption,” the accompanying financial statements have been prepared on a going concern basis. However, as at 31/12/2024, the Company incurred an accumulated loss of VND638,732,495,146 and had negative owners’ equity of VND485,505,781,181; the Company’s current liabilities also exceeded its current assets by VND486,438,993,959; most receivables and payables were overdue per contractual terms. The Company has reported consecutive operating losses for 13 years, and net cash flows from operating activities have been negative for multiple years. As at the date of this report, we have not obtained any evidence indicating that the Company has access to financial resources or has developed an actionable plan to substantiate the going concern assumption applied by the Director in preparing the accompanying financial statements. Should the financial statements be prepared under the basis applicable to entities that do not meet the going concern assumption, several financial statement items would be materially affected.

Adverse Opinion

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, in all material respects, the financial position of the Company as at 31/12/2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of financial statements.

AAC Auditing and Accounting Co., Ltd.



Tran Thi Phuong Lan - Deputy General Director
Audit Practicing Registration Certificate
No. 0396-2023-010-1
Da Nang, 25 March 2025

Duong Thi Van Thanh – Auditor
Audit Practicing Registration Certificate
No. 3671-2021-010-1

BALANCE SHEET

As at 31 December 2024

Form B 01 - DN

Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
A. CURRENT ASSETS	100		39,759,560,106	39,871,677,084
I. Cash and cash equivalents	110		213,582,831	78,777,316
1. Cash	111	6	213,582,831	78,777,316
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		-	-
III. Short-term receivables	130		24,949,935,643	25,199,488,439
1. Short-term trade receivables	131	7	57,203,470,067	57,535,410,712
2. Short-term prepayments to suppliers	132	8	20,591,949,763	20,571,949,754
3. Receivables according to construction contract progress	134	9	19,741,954,541	19,741,954,541
4. Other short-term receivables	136	10	14,927,304,716	14,927,374,716
5. Provision for doubtful (short-term) debts	137	11	(90,452,639,916)	(90,515,097,756)
6. Shortage of assets pending resolution	139	12	2,937,896,472	2,937,896,472
IV. Inventories	140	13	14,404,692,626	14,404,692,626
1. Inventories	141		43,083,087,028	43,083,087,028
2. Provision for decline in value of inventories	149		(28,678,394,402)	(28,678,394,402)
V. Other current assets	150		191,349,006	188,718,703
1. Short-term prepaid expenses	151	16.a	2,630,303	-
2. Deductible value-added tax	152		169,884,463	169,884,463
3. Taxes and amounts recoverable from the State	153	19	18,834,240	18,834,240
B. NON-CURRENT ASSETS	200		933,212,778	1,104,677,847
I. Long-term receivables	210		5,348,008	5,348,008
1. Long-term trade receivables	211		-	-
2. Other long-term receivables	216		5,348,008	5,348,008
II. Fixed assets	220		56,909,762	147,127,990
1. Tangible fixed assets	221	14	56,909,762	147,127,990
- Cost	222		35,892,447,185	42,896,278,609
- Accumulated depreciation	223		(35,835,537,423)	(42,749,150,619)
2. Finance lease fixed assets	224		-	-
III. Investment properties	230		-	-
IV. Non-current assets in progress	240		229,949,191	229,949,191
1. Long-term work in progress	241		-	-
2. Construction in progress	242	15	229,949,191	229,949,191
V. Long-term financial investments	250		-	-
VI. Other non-current assets	260		641,005,817	722,252,658
1. Long-term prepaid expenses	261	16.b	641,005,817	722,252,658
2. Other non-current assets	268		-	-
TOTAL ASSETS	270		40,692,772,884	40,976,354,931

BALANCE SHEET (cont'd)

As at 31 December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
C. LIABILITIES	300		526,198,554,065	508,173,767,858
I. Current liabilities	310		526,198,554,065	508,173,767,858
1. Short-term trade payables	311	17	124,501,654,529	124,717,246,189
2. Short-term advances from customers	312	18	35,616,249,464	35,616,249,464
3. Taxes and amounts payable to the State	313	19	229,018,475	236,117,453
4. Payables to employees	314		543,233,274	692,218,537
5. Short-term accrued expenses	315	20	284,514,578,186	266,086,360,307
6. Other short-term payables	319	21	1,876,967,027	1,908,722,798
7. Short-term loans and finance lease liabilities	320	22	79,229,834,855	79,229,834,855
8. Reward and welfare fund	322		(312,981,745)	(312,981,745)
II. Non-current liabilities	330		-	-
D. EQUITY	400		(485,505,781,181)	(467,197,412,927)
I. Owners' equity	410		(485,505,781,181)	(467,197,412,927)
1. Share capital	411	23	150,000,000,000	150,000,000,000
- Common shares with voting rights	411a		150,000,000,000	150,000,000,000
- Preferred shares	411b		-	-
2. Development and investment fund	418	23	3,226,713,965	3,226,713,965
3. Undistributed profit after tax	421	23	(638,732,495,146)	(620,424,126,892)
- Undistributed profit up to the prior year-end	421a		(620,424,126,892)	(600,548,882,151)
- Undistributed profit for the current year	421b		(18,308,368,254)	(19,875,244,741)
II. Other resources and funds	430		-	-
TOTAL RESOURCES	440		40,692,772,884	40,976,354,931



