

Number : 01/BC-XM

Thanh Hoa, March 28, 2025

ANNUAL REPORT

2024

I. GENERAL INFORMATION

1. General information

Public company name : Xuan Minh Hydropower Joint Stock Company

Head office address : 2nd Floor, Management and Operation Building of Hydropower Projects
in Trung Chinh Village, Thuong Xuan Town, Thuong Xuan District, Thanh
Hoa Province.

Phone : 0237.3555099 Fax: 0237.3555069

Email : thuydienxuanminh@gmail.com

Charter capital : 150,000,000,000 VND

Stock code : XMP

Trading floor : UPCOM

2. Formation and development process

On December 28, 2008, the Xuan Minh hydropower project was officially accepted by the Thanh Hoa Provincial People's Committee to survey and study the possibility of investment and construction in Document No. 5869/UBND-CN.

On April 22, 2010, the Minister of Industry and Trade issued Decision No. 1938/2010/QĐ-BCT "Approving the supplementary planning of the Song Ma hydropower cascade", approving the inclusion of the Xuan Minh Hydropower project in the downstream area of the Chu River, the lower cascade of the Cua Dat hydropower project into the planning, including 02 units with an installed capacity of 15 MW in Xuan Cam Commune, Thuong Xuan District, Thanh Hoa Province.

May 2015: Xuan Minh Hydropower Joint Stock Company was approved by the People's Committee of Thanh Hoa province to be the investor to implement the Xuan Minh Hydropower project in Thuong Xuan district. The project started on September 8, 2016 and was completed and put into operation on September 22, 2018, 6 months ahead of schedule. The project was highly appreciated by the Departments, Boards and Branches of Thanh Hoa province for its progress, quality, security, order, labor safety and environmental sanitation.

On October 13, 2020, the Company was approved as a Public Company under Official Dispatch No. 6116 /UBCK-GSDC of the State Securities Commission.

Currently, the Company is operating under Business Registration Certificate No. 2802200078 issued by the Department of Planning and Investment of Thanh Hoa province for the first time on October 3, 2014, changed for the second time on March 20, 2020, with actual contributed charter capital of 150 billion VND.

3. Industry and business location

Main business lines: Electricity generation, transmission and distribution.

Business location: Hydroelectric plant located in Thuong Xuan district, Thanh Hoa province.

4. Information on governance model, business organization and management apparatus

Management model: Joint stock company.

Management apparatus: General Meeting of Shareholders, Board of Directors, Board of Supervisors and Board of General Directors.

5. Development orientation

Promote investment activities in the fields of hydropower, renewable energy and some other fields with efficiency and quick capital recovery: The Company's good organization of investment, construction and operation management of Xuan Minh Hydropower Plant in the past time has helped build a team of experienced and highly specialized managers and engineers and has created a certain reputation with state management agencies, credit institutions, domestic and foreign partners, helping to expand investment in the hydropower sector, which is the basis for implementing renewable energy projects and other projects in the coming time.

Search and expand financial resources to meet development investment needs : The investment in construction and management of Xuan Minh Hydropower Plant is a bright spot for the Company to create good relationships with domestic and foreign credit institutions, with long-term loans at reasonable costs from World Bank, SHB, ... Therefore, in the coming time, the Company will continue to access diverse financial sources, operate financial activities flexibly and effectively to have financial resources for investment and development with the most reasonable interest rates.

Continue to improve management and operation; use human resources and governance models to suit the Company's development reality: In the coming time, when the Company's scale increases, it is necessary to study the appropriate use of human resources, at the same time perfecting the Company's management and administration model to avoid risks and minimize errors in the production and business process. In addition, the Company needs to develop a training program/plan to improve management skills, professional skills, foreign languages, etc. for employees to meet the requirements of increasingly deep economic integration....

6. The risks

- **General risks :** Xuan Minh Hydropower Joint Stock Company is directly affected by interest rate risks and legal risks.

