

**SOUTHERN GAS TRADING JOINT  
STOCK COMPANY**

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# **ANNUAL REPORT 2024**

**Hồ Chí Minh City, April 2025**

## GAS SOUTH – 2024 ANNUAL REPORT

**Theme: Slogan: "Gas South – Clean Energy, Green Future"**

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**I. LIST OF ABBREVIATIONS:**

<b>ABBREVIATIONS</b>	<b>FULL NAME</b>
PetroVietnam/ Group	VIETNAM OIL AND GAS GROUP
PV Gas/ Gas Corporation	PETROVIETNAM GAS JOINT STOCK CORPORATION
Company/ Gas South	SOUTHERN GAS TRADING JOINT STOCK COMPANY
VT Gas Company/ VT Gas	VT GAS - VIET NAM LIQUEFIED GAS COMPANY LIMITED
GMS	General Meeting of Shareholders
BOD	Board of Directors
BOGD	Board of General Directors
BOS	Board of Supervisors
BOM	Board of Managements
CNG	Compressed Natural Gas
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
ISO	ISO Standard
OHSAS	Occupational Health and Safety Management System
PRU	Pressure Reducing Unit

## **II. MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS:**

Dear Valued Shareholders, Partners, and Customers,

On behalf of the Board of Directors of Southern Gas Trading Joint Stock Company (Gas South), I would like to extend my sincerest wishes for good health, happiness, and success to our esteemed Shareholders, Partners, and Customers.

The year 2024 concluded with numerous challenges for both Vietnam's economy and the gas industry. However, amidst these difficulties, Gas South has demonstrated resilience not only maintaining stability but also achieving remarkable progress.

Your trust and support, combined with the spirit of innovation and determination of our leadership and employees, have empowered Gas South to proactively navigate challenges, seize opportunities, and adapt flexibly to market fluctuations. Notably, Gas South has accelerated digital transformation, optimized operational processes, enhanced productivity, and improved management efficiency. Thanks to our well-executed strategy and unwavering commitment, the company has successfully met most of the targets set by the General Meeting of Shareholders, with a profit of VND 148.86 billion, surpassing the plan by 12.14%.

This achievement not only underscores Gas South's solid growth but also reaffirms our commitment to delivering sustainable value to our Shareholders, Partners, and Customers.

We sincerely appreciate your continued trust and support. It is this strong partnership that has enabled us to accomplish significant milestones over the past year. As we step into the 25th year of our journey, Gas South remains committed to transparency, stability, and efficiency in all business operations, while striving to maximize value for our Shareholders, Partners, and Customers.

With your continued support, we are confident that together we will achieve even greater success in the future.

Sincerely,

**On behalf of the Board of Directors**

**Chairman**

**Phan Quoc Nghia**

### III. KEY HIGHLIGHTS OF 2024:

- **CNG output:** 146.24 million Sm<sup>3</sup>
- **LPG output:** 203,410 tons, including:
  - **Household LPG:** 137,356 tons
  - **Bulk LPG:** 66,054 tons
- **Total consolidated revenue:** VND 6,683.18 billion
- **Profit before tax:** VND 148.86 billion
- **Newly manufactured gas cylinders:** 194,121

### IV. GENERAL INFORMATION:

#### 1. OVERVIEW:

- Company name : CÔNG TY CỔ PHẦN KINH DOANH KHÍ MIỀN NAM
- English name : Southern Gas Trading Joint Stock Company
- Abbreviation : GAS SOUTH JSC
- Stock code : **PGS**
- Listing date : 15/11/2007
- Stock exchange : HNX
- Logo :



- Business registration certificate No. 0305097236, first issued by the Department of Planning and Investment of Ho Chi Minh City on July 25, 2007, registered for the 23rd change on August 11, 2022.
- Charter capital : VND 500 billion
- Owner's equity : VND 1,014,741,766,358 (as of December 31, 2024)
- Head office : 4th Floor, PetroVietnam Tower, No. 1 - 5 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

- Phone : (84.28) 3910.0324 - 3910.0108
- Fax : (84.28) 3910.0165
- Website : [www.pgs.com.vn](http://www.pgs.com.vn)
- History and development:

### **2000: SOUTHERN GAS ENTERPRISE ESTABLISHMENT**

The predecessor of Southern Liquefied Petroleum Gas Trading Joint Stock Company (now known as Southern Gas Trading JSC) was the Southern Gas Products Trading Enterprise, which was a subsidiary of the Gas Processing and Trading Company (PV Gas). It was established on March 28, 2000, under Decision No. 389/QĐ-HĐQT by the Board of Directors of the Vietnam Oil And Gas Corporation (now the Vietnam Oil and Gas Group)

### **2006: SOUTHERN LIQUEFIED GAS COMPANY ESTABLISHMENT**

On April 12, 2006, Southern Liquefied Gas Trading Company (Gas South) was established based on the Southern Gas Products Trading Enterprise under PV Gas and the Liquefied Gas Trading Division of Petrochemical Trading Company (Petechim)

### **2007: JOINT STOCK COMPANY MODEL OFFICIALLY OPERATES AND LISTED ON HNX**

The company officially operated under the joint-stock company model on July 25, 2007, with a charter capital of VND 150 billion. In the same year, 15 million shares of the company were listed on the Hanoi Stock Exchange (HNX) under the stock code PGS.

Awarded Certificates for Quality Management System, Environmental Management System, and Occupational Health and Safety Management System

Gas South was recognized by the British Standards Institute (BSI) and certified for the Quality Management System ISO 9001:2000, Environmental Management System ISO 14001:2000, and Occupational Health and Safety Management System OHSAS 18001:2000, with continuous upgrades to new versions in the following years.

### **2009: PIONEER IN NATURAL GAS COMPRESSION (CNG) TRADING**

Gas South was a pioneer in introducing compressed natural gas (CNG) products to the market, meeting the fuel needs of industrial zones and transportation vehicles.

### **2011: INCREASED CHARTER CAPITAL TO VND 380 BILLION**

Successfully issued 22,124,400 shares, equivalent to a value of VND 221.244 billion, to existing shareholders, employees, and strategic investors, raising the company's charter capital to VND 380 billion.

#### **2015: CELEBRATED 15 YEARS OF ESTABLISHMENT – INCREASED CHARTER CAPITAL TO VND 500 BILLION**

After 15 years of operation, the company's LPG business production reached over 230,000 tons/year, with revenue reaching VND 6,000 billion and continued strong growth.

Issued an additional 12,000,000 shares to existing shareholders, equivalent to a value of VND 120 billion from the owner's equity, increasing the company's charter capital to VND 500 billion.

#### **2016: RESTRUCTURING THE ORGANIZATIONAL STRUCTURE – COMPANY NAME CHANGE**

Focused on restructuring the organizational structure by completely divesting from Vietnam CNG Joint Stock Company, converting Vietnam Liquefied Gas Single Member LLC into VT Gas Branch, and transforming Eastern Gas Trading LLC into the Eastern Branch. At the same time, Gas South officially changed its name to Southern Gas Trading Joint Stock Company in May 2016.

#### **2017: EXCEPTIONAL BUSINESS GROWTH**

After a year of restructuring, the company's business operations saw remarkable growth. Total revenue exceeded VND 6,000 billion, reaching VND 6,101.5 billion, which was 128.6% of the plan and a 13.5% growth compared to 2016. Pre-tax profit was recorded at VND 138.2 billion, achieving 110.4% of the annual plan. The implementation of the 5S program at the company's office block, Dong Nai Branch, and Binh Khi Branch was completed on June 20, 2017, and the program continued to be rigorously maintained at other units

#### **2019: LEADING LPG, CNG, AND LPG CYLINDER TRADING COMPANY IN VIETNAM**

After nearly 20 years of formation and development, Gas South has become the leading company in LPG, CNG, and LPG cylinder trading in Vietnam. In 2019, it provided the market with 312,724 tons of LPG, 413,666 LPG cylinders, and nearly 139 million Sm<sup>3</sup>

of CNG, with revenue reaching VND 6,391.8 billion. Gas South built a reputable brand and six LPG cylinder trademarks: Gas Dầu khí, VT – Gas, A Gas, JP Gas, Dak Gas, and Dang Phuoc Gas, trusted by business partners and consumers.

## **2020: ORGANIZATIONAL INNOVATION, RESTRUCTURING THE COMPANY, STABILIZING DEVELOPMENT**

The Extraordinary General Shareholder Meeting at the end of 2019 made significant changes to the company's leadership. In 2020, Gas South underwent restructuring by establishing Vietnam Liquefied Gas Company - VT Gas, based on reorganizing the Eastern Branch and VT Gas Branch; The company has streamlined its organizational structure, reducing the number of functional departments from 6 to 5, redefined the LPG business areas, and adjusted the workforce allocation to optimize management operations and enhance business efficiency. The company has developed a salary and bonus policy based on production output and linked to business performance, while simultaneously implementing a range of measures to improve product quality.

In 2020, the company celebrated its 20th anniversary and launched the "Gas South" brand identity, featuring a new logo and the slogan "Gas South – Natural Energy," marking a new phase in the company's development journey. Following the brand identity launch, the Gas South-branded product line received a positive reception from the market and was highly regarded for the significant improvements in product quality.

In the same year, the company implemented a series of measures, including: enhancing the cleaning process of LPG cylinders before refilling, increasing the rate of repainting LPG cylinders according to new standards, and improving the filling conveyor system to eliminate factors that could affect the quality of the cylinders. Additionally, the company introduced and strictly enforced the LPG Quality Standard, ensuring that every LPG cylinder delivered to customers is safe, high-quality, and well-presented. As a result, the company's products and services were elevated to a new level, gaining the trust and high regard of customers.

## **2021: SYSTEMATIZING INTERNAL MANAGEMENT PROCESSES - ADAPTING TO THE NEW SITUATION**

The Covid-19 pandemic severely impacted both the domestic and global economies. Particularly, the fourth wave of Covid-19 caused thousands of businesses to struggle,



and Gas South was also heavily affected by the disruptions in transportation and the movement of LPG and CNG, the erratic and rising prices of crude oil at the end of the year, and other challenges. However, Gas South made relentless efforts to overcome the pandemic successfully, maintaining its position as one of the leading LPG trading companies in Vietnam.

After more than a year of restructuring, Gas South saw improvements in the organization of human resources, increased labor efficiency, and improved production and business performance. The company emphasized human resource management, implemented a human resource management strategy, and systematized and standardized internal management regulations and processes. Continuous improvements were made to the salary and bonus policies, adapting to actual circumstances and motivating employees to remain committed to the company.

