

**REPORT OF THE SUPERVISORY BOARD AT THE
2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

To: General Meeting of Shareholders of
Power Engineering Consulting Joint Stock Company 1

Pursuant to:

The Enterprises Law No. 59/2020/QH14 dated June 17, 2020 by the National Assembly;

The current Charter of Power Engineering Consulting Joint Stock Company 1 (the Company);

The Operating Regulations of the Company's Supervisory Board issued in April 2021;

The 2024 Financial Statements audited by VACO Auditing Company Limited.

The Supervisory Board (SB) respectfully reports to the Company's 2025 Annual General Meeting of Shareholders (GM) on the 2024 supervision results of the SB, specifically as follows:

I. REPORT ON 2024 ACTIVITY RESULTS OF THE SUPERVISORY BOARD

The SB consists of 03 members, performing responsibilities as prescribed in the Company's Charter, the Operating Regulations of the Company's SB and current legal regulations.

In 2024, the SB performed tasks in accordance with the assigned functions, and the supervisory plan approved by the 2024 Annual General Meeting of Shareholders, with specific results as follows:

1. Supervisory activities:

In 2024, the SB implemented several specific tasks as follows:

Table 1. Results of the Supervisory Board's performance in 2024

| No. | Work items | Performance status |
|-----|---|--|
| 1 | Periodic supervision performance of 6 months and 9 months in 2023 | <ul style="list-style-type: none"> - Supervise the Management Board (MB) and General Director in management of the company's business activities; supervise the implementation of the Resolution issued by the General Meeting of Shareholders, as well as execution of the Resolutions/Decisions and directives by the MB. - Evaluate business performance results and the audited financial statements for the first 6 months of 2023 and the financial statements for 9 months of 2023 - Review the implementation status of the SB's recommendations. |
| 2 | Periodic supervision performance in 2023 | <ul style="list-style-type: none"> - Supervise the Management Board and General Director in management of the company's business activities; supervise the implementation of the Resolutions issued by the General Meeting of Shareholders, as well as execution of the Resolutions/Decisions and directives by the MB. - Appraise the 2023 financial statements, checking, controlling, and evaluating financial situation and business activities of the Company - Review implementation status of financial remediation plans and other related contents - Review the Company's financial supervision of its one-member companies |
| 3 | Supervision performance of Q1 in 2024 | <ul style="list-style-type: none"> - Supervise the Management Board and General Director in management of the company's business activities; supervise implementation of Resolution issued by the General Meeting of Shareholders, as well as execution of the Resolutions/Decision - Review the 1st quarter of 2024 financial statements, checking, controlling, and evaluating financial situation and business activities of the Company |
| 4 | Periodic supervision performance of the first 6-month in 2024 | <ul style="list-style-type: none"> - Supervise the Management Board and General Director in management of the company's business activities; supervise implementation of the Resolutions issued by the General Meeting of Shareholders, as well as execution of the Resolutions/Decision. - Review the 6-month 2024 financial statements, checking, controlling, and evaluating financial situation and business activities of the Company - Review the Company's financial supervision of its one-member companies |
| 5 | Supervision performance of 9-months in 2024 | <ul style="list-style-type: none"> - Supervise the Management Board and General Director in management of the company's business activities; supervise implementation of the Resolutions issued by the General Meeting of Shareholders, as well as execution of the Resolutions/Decision. - Review the financial statements of the third quarter and 9 months of 2024, checking, controlling, and evaluating financial situation and business activities of the Company |
| 6 | Report on activities of the SB in 2023 | The SB has submitted Report No. 01/BC-TVĐ1-BKS dated June 22, 2024 to the 2024 Annual General Meeting of Shareholders reporting the supervision results in 2024 and was approved by the General Meeting of Shareholders |



| No. | Work items | Performance status |
|-----|---|---|
| 7 | Submission to the General Meeting of Shareholders on the plan to select an auditing unit to audit financial statements for the period 2024-2025 | The SB has submitted the Submission Letter No. 03/2024/TTr-TVĐ1-ĐHĐCĐ dated June 22, 2024 to the 2024 Annual General Meeting of Shareholders proposing a list of independent auditing companies to audit and review the Company's financial statements for the period of 2024-2025 and was approved by the General Meeting of Shareholders. |
| 8 | Implementation of periodic supervision of 2024 | <ul style="list-style-type: none"> - Review the implementation of Resolutions of the General Meeting of Shareholders and MB of the Company; - Review the 2024 financial statements, checking, controlling, and evaluating financial situation and production and business activities in 2024 of EVNPECC1 - Review financial supervision of EVNPECC1 for 100% subsidiaries of EVNPECC1 (one-member companies). - Supervise the auditing agencies to perform the audit of the 2024 financial statements |

