

BCG ENERGY JSC

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THE SOCIALIST REPUBLIC OF VIETNAM**Independence – Freedom – Happiness**

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No: 54/2025/CV-BGE

Ho Chi Minh City, July 18, 2025

*V/v: Explanation of Business Performance
and Qualified Opinion in the 2024 Audited
Financial Statements*

**To: THE STATE SECURITIES COMMISSION
HANOI STOCK EXCHANGE**

- Pursuant to Circular No. 96/2020/TT-BTC issued on November 16, 2020, by the Ministry of Finance regarding information disclosure in the securities market; and
- Pursuant to the 2024 audited separate and consolidated financial statements.

BCG Energy Joint Stock Company (BGE) provides explanation regarding the business performance and the qualified audit opinion in the 2024 audited separate and consolidated financial statements as follows:

1. Profit after corporate income tax in the statement of profit and loss for the reporting period decreased by 10% or more compared to the same period of the previous year, and shifted from profit to loss:

Unit: Million VND

Financial statements type	Profit after tax			
	2024	2023	Difference (1) compared to (2)	The percentage difference (1) compared to (2)
	(1)	(2)	(3)= (1) - (2)	(4)= (3)/(2)*100
Separate financial statements	(859,478,678,792)	121,775,534,238	(981,254,213,030)	-
Consolidated financial statements	(766,019,596,581)	(152,720,426,064)	(613,299,170,517)	402%

Our explanation as follows:

Separate financial statements:

According to the information disclosed by Bamboo Capital Group Joint Stock Company, on February 28, 2025, a former executive of the Group was prosecuted by the authorities. In connection with this event, a member of the Supervisory Board of the Company was also prosecuted, and the Company has made information disclosures in accordance with applicable regulations.

As the Company is considered a related party in an ongoing investigation, transactions with related parties, as well as investment activities and receivables, have been re-evaluated based on information that became available after the completion and publication of the Company’s self-prepared 2024 financial statements.

In light of recent developments in business conditions and the Company’s plan for financial and operational restructuring towards a leaner model, the Company has made provisions for receivables and investments under business cooperation contracts, in accordance with the principle of utmost prudence.

At the same time, the Company has not recognized profit distributions from jointly-operated projects, as no cash had been received as of the date of preparation of the financial statements.

These adjustments have significantly affected the Company’s profit after corporate income tax compared to the same period of the previous year.

Consolidated financial statements:

The Parent Company and its subsidiaries increased provisions for investments and did not recognize profit distributions from jointly-operated projects due to the absence of actual cash receipts at the time of preparing the financial statements. These were the main reasons for the significant decline in profit after corporate income tax on the Company’s consolidated financial statements compared to the same period of the previous year.

2. The profit after tax for the reporting period changed by 5% or more between the pre-audit (or review) and post-audit (or review) results, and shifted from profit to loss or vice versa:

Financial statements type	Profit after tax			
	Unaudited figures for 2024	Audited figures for 2024	Increase/Decrease Difference (+/-) Between Pre-audit and Post-audit	
			Amount (VND)	%
Separate financial statements	262,346,720,805	(859,478,678,792)	(1,121,825,399,597)	-
Consolidated financial statements	394,320,363,622	(766,019,596,581)	(1,160,339,960,203)	-

Our explanation as follows:

The Company's self-prepared financial statements for 2024 were completed on January 24, 2025, based on the information available as of the date of preparation.

As of the date of preparation and issuance of the audited financial statements on July 18, 2025, and in light of the Company's circumstances as explained in Section 1, the Company, following the principle of utmost prudence, conducted a comprehensive reassessment of the available information. This decision was made to fully reflect potential risks, given the presence of various uncertainties that require careful consideration based on the data available at the reporting date.

Simultaneously, the Company did not recognize profit distributions from jointly-operated projects, as no cash had been received as of the date of preparing the audited financial statements.

These adjustments have significantly impacted the Company's profit after corporate income tax compared to the pre-audit financial statements.