Gas South continued to strengthen its market leadership in the gas products sector, timely adopting LNG technology to anticipate LNG products. The company also enhanced its sales service quality, from LPG cylinder cleaning and delivery to standardizing LPG quality to meet the needs of different customer groups, while promoting its brand as a professional distributor with a leading reputation in the bottled LPG business. Gas South also successfully applied information technology solutions to management and control systems to reduce operational costs.

## **2022: DIGITAL TRANSFORMATION - REALIZING THE SUSTAINABLE DEVELOPMENT GOALS OF GAS SOUTH**

The year 2022 was particularly challenging due to the ongoing supply chain disruptions after the Covid-19 pandemic and the conflict between Russia and Ukraine, which caused significant volatility in the gas market. Despite these dual challenges, Gas South took proactive measures to reduce costs and improve operational efficiency. In early 2022, Gas South made the decision to undergo a comprehensive digital transformation, building a solid foundation for sustainable development. This marked a determined start as Gas South officially entered the digital revolution with the partnership of FPT Digital, a subsidiary of FPT Group, a leading company in digital transformation consulting. The digital transformation aimed to accelerate Gas South's growth by combining human capabilities with new technologies. The company implemented digital initiatives and solutions across all stages and levels, aiming to meet specific targets set in its digital

transformation roadmap. This initiative helped improve all aspects of operations and business, further driving strong growth. Successful digital transformation not only optimized business operations but also helped build a digital culture within the organization, develop talented human resources, and create entirely new capabilities. Moreover, it allowed Gas South to realize its strategic environmental and social goals for sustainable development in the future..

### **2023: FOCUSING ON THE DEVELOPMENT OF NEW PRODUCTS - LNG (LIQUEFIED NATURAL GAS)**

In order to proactively embrace the shift towards the use of liquefied natural gas (LNG) in Vietnam's energy transition, Gas South began researching the LNG supply project for existing and potential customers in the Eastern and Southwestern regions of Vietnam starting in 2020. During the year, Gas South focused on investing in and constructing LNG stations at customer facilities in the provinces of Dong Nai, Binh Duong, and Long An.

In 2023, Gas South inaugurated the Khanh Hoa LPG Filling Station with a capacity of 2,700 tons of LPG per month and a repainting capacity of 12,000 cylinders per month. The Khanh Hoa LPG Filling Station marked a new milestone in Gas South's development, creating a modern, safe, and reliable filling station model, strengthening the company's reputation in the LPG market in Vietnam, particularly in the South Central region.

### **2024: SHIFTING TO CLEAN ENERGY WITH LNG**

Continuing the journey towards LNG clean energy transition from 2023, in 2024, Gas South successfully completed the construction and trial operation of three LNG refueling stations. With this advancement, Gas South became one of the few companies in Vietnam capable of simultaneously supplying three important fuels: LNG, CNG, and LPG, meeting the diverse needs across domestic, industrial, and transportation sectors. Not only has Gas South solidified its position domestically, but it has also expanded its market internationally through gas cylinder exports. Notably, the company pioneered the production and launch of the cold gas cylinder, a specialized solution for storing and dispensing gas for air conditioning units. With this achievement, Gas South proudly

became the first and only company in Vietnam to successfully manufacture cold gas cylinders, further cementing its leadership in the clean energy sector

Other Events:

#### AWARDS AND ACHIEVEMENTS:

- EXCELLENT UNIT IN THE EMULATION MOVEMENT OF 2012, 2014 – By the Ministry of Industry and Trade.
- SECOND CLASS LABOR ORDER – Awarded by the President of Vietnam in 2012
- BINH KHI BRANCH — GAS SOUTH: First company in Vietnam to be granted the DOT certificate by the U.S. in LPG cylinder manufacturing.
- EXCELLENT UNIT IN THE EMULATION MOVEMENT OF 2015 – By the Government.
- TOP 30 MOST TRANSPARENT COMPANIES 2015-2016 – By the Hanoi Stock Exchange (HNX).
- BRAND TRUST CERTIFICATION - TRUSTED BRAND 2016 – Awarded by the International Certification and Evaluation Organization Interconformity (Germany) and the Vietnam Business Institute Trade Union Council.
- TOP 10 LISTED COMPANIES ON HNX EXCELLING IN CORPORATE GOVERNANCE IN 2022-2023
- TOP 5 BEST ANNUAL REPORTS 2021, 2022 MIDCAP – Organized by the Ho Chi Minh Stock Exchange (HOSE) and Investment Securities Newspaper.
- VIETNAM HIGH-QUALITY PRODUCTS CERTIFICATION – By the Vietnam High-Quality Goods Business Association, awarded on 14/03/2024, voted by consumers

## 2. BUSINESS SECTORS AND OPERATIONAL AREAS

- BUSINESS SECTORS:

- Retail of liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG).
- Export, production of metal containers for compressed gases and liquefied petroleum gas, gas cylinders (excluding plating).

- Cargo transportation using specialized vehicles; cargo handling services.
- Electricity production; transmission and distribution of electricity.
- Construction and investment consulting for liquefied petroleum gas (LPG), liquefied natural gas (LNG), compressed natural gas (CNG) plants and gas industry projects; exploitation of liquefied petroleum gas (LPG) related facilities; completion of construction works.
  - Wholesale of machinery, equipment, and other machine parts; real estate business; wholesale of fertilizers; renting of machinery, equipment, and other tangible assets without operators; cargo handling.
  - Export and import of liquefied petroleum gas (LPG), compressed natural gas (CNG); sale of liquefied petroleum gas (LPG), liquefied natural gas (LNG), compressed natural gas (CNG), gas products, and materials, equipment, and vehicles serving transportation, storage, bottling, and trade of liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG); business and maintenance of facilities related to liquefied petroleum gas (LPG), liquefied natural gas (LNG), compressed natural gas (CNG); wholesale of compressed natural gas (CNG), liquefied natural gas (LNG).
  - Repair of metal containers, tanks, and cylinders (liquefied petroleum gas cylinders); painting, maintenance, and repair: storage tanks, pipelines, gas storage facilities; repair of machinery, equipment, and maintenance of liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG) related facilities.
  - Installation of water supply and drainage systems, heating, and air conditioning systems. Services related to liquefied petroleum gas (LPG), liquefied natural gas (LNG), compressed natural gas (CNG), and gas products in the industrial, civil, and transportation sectors; construction of water supply and drainage works; construction of electrical works; construction of telecommunications and communication works; construction of public utility works; construction of hydraulic works; construction of mining works; construction of processing and manufacturing works; construction of other civil engineering works.
  - Consulting on other technologies. Technology transfer related to liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG).

- Architectural activities and related technical consulting. Design of liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG) systems in industrial, civil, and transportation sectors.

- Production, filling, and distribution of liquefied petroleum gas (LPG); production, filling, and distribution of compressed natural gas (CNG); production, filling, and distribution of liquefied natural gas (LNG). Filling LPG into storage tanks, filling LPG into cylinders, filling LPG into tank trucks, and filling LPG into other equipment and systems, filling CNG/LNG into CNG/LNG cylinders, filling CNG/LNG into cars and other equipment, systems, and vehicles

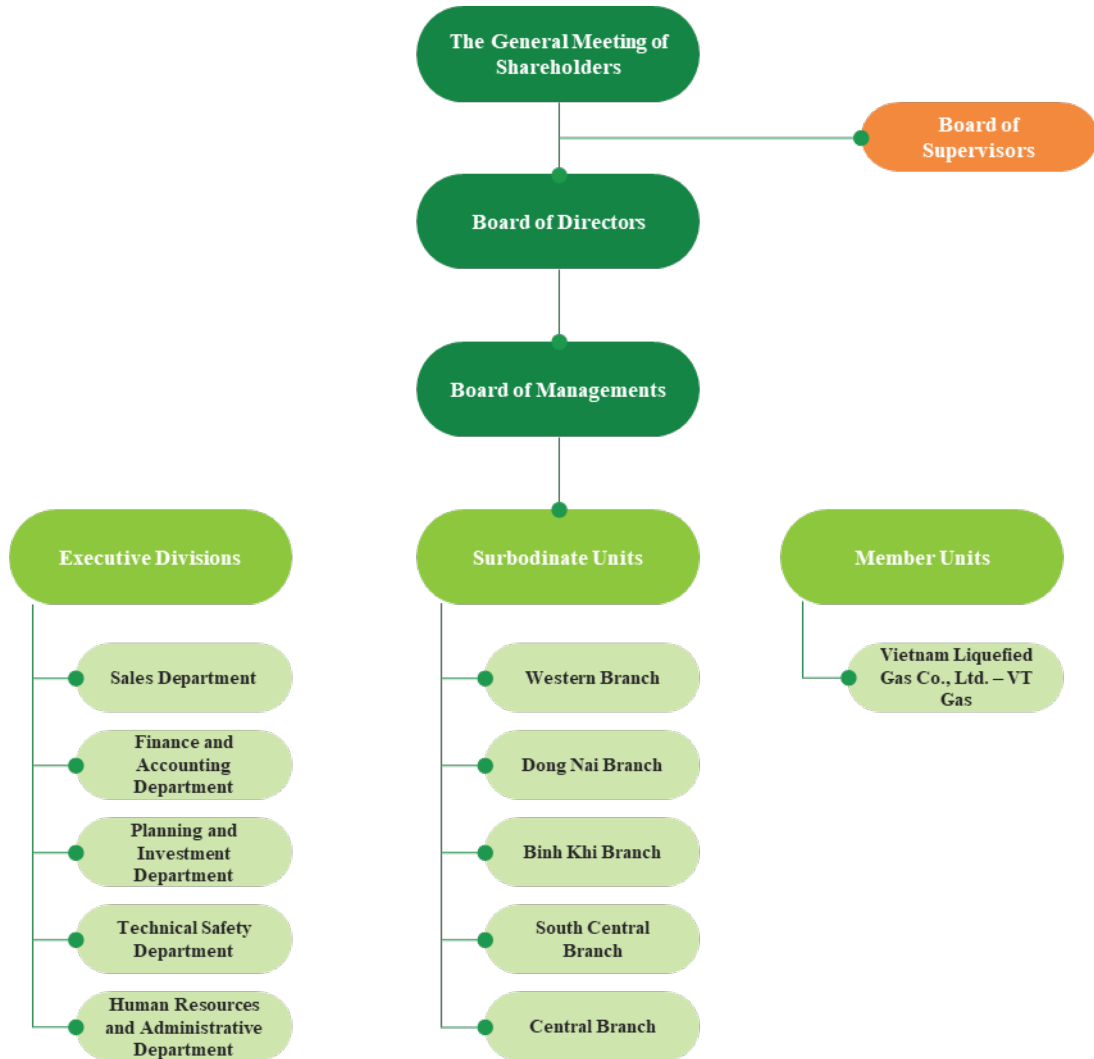
- OPERATIONAL AREAS:

Gas South's products have been available on the market since 2000. After more than 24 years of operation and development, Gas South has built a strong and flexible business network extending from Ca Mau to Nghe An.