Le Tuan Nguyen

Director

Da Nang, 25 March 2025

Huynh Le Le Diem

Chief Accountant

Huynh Le Le Diem

Preparer

INCOME STATEMENT
For the year ended 31/12/2024

Form B 02 - DN
Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
1. Revenue from sales and service provision	01	24	652,577,063	1,383,481,513
2. Revenue deductions	02		-	-
3. Net revenue from sales and service provision	10		652,577,063	1,383,481,513
4. Cost of goods sold	11	25	456,742,814	415,237,352
5. Gross profit from sales and service provision	20		<u>195,834,249</u>	<u>968,244,161</u>
6. Financial income	21	26	378,658	1,082,390
7. Financial expenses	22	27	18,428,217,879	18,416,530,081
Including: Interest expense	23		18,428,217,879	18,416,530,081
8. Selling expenses	25		-	-
9. Administrative expenses	26	28	1,009,573,393	2,420,053,439
10. Operating profit	30		<u>(19,241,578,365)</u>	<u>(19,867,256,969)</u>
11. Other income	31	29	1,117,354,074	466,363,918
12. Other expenses	32	30	184,143,963	474,351,690
13. Other profit	40		<u>933,210,111</u>	<u>(7,987,772)</u>
14. Accounting profit before tax	50		<u>(18,308,368,254)</u>	<u>(19,875,244,741)</u>
15. Current corporate income tax expense	51	31	-	-
16. Deferred corporate income tax expense	52		-	-
17. Profit after tax	60		<u>(18,308,368,254)</u>	<u>(19,875,244,741)</u>
18. Basic earnings per share	70	32	(1,221)	(1,325)
19. Diluted earnings per share	71	32	(1,221)	(1,325)



Le Tuan Nguyen
Director

Da Nang, 25 March 2025


Huynh Le Le Diem
Chief Accountant


Huynh Le Le Diem
Preparer

STATEMENT OF CASH FLOWS

For the year ended 31/12/2024

Form B 03 - DN

Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
I. Cash flows from operating activities				
1. Profit before tax	01		(18,308,368,254)	(19,875,244,741)
2. Adjustments for				
- Depreciation and amortization of fixed assets	02	14	90,218,228	90,218,228
- Provisions	03		(62,457,840)	893,265,788
- Foreign exchange (gains)/losses from revaluation of monetary items denominated in foreign currency	04		-	-
- (Profits)/losses from investing activities	05	26;29	(1,115,332,732)	(308,595,117)
- Interest expense	06	27	18,428,217,879	18,416,530,081
- Other adjustments	07			
3. Operating profit before changes in working capital	08		(967,722,719)	(783,825,761)
- (Increase)/decrease in receivables	09		312,010,636	226,833,116
- (Increase)/decrease in inventories	10		-	2,545,296
- Increase/(decrease) in payables (excluding loan interest and corporate income tax payable)	11		(403,431,672)	(31,065,438)
- (Increase)/decrease in prepaid expenses	12		78,616,538	154,719,870
Net cash from operating activities	20		<u>(980,527,217)</u>	<u>(430,792,917)</u>
II. Cash flows from investing activities				
1. Disposals of fixed assets and other non-current assets	22	29	1,114,954,074	307,512,727
2. Loan interest, dividends, and profits received	27	26	378,658	1,082,390
Net cash from investing activities	30		<u>1,115,332,732</u>	<u>308,595,117</u>
III. Cash flows from financing activities				
1. Repayment of borrowings	34		-	-
2. Repayment of finance lease principal	35		-	-
Net cash from financing activities	40		<u>-</u>	<u>-</u>
Net cash flows for the year	50		<u>134,805,515</u>	<u>(122,197,800)</u>
Cash and cash equivalents at the beginning of the year	60		78,777,316	200,975,116
Impacts of exchange rate fluctuations	61		-	-
Cash and cash equivalents at the end of the year	70		<u>213,582,831</u>	<u>78,777,316</u>



