

Que Phong, March 31, 2025

**REPORT OF THE EXECUTIVE BOARD
ON BUSINESS PERFORMANCE IN 2024
AND OPERATION PLAN FOR 2025**

At the 2025 Annual General Meeting of Shareholders – Que Phong Hydropower JSC

Dear:

- Delegates,
- Shareholders of Que Phong Hydropower Joint Stock Company,
- All attendees of the General Meeting.

Today, at the 2025 Annual General Meeting of Shareholders, on behalf of the Executive Board of Que Phong Hydropower Joint Stock Company, I would like to report to the General Meeting on the implementation results of the 2024 business plan and the projected business and production plan for 2025 as follows:

I. Implementation Results of the 2024 Business and Production Plan:

No.	Indicator	Unit	Ban Coc Hydropower Plant	Sao Va Hydropower Plant	Others	Total
1	Electricity Output	kWh				
	2024 Planned Output	kWh	79,000,000	10,666,000		89,666,000
	2024 Performance Output	kWh	71,398,964	10,354,806		81,753,770
	Achievement Rate	%	90.38%	97.08%		91.18%
2	Electricity Sales Revenue	million VND				
	2024 Planned Revenue	million VND	102,739	14,102		116,841
	2024 Performance Revenue	million VND	85,913	11,406		97,319
	Achievement Rate	%	83.62%	80.88%		83.39%
3	Profit Before Tax	million VND				
	Planned	million VND				61,966
	Performance	million VND				81,698
	Achievement Rate	%				131.84%
4	Profit After Tax	million VND				
	Planned	million VND				58,868
	Performance	million VND				70,902
	Achievement Rate	%				120.44%

II. Evaluation of the Implementation of the 2024 Business and Production Plan

1. Implementation of the 2024 Business Targets

In 2024, global instability remained a significant challenge, notably the Russia-Ukraine conflict and other regional conflicts, along with widespread inflation. In Vietnam, although the economy was not severely impacted by external factors, it still faced substantial difficulties and challenges.

The revenue performance of Ban Coc and Sao Va hydropower plants was as follows: Electricity generation output reached 81,753,770 kWh, equivalent to 91.18% of the planned target. Electricity sales revenue (excluding natural resource tax, forest environmental service fees, and other income) reached VND 97,319 billion, achieving 83.39% of the planned target. However, Profit Before Tax and Profit After Tax indicator exceeded the planned targets by 31.84% and 20.44%, respectively. This is a positive outcome considering the unpredictable weather conditions and unfavorable economic situation. It reflects the maximum utilization of existing resources and the collective efforts of the entire Leadership Team and employees of Que Phong Hydropower Joint Stock Company.

2. Investment Activities

- In 2024, the company carried out minor repairs and periodic maintenance of the Ban Coc and Sao Va hydropower plants to improve operational efficiency. Additionally, a review was conducted to address damages and deficiencies in the plants, ensuring safe and efficient operations.

3. Financial Management

In 2024, the company's financial position remained stable, ensuring a balanced cash flow for debt repayment to financial institutions without incurring overdue debts.

Outstanding Loans at Credit Institutions: Unit: VND

23. Loan Category	Beginning Balance of the Year		Balance During the Period		Ending Balance of the Year	
a) Current loans						
	Value	Amount Payable	Increase	Decrease	Value	Amount Payable
	VND	VND	VND	VND	VND	VND
Current loans	-	-	4,752,126,209	14,618,864,017	9,866,737,808	9,866,737,808
OCB – Nghe An Branch	-	-	4,752,126,209	14,618,864,017	9,866,737,808	9,866,737,808
Current Maturities of Non-current Loans	9,658,894,615	9,658,894,615	35,216,294,615	26,702,319,580	1,144,919,580	1,144,919,580
OCB – Nghe An Branch	2,806,260,000	2,806,260,000	3,363,660,000	1,044,900,000	487,500,000	487,500,000
Vietcombank Financial Leasing Co., Ltd	657,419,580	657,419,580	602,634,615	602,634,615	657,419,580	657,419,580
Vietinbank – Nghe An Branch	6,195,215,035	6,195,215,035	31,250,000,000	25,054,784,965	-	-
Total:	9,658,894,615	9,658,894,615	39,968,420,824	41,321,183,597	11,011,657,388	11,011,657,388

III. Implementation of the 2024 General Meeting of Shareholders' Resolution

1. Implementation of the 2024 Business and Production Plan Targets: As presented above.

2. Selection of the Audit Company: The Board of Directors selected International Auditing and Valuation Company Limited (IAV) to audit the company's 2024 financial statements.