### 3. INFORMATION ABOUT MANAGEMENT MODEL, BUSINESS ORGANIZATION, AND MANAGEMENT STRUCTURE:

#### - MANAGEMENT MODEL:

Currently, the company operates under the model of: General Meeting of Shareholders, Board of Directors, Board of Supervisors, and General Director.



- Subsidiary company: To promote comprehensive development and enhance competitiveness, the Company currently owns the following subsidiary:

Company Name: Vietnam Liquefied Gas Co., Ltd. – VT Gas

Address: Room 606, 6th Floor, Waseco Building, No. 10 Pho Quang, Ward 12, Tan Binh District, Ho Chi Minh City

Phone: (028) 3997 6821; (028) 3997 6822; (028) 3998 5637

Fax: (028) 3997 6823; (028) 3844 5906; (028) 3985 9250

Business Areas: Liquefied petroleum gas (LPG) business, gas products, materials, equipment, and vehicles for the provision of transportation, storage, refilling, and trading services of liquefied petroleum gas.

Charter Capital: VND 160 billion

Company Ownership: 100% of the charter capital

#### 4. DEVELOPMENT ORIENTATION:

- Main objectives of the company:

- Ensure safe, efficient operations and guarantee security and safety at the Company's production and business areas.

- Promote the development of the LPG market to increase market share, and effectively exploit and utilize the Company's storage and refilling stations.

- Continue to invest in the distribution system for LNG products to supply the market in a timely manner, ensuring high efficiency.

- Research new products that are not yet available in the Vietnamese market, such as cold gas cylinders and pressure regulators for hot water heating systems, to diversify products and improve labor productivity, bringing the highest efficiency to the Company and solidifying Gas South's position in providing diverse energy solutions.

- Strengthen digital transformation efforts and standardize equipment at warehouses/refilling stations in alignment with the Company's development strategy.

- Medium and long-term development strategy:

- As a fast-growing company in terms of production volume, with a professional distribution system and a leading brand, beloved and a top choice for customers with high loyalty.

- Holding the highest LPG market share, leading the market in key business areas: residential LPG, industrial LPG, and LPG cylinder production.

- In addition, the Company maintains a solid position in the CNG market and is preparing resources to lead the LNG product market—an alternative energy source to CNG in the near future—to meet the demand for clean energy and sustainable development trends.

- The company consistently updates and applies modern management and control models in line with current trends, building a solid foundation for sustainable development. It continuously provides comprehensive training for its workforce to ensure they possess strong leadership skills, professional expertise, high discipline, and a strong sense of responsibility, all of which play a key role in driving growth and innovation.

- The company sets the goal of establishing clear and transparent salary, bonus, and performance evaluation policies, with a strong focus on work results. It regularly listens, updates, and adjusts relevant regulations to align with the actual situation, creating motivation for employees and driving labor productivity.

- Accelerating digital transformation to optimize operations: By applying digital technology in management and operations, it aims to streamline processes, reduce costs, and enhance business efficiency.

- Sustainable development goals (environment, society, and community) and related short-term and medium-term programs

### **Sustainable development goals:**

#### **1. Environment:**

- **Reduce Greenhouse Gas Emissions:** Gas South is committed to reducing CO<sub>2</sub> emissions in its production activities by utilizing clean energy sources such as Liquefied Petroleum Gas (LPG), Liquefied Natural Gas (LNG), and Compressed Natural Gas (CNG).

- **Increase the Use of Renewable Energy:** Invest in renewable energy projects and encourage the use of solar energy in production and business activities

Gas South has invested in installing rooftop solar power systems at the Can Tho LPG Filling Station and the Binh Khi Factory. These rooftop solar systems not only help Gas South supply electricity for its operations but also allow the company to sell excess electricity to EVN (Vietnam Electricity). Furthermore, this initiative contributes to reducing CO<sub>2</sub> emissions, thus protecting the environment.

#### **2. Community:**

- **Strengthen partnerships:** Build sustainable partnerships with domestic and international partners to drive sustainable development.



- **Raise environmental awareness:** Organize activities to raise awareness about environmental protection and the use of clean energy

### 3. Society:

- **Human resource development:** Promote training programs and skill development for employees, especially in digital technology and environmental management.

- **Support the community:** Implement charitable programs and support for communities, particularly in areas facing difficulties or affected by natural disasters

## SHORT-TERM AND MEDIUM-TERM PROGRAMS

### 1. Digital transformation:

- **Digital technology application:** Gas South is accelerating comprehensive digital transformation, optimizing management and operational oversight in production and business through digital initiatives, including: digital office, data warehouse, management reports, LPG cylinder sales support, human resource management, and technical-safety management.

- **Data digitization:** The goal is to digitize over 90% of management data and ensure seamless data integration to support daily management activities

### 2. New product development:

- **Liquefied natural gas (LNG):** The company is gradually completing its infrastructure system, including LNG stations, to timely provide clean fuel to customers. With this development, Gas South becomes one of the few companies in Vietnam capable of supplying three important fuels simultaneously: LNG, CNG, and LPG. This diversity caters to a wide range of sectors, from residential, industrial, to transportation. Gas South has invested in LNG stations at customer plants and industrial zones in provinces such as Dong Nai, Binh Duong, and Long An.

- **Cold gas cylinder:** In 2024, Gas South researched and launched the cold gas cylinder product – a specialized solution for storing and pumping gas for air conditioners. With this achievement, Gas South proudly becomes the first and only company in Vietnam to successfully produce cold gas cylinders, further solidifying its leadership position in the clean energy industry.

### 3. Community programs:

- **Teambuilding, Arts, and Sports Activities:** Organize team building, cultural, and sports activities to enhance solidarity and bonding within the company.

- **Social welfare program:** Implement charitable activities, support for people in need, and activities honoring those who have made significant contributions to society, ensuring practicality, efficiency, and the cultural values of Gas South.

- **Gas south mutual support program:** A voluntary contribution program by employees and other organizations/individuals to support employees suffering from serious illnesses or long-term treatment. The program also aims to boost the morale of the employees and their families

### 5. RISKS:

Identify the risks that may affect the business operations of Gas South and impact the implementation of its strategic objectives:

- Environmental risks: LPG is a highly flammable gas; therefore, without strict safety measures, the risk of fire and explosion could impact both employees and infrastructure.

- Natural disaster risks: Natural events such as storms, floods, or earthquakes can cause severe damage to infrastructure, plants, and LPG storage facilities, disrupting production and supply processes.

- Pandemic risks: Pandemics can reduce production capacity and disrupt supply chains as employees fall ill or are required to quarantine, limiting the company's normal operations. Additionally, pandemics may lead to a decrease in LPG consumption as consumers reduce usage or industries are unable to operate normally, affecting revenue and profitability.

- Financial risks:

Difficulties in capital mobilization: Implementing new investment projects or expanding production may face challenges if the company encounters financial difficulties or is unable to access capital at preferential and appropriate interest rates.

- Political, legal, and regulatory risks

Changes in legal regulations: Safety, environmental, tax, or import-export regulations may change, requiring the company to adjust its production strategy or incur unforeseen costs.

- Technological and market risks

Technological innovation: If the company fails to keep up with new technological advancements, it may struggle to compete with rivals who have more advanced technology, leading to reduced production efficiency.

Market instability: Intense competition from other competitors or shifts in market demand may also impact the company's business operations

## **V. BUSINESS PERFORMANCE IN 2024**

### **1. BUSINESS OPERATIONS**

Despite facing numerous challenges from the business environment and market conditions in 2024, Gas South achieved positive business results by implementing swift and effective adaptive strategies and solutions.

**The business results achieved in 2024 are as follows:**

- **LPG output:** 203,410 tons, achieved 96.04% of target
- **Total revenue:** VND 6,683.18 billion, achieved 103.51% of target
- **New cylinder output:** 194,121 cylinders, achieved 135.58% of target
- **Maintained cylinder output:** 790,572 cylinders, achieved 104.68% of target
- **CNG output:** 146.24 million sm<sup>3</sup>, achieved 114.59% of target
- **Fuel output:** 4,190,910 liters, achieved 95.46% of target
- **Pre-tax profit:** VND 148.86 billion, achieved 112.14% of target
- **Average income:** VND 17.87 million /person/month, achieved 111.97% of target
- **Average number of employees:** 1,195 people
- **Completed:**
  - 3 LNG stations
  - Installed a 50-ton tank in Binh Thuan

**Analysis of factors affecting the company's business operations:**

1. Economic factors:
  - The global and Vietnamese economies continue to face numerous difficulties and challenges. Production stagnation and increased inventory levels have led to a decline in consumer demand and difficulties in debt collection.
  - Geopolitical tensions or international conflicts may impact the supply and pricing of raw materials.
2. Fluctuations in oil and gas prices:
  - The prices of crude oil (Brent), natural gas, and CP prices in the global market directly affect the production costs and selling prices of LPG, CNG, and LNG.
3. Market and competition factors:
  - Increased competition from rivals may put pressure on Gas South's pricing and market share. Competitors with advanced technology or low-cost strategies may attract customers, especially in the LPG and CNG segments.
4. Political and legal factors:
  - Policies supporting clean energy development and carbon emission reduction may create opportunities for Gas South to expand its LNG market. However, stricter regulations on safety, the environment, and taxation may increase operating costs.
5. Technological factors:
  - Enhancing the comprehensive application of digital technology in the supply chain of LPG, CNG, and LNG products can help Gas South optimize management and operations, reduce costs, improve efficiency, and strengthen its competitive advantage.

