

STATEMENT

OF THE SUPERVISORY BOARD OF QUE PHONG HYDROPOWER JSC

Regarding: Statement to the General Meeting of Shareholders for approval of the selection of the auditing company for the 2025 financial statements.

To: The Annual General Meeting of Shareholders 2025

- Pursuant to the Law on Enterprises promulgated in 2020 and its guiding documents;
- Pursuant to the Charter on organization and operation of Que Phong Hydropower JSC;
- Pursuant to the list of auditing companies meeting the competency and eligibility requirements for auditing financial statements issued by the Ministry of Finance in 2025;

The Supervisory Board of Que Phong Hydropower Joint Stock Company respectfully submits to the 2025 Annual General Meeting of Shareholders for the selection of one among three companies to conduct the review of the financial statements for the first six months of 2025 and the audit of the 2025 financial statements, including:

1. AFC Vietnam Auditing Company Limited	:	VND 100,000,000
2. BDO Audit Services Company Limited	:	VND 100,000,000
3. International Auditing And Valuation Company Limited	:	VND 70,000,000

To ensure that financial documents are transparent, clear, and compliant with the current regulations of the State, the Supervisory Board of Que Phong Hydropower Joint Stock Company respectfully proposes that the Annual General Meeting of Shareholders 2025 consider selecting International Auditing And Valuation Company Limited to review the financial statements for the first six months of 2025 and audit the financial statements for the fiscal year 2025.

The Supervisory Board of Que Phong Hydropower Joint Stock Company respectfully submits this to the Annual General Meeting of Shareholders 2025 for consideration and approval.

Sincerely thanks,

Recipients:

- As above;
- Members of the Board of Directors and the Supervisory Board;
- Company Website;
- Archive: Office.

ON BEHALF OF THE SUPERVISORY BOARD
HEAD OF THE BOARD



Dang Khanh Quyen

Nghe An, March 31, 2025

No.: 01 BC/BKS - TDQP

REPORT OF SUPERVISORY BOARD

**At the 2025 Annual General Meeting of Shareholders
of Que Phong Hydropower Joint Stock Company**

The Supervisory Board respectfully reports to the 2025 Annual General Meeting of Shareholders on the supervision of business and production operations of Que Phong Hydropower Joint Stock Company in 2024 and the activity plan for 2025 as follows:

PART I: RESULTS OF INSPECTION AND SUPERVISION ACTIVITIES

I. General results of the Supervisory Board's activities:

The Supervisory Board consists of three members: Mr. Dang Khanh Quyen – Head of the Board; Ms. Do Thu Huong, and Ms. Nguyen Thi Thanh Binh.

The Board assigned specific tasks to each member and coordinated effectively to fulfill their duties, representing shareholders in monitoring the company's business and production activities, governance, and management.

In 2024, the Supervisory Board carried out the following tasks:

- Implemented tasks according to assigned functions and duties, always adhering to the resolutions of the General Meeting of Shareholders.
- Conducted quarterly supervision based on reports on production, business, and investment activities of the company.
- Reviewed periodic financial reports, annual reports on business and production operations, and the company's program and plan.
- Assessed business results, financial reports, analyzed and evaluated financial status, operational efficiency, and capital preservation and development capability.
- Reviewed reports from the independent audit firm.
- Participated in meetings, including those of the Board of Directors and General Meeting of Shareholders.
- Reviewed company regulations and internal policies, providing recommendations for amendments to align with actual company conditions.

II. Evaluation of business and production activities supervision results:

4. Business and production activities:

The Supervisory Board monitored the organization of business and production activities, evaluated the company's 2024 business results, and reached the following conclusions:

In 2024, despite abnormal weather conditions, an unfavorable economic situation, global geopolitical instability, and rising inflation worldwide, under the close direction of the BOD and the Executive Board, the company's power plants continued to maximize power generation during peak hours in accordance with the Avoidable Cost Tariff Agreement. However, due to adverse weather conditions, electricity generation declined significantly compared to 2022 and remained on par with 2023, reaching 81,753,770 kWh, equivalent to 91.18% of the planned target. Revenue from electricity sales reached VND 97.319 billion (excluding resource tax and forest environmental service fees), fulfilling 83.39% of the planned target. However, profit before and after tax exceeded the planned target by 31.84% and 20.44%, respectively.

The operation team strictly followed procedures and effectively planned machine operation, ensuring stable revenue and profit.

The employee of Que Phong Hydropower Joint Stock Company demonstrated solidarity and determination to overcome challenges, striving to meet the key targets set by the 2024 Annual General Meeting of Shareholders.

Additionally, the company achieved several notable accomplishments, such as ensuring the safe operation of all generating units, employees mastering technology and equipment, and efficiently utilizing water resources for commercial electricity generation.