3. Qualified Audit Opinion

In the 2024 audited separate and consolidated financial statements, Moore AISC Auditing and Informatics Services Co., Ltd. issued a qualified opinion. The Company hereby provides the following detailed explanation:

Issue 1:

“Regarding deposits for share purchases, advances, and business cooperation contracts as disclosed in the consolidated financial statements, we noted the following matters:

As of December 31, 2024, the receivable from the deposit for share purchase amounted to VND 39,000,000,000 (Note V.4.(iii)) between BCG Vinh Long Joint Stock Company (a subsidiary) and Tracodi Construction Group Joint Stock Company (formerly: Industrial Development and Transport Investment JSC).

Advances were recorded by BCG Dien Bien Dong Wind Power JSC and Aton JSC (subsidiaries) to Mr. Dang Dinh Quyet (Deputy CEO of BCG Energy) totaling VND 34.99 billion (Note V.4.(iv)) on May 24, 2024 and June 29, 2024. These advances were paid by bank transfer immediately after BCG Energy and other shareholders contributed capital into the subsidiaries.

As of December 31, 2024, the receivables from business cooperation contracts amounted to VND 3,210,481,000,000 (Note V.4.(v)) between several subsidiaries within the Group and various partners for the development of wind power, waste-to-energy, and waste treatment projects.

We were unable to obtain sufficient appropriate audit evidence regarding: the execution of share purchase deposit contracts/agreements; the cash flow utilization progress under the BCCs by the partners; the purpose of advances made to Mr. Dang Dinh Quyet; and the recoverability of the aforementioned deposits, advances, and BCC receivables. The total value of these items is VND 3,284,471,000,000, accounting for 17.9% of the Group's total consolidated assets.

In addition, we were also unable to obtain documentation showing that the business cooperation transaction between BCG Thanh Hoa Energy JSC (a subsidiary) and Tam Sinh Nghia Investment and Development JSC (an associate), along with the related deposits and advances, had been officially approved by the Boards of Directors of the respective companies in accordance with their charters and applicable laws. This may affect the validity of the recognized business cooperation contracts, share purchase deposits, and advances on the consolidated financial statements.

Accordingly, we were unable to determine the necessary adjustments, if any, to these receivables or any other possible effects on the consolidated financial statements of the Group.”

Our explanation as follows:

Regarding the advances made by BCG Dien Bien Dong Wind Power Joint Stock Company and Aton Joint Stock Company to Mr. Dang Dinh Quyet for the purpose of covering expenses related to project implementation.

As of December 31, 2024, the receivables from Business Cooperation Contracts amounted to VND 3,210,481,000,000. These were transactions between several subsidiaries and associates within the Group and business partners for the purpose of investing in and developing wind power projects, waste-to-energy plants, and waste treatment facilities, as disclosed in the notes to the financial statements.

Currently, the Company is working with competent authorities regarding the prosecution involving the parent company, as well as changes in senior personnel. Consequently, the Company faces limitations in accessing the necessary documentation to explain to the audit firm and to provide sufficient evidence supporting the recoverability of these assets. Nevertheless, the Company remains confident that these transactions will be realized in the future.

Issue 2:

"As of the date of this report, we have not received sufficient confirmations for the following balances:

Item	Balance as of 31/12/2024	
Prepayments to suppliers	142.937.642.745 VND	Explanation at item V.3
Trade payables	467.527.982.231 VND	Explanation at item V.15
Other payables	974.721.322.617 VND	Explanation at item V.17

Alternative audit procedures also did not provide sufficient basis to assess the completeness of these payables, or their possible effects on other items in the consolidated financial statements.”

Our explanation as follows:

The Company has sent multiple confirmation requests to these partners but has not received any responses to date. Relevant documents, including contracts, agreements, and payment vouchers, have been provided

to the audit firm. The Company intends to make further efforts to contact the partners and arrange the necessary financial resources to settle outstanding obligations with them soon.

The company respectfully reports this to the State Securities Commission and Hanoi Stock Exchange.
Thank you and Best regards!

Recipients:

- *As above*
- *Archive: BSD, IRD*

BCG ENERGY JSC
LEGAL REPRESENTATIVE



PHẠM MINH TUẤN