2. Results of the SB activities:

- The SB implemented working regime according to the Company's Charter, the SB's Operating Regulations and current legal regulations with a prudent and responsible attitude; Implemented the supervision work according to the plan approved by the 2024 Annual General Meeting of Shareholders; Regularly contacted and coordinated with the MB and the Board of Directors of the Company to perform tasks assigned by the General Meeting of Shareholder.

- In 2024, the SB performed regular monitoring and periodic supervision tasks according to regulations. In the Supervision Minutes, the SB evaluated the results achieved, the situation of overcoming difficulties and shortcomings that the SB commented on in the Supervision Minutes in the previous period and proposed solutions to remove difficulties to the MB and the Board of Directors to improve the efficiency of production and business activities and strengthen governance in the coming period, ensuring optimal rights and benefits for shareholders.

- The SB works with a prudent and responsible attitude. In addition to meetings and direct work, the SB regularly contacts and exchanges information through online channels to study records and documents, promptly grasp information and give opinions to the MB, Board of Directors when necessary according to its functions and duties; The SB fully participates in meetings as notified by the MB, studies, discusses and gives opinions as requested.

II. SUPERVISION RESULTS IN 2024:

1. Resolution implementation situation of 2024 Annual General Meeting of Shareholders:

1.1 Resolution implementation situation of 2024 Annual General Meeting on the production and business plan in 2024:

In 2024, the Company completed the plan assigned by the Company's 2024 Annual General Meeting of Shareholders.

| Indicators | Plan of 2024 Shareholders Meeting | Performed in 2024 | Performed in 2023 | Ratio (%) | |
|--|-----------------------------------|-------------------|-------------------|----------------------|-------------------------------|
| | | | | Compared to the plan | Compared to the previous year |
| 1. Total revenue | 537.00 | 567.74 | 534.67 | 105.7% | 106.18% |
| - Revenue from investigation, design, construction & erection and others | 350.00 | 351.80 | 320.08 | 100.5% | 109.91% |
| - Revenue of power sale from Song Bung 5 HPP | 187.00 | 215.94 | 214.59 | 115.5% | 100.63% |
| 2. Total accounting profit before tax | 108.5 | 109.23 | 95.57 | 100.7% | 114.29% |
| 3. Profit after corporate income tax | 84.8 | 87.50 | 68.21 | 103.2% | 128.28% |

1.2 Plan for investment in purchasing machinery and equipment in 2024: not yet implemented.

1.3 Plan for salary and remuneration of the Board of Directors and the SB in 2024: has been paid.

1.4 Decision on an independent auditing company to audit the company's financial statements for the period 2024-2025: The company has selected VACO Auditing Company Limited as the auditor for the 2024 financial statements.

2. Results of production and business activities and financial situation in 2024:

2.1 Audit results of the Financial statement in 2024:

Audit results of the 2024 financial statement: VACO Auditing Company Limited has conducted the audit and expressed the following opinions:

- The separate financial statements (Consolidated financial statements) have honestly and reasonably reflected, in key aspects, financial situation of the Company as at December 31, 2024, as well as separate business results (Consolidated) and separate cash flow situation (Consolidated) for the financial year ended on the same day, in accordance with Vietnamese Accounting Standards, Enterprise Accounting Regime and legal regulations related to the preparation and presentation of the separate financial statements (Consolidated).

- Issues to be emphasized:

- + We draw attention of the readers of the financial statements to Note No.38 in the Separate Financial Statements (Consolidated Financial Statements), which describes the lawsuits in which the Company is involved and has not yet been finalized by the Court.

- + We draw attention of the readers of the financial statements to Note No.3 in the Separate Financial Statements (Consolidated Financial Statements), which describes the Company's ability to pay short-term debts. The Board of Directors believes that the Company has sufficient capacity to pay due debts and ensure normal production and business activities for at least 12 months from the end of the financial year.