Le Tuan Nguyen
Director

Da Nang, 25 March 2025

Huynh Le Le Diem
Chief Accountant

Huynh Le Le Diem
Preparer

NOTES TO THE FINANCIAL STATEMENTS

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Form B 09 - DN

*Issued under Circular 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance*

1. Nature of operations

1.1. Overview

Mien Trung Petroleum Construction Joint Stock Company (the "Company") was incorporated pursuant to Decision No. 965/QĐ-XLĐK dated 16/11/2009 by the Board of Directors of PetroVietnam Construction Joint Stock Corporation, based on the conversion of Mien Trung Petroleum Construction One Member Limited Liability Company into a joint stock company. The Company is an independent accounting entity, operating under Business Registration Certificate (now Enterprise Registration Certificate) No. 4300368987, issued on 22/11/2009 by the Da Nang Department of Planning and Investment and amended 12 times, most recently 30/05/2023. The Company operates in compliance with its Charter, the Enterprise Law, and other relevant regulations.

Charter capital: VND150,000,000,000, of which PetroVietnam Construction Joint Stock Corporation's equity contribution accounts for 48.267% of the charter capital.

1.2. Principal scope of business: Services.

1.3. **Operating activities:** Leasing and renting of offices, automobiles, motorcycles, and construction equipment.

1.4. Normal course of operating cycle

The Company's normal course of operating cycle is 12 months.

2. Accounting period, currency used in accounting

The Company's annual accounting period starts on 1 January and ends on 31 December.

Financial statements and accounting transactions are expressed in Vietnamese Dong (VND).

3. Applied accounting standards and accounting system

The Company adopts Vietnamese Accounting Standards and Vietnamese Corporate Accounting System guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 providing amendments and supplements to certain articles of Circular No. 200/2014/TT-BTC promulgated by the Ministry of Finance.

4. Going concern assumption

The financial statements have been prepared on a going concern basis.

As at 31/12/2024, the Company incurred an accumulated loss of VND638,732,495,146 and had negative owners' equity of VND485,505,781,181; the Company's current liabilities also exceeded its current assets by VND486,438,993,959. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Consequently, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

At the date of these financial statements, the Company has neither developed a new business strategy nor secured financial support from its owners. However, the Company's Director has decided to prepare the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

5. Summary of significant accounting policies

5.1 Cash and cash equivalents

Cash includes cash on hand, cash at bank, and cash in transit.

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

5.2 Receivables

Receivables include trade receivables and other receivables.

- Trade receivables are trade-related amounts arising from trading activities between the Company and its customers;
- Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or running away.

5.3 Inventories

Inventories are stated at the lower of cost and net realizable value.

Value of inventories is calculated using the weighted average method and accounted for using the perpetual method with cost determined as follows:

- Materials: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition;
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made for each kind of inventories when the net realizable value of that kind of inventories is less than cost.

5.4 Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Depreciation

Depreciation of tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25 April 2013 by the Ministry of Finance. Details are as follows:

<u>Kinds of assets</u>	<u>Depreciation period (years)</u>
Buildings, architectures	5 - 25
Machinery, equipment	5 - 10
Motor vehicles	5 - 7
Office equipment	3 - 7
Other fixed assets	4

5.5 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company's primary prepayments are as follows:

- Goodwill arising from the equitization of the enterprise, allocated using the straight-line method over 236 months;
- Tools and instruments put into use, allocated using the straight-line method over a period of 3 years or less;
- Other prepaid expenses: The Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

5.6 Payables

Payables include trade payables and other payables.

- Trade payables are trade-related amounts, arising from trading activities between the company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term or long-term payables based on the remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and original currencies.

5.7 Accrued expenses

Accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

5.8 Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies.

Borrowing costs

Borrowing costs comprise interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

5.9 Owners' equity

Share capital

Share capital represents the amount of capital actually contributed by shareholders.

Profit distribution

Profit after corporate income tax is appropriated to funds and distributed to shareholders in accordance with the Company's Charter or a resolution of the General Meeting of Shareholders.

Dividends and profits to be paid to shareholders shall not exceed the undistributed profit after tax, taking into account non-monetary items within undistributed post-tax profits that may impact cash flow and the Company's ability to pay dividends.

5.10 Recognition of revenue and other income

- Revenue from sales and service provision is recognized to the extent that it is probable to obtain economic benefits, it can be reliably measured and the following conditions are also met:
 - ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods;
 - ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions. Accordingly, interest is recognized on the basis of the actual term and interest rates.
- Other income is the income derived out of the Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

5.11 Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period in accordance with the matching principle and conservatism principle.

Costs of inventories and services rendered which are incurred in excess of the ordinary level shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

5.12 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense and other financial expenses.

5.13 Administrative expenses

Administrative expenses recognized are expenses actually incurred related to the overall administration of the Company.