## 2. ORGANIZATION AND PERSONNEL

### BOARD OF DIRECTORS

#### - **Mr. PHAN QUOC NGHIA**

Chairman of the Board of Directors

- **Date of Birth:** 10/3/1967
- **Place of Birth:** Quang Ngai
- **Educational Background:** Master's degree in Industrial Engineering Management, Mechanical Engineer

- **Shares Representing PVGas Ownership:** 17,631,579 shares, accounting for 35.26% of charter capital
- **Personal Shareholding:** 657 shares, accounting for 0.0013% of charter capital
- **Mr. NGUYEN NGOC LUAN**  
Member of the Board of Directors, General Director
  - **Date of Birth:** 05/3/1977
  - **Place of Birth:** Tuyen Quang
  - **Educational Background:** Bachelor's degree in Law, Bachelor's degree in International Economics
  - **Personal Shareholding:** 0 shares, accounting for 0% of charter capital
- **Mr. NGUYEN HOANG GIANG**  
Independent Member of the Board of Directors
  - **Date of Birth:** 12/6/1986
  - **Place of Birth:** Hai Duong
  - **Educational Background:** Master's degree in Business Administration
  - **Personal Shareholding:** 0 shares, accounting for 0% of charter capital
- **Ms. NGUYEN NGOC ANH**  
Independent Member of the Board of Directors
  - **Date of Birth:** 05/9/1981
  - **Place of Birth:** Hanoi
  - **Educational Background:** Master's degree in Finance, Bachelor's degree in Economics
  - **Personal Shareholding:** 0 shares, accounting for 0% of charter capital
- **Ms. VU THI THANH TAM**  
Independent Member of the Board of Directors
  - **Date of Birth:** 22/04/1968
  - **Place of Birth:** Vinh Phu

- **Educational Background:** Bachelor's degree in Industrial and Construction Business Administration
- **Personal Shareholding:** 0 shares, accounting for 0% of charter capital

BOARD OF MANAGERMENTS AND CHIEF ACCOUNTANT

- **Mr. NGUYEN NGOC LUAN**

Member of the Board of Directors, General Director

- **Date of Birth:** 05/03/1977
- **Place of Birth:** Tuyen Quang
- **Educational Background:** Bachelor's degree in Law, Bachelor's degree in International Economics
- **Personal Shareholding:** 0 shares, accounting for 0% of charter capital

- **Mr. DAO HUU THANG**

Deputy General Director

- **Date of Birth:** 17/05/1982
- **Place of Birth:** Can Tho
- **Educational Background:** Bachelor's degree in General Accounting
- **Personal Shareholding:** 0 shares, accounting for 0% of charter capital

- **Mr. DANG VAN VINH**

Deputy General Director

- **Date of Birth:** 10/07/1967
- **Place of Birth:** Nghe An
- **Educational Background:** Master's degree in Business Administration
- **Personal Shareholding:** 0 shares, accounting for 0% of charter capital

- **Mr. TRAN ANH DUNG**

Deputy General Director

- **Date of Birth:** 05/01/1980
- **Place of Birth:** Hai Duong

- **Educational Background:** Master's degree in Business Administration, Bachelor's degree in Accounting
- **Personal Shareholding:** 0 shares, accounting for 0% of charter capital
- **Mr. CAO NGUYEN DUC ANH**  
Chief Accountant
  - **Date of Birth:** 26/10/1991
  - **Place of Birth:** Thai Binh
  - **Educational Background:** Bachelor's degree in Finance and Banking, Bachelor's degree in Accounting
  - **Personal Shareholding:** 0 shares, accounting for 0% of charter capital

#### BOARD OF SUPERVISORS

- **Mr. TRAN VAN CHUNG**  
Head of the Supervisory Board
  - **Date of Birth:** 26/03/1976
  - **Place of Birth:** Hai Duong
  - **Educational Background:** Bachelor's degree in Accounting-Auditing, Master's degree in Business Administration
  - **Personal Shareholding:** 0 shares, accounting for 0% of charter capital
- **Ms. TRAN THI THU HIEN**  
Member of the Supervisory Board
  - **Date of Birth:** 18/11/1975
  - **Place of Birth:** Hai Duong
  - **Educational Background:** Bachelor's degree in Accounting, Bachelor's degree in Law
  - **Personal Shareholding:** 78 shares, accounting for 0.00016% of charter capital
- **Ms. DANG THI HONG YEN**  
Member of the Supervisory Board

- **Date of Birth:** 15/10/1973
- **Place of Birth:** Phu Tho
- **Educational Background:** Bachelor's degree in Corporate Financial Accounting, Bachelor's degree in English
- **Personal Shareholding:** 0 shares, accounting for 0% of charter capital

- Changes in the Board of Managements:

In 2024, the company made the following senior personnel changes:

+ Senior personnel appointed/dismissed by the General Meeting of Shareholders:

✓ April 23, 2024: The Annual General Meeting of Shareholders re-elected Ms. Nguyen Ngoc Anh as a Member of the Board of Directors for the 2024-2029 term.

✓ April 23, 2024: The Annual General Meeting of Shareholders elected Mr. Tran Van Chung as Head of the Supervisory Board for the 2024-2029 term, replacing Ms. Dao Thanh Hang, whose term had ended.

✓ October 21, 2024: The Extraordinary General Meeting of Shareholders, conducted by written consultation, re-elected Mr. Nguyen Ngoc Luan as a Member of the Board of Directors for the 2024-2029 term and Mr. Nguyen Hoang Giang as a Member of the Board of Directors for the 2024-2029 term.

+ Personnel appointed by the Board of Supervisors:

✓ April 23, 2024: Members of the Supervisory Board convened a meeting and unanimously elected Mr. Tran Van Chung as Head of the Supervisory Board for the 2024-2029 term

+ Personnel appointed by the Board of Directors:

✓ October 24, 2024: The Board of Directors reappointed Mr. Nguyen Ngoc Luan as General Director for a five-year term.

✓ October 30, 2024: The Board of Directors reappointed Mr. Dao Huu Thang as Deputy General Director for a five-year term.

✓ December 16, 2024: The Board of Directors reappointed Mr. Tran Anh Dung as Deputy General Director for a five-year term

- Number of employees

Summary of policies and changes regarding employees:



The Company has 1,180 employees, with 100% of them having labor contracts in accordance with legal regulations. Among them, the majority have indefinite-term contracts (997 people, accounting for 84%), demonstrating the Company's long-term commitment to job security. 100% of employees are assigned tasks in accordance with their professional capabilities, and there have been no cases of job loss or suspension, helping the Company to fully utilize its human resources. This helps save recruitment and training costs, while maintaining specialization within the Company.

<b>No.</b>	<b>Criteria</b>	<b>Unit</b>	<b>2024</b>
<b>1</b>	<b>Labor contracts</b>	<b>Person</b>	<b>1,180</b>
a	Indefinite-term	Person	997
b	Fixed-term 1-3 years	Person	162
c	Short-term under 1 year	Person	21
<b>2</b>	<b>Percentage of employees with labor contracts</b>	<b>%</b>	<b>100</b>
<b>3</b>	<b>Employees turnover</b>	<b>%</b>	<b>17</b>
a	New hires	Person	88
<b>b</b>	<b>Resignations, including:</b>	<b>Person</b>	<b>112</b>
	Retirements	Person	3
	Contract termination	Person	109

### **Diversity and equal opportunity**

The Company implements a salary and bonus policy based on work performance, which not only motivates employees but also helps attract and retain high-quality talent. The placement of staff is carried out according to the principle of "right person, right job," ensuring optimal work performance and creating opportunities for employees to fully utilize their capabilities. Career opportunities are also reviewed based on competence and achievements, ensuring fairness and transparency in career development.

Regarding gender equality, female employees currently account for 14% of the total workforce, reflecting the characteristics of the gas production and business industry, which is traditionally more suited to male workers. However, the Company continues to make efforts to promote gender equality in management, as evidenced by

2/3 of the members of the Supervisory Board being women (67%), and 2/5 of the members of the Board of Directors being women (40%).

The Company's workforce has high professional qualifications, with 37% of employees holding college degrees or higher, meeting the increasingly demanding requirements of production and business activities. Additionally, the workforce is young and dynamic, with 53.5% of employees (equivalent to 631 staff members) being under 40 years old.

<b>Labour structure by position</b>	<b>Male</b>	<b>Female</b>	<b>%female workforce</b>
Board of Directors	3	2	40%
General Director Board	4	0	0%
Board of Supervisors	1	2	67%
<b>Total Workforce</b>	<b>1,016</b>	<b>164</b>	<b>14%</b>

### 3. INVESTMENT SITUATION AND PROJECT IMPLEMENTATION

#### a) Large investments:

In 2024, Gas South successfully completed trial operations of 3 LNG stations and completed the installation of a 50-ton LPG tank in Binh Thuan.

✓ Actual investment in 2024: VND 63.96 billion, with VND 45.7 billion allocated to tank investment.

✓ Disbursement in 2024: VND 91.34 billion.

#### b) Subsidiary companies:

As of December 31, 2024, Gas South has invested in one subsidiary—Vietnam Liquefied Gas Company Limited (VTGas), with an investment capital of VND 160 billion, representing 100% of the charter capital.

✓ **Business operations:** Trading of liquefied petroleum gas, gas products, materials, equipment, and means for providing services related to transportation, storage, filling, and trading of liquefied petroleum gas.

✓ **Charter capital:** VND 160 billion

✓ **Company's ownership:** 100% of charter capital.