+ In the Consolidated Financial Statements, there are additional comments emphasizing the content: We draw attention of the readers to Note No. 37 in the Consolidated Financial Statements; where the Company presented its potential liabilities for the amount of tax arrears, administrative fines for tax violations and late payment fees according to the decision of the Hanoi Tax Department (at one-member company No.4).

- This issue to be emphasized does not affect our opinion on the audited separate financial statements (consolidated financial statements) of the Company”.

2.2 Production and business results of the year 2024:

2.2.1 Production and business situation of the year 2024:

Table 2. Production and business results of the year 2024

Unit: billion VND

| Indicators | EVN's Plan-2024 | Performed in this year | | Performed in the previous year | | Ratio (%) | |
|--|-----------------|------------------------|---------------|--------------------------------|---------------|----------------------|-------------------------------|
| | | Consolidated | Parent | Consolidated | Parent | Compared to the plan | Compared to the previous year |
| 1. Total revenue | 537.00 | 567.74 | 557.61 | 534.67 | 509.47 | 105.7% | 106.18% |
| - Revenue from investigation, design, construction & erection and others | 350.00 | 351.79 | 341.67 | 320.08 | 294.88 | 100.5% | 109.91% |
| - Revenue from selling power from Song Bung 5 HPP | 187.00 | 215.95 | 215.94 | 214.59 | 214.59 | 115.5% | 100.63% |
| 2. Total costs and costs of goods sold | | 458.51 | 436.78 | 439.10 | 401.90 | | 104.42% |
| Including | | - | - | - | - | | |
| Cost of goods sold | | 348.45 | 339.46 | 357.74 | 328.19 | | 97.40% |
| Financial costs | | 25.26 | 33.33 | 38.04 | 45.58 | | 66.41% |
| of which: interest expenses | | 21.49 | 22.94 | 37.77 | 37.07 | | 56.90% |
| Business management costs | | 74.66 | 55.31 | 41.58 | 26.57 | | 179.56% |
| Selling costs, other costs | | 10.14 | 8.69 | 1.74 | 1.55 | | 581.05% |
| 3. Total accounting profit before tax | 108.5 | 109.23 | 120.83 | 95.57 | 107.57 | 100.7% | 114.29% |
| Profit before tax from investigation, design services | | (4.06) | 7.54 | (10.60) | 1.40 | | |
| Profit before tax from power production | | 113.29 | 113.29 | 106.17 | 106.17 | | |
| 4. Current corporate income tax expenses | | 21.73 | 21.23 | 27.36 | 27.14 | | |
| 5. Profit after tax | 84.8 | 87.50 | 99.59 | 68.21 | 80.43 | 103.2% | 128.28% |
| Profit after tax from investigation, design services | | (4.73) | 7.36 | (16.72) | (4.50) | | |
| Profit after tax from power production | | 92.23 | 92.23 | 84.93 | 84.93 | | |

- The Company's production and business results on the 2024 audited financial statements are given as below:

+ At parent company: Total revenue reached VND 557.61 billion; pre-tax profit reached VND 120.83 billion; after-tax profit reached VND 99.59 billion

+ The whole company (consolidated financial statements): Total revenue reached VND 567.74 billion (reached 105.7% of the plan assigned by the General Meeting of Shareholders); pre-tax profit reached VND 109.23 billion (reached 100.7% of the plan

assigned by the General Meeting of Shareholders); after-tax profit reached VND 87.50 billion (reached 103.2% of the plan assigned by the General Meeting of Shareholders)

- Production and business results in 2024 by each production field are as given below:

+ Regarding power production and business activities (Song Bung 5 Hydropower Plant): Power sales revenue reached VND 215.95 billion, an increase of VND 1.35 billion compared to the same period in 2023. Profit after tax from power production and business reached VND 92.23 billion, an increase of VND 7.3 billion compared to the same period in 2023.

+ Regarding investigation and design activities and other activities:

(i). Parent company, revenue from investigation and design reached VND 338.30 billion, an increase of VND 45.4 billion compared to the same period in 2023 (up 15.5%); revenue from financial activities and others was VND 3.37 billion. Profit after tax from investigation and design reached VND 7.36 billion.

(ii). Whole Company (Consolidated Financial Statements): The revenue from investigation & design was VND 348.35 billion, an increase of VND 29.67 billion compared to the same period in 2023; revenue from financial activities and others was VND 3.45 billion. The investigation and design activities suffered a loss of VND 4.73 billion.