5.14 Current corporate income tax expense, deferred corporate income tax expense

Corporate income tax expenses in the period include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

5.15 Financial instruments

Initial recognition

Financial assets

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets comprise cash on hand, short-term deposits, trade receivables, and other receivables.

Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities comprise loans, trade payables, accrued expenses, and other payables.

Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

5.16 Applicable tax rates and charges payable to the State Budget

- Value-added tax (VAT): A VAT rate of 10% is applied to machinery and equipment leasing activities; Other activities are subject to the prevailing tax rates.

In 2024, the Company applied a VAT rate of 8% on machinery and equipment leasing services in accordance with Decree No. 94/2023/NĐ-CP dated 28/12/2023 and Decree No. 72/2024/NĐ-CP dated 30/06/2024 issued by the Government.

- Corporate income tax (CIT): A CIT rate of 20% is applied.
- Other taxes and charges are paid in accordance with prevailing regulations.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

5.17 Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

Currency: VND

6. Cash

	31/12/2024	01/01/2024
Cash on hand	177,754,825	3,248,238
Bank demand deposits	35,828,006	75,529,078
Total	213,582,831	78,777,316

7. Short-term trade payables

	31/12/2024	01/01/2024
PTSC Quang Ngai JSC (*)	17,991,816,573	17,991,816,573
DungQuat ShipBuilding Industry Co., Ltd (*)	16,950,703,452	16,950,703,452
PetroVietnam Construction Joint Stock Corporation	2,820,226,615	2,795,710,486
Other customers	19,440,723,427	19,797,180,201
Total	57,203,470,067	57,535,410,712

(*) The Company has pledged its right to claim debts from PTSC Quang Ngai JSC and DungQuat ShipBuilding Industry Co., Ltd as collateral under Receivables Pledge Agreements No. 01/HĐBD/2013 and No. 02/ HĐBD/2013 between the Company and Petro Vietnam Finance Joint Stock Corporation (now Vietnam Public Joint Stock Commercial Bank – “PVcomBank”).

Including: Trade receivables from related parties

	31/12/2024	01/01/2024
PTSC Quang Ngai JSC	17,991,816,573	17,991,816,573
DungQuat ShipBuilding Industry Co., Ltd	16,950,703,452	16,950,703,452
Vietnam Central Biofuels JSC	4,480,897,900	4,480,897,900
PetroVietnam-Nghe An Construction Joint Stock Corporation	3,769,347,806	3,769,347,806
Nha Trang Petroleum Investment JSC	2,173,040,993	2,173,040,993
Petroleum Pipeline & Tank Construction Company	75,075,549	75,075,549
Petro Viet Nam Construction Land Corporation	500,000,000	500,000,000
Petro Viet Nam Technical Services Corporation	367,257,401	367,257,401
Binh Son Petroleum Construction JSC	-	11,660,000
PetroVietnam Construction Joint Stock Corporation	2,820,226,615	2,795,710,486
Total	49,128,366,289	49,115,510,160

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

8. Short-term prepayments to suppliers

	31/12/2024	01/01/2024
Waterway Construction and Investment JSC No. 2	4,721,276,090	4,721,276,090
Thien Huong Co., Ltd	2,963,102,881	2,963,102,881
Other suppliers	12,907,570,792	12,887,570,783
Total	20,591,949,763	20,571,949,754

9. Receivables according to construction contract progress

	31/12/2024	01/01/2024
Vinashin Shipyard Project	19,741,954,541	19,741,954,541
Total	19,741,954,541	19,741,954,541

This balance represents a receivable arising from construction contract progress that has existed since before 2013.

10. Other short-term receivables

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Advances	10,963,563,552	10,918,842,034	10,963,633,552	10,902,368,361
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction Joint Stock	1,023,906,945	1,023,906,945	1,023,906,945	1,023,906,945
PetroVietnam Construction Joint Stock Corporation	667,975,775	667,975,775	667,975,775	667,975,775
Phan Van Dien	566,269,689	566,269,689	566,269,689	566,269,689
Dang Van Thanh	398,961,393	398,961,393	398,961,393	398,961,393
Dao Van Yen	597,192,380	597,192,380	597,192,380	597,192,380
Other receivables	709,434,982	269,535,051	709,434,982	269,535,051
Total	14,927,304,716	14,442,683,267	14,927,374,716	14,426,209,594

Including: Other short-term receivables from related parties

	31/12/2024	01/01/2024
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction Joint Stock Corporation	1,023,906,945	1,023,906,945
PetroVietnam Construction Joint Stock Corporation	667,975,775	667,975,775
Total	1,691,882,720	1,691,882,720