Interest rate risk : The Company's investment activities are funded by 70% of credit capital from banks. High interest rates will increase interest expenses and affect the Company's business performance. The socio-economic situation of our country in 2023 takes place in the context of the world economy facing great challenges, rapid and unpredictable fluctuations and high instability; inflation has increased to the highest level in decades, forcing countries to tighten monetary policies. Adhering to the capital mobilization policy in Resolution No. 05/2022/NQ-HDQT dated November 28, 2022: Interest rates on short-term loans to maintain stable production and business have ensured consistency with the interest rate level in the market at the time, increasing flexibility when the market fluctuates; Successfully negotiated a reduction in interest rate margins at SHB (margin reduction of 0.5% for all loans), helping the average interest rate of outstanding debt of 186.4 billion return to 8-8.5%/year in 2024.

Legal risks : The system of legal documents regulating the production and business activities of enterprises is the legal corridor for enterprises in all their activities. Xuan Minh Hydropower Joint Stock Company operates under the model of a joint stock company , all activities of the Company are regulated by a system of legal documents including: Enterprise Law, Securities Law, and other relevant legal documents. The law and sub-law documents in this field are in the process of completion, changes in policy can always occur that will affect the Company's management and business activities. The Company always considers compliance with the law an important goal in the production and business process. 2023 is a year with many fluctuations in economic support policies.

- **Specific risks:**

Risks of developing new energy: Currently, our country has two main sources of electricity production: hydroelectricity and thermal power. New energy sources (wind, solar, electricity) lack planning and a clear development roadmap, so the ability to replace hydroelectricity and thermal power

is not high. With the increasing demand for electricity consumption nationwide, the adjusted Power Plan VII I has also identified priority for the development of the hydropower sector to increase the total capacity of hydropower sources (including small and medium hydropower, pumped storage hydropower) to about 29,346 MW by 2030. Therefore, the risk of substitute products is not significant.

Weather Risk: Natural conditions are the biggest risk factor affecting the production and business activities of hydropower plants. The output and efficiency of hydropower plants depend mainly on the water source. In case of prolonged drought, rainfall decreases during the rainy season, causing the amount of water stored in the reservoir to be lower than the design capacity, which will greatly affect the power output of the Plant. In addition, other natural disasters such as flash floods and heavy rains can affect and damage roads and dikes and dams of the plant, causing problems in power generation and increasing repair costs. When first put into production, the Company has to bear high costs for a long time such as depreciation costs and interest costs. Meanwhile, the Company's output is greatly affected by climatic conditions and rainfall during the year. This creates great risks for the Company in maintaining profits according to the plan. The company always observes and monitors forecasts from the national hydrometeorological center to take quick actions and plans to help respond to climate change as well as develop optimal power generation plans.

Risks in equipment operation: During the operation of the factory, incidents and breakdowns are inevitable. To limit this, the Company has developed technical management measures such as planning for periodic/regular equipment maintenance and repair, preparing spare equipment to ensure continuous work without interruption. The policy is to establish a reserve for major repairs of fixed assets, both to ensure uninterrupted production operations and to ensure that production and business costs do not fluctuate in each period. The Board of Directors continues to submit to the General Meeting of Shareholders a plan to allocate development investment funds in Report No. 02/2025/BC-HĐQT dated February 25, 2025.

- **Other risks :** In addition to the risks specific to the main business activities, the Company is also affected if force majeure risks occur. Force majeure risks such as earthquakes, natural disasters, storms, floods, fires, wars, epidemics, terrorism, etc., if occurring, will cause damage to assets, people and the operations of the Company as well as other businesses in the economy.

II. PERFORMANCE IN THE YEAR

1. Production and business situation

Target	Result 2023	Plan 2024	Result 2024	% 2024/2023
Revenue	65,821	65,649	71,857	109%
Expense	60,058	56,825	53,051	93%
Profit before tax	5,763	8,824	18,806	326%
Profit after tax	4,938	7,974	17,799	361%

2. Organization and personnel

• Board of Directors

STT	Board Member	Position	Date of starting/cease being a member of the Board of Directors
1	Mr. Trinh Nguyen Khanh	Chairman of BOD	Appointed from 28/3/2025
2	Ms. Nguyen Thi Thanh Thuy	Board of Directors	Appointed from 28/3/2025