In 2024, VT Gas has completed its business production targets:

✓ **Profit before tax in 2024:** VND 35.8 billion (137% of the plan)

✓ **Return on equity (ROE):** 17.89%

#### 4. FINANCIAL SITUATION

##### a) Financial situation:

NO.	INDICATOR	2023	2024	% CHANGE
1	Total assets	2,737,637,322,267	2,841,418,344,920	3.79%
2	Revenue from sale of goods and services	5,905,226,559,572	6,659,744,463,510	12.78%
3	Operating profit	140,504,660,222	140,930,087,418	0.30%
4	Other profit	5,073,847,734	7,929,950,232	56,29%
5	Profit before tax	145,578,507,956	148,860,037,650	2.25%
6	Net profit after tax	106,160,235,957	115,966,503,792	9.24%
7	Net profit after tax to charter capital	21.23%	23.19%	9.24%

##### b) Key financial ratios:

RATIOS	UNIT	2020	2021	2022	2023	2024
<b>Profitability Ratios</b>						
Gross profit margin	%	18.01	13.8	12.42	15.59	14.66
EBIT margin	%	1.88	1.99	1.94	2.79	2.45
EBITDA margin	%	3.98	3.54	3.18	3.97	3.59
Net profit margin	%	1.18	1.41	1.45	1.87	1.8
Return on Equity (ROE)	%	5.77	7.94	9.76	10.47	11.46
Return on Assets (ROA)	%	2.52	3.33	4.12	4.14	4.16
<b>Liquidity indicators</b>						
Current ratio	Times	0.99	1	1.02	1.03	1.06
Quick ratio	Times	0.8	0.82	0.85	0.94	0.96
Cash ratio	Times	0.32	0.36	0.29	0.5	0.56
<b>Financial leverage indicators</b>						
Short-Term Debt to Total Assets	%	48.32	48.51	47.73	55.82	58.71
Debt to Total Assets	%	23.13	1.99	11.25	20.63	18.6
Debt to Total Assets/Equity	%	57.96	58.23	57.35	92.71	64.29

<b>RATIOS</b>	<b>UNIT</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Equity to Total Assets	%	42.04	41.77	42.65	36.88	35.71
<b>Operating efficiency indicators (average)</b>						
Average collection period	Days	36.36	31.61	30.01	35.15	35.4
Average inventory holding period	Days	11.89	11.49	8.64	8.49	7.13
Average payment period	Days	51.83	54.61	51.08	53.06	51.39
Accounts receivable turnover	Times	9.46	11.64	13.03	10.25	10.99
Total asset turnover	Times	2.13	2.36	2.84	2.21	2.31
Equity turnover	Times	4.87	5.63	6.73	5.6	6.36

## 5. SHAREHOLDER STRUCTURE, CHANGES IN OWNERSHIP INVESTMENT

### a) Shares: **Share information (as of September 26, 2024):**

- Total common shares: 50,000,000 shares
- Outstanding shares: 49,998,794 shares
- Treasury shares: 1,206 shares
- Free transfer shares: 50,000,000 shares
- Restricted transfer shares: 0 shares

### b) Shareholder structure:

#### **Shareholder structure (as of September 26, 2024)**

<b>Category</b>	<b>Number of shares</b>	<b>Percentage/ Charter capital (%)</b>
<b>Domestic shareholders</b>	<b>49,602,493</b>	<b>99.21</b>
Individuals	31,955,937	63.91
Organizations	17,646,556	35.30
<b>Foreign shareholders</b>	<b>397,507</b>	<b>0.79</b>
Individuals	105,780	0.21
Organizations	291,727	0.58
<b>TOTAL</b>	<b>50,000,000</b>	<b>100.00</b>

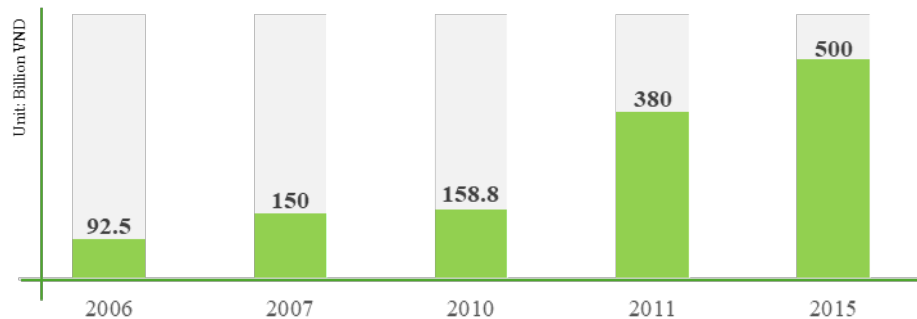
**List of major shareholders holding over 5% of charter capital (as of September 26, 2024)**

<b>Name of organization /individual</b>	<b>Id/ Passport/ Business registration number</b>	<b>Address</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
Vietnam Gas Corporation - Joint Stock Company (PV Gas)	3500102710	PV Gas Tower Building, 673 Nguyen Huu Tho, Phuoc Kien Commune, Nha Be District, HCMC	17,631,579	35.26

**Maximum foreign ownership rate in the company:**

According to Official Letter No. 852/UBCK-PTTT dated February 02, 2024, from the State Securities Commission of Vietnam, the maximum foreign ownership rate at South Gas Trading Joint Stock Company is 49%.

**c) Changes in owner's investment: Journey of increasing the company's charter capital**



From 2016 to the present, the company has not conducted any capital increase activities. The number of treasury shares held by the company: 1,206 shares

**6. REPORT ON THE COMPANY'S ENVIRONMENTAL AND SOCIAL IMPACTS**

**6.1 Impact on the environment:**

- Total direct and indirect greenhouse gas (GHG) emissions:

Greenhouse gas (GHG) emissions refer to the release of gases that trap heat in the atmosphere, causing the greenhouse effect and increasing global temperatures. Common

greenhouse gases include CO<sub>2</sub> (carbon dioxide), CH<sub>4</sub> (methane), N<sub>2</sub>O (nitrous oxide), and fluorinated gases such as HFCs and PFCs.

- The total greenhouse gas (GHG) emissions of Gas South in 2024 include:

- **Direct emissions (Scope 1):** Emissions from the use of LPG/CNG for burners at the Binh Khi Gas Plant and the workshops involved in LPG cylinder production and maintenance; use of CNG as fuel for CNG compressor engines; use of DO diesel for running diesel engines, generators, and transportation vehicles.

- **Indirect emissions (Scope 2):** Emissions from the use of electricity purchased from EVN.

NO.	FUEL	UNIT	CONSUMPTION	EMISSION FACTOR	EMISSION AMOUNT (TONS CO <sub>2</sub> /YEAR)
<b>I</b>	<b>Direct emissions (Scope 1)</b>				
1	CNG	Sm <sup>3</sup>	4,809,130	0.002114	10,166.5
2	LPG	Tons	209.056	2.88	602.08
3	DO diesel	Tons	250.74	3.165	793.59
<b>II</b>	<b>Indirect emissions (Scope 2)</b>				
1	Electricity	kWh	13,697,741	0.0006766	9,267.89

- GHG emission reduction initiatives and measures

To reduce greenhouse gas (GHG) emissions in line with the specific business activities of Gas South, the Company has implemented the following initiatives and measures:

- **Green tree planting:** All business facilities have green tree planting programs. In 2024, Gas South added 166 new trees. This action not only helps to increase green areas for absorbing CO<sub>2</sub> from the air, improving air quality, and protecting ecosystems, but also demonstrates Gas South's commitment to sustainable development and environmental protection for the future.

- **Renewable energy application:** Gas South has installed rooftop solar power systems at the LPG Depot in Can Tho and the Binh Khi Factory, contributing to the promotion of renewable energy usage and reducing greenhouse gas emissions.

- **Production process optimization:** Gas South also places particular emphasis on optimizing production processes, applying employee-driven improvement initiatives that help save energy, reduce environmental emissions, and minimize greenhouse gas emissions.

- **Regular maintenance:** Regular maintenance of machinery and equipment is carried out to ensure that the equipment operates at optimal efficiency, minimizing leaks and energy consumption.

- **Especially, gas south is actively implementing digital transformation in most of the company's activities.** Electronic document management systems and task management software allow employees to easily access, share, and process information quickly without the need for paper. The shift to a digital environment not only helps to minimize paper waste but also contributes to reducing wood extraction for paper production. Additionally, the implementation of online meetings instead of in-person meetings also helps reduce CO2 emissions associated with travel.

- **Training and raising awareness:** In the future, Gas South will strengthen the organization of training programs for employees on the importance of reducing emissions and the measures to implement, creating an environmentally friendly corporate culture.

Through these efforts, Gas South demonstrates its strong commitment to promoting sustainable development through digital transformation and the application of modern technology, reducing resource consumption, minimizing emissions of waste products, and contributing to reducing the negative impact on the environment, striving for a Green and Clean future for the community and future generations.

## 6.2 Material resource management

a) The total amount of raw materials used for the production and packaging of the organization's main products and services in the year:

No.	PRODUCTS AND SERVICES	RAW MATERIALS USED	UNIT OF MEASUREMENT	QUANTITY
1	NEWLY MANUFACTURED LPG CYLINDERS			

No.	PRODUCTS AND SERVICES	RAW MATERIALS USED	UNIT OF MEASUREMENT	QUANTITY
1.1		Steel	Kg	2,112,731
1.2		Cylinder Valves	Piece	194,121
1.3		Steel Balls	Kg	4,853
1.4		Powder Paint	Kg	25,236
		Non-Stick Rubber (Teflon)	Roll	14,687
<b>2</b>	<b>LPG CYLINDER MAINTENANCE</b>			
2.1		Cylinder Valves	Piece	68,896
2.2		Steel Balls	Kg	23,527
2.3		Powder Paint	Kg	156,928
		Non-Stick Rubber (Teflon)	Roll	59,813
<b>3</b>	<b>LPG CYLINDERS</b>			
3.1		Shrink Wrap Seals	Piece	10,340,883
3.2		Product Labels	Piece	2,066,381

b) Report on the percentage of recycled materials used in the production of the organization's main products and services: None

### 6.3. Energy consumption

a) Direct and indirect energy consumption:

To ensure continuous production and align with current technology, Gas South has utilized a variety of fuel sources as follows:

No.	FUEL TYPE	UNIT	CONSUMPTION AMOUNT
<b>I</b>	<b>DIRECT ENERGY CONSUMPTION</b>		
1	CNG	Sm <sup>3</sup>	4,809,130
2	LPG	Tons	209
3	Electricity	kWh	13,697,741
<b>II</b>	<b>INDIRECT ENERGY CONSUMPTION (DIESEL PUMP OPERATION, GENERATORS, AND TRANSPORTATION)</b>		



No.	FUEL TYPE	UNIT	CONSUMPTION AMOUNT
1	DO Oil (Diesel Oil)	Tons	250

c) Energy saved through energy efficiency initiatives

Energy efficiency initiatives help reduce energy consumption while maintaining or improving performance. Some common initiatives applied by Gas South include:

- **Technology improvement:** Using energy-efficient equipment and technologies such as LED lights, high-performance air conditioners, and intelligent control systems.
- **Use of renewable energy:** Using rooftop solar energy
- **Raising energy-saving awareness:** Organizing training programs to raise awareness about energy conservation for employees.

c) Reports on energy saving initiatives and results of these initiatives

**1. Application of renewable energy:**

- Use of solar energy at the LPG Warehouse in Can Tho:

PARAMETER	APPROVED PROJECT	ACTUAL
Capacity (kW)	926	720
Total Investment (VND)	13,854,812,000	9,574,600,320
Investment Rate (VND/kW)	14,962,000	13,298,056
Output (kWh/day)	4,167	2,900
Highest Output (kWh/day)	4,630	3,555
Revenue (VND/month)	280,267,697	211,022,913
Payback Period	5 years 1 month	3 years 8 months