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

11. Provision for doubtful short-term debts

	Năm 2024	Năm 2023
Opening balance	90,515,097,756	89,621,831,968
Provision made during the year	-	893,265,788
Reversal of provision	62,457,840	-
Closing balance	90,452,639,916	90,515,097,756

Including: Bad debts

	Cost	Recoverable value	Overdue period
Trade receivables	57,203,470,067	612,878,878	
Vietnam Central Biofuels JSC	4,480,897,900	-	More than 3 years
PetroVietnam-Nghe An Construction JSCorp.	3,769,347,806	-	More than 3 years
PTSC Quang Ngai JSC	17,991,816,573	-	More than 3 years
Nha Trang Petroleum Investment JSC	2,173,040,993	-	More than 3 years
DungQuat ShipBuilding Industry Co., Ltd	16,950,703,452	-	More than 3 years
PetroVietnam Construction JSCorp.	2,820,226,615	95,000,000	From less than 6 months to more than 3 years
Other customers	9,017,436,728	517,878,878	
Advances	10,964,232,044	45,390,010	
Dao Van Yen	1,538,434,173	-	More than 3 years
Han Vinh Nam	1,000,000,000	-	More than 3 years
Other debtors	8,425,797,871	45,390,010	
Other receivables	3,922,764,950	332,290,384	
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction JSCorp.	1,023,906,945	-	More than 3 years
Other debtors	2,898,858,005	332,290,384	
Prepayments to suppliers	20,591,949,763	1,239,217,636	
Civil Engineering Construction JSC No. 597	1,814,542,500	-	More than 3 years
Waterway Construction and Investment JSC No. 2 (WACO2)	4,721,276,090	-	More than 3 years
Thien Huong Co., Ltd	2,963,102,881	-	More than 3 years
An Nguyen An Construction and Trade Co., Ltd	1,789,366,886	-	More than 3 years
Other suppliers	9,303,661,406	1,239,217,636	
Total	92,682,416,824	2,229,776,908	

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

12. Shortage of assets pending resolution

	31/12/2024	01/01/2024
Shortage of supplies pending resolution	2,856,622,836	2,856,622,836
Shortage of fixed assets pending resolution	81,273,636	81,273,636
Total	2,937,896,472	2,937,896,472

13. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Tools and instruments	517,742,252	-	517,742,252	-
Work in progress (*)	41,935,108,842	28,400,801,099	41,935,108,842	28,400,801,099
Finished products (**)	630,235,934	277,593,303	630,235,934	277,593,303
Total	43,083,087,028	28,678,394,402	43,083,087,028	28,678,394,402

No inventories were pledged as collateral for loans granted to the Company as at 31/12/2024.

(*) These are projects that have existed for over 10 years but have not yet been finalized.

(**) This represents the value of finished goods at Phuoc Hoa Quarry. In 2016, the Quang Ngai People's Committee granted exploitation rights to another entity, and the Company has not yet recovered the finished goods.

14. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles, transmission equipment	Office equipment	Other fixed assets	Total
Cost						
Opening balance	2,746,446,027	24,312,665,100	10,255,342,886	219,259,144	5,362,565,452	42,896,278,609
New purchases	-	-	-	-	-	-
Disposals	-	-	7,003,831,424	-	-	7,003,831,424
Closing balance	<u>2,746,446,027</u>	<u>24,312,665,100</u>	<u>3,251,511,462</u>	<u>219,259,144</u>	<u>5,362,565,452</u>	<u>35,892,447,185</u>
Depreciation						
Opening balance	2,599,318,037	24,312,665,100	10,255,342,886	219,259,144	5,362,565,452	42,749,150,619
Charge for the year	90,218,228	-	-	-	-	90,218,228
Disposals	-	-	7,003,831,424	-	-	7,003,831,424
Closing balance	<u>2,689,536,265</u>	<u>24,312,665,100</u>	<u>3,251,511,462</u>	<u>219,259,144</u>	<u>5,362,565,452</u>	<u>35,835,537,423</u>
Net book value						
Opening balance	147,127,990	-	-	-	-	147,127,990
Closing balance	<u>56,909,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,909,762</u>

Cost of tangible fixed assets fully depreciated but still in use as at 31/12/2024 is VND33,146,051,158.

As at 31/12/2024, tangible fixed assets with a carrying value of VND0 were pledged as collateral for

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

borrowings.

15. Construction in progress

	31/12/2024	01/01/2024
Construction in progress	229,949,191	229,949,191
- Packaging factory (*)	229,949,191	229,949,191
Total	229,949,191	229,949,191

(*) The packaging factory project has been completed, handed over for use, and transferred by the Company.