2. Implementation Results of Resolutions of the General Meeting of Shareholders and the Board of Directors:

2.1/ Key business and production targets for 2024:

Despite unfavorable weather conditions leading to lower electricity generation than planned, the company still met its key targets for 2024, specifically:

- a. Total revenue: VND 110,772,110,243
- b. State budget contribution: VND 13,380,114,236
- c. Profit: VND 70,902,859,451
- d. Average monthly income of employees: VND 12,410,000 per person
- e. Electricity output: 81,753,770 kWh / 89,666,000 kWh (91.18% achieved)
- f. Average number of employees: 35

2.2/ Selection of the audit firm for 2025:

Following the resolution of the General Meeting of Shareholders, the Board of Directors decided to select International Auditing and Valuation Company Limited (IAV) to audit the company's 2024 financial statements.

2.3/ Salaries and remuneration of the Board of Directors and the Supervisory Board:

The company strictly adhered to the resolutions of the General Meeting of Shareholders regarding salaries and remuneration for the Board of Directors and the Supervisory Board in 2024, as follows:

Unit: Million VND

No.	Title	Number of People	Planning	Performance	Note
1	Chairman of the Board of Directors	01	490	490	In charge
2	Member of the Board of Directors	03	168	168	Remuneration
3	Head of the Supervisory Board	01	56	56	Remuneration
4	Member of the Supervisory Board	02	84	84	Remuneration
5	Secretary of the Board of Directors	01	48	48	Remuneration
	Total:		840	840	

2.4/ Company Shareholder Structure as of December 31, 2024:

No.	Shareholder Name	Value			Note
		Number of Shares	Amount (VND)	(%)	
1	Trung Son Electricity JSC	15,893,007	158,930,070,000	85.52	
2	Mr. Le Thai Hung	1,333,500	13,335,000,000	7.18	
3	Other Individual Shareholders	1,356,593	13,565,930,000	7.30	
	Tổng	18,583,100	185,831,000,000	100.00	

3. Implementation Results of Resolutions of the Board of Directors:

In 2024, the Board of Directors of the company issued several resolutions. Overall, the Executive Board has strictly implemented the contents of the resolutions issued by the Board of Directors.

4. Audit Results of the 2024 Financial Statements:

Based on the financial statements prepared by the Executive Board, the 2024 financial statements have been audited by International Auditing and Valuation Company Limited (IAV). The Supervisory Board has reviewed and reported to the General Meeting of Shareholders as follows:

The report accurately reflects the company's financial position as of December 31, 2024, the results of business and production operations, and cash flows for the financial period from January 1, 2024, to December 31, 2024. It complies with the financial and accounting regulations of the State and meets the requirements of financial management.

Financial data as of December 31, 2024, is as follows:

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

III. Supervision Results for the Board of Directors and Executive Board in 2024

1. Evaluation of the Board of Directors' Activities:

- The Board of Directors closely supervised the Executive Board in managing business and production operations and overseeing the implementation of resolutions passed by the Board of Directors and the General Meeting of Shareholders.

- The resolutions issued by the Board of Directors were in accordance with its functions and authority, aligned with the General Meeting of Shareholders' resolutions, and complied with the company's charter, the Enterprise Law, and other legal regulations.

- The Board of Directors held regular and extraordinary meetings as required to oversee and guide the company's business and production activities.

- In 2024, the Supervisory Board did not receive any shareholder complaints regarding misconduct by the Board of Directors in carrying out its duties.

- The Supervisory Board was given full support from the Board of Directors and the Executive Board to fulfill its responsibilities.

2. Evaluation of the Executive Board's Activities:

- The Supervisory Board highly appreciates the efforts of the Executive Board in organizing and implementing business and production activities, achieving key targets that exceeded expectations.

In 2024, the Supervisory Board did not receive any complaints or petitions related to the members of the Executive Board or other management positions within the company.

IV. Conclusion and Recommendations:

- In 2025, the Supervisory Board will continue to represent shareholders in overseeing all aspects of business and production operations and corporate governance. To enhance its role, the Supervisory Board must make further efforts and looks forward to the continued support of shareholders, the Board of Directors, and the Executive Board.

- The Supervisory Board recommends that shareholders actively support the company in identifying and developing new potential hydropower projects.

Part II: Supervisory Board's Work Plan for 2025

Based on the Supervisory Board's activities in 2024 and the company's business plan for 2025, the Supervisory Board sets forth the following work plan:

1. Supervise compliance with the company's charter and state laws, and oversee the implementation of internal regulations, resolutions, and decisions issued by the Board of Directors and the General Meeting of Shareholders.

2. Monitor and supervise the implementation of the 2025 business plan.

3. Audit the company's financial reports, business performance reports, and governance evaluations of the Board of Directors for 2025. Analyze financial conditions, capital management, operational efficiency, and the company's debt repayment capacity.

4. Oversee, inspect, and monitor the preparation and execution of investment projects, as well as the settlement of major repair works and capital construction investments of the company.

5. This report on the Supervisory Board's activities in 2024 and its 2025 work plan is respectfully submitted to the General Meeting of Shareholders for approval.

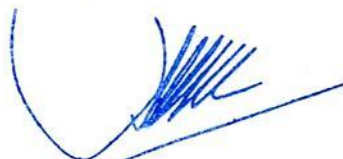
Sincerely thanks,

Recipients:

- General Meeting of Shareholders
- Filing: Office

ON BEHALF OF THE SUPERVISORY BOARD

CHAIRMAN



Dang Khanh Quyen