- Use of solar energy at the Binh Khi Factory:

PARAMETER	APPROVED PROJECT	ACTUAL
Capacity (kW)	996	996
Total Investment (VND)	14,902,152,000	13,620,770,000
Investment Rate (VND/kW)	14,962,000	13,675,472
Output (kWh/day)	4,482	4,000
Highest Output (kWh/day)	4,980	4,941
Revenue (VND/month)	258,201,629	227,010,680
Payback Period	5 years 10 months	5 years 1 month

**2. Technology improvement: using led lights instead of traditional high pressure light bulbs**

<b>FACILITY</b>	<b>TOTAL ENERGY CONSUMPTION BEFORE INSTALLATION (KWH/YEAR)</b>	<b>ENERGY SAVINGS AFTER INSTALLATION (KWH/YEAR)</b>	<b>ELECTRICITY PRICE (VND)</b>	<b>COST SAVINGS (VND/YEAR)</b>
CNG Refueling Station Hiep Phuoc	18,360	7,344	1,929	14,166,576
CNG Station Pho Quang and Samsung	8,813	3,525	2,905	10,240,474
CNG Station An Suong	3,154	1,261	3,476	4,384,765
LPG Refueling Station Vinh Loc	4,248	1,699	3,857	6,553,814
CNG Station National University	13,738	5,495	3,355	18,435,859
LPG Warehouse Go Dau	21,780	8,712	3,012	26,240,544
LPG Warehouse and Refueling Station Dong Nai	21,600	8,640	2,134	18,437,760
Gas Plant Binh Khi	3,974	1,590	2,202	3,500,652
CNG Refueling Station My Xuan	32,670	13,068	1,692	22,111,056
LPG Warehouse and Refueling Station Can Tho	12,096	4,838	2,134	10,325,146
LPG Refueling Station Tien Giang	1,944	778	3,096	2,407,450
LPG Refueling Station Ca Mau	7,344	2,938	3,499	10,278,662
<b>TOTAL</b>	<b>149,720</b>	<b>59,888</b>		<b>147,082,758</b>

#### 6.4. Water consumption

##### a) Water supply sources and water usage:

<b>WATER SUPPLY SOURCE</b>	<b>UNIT</b>	<b>WATER USED IN THE YEAR</b>
Tap water (municipal water)	m <sup>3</sup>	75,061
Groundwater (borehole)	m <sup>3</sup>	5,409

##### b) Percentage and total amount of recycled and reused water: None.

#### 6.5. Compliance with environmental protection laws

##### a) Number of violations and penalties for non-compliance with environmental laws and regulations: None.

##### b) Total amount of fines for non-compliance with environmental laws and regulations: None.

#### 6.6. Employee policy

##### The average salary for employees

##### a) Number of employees and average salary for employees:

- The average salary for employees

- Average income of employees: VND 17.87 million /person/month

##### b) Labor policies to ensure employee health, safety, and welfare

The company places great importance on employee health, safety, and welfare. The company focuses on building a safe and healthy working environment to ensure that employees can contribute and grow with peace of mind. The company's policies not only comply with legal regulations but also aim for higher standards, specifically:

In 2024, the company purchased accident insurance and health insurance for all employees, with a total premium of VND 5.73 billion. The total cost for health care activities (including regular check-ups, occupational health exams, and specialized exams for female employees) amounted to VND 5.92 billion.

##### c) Employee training activities

The company executed the 2024 plan with 3,578 employees trained at a total cost of VND 1.2 billion.

- The training plan is based on the actual needs of each employee to create programs that meet those needs, improve effectiveness, and avoid waste. Emphasis is placed on internal training to reduce costs and increase training effectiveness.

- Ongoing skills development programs and continuous learning are provided to support employees in securing jobs and advancing their careers.

- The company has implemented a training and development plan for succession teams to enhance management capabilities for potential employees, ensuring that the workforce is ready to replace employees during workforce changes and to meet the company's sustainable development strategy.

#### 6.7. Report on responsibility towards the local community

Gas South always recognizes its responsibility towards the local community as an essential part of its sustainable development strategy, aligned with the goals of Safety – Quality – Efficiency. To ensure the safety of the area around its production and business facilities, Gas South has invested in upgrading its fire prevention and firefighting systems, organized fire and rescue drills, and developed emergency response plans for hazardous chemicals, pipeline accidents, and maritime security to be prepared for any emergency situations at the facilities and the surrounding community area.

Additionally, Gas South actively contributes to the socio-economic development through: Recruiting local labor in areas where Gas South's warehouses/stations, factories, and stores are located, Supporting infrastructure development, such as building the KH5 bridge in Go Quao District, Kien Giang, constructing restrooms at a kindergarten, and building the Green Library at Phu Vinh Primary School in Dak Lak, Donating gifts to underprivileged families, awarding scholarships to students from disadvantaged backgrounds, and fulfilling tax obligations, which contributes to creating a stable business environment and sustainable development.

These activities not only improve the quality of life for the local community but also bring practical benefits to Gas South, helping to reduce costs associated with accidents and incidents, enhance brand reputation, and build trust with partners and customers. In the future, Gas South will continue to expand cooperation with local authorities, invest in environmental protection initiatives, and improve the community's

quality of life, while integrating social responsibility into its sustainable development strategy, creating long-term value for both the company and society.

## **VI. REPORT AND EVALUATION FROM THE BOARD OF MANAGERMENTS**

### **1. EVALUATION OF BUSINESS PERFORMANCE**

Despite the fierce competition in the LPG market and price fluctuations due to global factors, with a sustainable development strategy, focus on product quality improvement, and expansion of distribution channels, the company has achieved positive results in 2024 as follows:

<b>No.</b>	<b>INDICATOR</b>	<b>UNIT</b>	<b>2024 PLAN</b>	<b>2024 ACTUAL</b>	<b>2024 ACTUAL VS. 2024 PLAN COMPARISON</b>
<b>I</b>	<b>Production Volume Indicators</b>				
<b>1</b>	<b>Liquefied Petroleum Gas (LPG)</b>	<b>Tons</b>	<b>211,789</b>	<b>203,410</b>	<b>96.04%</b>
1.1	Household LPG	-	142,889	137,356	96.13%
1.2	Industrial LPG	-	68,900	66,054	95.87%
<b>2</b>	<b>Cylinders</b>	<b>Cylinders</b>			
2.1	New Cylinders	-	143,175	194,121	135.58%
2.2	Cylinder Maintenance	-	755,250	790,572	104.68%
<b>3</b>	<b>Gasoline/Fuel</b>	<b>Liters</b>	<b>4,390,000</b>	<b>4,190,910</b>	<b>95.46%</b>
<b>4</b>	<b>Compressed Natural Gas (CNG)</b>	<b>Sm<sup>3</sup></b>	<b>127,624,658</b>	<b>146,242,677</b>	<b>114.59%</b>
<b>II</b>	<b>Financial Indicators</b>				
<b>1</b>	<b>Total Revenue</b>	<b>VND Billion</b>	<b>6,456.57</b>	<b>6,683.18</b>	<b>103.5%</b>
<b>3</b>	<b>Expenses</b>	<b>VND</b>	<b>966.04</b>	<b>1,051.07</b>	<b>108.8%</b>
<b>4</b>	<b>Profit Before Tax</b>	<b>VND</b>	<b>132.74</b>	<b>148.86</b>	<b>112.14%</b>

In 2024, all employees at Gas South united and made efforts, while the leadership team implemented timely solutions to ensure the best possible completion of the assigned targets. The following solutions were implemented in 2024:

✓ **LPG business**

- Regularly assessing market demand and closely monitoring price fluctuations to balance the supply of LPG to ensure production needs are met while ensuring business efficiency.

- Closely monitoring the LPG business situation across units and markets, preparing contingency plans for potential market changes and addressing them promptly to ensure overall business efficiency.

- Expanding and diversifying distribution channels, especially by investing in specialized trucks for direct delivery of retail LPG bottles to small stores. This strategy aims to reduce reliance on traditional general agent systems, increase market access, improve distribution efficiency, and enhance customer experience.

- Continuing cooperation with relevant authorities and entities to address trademark disputes and combat commercial fraud and illegal refilling.

- Maintaining good practices in bottle cleaning and improving gas quality to ensure the product's quality when it reaches consumers.

- Focusing on completing the digitalization process, with 100% of LPG bottles being digitized before entering the market, to implement electronic labels uniformly across the company.

- Customer-appreciated communication programs such as supporting the installation of signs for general agents/dealers, hanging advertising billboards at markets, offering promotional items to show appreciation and stimulate purchases, and organizing safe gas usage and product introduction events at markets have been consistently implemented. Especially the "Travel Abroad with Gas South" program, which has left a very positive impression on customers and has been maintained from 2022 to present.

- In addition to point-of-sale communication activities, Gas South has continued to strengthen digital communications on platforms such as fanpages, Zalo OA, and SEO optimization for the company's official website.

- In 2024, Gas South was honored to receive the 2024 High-Quality Vietnamese Goods certificate awarded by consumers. This recognition highlights Gas South's commitment to providing standard, safe, and environmentally friendly LPG products,

servicing as a driving force for continuous innovation and improvement in service quality, reinforcing the company's strong market position.

✓ **Production of gas cylinders – mechanical processing**

- Provide excellent service to existing customers while actively seeking new clients.
- Complete the production line and test the cold gas cylinder products.
- Seek customers in need of mechanical processing and maintenance services to increase business efficiency for the unit.

✓ **CNG – LNG business**

- Maintain existing customers, enhance marketing efforts, and develop new customer relationships.
- Ensure timely transportation of gas to meet customers' production needs.
- Work proactively with LNG suppliers to secure LNG sources as soon as possible.

✓ **Finance and accounting**

- Accurately determine capital requirements for business operations and investment projects to ensure the optimal allocation of financial resources.
- Maintain strong relationships with banks and financial institutions, consistently monitor, update, and take advantage of interest rate incentives to optimize the company's financial operations.
- Proactively evaluate and control the risk levels of debts, while enhancing financial measures to ensure debt recovery and minimize potential risks.
- Regularly review and control costs to optimize operational efficiency.
- Organize training courses on accounting and tax for departments, enhancing professional knowledge and ensuring that accounting work is carried out in compliance with legal regulations, contributing to maintaining transparency and compliance across all company activities.
- Develop, implement, and train staff on the use of management reporting software across departments, enhancing management effectiveness and optimizing company operations.