16. Prepaid expenses

a. Short-term

	31/12/2024	01/01/2024
Tools and instruments pending allocation	2,630,303	-
Total	2,630,303	-

b. Long-term

	31/12/2024	01/01/2024
Tools and instruments pending allocation	-	10,096,266
Repair and maintenance expenses	124,877,277	89,250,000
Goodwill from enterprise equitization (*)	516,128,540	622,906,392
Total	641,005,817	722,252,658

(*) The Company allocates goodwill to expenses over a period of 236 months.

17. Short-term trade payables

	31/12/2024	01/01/2024
Minh Hang Co., Ltd	34,101,174,930	34,101,174,930
Viet Chao JSC	16,901,904,246	16,901,904,246
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction Joint Stock Corporation	21,410,237,403	21,410,237,403
Other suppliers	52,088,337,950	52,303,929,610
Total	124,501,654,529	124,717,246,189

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Including: Trade payables to related parties

	31/12/2024	01/01/2024
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction Joint Stock Corporation	21,410,237,403	21,410,237,403
Petroleum Mechanical Executing and Assembly JSC	1,403,347,000	1,603,347,000
PVcomBank - Da Nang Branch	5,386,725,644	5,386,725,644
Total	28,200,310,047	28,400,310,047

18. Short-term advances from customers

	31/12/2024	01/01/2024
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction Joint Stock Corporation	28,268,366,989	28,268,366,989
ĐakĐrinh Hydropower JSC	6,646,026,471	6,646,026,471
Other customers	701,856,004	701,856,004
Total	35,616,249,464	35,616,249,464

Including: Advances from related-party customers

	31/12/2024	01/01/2024
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction Joint Stock Corporation	28,268,366,989	28,268,366,989
Total	28,268,366,989	28,268,366,989

19. Taxes and amounts receivable from / payable to the State Budget

	Opening balance		Amount to be paid	Actual amount paid	Closing balance	
	Receivable	Payable			Receivable	Payable
Value-added tax	-	11,712,220	108,335,556	115,434,534	-	4,613,242
Personal income tax	-	14,774,203	-	-	-	14,774,203
Land&housing tax, land rent	-	-	62,328,000	62,328,000	-	-
Other taxes	18,834,240	-	3,000,000	3,000,000	18,834,240	-
Fees and charges	-	209,631,030	-	-	-	209,631,030
Total	18,834,240	236,117,453	173,663,556	180,762,534	18,834,240	229,018,475

The Company's tax returns would be subject to inspection by the tax authorities. The tax amounts reported in these financial statements could be changed upon final determination by the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

20. Short-term accrued expenses

	31/12/2024	01/01/2024
Accrued loan interest	250,649,667,570	232,221,449,691
Other expenses (*)	33,864,910,616	33,864,910,616
- Unidentified transaction details and entities	458,957,307	458,957,307
- Provisions for long-standing projects	35,112,994,343	35,112,994,343
- Others	(1,707,041,034)	(1,707,041,034)
Total	284,514,578,186	266,086,360,307

Including: Short-term accrued expenses payable to related parties

	31/12/2024	01/01/2023
Accrued loan interest	108,827,317,549	101,731,080,337
PVcomBank - Da Nang Branch	108,827,317,549	101,731,080,337
	108,827,317,549	101,731,080,337

21. Other short-term payables

	31/12/2024	01/01/2024
Trade union fees	137,437,265	121,632,625
Social insurance, health insurance, and unemployment insurance	44,480,774	90,679,742
Other payables	1,695,048,988	1,696,410,431
Total	1,876,967,027	1,908,722,798

22. Short-term loans and finance lease liabilities

	Opening balance	Increases	Decreases	Closing balance
Short-term loans				
- PvcomBank - Da Nang Branch	34,403,043,940	-	-	34,403,043,940
- MBBank	16,382,385,620	-	-	16,382,385,620
- SHB	13,244,216,949	-	-	13,244,216,949
- HDBank	15,200,188,346	-	-	15,200,188,346
Total	79,229,834,855	-	-	79,229,834,855

All of these loans were overdue.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Including: Loans and finance lease liabilities due to related parties

	31/12/2024	01/01/2024
PVcomBank - Da Nang Branch		
+ Short-term loans	34,403,043,940	34,403,043,940
Total	34,403,043,940	34,403,043,940