3. Remuneration for the Board of Directors and Supervisory Board in 2024

According to the Resolution of the 2024 Annual General Meeting of Shareholders of Que Phong Hydropower Joint Stock Company, the estimated total salary and remuneration for members of the Board of Directors and the Supervisory Board was set at a maximum of VND 840 million. The net amount disbursed by the company was VND 840 million.

IV. 2024 Financial Statements

1. Balance Sheet:

ASSETS	Code	Sub-item	Ending Balance (VND)	Beginning Balance (VND)
A - CURRENT ASSETS	100		491,823,778,003	379,347,187,145
I. Cash and Cash Equivalents	110	4.1	15,794,100,584	3,964,293,857
1. Cash	111		15,794,100,584	3,964,293,857
II. Short-term Financial Investments	120		-	-
III. Current Receivables	130		476,017,655,639	375,376,311,018
1. Trade Receivables	131	4.2	11,911,177,835	12,006,560,280
2. Advances to Suppliers	132	4.3	7,752,834,095	10,503,243,913
3. Receivables from short-term loans	135	4.4	455,098,823,769	352,215,302,321
4. Other Current Receivables	136	4.5	1,274,819,940	671,204,504
5. Provision for bad debts	137		(20,000,000)	(20,000,000)
IV. Inventories	140		-	-
V. Other Current Assets	150		12,021,780	6,582,270
1. Short-term prepaid expenses	151	4.6	12,021,780	6,582,270
B - NON-CURRENT ASSETS	200		125,618,069,212	148,570,451,722
I. Non-current receivables	210		75,133,667	75,133,667
1. Other Non-current Receivables	216	4.5	75,133,667	75,133,667
II. Fixed Assets	220		117,821,844,952	138,780,082,963
1. Tangible Fixed Assets	221	4.9	115,382,440,189	135,852,797,248
- Cost	222		472,621,615,423	472,621,615,423
- Accumulated Depreciation	223		(357,239,175,234)	(336,768,818,175)
2. Fixed assets of finance leasing	224	4.7	2,439,404,763	2,927,285,715
- Cost	225		3,415,166,667	3,415,166,667
- Accumulated Depreciation	226		(975,761,904)	(487,880,952)
3. Intangible Fixed Assets	227	4.8	-	-
- Cost	228		3,724,769,595	3,724,769,595

- Accumulated Depreciation	229		(3,724,769,595)	(3,724,769,595)
III. Investment Properties	230		-	-
IV. Non-current assets in progress	240		231,481,482	231,481,482
1. Non-current construction in progress	242		231,481,482	231,481,482
V. Non-current Financial Investments	250		-	-
VI. Other Non-current Assets	260		7,489,609,111	9,483,753,610
1. Non-current Prepaid Expenses	261	4.6	7,489,609,111	9,483,753,610
TOTAL ASSETS	270		617,441,847,215	527,917,638,867

RESOURCES	Code	Sub-item	Ending Balance (VND)	Beginning Balance (VND)
C. LIABILITIES	300		142,654,056,020	86,151,065,430
I. Current liabilities	310		84,200,726,497	84,781,441,292
1. Trade payables	311	4.10	36,246,905,940	39,185,429,597
2. Statutory obligations	313	4.13	13,380,114,236	10,470,609,281
3. Payables to employees	314		1,854,542,503	2,070,109,441
4. Accrued expenses	315	4.11	7,509,829,021	7,509,829,021
5. Other ST payables	319	4.12	730,530,935	1,883,691,010
6. Current loan and payable for finance leasing	320	4.14	9,658,894,615	11,011,657,388
7. Reward and welfare funds	322		14,819,909,247	12,650,115,554
II. Non-current liabilities	330		58,453,329,523	1,369,624,138
1. Long term loans and debts	338	4.14	58,453,329,523	1,369,624,138
D. OWNER'S EQUITY	400		474,787,791,195	441,766,573,437
I. Owner's Equity	410	4.15	474,787,791,195	441,766,573,437
1. Contributed chartered capital	411		185,831,000,000	185,831,000,000
- Ordinary shares	411a		185,831,000,000	185,831,000,000
2. Supplementary capital reserve fund	418		20,924,187,646	20,924,187,646
3. Undistributed earnings	421		267,521,073,549	234,499,855,791
- Previous year undistributed earnings	421a		196,618,214,098	162,173,399,361
- This year undistributed earnings	421b		70,902,859,451	72,326,456,430
4. Construction investment fund	422		511,530,000	511,530,000
II. Other fund	430		-	-
TOTAL RESOURCES	440		617,441,847,215	527,917,638,867

V. Profit Distribution:

- According to the resolution of the 2024 General Meeting of Shareholders, the content of dividend payment to Shareholders in 2023 at the rate of 20%/Charter Capital has been approved. However, in 2024, due to many objective factors, the Company has not yet paid dividends according to the decision of the General Meeting of Shareholders. Therefore, the Board of Directors of the

Company proposes that the General Meeting of Shareholders approve the dividend payment to shareholders in 2024 at the rate of 40%/Charter Capital in cash (with a proposal on the distribution of after-tax profits), including the dividend payment rate in 2023 of 20%/Charter Capital and the dividend payment rate in 2024 of 20% of Charter Capital.