3	Mr. Pham Van Minh	Board of Directors	Appointed from 28/3/2025
4	Mr. Nguyen Thanh Phuong	Board of Directors	Appointed from 28/3/2025
5	Mrs. Phung Thi Thu Huyen	Board of Directors	Appointed from 28/3/2025

• **Board of Control**

STT	Board of Supervisors	Position	Date of starting/no longer being a TV BKS
1	Mrs. Nguyen Minh Hieu	Head of BOS	Appointed from 28/3/2025
2	Mrs. Nguyen Thuan Huyen	Member	Appointed from 28/3/2025
3	Mr. Tran Xuan Ninh	Member	Appointed from 28/3/2025
4	Mrs. Dinh Thi Hanh	Member	Term ends on March 28, 2025
5	Mr. Nguyen Ho Ngoc	Member	Term ends on March 28, 2025

• **Board of Directors**

STT	Member of Board of Directors	Position	Start/No Longer TV Date Board of Directors
1	Mr. Pham Quang Minh	General Director	Appointed from 03/10/2018
2	Mr. Pham Tien Luat	Deputy General Manager	Appointed from 01/08/2021
3	Mrs. Dinh Thuy Lam	Chief Accountant	Appointed from 01/12/2015

• **Executive resume**

a. Mr. Pham Quang Minh – General Director

Full Name	:	PHAM QUANG MINH
Sex	:	Male
Date of birth	:	02/01/1980
ID card number	:	030080002925 issued by the Department of Administrative Police on Social Order on May 7, 2021
Nationality	:	Vietnam
Nation	:	Terrible
Contact address	:	Room 704, Vinaconex 7 Building, Group 14, Cau Dien Ward, Nam Tu Liem, Hanoi
Cultural level	:	12/12
Professional qualifications	:	Master of Business Administration
Work process	:	
From 07/2004 – 10/2014	:	Deputy Head of Economic - Investment Department, VCP P&C Joint Stock Company
From 11/2014 – 09/2018	:	Deputy Director of Xuan Minh Hydropower Joint Stock Company
From 10/2018 – 02/2020	:	Director of Xuan Minh Hydropower Joint Stock Company
March 2020 - present	:	Director of Bai Thuong Hydropower Joint Stock Company
From 03/2020 – present	:	General Director of Xuan Minh Hydropower Joint Stock Company
Current position at the Company	:	General Director of the Company
Positions held in other organizations	:	General Director of Nam La Hydropower Joint Stock Company Director of Bai Thuong Hydropower Joint Stock Company
Securities ownership of individuals and related persons in public companies:	:	- Personal ownership: 0 shares, accounting for 0% of the total shares of the Company - Representative ownership: 0 shares, accounting for 0% of the total shares of the Company - Ownership of related persons: 0 shares, accounting for 0% of the total shares of the Company
Debts to Public Companies	:	Do not have

Remuneration and other benefits : According to Company regulations
 received from Public Company
 Interests conflict with the : Do not have
 Company's interests