## ✓ **HUMAN RESOURCES AND TRAINING**

- Implement and complete the organizational structure, job functions, and job descriptions for all positions across the company.
- Organize and carry out training courses to enhance skills and professional knowledge as per the approved plan and emerging requirements.
- Carry out recruitment processes to meet staffing needs according to headcount plans and actual demand.
- Develop competency frameworks and training plans for the succession team.
- Implement HR management software (DX07) as part of the company's digital transformation plan, contributing to more professional, centralized, and efficient HR management.

### ✓ **Technical work - safety**

The company has always prioritized occupational health and safety, fire prevention, environmental protection, operation, maintenance, and repair in compliance with legal regulations and internal policies. In 2024, Gas South carried out the following activities:

- Completed routine and unexpected maintenance to ensure that machines and equipment operate safely and continuously;
- Conducted test runs of the LNG supply system for customers like Sojitz, TVP Steel, and Nam Kim Steel to ensure safety and quality;
- Regular internal emergency response drills were conducted monthly, with a large-scale drill involving multiple functional forces once a year;
- Safety inspections of equipment, transport vehicles, and working environments at all business facilities were carried out regularly on a daily, monthly, and quarterly basis, with immediate identification and resolution of potential hazards;
- Regular annual training on occupational health and safety, safety techniques in gas operations, and handling hazardous goods for employees working directly at production and business sites;
- Machines, equipment, and materials with strict safety requirements were thoroughly inspected and maintained to ensure the validity of safety certificates;



- Annual health checks and occupational disease screenings for employees were conducted according to legal regulations;
- Environmental protection measures were consistently implemented in accordance with environmental dossiers or licenses issued.

### ✓ **Digital transformation**

Digital transformation plays a crucial role in enhancing the operational efficiency of businesses. This process helps optimize workflows, improve decision-making capabilities through data analysis, and create flexibility in responding to market demands. Digital transformation also enhances customer experience, enables the development of new products and services, and expands market reach. By applying digital technology, businesses can increase productivity, reduce operating costs, enhance management capabilities, and maintain a competitive edge in an ever-changing business environment.

In 2024, Gas South has been implementing the following digital initiatives:

- Officially launched the DX01 digital initiative, "Data Warehouse and Executive Management Reporting – Phase 1".
- Conducted User Acceptance Testing (UAT) for the DX02 digital initiative, "LPG Cylinder Sales Support Solution".
- Upgraded and added new features to the mobile app as part of the DX06 digital initiative, "Digital Office" .
- Kicked off the DX04 digital initiative, "DX04 Technical Safety Management".
- Kicked off the DX07 digital initiative, "DX07 Human Resource Management".

## 2. FINANCIAL SITUATION

### a) Asset situation

In 2024, the company continued to maintain stable growth, achieving positive results in its production and business activities.

### **Outstanding financial results:**

- Total assets: VND 2,841 billion – Increased by 3.79% compared to 2023.
- Revenue from sales and service provision: VND 6,660 billion – Increased by 12.78%.

- Profit before tax: VND 148.86 billion – Exceeded the plan by 12.14% and increased by 2.25% YoY.
- Profit after tax: VND 115.97 billion – Increased by 9.24%.
- After-tax profit/charter capital ratio: 23.19% – Increased by 9.24% compared to 2023.

#### **Growth drivers:**

- LPG and CNG remain the two main products generating revenue for the company. Specifically, revenue from LPG increased by 11%, while revenue from CNG saw an impressive rise, exceeding 20% of the target, with production reaching 146.2 million Sm<sup>3</sup>, 14.6% higher than the target and 18.1% compared to the same period last year.

- The company is benefiting from the increased demand for CNG, particularly in the transportation sector. Becoming a fuel supplier for CNG-powered buses has helped the company maintain a stable demand over the years, creating a solid foundation for future revenue growth.

- Additionally, the company has begun expanding into LNG, marking an important step in its strategy to diversify products and capitalize on the shift toward clean energy. The company is now ready to supply both CNG and LNG at three major customer stations: Nam Kim Steel, TVP Steel, and Sojitz.

- With a strong financial foundation, timely and effective leadership from the management, and the collective spirit and determination of all employees, Gas South has achieved positive results in 2024. These achievements not only confirm the company's stable growth but also lay a solid foundation for sustainable growth in the years to come.

#### **Asset utilization efficiency**

#### **Profitability ratios**

Thanks to its extensive distribution network and early investment in infrastructure, the company optimizes capital utilization, as evidenced by an increase in ROE from 5.77% in 2020 to 11.46% in 2024. EBITDA consistently exceeds EBIT due to large depreciation costs from fixed assets, reflecting a sound financial and investment policy.

### **Liquidity ratios**

The company maintains high liquidity in short-term assets, with current and quick ratios fluctuating around 1 and showing an increasing trend, indicating stable short-term financial obligations management.

Additionally, the company's idle funds in time deposits have continuously increased, reaching a peak in 2024. Despite less attractive interest rates, the company has optimized cash flow, resulting in a 50% increase in financial revenue. This confirms an effective financial management strategy that ensures liquidity while boosting profits.

### **Operational efficiency ratios**

In 2024, the company maintained stable operational efficiency with positive improvements in financial ratios. Notably, the average inventory turnover time decreased from 11.89 days in 2020 to 7.13 days in 2024, reflecting effective inventory management, capital optimization, and reduced storage costs. At the same time, the equity turnover ratio reached 6.36 times, up from 5.60 times last year, showing the company's efficient use of capital to generate revenue and profit.

### **Liabilities situation**

#### **Financial leverage ratios**

In 2024, the company maintained a reasonable level of financial leverage, with the debt-to-total-assets ratio at 64.29%, a decrease compared to 2023 but still higher than previous years. The debt-to-equity ratio slightly decreased to 18.60%, indicating that the company is effectively managing its debt capital. The equity-to-total-assets ratio stands at 35.71%, ensuring a balanced mix of equity and debt, which helps the company maintain financial stability and sustainable growth potential.

### **Cash flow efficiency**

Unit: billion VND

<b>INDICATOR</b>	<b>2023</b>	<b>2024</b>
Net cash flow during the period	430.30	170.60
Cash and cash equivalents at the beginning of the period	331.00	761.40
Cash and cash equivalents at the end of the period	761.40	932.00

In 2024, the company maintained stable operating cash flows, with net cash flow reaching VND 331.3 billion, showing a slight increase compared to the previous year. Investment cash flow stood at negative VND 14.7 billion, reflecting continued investment in long-term assets but at a reduced level, as the company had completed investments in three LNG stations while the remaining stations were still in the early disbursement phase.

Thanks to positive cash flow, cash and cash equivalents at the end of the period reached VND 932 billion, ensuring strong liquidity and readiness for future development plans.

### 3. IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT:

- After completing the standardization of the organizational structure, functional responsibilities, and job descriptions across the company, in 2024, the company focused on enhancing employee capabilities through succession training and development plans. This initiative aims to prepare a future-ready workforce capable of adapting to the challenges of the volatile LPG market while meeting the company's long-term human resource development strategy.

- Regarding employee policies, in addition to maintaining competitive salary, bonus, welfare, and training programs, the company collaborated with the labor union to introduce the Gas South Social Welfare and Mutual Support Program. This initiative provides additional financial support from voluntary contributions by employees, individuals, and other organizations for cases of severe illness, offering moral support and financial assistance to employees and their families.

- In management, the company continued advancing its digital transformation initiatives, including signing contracts for HR management software. This software not only serves as a supporting tool but also offers a comprehensive solution for maximizing automation in HR-related processes.

- Additionally, the company regularly strengthens internal control measures and improves workplace safety and hygiene conditions.

#### 4. 2025 BUSINESS PLAN

- LPG Production 196,420 Tons of which:
  - o Household LPG Production 139,370 Tons
  - o Industrial LPG Production 57,050 Tons
- New Cylinder Production 176,950 units
- Cylinder Maintenance 756,750 units
- Gasoline/Fuel 4,220,000 Liters
- Natural Gas (CNG, LNG) 156,555,000 Sm<sup>3</sup>
- Revenue VND 6,569.83 Billion
- Expenses VND 1,041.63 Billion
- Profit Before Tax VND 140.56 Billion

#### 5. ENVIRONMENTAL AND SOCIAL RESPONSIBILITY REPORT

##### a. Environmental performance assessment:

##### **Environmental protection**

As a company operating in the oil and gas sector, Gas South recognizes the direct impact of its business activities on the surrounding environment. Therefore, the company places strong emphasis on environmental protection, striving to minimize negative impacts on nature.

Gas South continues to invest in modern technologies that contribute to energy and water conservation while reducing environmental pollution. Additionally, the company actively promotes and encourages the use of LPG and CNG in industrial production and transportation, aiming to transition towards cleaner energy sources and contribute to climate change mitigation.

##### **Energy and water usage**

Efficient and economical energy use not only reduces operational costs but also helps conserve natural resources and protect the environment. In addition to investing in energy-saving modern equipment, the company conducts regular maintenance of machinery and operational systems to enhance efficiency and reduce energy consumption.

Gas South also prioritizes the use of its own natural gas (CNG) and liquefied petroleum gas (LPG) products in internal operations. This initiative helps optimize costs, lower greenhouse gas emissions, and minimize environmental impacts.

FUEL TYPE, ENERGY	UNIT	TOTAL	
		YEAR 2023	YEAR 2024
CNG Gas	Sm <sup>3</sup>	5,114,121	4,809,130
LPG Gas	Tons	76	209
DO Oil (Diesel Oil)	Tons	433	250
Electricity	Kwh	11,536,763	13,697,741
Supplied Water (Tap Water)	m <sup>3</sup>	79,553	75,061
Ground Water (Well Water)	m <sup>3</sup>	5,241	5,409

### Wastewater and waste management

Gas South strictly controls wastewater and waste treatment processes to minimize environmental impact and ensure that the company's business operations, as well as those of its subsidiaries and affiliated units, do not negatively affect the environment or biodiversity in operational areas.

Ordinary solid waste and hazardous waste are classified by type and labeled in accordance with regulations. Gas South has signed contracts with service providers to handle various types of waste in compliance with environmental laws.