- The Board of Directors is authorized to determine the appropriate time in 2025 for paying dividends for 2024 to shareholders.

VI. 2025 Business and Production Plan

1. Opportunities and Challenges Affecting the 2025 Business and Production Plan

1.1. Opportunities

- A well-unified workforce with a strong work ethic, high job commitment, and a sense of responsibility towards both themselves and the community.

- Support from major shareholders such as Trung Son Electricity Joint Stock Company and other key stakeholders.

- Receive the assistance and attention from local authorities and residents.

- Receive favorable investment policies from the Party and Government regarding power generation projects.

- Ban Coc and Sao Va Hydropower Plants have been in operation for over 15 years, allowing the company's employees to accumulate significant experience in coordinating with relevant authorities, especially Northern Power Corporation and the National Load Dispatch Center, for electricity production and payment processing.

- Other favorable factors in business operations and investment activities.

1.2. Challenges

- Global inflation and complex geopolitical conflicts between major powers are heavily impacting the economy and corporate business activities.

- The entire project is located in Western Nghe An, an area with harsh climatic conditions, difficult transportation, and limited communication infrastructure. The company's headquarters is far from urban centers, facing complex security and public order issues. Inadequate infrastructure, including challenging travel conditions, limited healthcare and educational services located far from the company, and unstable communication networks, making it difficult for employees to feel secure in their work environment.

- Lower-than-expected electricity generation in the *dry season due to unpredictable climate change, a decline in hydrological conditions, and lower rainfall than originally estimated. The initial survey and assessment did not fully align with actual conditions. Over the past 15 years of operation (since 2010), hydrological patterns have shown no significant improvements.*

2. 2025 Business and Production Plan

Based on an assessment of Que Phong Hydropower Joint Stock Company's internal conditions and the identified opportunities and challenges, the 2025 Business and Production Plan is submitted for approval by the General Meeting of Shareholders as follows:

Key Economic Targets:

No.	Indicator	Unit	Ban Coc Hydropower Plant	Sao Va Hydropower Plant	Total
1	Production Output	kWh	79,000,000	10,666,000	89,666,000
2	Revenue	million VND	112,948	15,480	128,428
	Electricity Sales Revenue		102,739	14,102	116,841
	Corporate Income Tax Included in Sales Price		7,365	994	8,359
	MTR Service Fee Included in Sales Price		2,844	384	3,228
3	Financial Income				8,000
4	Other Revenue				-
4	Expenses		26,436	5,461	71,462
	Salary Expenses				6,000
	Regular Maintenance and Repair Expenses		3,388	1,548	4,936
	Corporate Income Tax Expenses		7,365	994	8,359
	MTR Service Fee		2,844	384	3,228
	Administrative Expenses		5,647	1,548	7,195
	Major Repair Expenses		7,192	987	8,179
	Fixed Asset Depreciation Expenses				31,564
	Loan Interest Expenses				2,000
5	Other Expenses				3,000
6	Profit Before Tax	million VND			61,966
7	Profit After Tax	million VND			58,868
8	Dividend Payment for 2025	% Charter Capital			20

To ensure investment efficiency and the operational effectiveness of the company, Que Phong Hydropower Joint Stock Company respectfully proposes that the 2025 Annual General Meeting of Shareholders review and approve the above economic targets. Additionally, we request approval for the Board of Directors to be authorized to proactively adjust the 2025 plan *if necessary*, in accordance with actual business conditions, government policies, and Vietnam's macroeconomic stability in 2025.

3. Key Objectives and Core Tasks for 2025

- Continue to focus on electricity generation during peak hours to maximize revenue.
- Conduct a comprehensive review of all machinery and equipment, including power plants, substations, control systems, and transmission lines, to implement necessary repairs, replacements, and upgrades, ensuring optimal power generation efficiency.

The above is the report on the General Director's activities in 2024, the proposed business plan for 2025, and other related matters.

We respectfully submit this report to the 2025 Annual General Meeting of Shareholders of Que Phong Hydropower Joint Stock Company for review and approval.

Sincerely thanks,

Recipients:

- As above;
- BOD Members & Supervisory Board;
- Company Website;
- Office Archives & AGM Documents;

QUE PHONG HYDROPOWER JSC

GENERAL DIRECTOR



Le Thai Hung