2.2.2 Provision expenses:

Table 3. Summary of additional provision expenses

Unit: billion VND

| No. | Interpretation | Consolidated financial statement as of December 31, 2024 | Separate financial statement as of December 31, 2024 |
|-----|---|--|--|
| 1 | Provision for short-term doubtful receivables | 40.10 | 23.45 |
| 2 | Provision for devaluation of inventory | 7.73 | 3.79 |
| 3 | Provision for long-term financial investments | | 8.77 |
| | Total | 47.83 | 36.01 |

In 2024, PECC1 made additional provisions of VND 36.01 billion at the parent company, including: VND 23.45 billion for doubtful short-term receivables, VND 3.79 billion for inventories and long-term materials and equipment, and VND 8.77 billion for long-term financial investments. Total additional provisions on the consolidated financial statements are VND 47.83 billion, including provisions for its one-member companies. 04 one-member companies are in financial difficulty, and the 2024 financial statements of them have been excepted by auditor. PECC1 is monitoring the financial status of these one-member companies and considering solutions to restructure them.

2.2.3 Payables:

At the end of 2024, the total payables on the consolidated financial statements were VND 646.38 billion, a decrease of VND 162.52 billion compared to the beginning of the year. At the parent company, it was VND 592.76 billion, a decrease of VND 160.06 billion compared to the beginning of the year.

Of which, the biggest decrease was the repayment of bank loans (a decrease of VND 154.17 billion), thereby reducing the pressure on interest rates; besides, a decrease on employees salary debts (a decrease of VND 33.23 billion). However, it is still necessary to continue to pay attention to the outstanding payables that account for a large proportion, including: (i) Personal loans of VND 127.58 billion; (ii) Long-term employee salary debts of VND 84.82 billion.

In 2024, the Company was subject to tax arrears collection for the period 2018-2023 of more than VND 17 billion, which negatively impacted the profits of the respective years.

2.3 Basic financial indicators

Table 4. Basic financial indicators

| No. | Indicators | Unit | Consolidated | | Parent Company | |
|----------|---|------|--------------|-------|----------------|--------|
| | | | 2023 | 2024 | 2023 | 2024 |
| 1 | Asset structure | | - | - | | |
| | - Long-term assets/Total assets | Time | 0.53 | 0.55 | 0.56 | 0.58 |
| | - Current assets/Total assets | Time | 0.47 | 0.45 | 0.44 | 0.42 |
| 2 | Capital structure | Time | | | | |
| | - Liabilities/Total capital | Time | 0.70 | 0.62 | 0.68 | 0.59 |
| | - Owner's equity/Total capital | Time | 0.30 | 0.38 | 0.32 | 0.41 |
| | - Liabilities/ Owner's equity | Time | 2.30 | 1.64 | 2.08 | 1.42 |
| 3 | Solvency | Time | | | | |
| | - Instant payment ability (Cash & Cash equivalents/Current liabilities) | Time | 0.04 | 0.07 | 0.04 | 0.07 |
| | - Quick payment ability (Current assets - Inventory/Current liabilities) | Time | 0.81 | 0.68 | 0.83 | 0.73 |
| | - Current debt payment ability (Total Current assets/Current liabilities) | Time | 1.00 | 0.87 | 0.99 | 0.89 |
| 4 | Efficiency | | | | | |
| | - Rate of profit after tax/Total assets (ROA) | % | 5.9% | 8.4% | 7.22% | 9.87% |
| | - Rate of profit after tax/Revenue (ROS) | % | 12.8% | 15.4% | 15.79% | 17.86% |
| | - Rate of profit after tax/ Owner's equity (ROE) | % | 20.5% | 23.5% | 22.38% | 24.72% |

Important financial indicators as of December 31, 2024 are as follows:

a. Debt ratio:

- Debt/Owner's equity ratio as of December 31, 2024 meets the regulation of less than 3 times (Parent company is 1.42 times and consolidated is 1.64 times), the Company's liabilities are mainly personal loans and employee salary loans.

b. Solvency:

- Debt payment capacity ratio as of December 31, 2024: consolidated 0.87 times, parent company 0.89 times (<1 and decreased compared to the beginning of the year)
- The Company needs to note that short-term debts are exceeding short-term assets by VND 67.46 billion. The Company needs to have a suitable cash flow management plan to ensure the ability to pay due debts.

c. Capital efficiency:

ROA of parent company is 9.87%, ROE of parent company is 24.72%.