b. Mr. Pham Tien Luat - Deputy General Director

Full Name : **PHAM TIEN LUAT**
 Sex : Male
 Date of birth : December 16, 1978
 CCD Number : 038078028491 issued by the Department of Administrative Police on Social Order
 Nationality : Vietnam
 Nation : Terrible
 Contact address : Tho Xung Commune, Tho Xuan District, Thanh Hoa Province
 Cultural level : 12/12
 Professional qualifications : Automation Engineer
 Work process :
 From 07/2001 – 04/2005 : Technical staff at Lam Son Sugarcane Joint Stock Company - Tho Xuan - Thanh Hoa
 From 05/2005 – 08/2007 : Lecturer – Department of Refrigeration Engineering – Faculty of Processing – Nha Trang University of Fisheries (Now Nha Trang University) – Nha Trang City – Khanh Hoa
 From 08/2007 – 12/2008 : Recruited to Cua Dat Hydropower Joint Stock Company (Now VCP P&C Joint Stock Company). Sent to train at Hoa Binh Hydropower Plant, as class leader of operating workers.
 From 12/2008 – 03/2010 : Technical staff at Equipment - Technology Department of Cua Dat Hydropower Joint Stock Company (Now VCP P&C Joint Stock Company)
 From 04/2010 – 01/2012 : Manager of Electrical - Automation Workshop, Cua Dat Hydropower Plant, VINACONEX P&C Joint Stock Company (Now VCP P&C Joint Stock Company)
 From 01/2012 – 12/2018 : Deputy Director of Cua Dat Hydropower Plant and Manager of Electrical - Automation Workshop - VINACONEX P&C Joint Stock Company (Now VCP P&C Joint Stock Company)
 From 01/2018 to present : Director of Cua Dat Hydropower Plant, VCP P&C Joint Stock Company
 Current position held at the Company : Deputy General Manager
 Positions held in other organizations : Director of Cua Dat Hydropower Plant, VCP P&C Joint Stock Company
 Securities ownership of individuals and related persons in public companies :
 - Personal ownership: 0 shares, accounting for 0% of the Company's total shares
 - Representative ownership: 0 shares, accounting for 0% of the total shares of the Company
 - Ownership of related persons: 0 shares, accounting for 0% of the total shares of the Company
 Debts to Public Companies : Do not have
 Remuneration and other benefits received from Public Company : According to Company regulations
 Interests conflict with the Company's interests : Do not have

c. Ms. Dinh Thuy Lam – Chief Accountant

Full Name : **DINH THUY LAM**
 Sex : Female
 Date of birth : February 23, 1983
 ID card number : 038183021390 issued by the Department of Administrative Police on Social Order on April 21, 2021
 Nationality : Vietnam

Nation : Terrible

Contact address : P2105, HH2B, Ecolake View Apartment, 32 Dai Tu, Hoang Mai, Hanoi

Cultural level : 12/12

Professional qualifications : Master of Business Administration

Work process

From 09/2006 – 09/2015 : Staff of Finance and Accounting Department, Petroleum Power Technical Services Joint Stock Company

From 10/2015– present : Chief Accountant of Xuan Minh Hydropower Joint Stock Company

Current position at the Company : Chief Accountant

Positions held in other organizations : Chief Accountant of VCP Electromechanical Joint Stock Company

Securities ownership of individuals and related persons in public companies :

- Personal ownership: 0 shares, accounting for 0% of the total shares of the Company
- Representative ownership: 0 shares, accounting for 0% of the total shares of the Company
- Ownership of related persons: 400,114 shares, accounting for 2.67% of the Company's total shares

Ms. Ha Thi Can - Relationship: biological mother, SLCP holds 32,000 shares, accounting for 0.21% of the Company's total shares.

Ms. Dinh Thai Ha - Relationship: Sister, SLCP holds 149,400 shares, accounting for 1.00% of the Company's total shares.

Mr. Pham Bao Long - Relationship: Brother-in-law, SLCP holds 218,714 shares, accounting for 1.46% of the Company's total shares.

Debts to Public Companies : Do not have

Remuneration and other benefits received from Public Company : According to Company regulations

Interests conflict with the Company's interests : Do not have

• Labor policy

As of December 31, 2024, the total number of employees is 23, with the specific labor structure as follows:

TT	Labor structure	Number of employees	Rate (%)
-	University and post-graduate	13	57
-	College	04	17
-	Intermediate	04	17
-	Trained through vocational technical schools	00	00
-	Untrained labor	02	09
	TOTAL	23	100
	<i>In there:</i>		
-	Indirect labor	06	26
-	Direct labor	17	74
-	Male	20	87
-	Female	03	13

Employees working at the Company enjoy all benefits according to the provisions of the law: Labor Law, Health Insurance Law, Unemployment Insurance and state regulations related to the regime and benefits of employees.

The Company pays salaries to employees in accordance with State regulations and the Company's salary policy. Salaries and bonuses paid to employees at the Company are based on business performance, job titles and salary regimes prescribed by the State and the Company to encourage

employees to promote initiative and creativity to complete assigned tasks well. When changing jobs or positions, salaries are paid according to the new job and new position.