23. Owners' equity

a. Statement of changes in owners' equity

	Share capital	Development and investment fund	Undistributed profit after tax
As at 01/01/2023	150,000,000,000	3,226,713,965	(600,548,882,151)
Increases	-	-	(19,875,244,741)
Decreases	-	-	-
As at 31/12/2023	150,000,000,000	3,226,713,965	(620,424,126,892)
As at 01/01/2024	150,000,000,000	3,226,713,965	(620,424,126,892)
Increases	-	-	(18,308,368,254)
Decreases	-	-	-
As at 31/12/2024	150,000,000,000	3,226,713,965	(638,732,495,146)

b. Breakdown of share capital

	31/12/2024	01/01/2024
PetroVietnam Construction Joint Stock Corporation	72,400,000,000	72,400,000,000
Other shareholders	77,600,000,000	77,600,000,000
Total	150,000,000,000	150,000,000,000

c. Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of shares authorized to be issued	15,000,000	15,000,000
Number of shares issued to the public	15,000,000	15,000,000
- Common shares	15,000,000	15,000,000
- Preferred shares	-	-
Number of shares repurchased (treasury shares)	-	-
Number of outstanding shares	15,000,000	15,000,000
- Common shares	15,000,000	15,000,000
- Preferred shares	-	-
Par value per outstanding share: VND 10,000		

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

d. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	(620,424,126,892)	(600,548,882,151)
Profit after corporate income tax for the current year	(18,308,368,254)	(19,875,244,741)
Undistributed profit after tax	(638,732,495,146)	(620,424,126,892)

24. Revenue from sales and service provision

	Year 2024	Year 2023
Revenue from service provision	652,577,063	1,383,481,513
Total	652,577,063	1,383,481,513

25. Cost of goods sold

	Year 2024	Year 2023
Cost of services provided	456,742,814	415,237,352
Total	456,742,814	415,237,352

26. Financial income

	Year 2024	Year 2023
Interest income from deposits and loans	378,658	1,082,390
Total	378,658	1,082,390

27. Financial expenses

	Year 2024	Year 2023
Loan interest	18,428,217,879	18,416,530,081
Total	18,428,217,879	18,416,530,081

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

28. Administrative expenses

	Year 2024	Year 2023
Materials and tools expenses	4,509,091	3,225,926
Staff costs	710,122,135	1,143,022,641
Outsourced service expenses	166,993,570	100,252,276
(Reversal of) Provision for doubtful debts	(62,457,840)	893,265,788
Others	190,406,437	280,286,808
Total	1,009,573,393	2,420,053,439

29. Other income

	Year 2024	Year 2023
Proceeds from disposal of fixed assets	1,114,954,074	307,512,727
Others	2,400,000	158,851,191
Total	1,117,354,074	466,363,918

30. Other expenses

	Year 2024	Year 2023
Depreciation of assets and amortization of unused tools and instruments	100,314,491	221,143,580
Others	83,829,472	253,208,110
Total	184,143,963	474,351,690

31. Current corporate income tax expense

	Year 2024	Year 2023
Accounting profit before tax	(18,308,368,254)	(19,875,244,741)
Adjustments for taxable income	121,686,123	1,114,488,195
Incremental adjustments	184,143,963	1,114,488,195
+ Depreciation and amortization of idle assets	100,314,491	221,143,580
+ Non-deductible expenses	82,501,717	-
+ Provision for doubtful debts	-	893,265,788
+ Tax penalties	1,327,755	78,827
Decremental adjustments	62,457,840	-
+ Reversal of provision for doubtful debts	62,457,840	-
Total taxable income	(18,186,682,131)	(18,760,756,546)
Current corporate income tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

32. Basic and diluted earnings per share

	Year 2024	Year 2023
Profit after corporate income tax	(18,308,368,254)	(19,875,244,741)
Adjustments to the profit after tax	-	-
- Incremental adjustments	-	-
- Decremental adjustments	-	-
Profit/(loss) attributable to common shareholders	(18,308,368,254)	(19,875,244,741)
Weighted average number of common shares outstanding	15,000,000	15,000,000
Basic and diluted earnings per share	(1,221)	(1,325)

33. Operating expenses by element

	Year 2024	Year 2023
Materials expenses	4,509,091	3,225,926
Labor costs	1,066,800,029	1,469,672,634
Outsourced service expenses	166,993,570	129,129,390
Other cash expenses	290,471,357	498,848,244
Total	1,528,774,047	2,100,876,194

34. Segment reporting

According to Vietnamese Accounting Standard No. 28 and the relevant guidelines, the Company is required to have segment reporting. Accordingly, a business segment is a distinguishable component of the Company that is engaged in providing related products or service (business segment) or providing goods or services in a specific economic environment (segment by geographical area) and that is subject to risks and returns that are different from those of other business segment.

Based on the Company's actual operations, the Management assesses that business segments and segments by geographical area have no differences in bearing risks and obtaining returns. The Company primarily operates in a single business segment—leasing of machinery and equipment—with its principal geographical segment being Vietnam.

35. Risk management

Financial risk management

Financial risks include market risk (including interest rate risk, exchange rate risk, commodity price risk), credit risk and liquidity risk.