III. REPORT ON EVALUATION OF THE 2024 PERFORMANCE RESULTS OF MB, AND BOARD OF DIRECTORS

The MB and Board of Directors have performed their functions and duties in accordance with the provisions of law, the Company's Charter, Resolution of the General Meeting of Shareholders and internal regulations, and have actively contributed to the stability and sustainable development of the Company.

The MB has performed its role of supervising, orienting and directing the Board of Directors in management of production and business activities, ensuring that the Company operates in accordance with its strategy, complies with the law and achieves key objectives. Issues arising under the authority of the MB have been carefully considered, discussed and handled promptly and in accordance with regulations.

The MB successfully organized the 2024 Annual General Meeting of Shareholders; directed the Board of Directors to implement the 2024 production and business plan, ensuring the completion of the plan assigned by the General Meeting of Shareholders.

The MB operates with a high sense of responsibility, prudence and for the common interests of the Company and shareholders. The MB has promptly issued important resolutions and decisions, contributing to promoting production and business activities, improving corporate governance efficiency. The MB has organized direct meetings or consulted Board members in writing, the MB has approved and issued 31 Resolutions, 24 Decisions approving contents under its authority.

The Board of Directors has been proactive and flexible in implementing the resolutions and instructions of the MB, solutions to save costs and improve operational efficiency, production and business targets assigned by the General Meeting of Shareholders. In addition to business results, the Board of Directors also focuses on improving labor productivity, improving working environment, ensuring employees' income and welfare policies.

Based on supervision results, in order to make financial management and corporate governance more effective in the coming time, minimizing risks in production and business activities; within the scope of its authority and responsibility, the SB would like to recommend the General Meeting of Shareholders to direct the Company on the following contents:

- Continue to maintain and improve the production and business efficiency, actively promote internal resources, develop the Company, create stable jobs for employees.
- Direct regular and complete debt reconciliation, actively collect debts, especially due and overdue receivables, and advance debts; assess potential risks for unfinished production and business expenses, bad debts, and financial investments in subsidiaries; Review payable debts and overcome existing problems in borrowing, ensure assets, rights and legitimate interests of the Company, avoid legal risks; strengthen risk control in personal temporary advances, ensure compliance with regulations; regularly review the reasonableness, validity and legality of expenses, provisioning, ensure no tax risks and other risks in compliance with the law.
- Review and complete legal procedures for real estate facilities of the Company and of the One-member companies that are being managed and used.
- Set-up the restructuring plans for subsidiaries, conduct the special financial supervision of one-member companies, direct the one-member companies to implement plans to overcome financial situations, and comply with regulations.

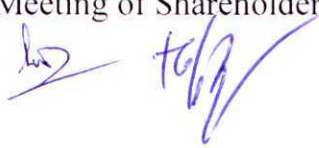
V. WORK PLAN OF SB FOR THE YEAR 2025

Based on its functions and duties, the SB proposes the 2025 Work Program for the SB for consideration and approval by the General Meeting of Shareholders as follows:

- Supervise the MB and the Board of Directors in managing the company's production and business activities; supervise implementation of the Resolution of the General Meeting of Shareholders in 2025 and implementation of Resolutions/Decisions and directions of the MB.
- Supervise production and business activities and financial situation of the Company; compliance with the law of the MB, Board of Directors in the first 6 months of 2025 and the whole year of 2025.
- Inspect and supervise implementation of the Company's financial supervision of its one-member companies
- Supervise the independent audit unit to audit financial statements for the first 6 months of 2025 and financial statements for 2025.
- Attend and participate in discussions at the meetings of the General Meeting of Shareholders, the MB, monthly meetings of the Board of Directors, quarterly summary meetings and other meetings of the company as prescribed.
- Implement periodic (or ad hoc) control programs according to the functions, powers and responsibilities of the SB as prescribed in the Company's Charter, the SB's Operating Regulations and relevant legal regulations.

The above is the report respectfully submitted by the Company's SB to the 2025 Annual General Meeting of Shareholders for consideration and approval.

Sincerely./.



Cc:

- As mentioned above;
- MB;
- P7 (for posting Website);
- Archives: SB.

**ON BEHALF OF SB
HEAD OF SB**



Nguyen Hong Quang