Average income of Company employees in the period 2022 -2024 :

- 2022: 15,200,840 VND/person/month
- 2023: 15,718,260 VND/person/month
- 2024: 17,394,000 VND/person/month

(The above income level includes salary, allowances and sales bonuses . This income level is at the average level compared to other businesses in the same industry and location)

In addition to the salary, employees are also entitled to allowances such as: Attendance allowance, telephone allowance, lunch allowance, construction site allowance; or additional salary based on the results of completing the production and business plan of each production period.

Employees always have the opportunity to be appointed to management positions according to their individual abilities. The company encourages and sponsors employees to study to improve their professional skills at home and abroad.

3. Financial situation

a. Financial situation

Target	2023	2024	2024/2023 (%)
Total asset value	404.219.410.009	384.093.066.573	95.02
Net revenue	65.320.188.125	71,497,768,393	109.46
Profit from business activities	5,596,498,807	19,031,916,622	340.07
Other profits	166,811,243	(225,856,239)	(135.40)
Profit before tax	5,763,310,050	18.806.060.383	326.31
Profit after tax	4,937,551,134	17,799,970,782	360.50
Dividend yield ratio	2%	8%	400.00

b. Key financial indicators

Target	2024	2023	Note
1. Payment capacity indicators			
+ Current ratio = Current assets / Current liabilities	0.1685	0.1926	
+ Quick ratio = (Current assets - Inventory)/Current liabilities	0.1390	0.1640	
2. Capital structure indicators			
+ Debt/Total Assets Ratio	0.5499	0.5741	
+ Debt/Equity Ratio	1,2219	1,3481	
3. Performance indicators			
+ Inventory turnover = Cost of goods sold / Average inventory	14,2006	17,3502	
+ Total asset turnover = Net revenue / Average total assets	0.1861	0.1578	
4. Profitability indicators			
+ Profit after tax/Net revenue ratio	0.2490	0.0756	
+ Profit after tax/Equity ratio	0.1030	0.0287	
+ Operating Profit/Net Revenue Ratio	0.2662	0.0857	

III. REPORT OF THE BOARD OF DIRECTORS

1. Evaluation of production and business performance

Output target: Output reached 62,266,698 kWh, exceeding the plan by 20% (52,014,563 kWh) and increasing by 16% compared to 2023 (53,763,315 kWh). Reason: The hydrological situation was positive in the last 3 months of the year, the water flow to the lake increased dramatically, helping the power generation output exceed expectations.

Revenue target: Revenue reached 71.85 billion VND, exceeding the plan by 9.5% (65.64 billion VND) and increasing by 9.2% compared to 2023 (65.82 billion VND). Reason: Increased electricity generation output led to increased revenue.

Cost index: Production costs are 53,051 billion VND, 6.6% lower than planned (56,825 billion VND) and 11.7% lower than 2023 (60.05 billion VND). Of which, production costs decreased by 4% compared to the plan, due to some unrealized expenses such as: Warehouse construction. Interest expenses decreased significantly (15%) compared to the plan, due to SHB bank loan interest rates decreasing from 10.5% to 8.7%, interest rates for loans to individuals and other organizations decreasing by 10% to 9%.

Profit target: Profit after tax: Reached **17.79 billion VND**, exceeding 123.2% of the plan (7.97 billion VND) and increasing 260.1% compared to 2023 (4.94 billion VND). The reason is due to the increase and decrease of revenue and cost targets.

Financial assessment: In 2024, positive power generation results have ensured cash flow from production and business and repayment of principal and interest on long-term loans. Principal repayment during the year reached VND 22.64 billion. Outstanding loans as of December 31, 2024 were VND 204.72 billion. Of which, outstanding loans at SHB were VND 164.78 billion.

Future development plans

In 2024, continue to maintain solutions to optimize power generation operations and stabilize machinery and equipment; In-depth application of modern management tools: BSC strategic management, improving the efficiency of SAP, 5S, kaizen improvement; Focus on internal training on the following contents: SAP, minor repairs, waste collection process; Make efforts to find solutions to minimize interest expenses.