Market risk management: The Company's activities expose it primarily to the financial risks of changes in interest rates and commodity prices.

Interest rate risk management

The Company's interest rate risks mainly derive from interest-bearing loans. Currently, all of the Company's loans are overdue, and the applicable interest rate is 150% of the in-term interest rate. The Director acknowledges that the Company is exposed to significant risk from interest rate fluctuations.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

Price risk management

During the period, the Company's primary business activity was the leasing of machinery and equipment; therefore, raw materials used for its operations were insignificant. As a result, the Company has limited exposure to the risk of fluctuations in raw material prices.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Most of the Company's receivables are overdue under contractual terms. The Director assesses that the Company faces significant risk regarding the recoverability of certain receivables.

Liquidity risk management

As at 31/12/2024 the Company's financial assets were significantly lower than its financial liabilities. The Director acknowledges that the Company faces a high liquidity risk and may encounter difficulties in managing cash flows in the future.

The Company's aggregate financial liabilities are categorized in line with their maturity as follows:

12/31/2024	Within 1 year	Over 1 year	Total
Loans and debts	79,229,834,855	-	79,229,834,855
Trade payables	124,501,654,529	-	124,501,654,529
Accrued expenses	284,514,578,186	-	284,514,578,186
Other payables	1,695,048,988	-	1,695,048,988
Total	489,941,116,558	-	489,941,116,558
01/01/2024	Within 1 year	Over 1 year	Total
Loans and debts	79,229,834,855	-	79,229,834,855
Trade payables	124,717,246,189	-	124,717,246,189
Accrued expenses	266,086,360,307	-	266,086,360,307
Other payables	1,696,410,431	-	1,696,410,431
Total	471,729,851,782	-	471,729,851,782

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

The Company's available financial assets are drawn up on a net asset basis as follows:

12/31/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	213,582,831	-	213,582,831
Trade receivables	612,878,878	-	612,878,878
Other receivables	373,266,598	5,348,008	378,614,606
Total	1,199,728,307	5,348,008	1,205,076,315

01/01/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	78,777,316	-	78,777,316
Trade receivables	890,559,361	-	890,559,361
Other receivables	373,266,598	5,348,008	378,614,606
Total	1,342,603,275	5,348,008	1,347,951,283

36. Related party disclosures

a. Related parties

Related company	Relationship
PetroVietnam Construction Joint Stock Corporation (PVX)	Major shareholder
Vietnam Oil and Gas Group (PVN)	Parent company of PVX
Petroleum Equipment Assembly and Metal Structure JSC	Subsidiary of PVX
Petroleum Pipeline & Tank Construction Company	Subsidiary of PVX
PetroVietnam-Nghe An Construction Joint Stock Corporation	Under PVN Group
Binh Son Petroleum Construction Joint Stock Company	Subsidiary of PVX
Vietnam Central Biofuels Joint Stock Company	Under PVN Group
DungQuat ShipBuilding Industry Company Ltd	Under PVN Group
Project Management Unit of Vung Ang Thermal Power Plant - PetroVietnam Construction Joint Stock Corporation	Dependent entity of PVX
Quang Ngai Petroleum General Services Company Limited	Under PVN Group
PVcomBank - Da Nang Branch	Under PVN Group
PTSC Quang Ngai Joint Stock Company	Under PVN Group
Petro Viet Nam Construction Land Corporation	Subsidiary of PVX

b. Significant transactions with related parties

Transaction	Year 2024	Year 2023
PVcomBank - Da Nang Branch Loan interest	7,096,237,212	7,076,848,585

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

c. Remuneration of the Board of Directors and the Supervisory Board, salaries of the Director and other management officers

		Year 2024	Year 2023
Mr. Nguyen Dinh Phuoc	Chairman	30.000.000	30.000.000
Mr. Le Tuan Nguyen	Member of the Board of Directors	18.000.000	18.000.000
	Director	158.535.152	184.511.507
Mr. Le Duc Anh	Member of the Board of Directors	18.000.000	12.000.000
Mr. Nguyen Trong Dai	Chief Supervisor	12.000.000	8.000.000
Mr. Nguyen Van Tinh	Supervisor	6.000.000	6.000.000
	Salary	89.739.631	102.121.769
Ms. Huynh Le Le Diem	Chief Accountant	106.617.459	79.658.872
Ms. Trinh Thi Du Phuong	Chief Accountant (until 12/05/2023)	-	56.830.959

37. Events after the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

38. Corresponding figures

Corresponding figures were taken from the financial statements for the year ended 31/12/2023 which were audited by AAC.



Le Tuan Nguyen

Director

Da Nang, 25 March 2025

Huynh Le Le Diem

Chief Accountant

Huynh Le Le Diem

Preparer