IV. BOARD OF DIRECTORS' EVALUATION REPORT

1. Board of Directors' assessment of the Company's operations

2024 is the 6th year that Xuan Minh Hydropower Plant has operated for commercial power generation. Although the hydrological situation has been complicated over the years, power generation is relatively efficient compared to actual flow, machinery and equipment operate safely and stably.

The Board of Directors has directed the Executive Board to strive to complete the set production and business targets and maintain stability and control cash flow effectively.

2. Board of Directors' assessment of the performance of the Board of Directors

The Executive Board and all employees have made efforts to deploy production and business activities, effectively manage and operate the project, regularly providing timely and appropriate proposals and solutions to advise the Board of Directors to increase revenue and maximize profits for the company.

The Executive Board is a united group, serious in work, proactive and creative in management and operation, complying with the provisions of law, the Company's charter and the Resolutions of the General Meeting of Shareholders and the Board of Directors.

3. Plans and directions of the Board of Directors

Strengthen management capacity, develop strategies and comprehensive solutions to improve production capacity.

Continue to perfect the system of regulations, creating a legal basis for the Executive Board to carry out assigned tasks.

Continue to improve the organizational structure, consolidate and arrange the management model suitable for the Company's scale of operations in the coming time .

V. TRANSACTIONS, REMUNERATIONS AND BENEFITS OF THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISION

a. Salary, bonus and other benefits

Board Member	Title	Income	Note
Trinh Nguyen Khanh	Chairman of the Board	60,000,000	
Nguyen Thi Thanh Thuy	Board Member	48,000,000	
Phung Thi Thu Huyen	Board Member	48,000,000	
Nguyen Thanh Phuong	Board Member	36,000,000	Appointed on 26/03/2024
Pham Van Minh	Board Member	48,000,000	
Total compensation 2024		240,000,000	

Board of Control	Title	Income	Note
Dinh Thi Hanh	Prefect	36,000,000	
Nguyen Ho Ngoc	Member	24,000,000	
Tran Xuan Ninh	Member	24,000,000	
Total compensation 2023		84,000,000	

Board of Directors	Title	Income	Note
Pham Quang Minh	General Director	602,180,000	
Pham Tien Luat	P. General Director	48,000,000	Concurrent
Total salary in 2024		650,180,000	

b. Stock transactions of internal shareholders

No	Name of organization /individual	Company related relationships	Head office address/contact address	Time of transaction with the company	Number and percentage of shares held after transaction	Note
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1	Steel and Industrial Materials Joint Stock Company	Major shareholder	SIMCO Building, Pham Hung Street, My Dinh 1 Ward, Nam Tu Liem District, Hanoi City	September 30, 2024	2,590,000 shares (17.27% of charter capital)	XMP Stock Purchase Transaction
1	Nguyen Thi Thanh Thuy	Board Member	SIMCO Building, Pham Hung Street, My Dinh 1 Ward, Nam Tu Liem District, Hanoi City	September 30, 2024	0 shares (0% charter capital)	XMP Stock Sell Transaction

VI. FINANCIAL REPORT

1. Auditor's opinion :

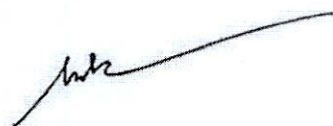
"In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Xuan Minh Hydropower Joint Stock Company as at December 31, 2024, as well as the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and the relevant legal regulations on preparation and presentation of financial statements."



Do Manh Cuong

Deputy General Director

Registered Auditor No.: 0744-2023-002-1



Hoang Duc Anh

Auditor

Registered Auditor No.: 4876-2024-002-1

2. Audited financial statements

AASC Auditing Company Limited was selected to audit the 2024 financial statements of Xuan Minh Hydropower Joint Stock Company, based on Resolution No. 06/2024/ QD -HDQT dated June 24, 2024 of the Company's Board of Directors.

The audited financial statements for 2024 include: Balance sheet; Income statement; Cash flow statement; Notes to the financial statements audited by AASC Auditing Company Limited.

CONFIRMATION OF THE COMPANY'S LEGAL REPRESENTATIVE



Pham Quang Minh
General Director