	UNIT	TOTAL	
		2023	2024
Industrial waterwaste	m <sup>3</sup>	27,599	29,953
Domestic waterwaste	m <sup>3</sup>	34.167	28,586
Ordinary solid waste	tons	52.79	171.37
Hazardous waste	tons	11.92	14.83

## Environmental compliance

Gas South consistently updates, complies with, and implements environmental regulations, ensuring that no violations occurred in 2024. Additionally, the company's Integrated Management System for Quality – Safety – Environment is continuously updated to enhance operational efficiency, minimize environmental impact, and mitigate adverse effects on stakeholders. In 2024, the company received environmental registration certificates for seven CNG stations, three LPG filling stations, and environmental permits for four facilities (Binh Khi Plant, Binh Dinh LPG filling station, Gia Lai LPG filling station, and Khanh Hoa LPG filling station). Four additional facilities (Dak Lak LPG filling station, Can Tho LPG storage/filling station, Quang Ngai LPG filling station, and Da Nang LPG filling station) are undergoing permit approval in accordance with legal requirements. Furthermore, Gas South rigorously manages wastewater and waste treatment procedures.

The company also conducts periodic air and water quality monitoring programs as part of its environmental commitments and legal compliance, ensuring timely corrective actions when necessary.

Gas South continues to promote and expand the use of CNG, LPG, and LNG to encourage green energy consumption and contribute to reducing greenhouse gas emissions.

No.	Monitoring content	Total analysis indicators	Total number of failed indicators	Number of failed locations	Notes / remedy
1	Occupational Environment Monitoring	1,619	34	15	Failed Indicators: Noise, Temperature, Light >10.000 Lux. Remedy: Employees used noise-canceling earplugs, Warehouses/Stations increased ventilation fans, added sunshades
2	Wastewater Monitoring	131	0	0	-

No.	Monitoring content	Total analysis indicators	Total number of failed indicators	Number of failed locations	Notes / remedy
3	Exhaust Gas Monitoring	412	0	0	-

### **Occupational health and safety**

Gas South places great emphasis on occupational health and safety to ensure the best working environment for employees while maintaining continuous and uninterrupted business operations.

- Employees are always equipped with full personal protective equipment. Additionally, Gas South strictly complies with current regulations on occupational safety and hygiene. Occupational safety and hygiene management is rigorously implemented based on the Integrated Safety – Quality – Environmental Management System. The inspection and calibration of machinery, equipment requiring strict safety measures, and measuring instruments are carried out in compliance with legal requirements.

- In the past year, internal emergency response drills for accidents and incidents were conducted once a month at all Gas South's production and business facilities.

- Gas South has secured comprehensive insurance for its office buildings, LPG storage/filling stations, CNG compression stations, CNG fueling stations for transportation, PRU stations at customer sites, product liability insurance, and more

- In 2024, a network of 117 occupational safety and hygiene officers actively participated in occupational health and safety activities. They provided training for new employees on safe operation procedures, reminded workers to comply with workplace safety rules, and identified instances where employees failed to adhere to safety regulations, such as improper vehicle parking or failure to use issued personal protective equipment. Their efforts have helped prevent workplace accidents and incidents. Gas South also conducted training sessions on occupational safety and hygiene for its safety officer network.



### Occupational safety and hygiene activities in 2024

NO.	CONTENT	NUMBER OF COMPLETED TASKS				
		2020	2021	2022	2023	2024
1	Technical safety and fire prevention measures	283	380	422	438	446
2	Occupational hygiene measures, hazard prevention, and improvement of working conditions	270	267	343	347	367
3	Provision of personal protective equipment	43	90	232	177	198
4	Employee health care	254	288	302	325	336

### Safety training programs

No.	TRAINING CONTENT	TRAINING PARTICIPANTS	TRAINING RESULTS (PEOPLE)			
			2021	2022	2023	2024
1	Technical safety training in gas business	Employees directly working at Warehouses, Stations, and in Gas Business	551	636	725	838
2	Technical safety training in transporting dangerous industrial goods	Warehouse Staff, Loaders, Drivers transporting LPG, CNG, LNG, LPG Cylinders	162	73	175	120
3	Electrical safety techniques	Generator Operators	42	129	56	115
4	Occupational safety and health Training Group 1	Employees in Group 1	46	17	48	23

No.	TRAINING CONTENT	TRAINING PARTICIPANTS	TRAINING RESULTS (PEOPLE)			
			2021	2022	2023	2024
5	Occupational safety and health Training Group Group 2	Employees in Group 2	11	5	13	4
6	Occupational safety and health Training Group Group 3	Employees in Group 3	480	369	433	311
7	Occupational safety and health Training Group Group 4	Employees in Group 4	374	350	312	323
8	Occupational safety and health Training Group Group 5	Medical Staff Employees	0	0	0	0
9	Occupational safety and health Training Group Group 6	Occupational Safety and Health Representatives	35	37	79	48
10	First Aid Training	Employees in Group 4	275	316	338	371
11	Rescue and Salvage Skills	Basic Fire Prevention and Fighting Team	355	279	196	211
12	Fire Prevention and Fighting Skills	Basic Fire Prevention and Fighting Team	295	269	270	325

b. Evaluation of employee-related issues:

Gas South places great importance on retaining and developing talent through a comprehensive strategy that combines compensation policies, a positive work

environment, and growth opportunities. The specific activities that Gas South has implemented include:

- Developing clear and transparent salary, bonus, and performance evaluation policies that are linked to work results. Regularly listening to employees' feedback, updating, and adjusting regulations in response to real-world circumstances to motivate workers and enhance productivity.

- Ensuring full payment of benefits in accordance with the law, and adding extra benefits beyond the legal requirements (e.g., voluntary health insurance with high benefits, gifts for men whose wives give birth, special benefits for female employees, retirement gifts, support for employees with critical illnesses from the Social Welfare Fund and the Gas South Assistance Program).

- Creating and updating detailed job descriptions for each position, allowing the company to evaluate employees' capabilities in a transparent and objective manner. By establishing standardized job roles and competency frameworks, Gas South analyzes needs to develop training programs aligned with job goals and personal development.

- Hiring according to a standardized process based on job position criteria, ensuring that candidates with potential for growth are selected, rather than focusing solely on the best individuals. Upon joining, employees receive training through internal courses combined with external training to help new employees integrate quickly and realize their full potential.

- Fostering a work environment of respect, transparency, and unity through activities such as workshops, team-building events, and domestic and international travel, which enhance team spirit and organizational commitment.

- Implementing a fair and transparent system of competition and rewards, recognizing and celebrating outstanding individuals and teams who contribute positively to the company's business outcomes.

c. Evaluation of the company's responsibility towards the local community:

Social welfare activities continue to be given attention and effectively implemented in 2024. The company's employees voluntarily contributed 2 extra working days on Sundays, equivalent to over VND 1.3 billion, to support social welfare programs. One of the most notable activities was the sponsorship of nearly VND 600

million for the construction of the KH5 Bridge in Go Quao district, Kien Giang province, contributing to the improvement of transportation, economic development, and providing convenience for residents and students during the rainy season.

Additionally, the company has actively participated in many other community activities:

- **Disaster Relief:** Employees were encouraged to donate VND 292 million to support people affected by Typhoon Yagi and contributed VND 660 million to the Oil and Gas Assistance Fund and the Flood Relief Fund.

- **Departmental Union Activities:**

- **Central Vietnam Union:** Donated VND 80 million to build a school toilet and a green library at Phu Vinh Primary School, Dak Lak.

- **Dong Nai Union:** Gave VND 40 million worth of gifts to disadvantaged children in Dong Nai and Bà Rịa – Vung Tau.

- **VTGas Union:** Awarded VND 80 million in scholarships to disadvantaged students in Tiên Hưng commune (Binh Phuoc) and Truong Tay and Truong Dong communes (Tay Ninh)

- **Central Vietnam Union:** Donated VND 40 million to families in need in Quang Tri and Thua Thie Hue.

- **Headquarters Union:** Organized the "Spring of Love – Spring of Meaning" program, giving Tet gifts to the Huynh De Nhu Nghia Blind Shelter in Ho Chi Minh City, with a total cost of VND 22 million.

Furthermore, the company's union has actively participated in charity activities such as "Spring of Love," "Mid-Autumn Festival for Children," building houses of gratitude, and supporting people affected by natural disasters. These contributions demonstrate the company's responsibility to the community and affirm the solidarity and sharing spirit of its employees.

## VII. ASSESSMENT OF THE BOARD OF DIRECTORS

### 1. EVALUATION OF THE COMPANY'S ACTIVITIES

#### *1.1 Company operations:*

In 2024, the global economy continued to experience significant volatility, deeply affecting the business operations of enterprises. Ongoing geopolitical tensions disrupted global supply chains. The prices of raw materials and basic commodities remained high, exerting significant pressure on production and operational costs.

Domestically, the LPG market continued to see fierce competition, with other companies adopting aggressive discount strategies and implementing flexible policies.

The CNG consumption faced many challenges as domestic industrial production had not fully recovered, and many businesses shifted to alternative energy sources to optimize costs.

Additionally, LPG cylinder business operations faced pressure from foreign competitors with strong financial resources.

#### *1.2. Environmental responsibilities*

The company has rigorously implemented and applied stringent measures to protect the environment and promote sustainable development, including:

- Full compliance with environmental protection regulations as per the law and international standards related to the energy sector.
- The adoption of modern technology in the production and distribution of gas to minimize greenhouse gas emissions and optimize energy consumption.
- Strict waste control, applying solutions to treat emissions, wastewater, and solid waste in accordance with environmental regulations.
- Efficient use of natural resources and investment in energy-saving solutions throughout operations.

#### *1.3. SOCIAL RESPONSIBILITIES*

The company remains committed to its social responsibility towards the community and its employees through practical activities such as:

- Ensuring stable employment and offering excellent welfare benefits to employees, enhancing their quality of life and income.

- Implementing various social welfare programs, including support for people in difficult regions and providing scholarships to disadvantaged students.

- Building a sustainable corporate culture, promoting business ethics, and adhering to principles of transparent and fair corporate governance.

## 2. BOARD OF DIRECTORS' ASSESSMENT OF THE BOARD OF MANAGERMENTS'S ACTIVITIES

### *2.1 Execution of business plan and management*

- The company achieved positive results, with all key production and business indicators met, particularly the profit target which was 112.14% above the plan.

- Proactively implemented flexible measures, adapting to market changes to optimize operational efficiency and manage risks effectively.

- Strong financial management was emphasized, ensuring balanced cash flow, effective cost control, and stable profit margins.

### *2.2 Human resources management and development*

- Implemented appropriate HR policies, ensuring high-quality talent to support business operations.

- Enhanced training and development efforts to improve staff capabilities in line with the company's growth needs.

- Maintained a professional working environment, fostering creativity and improving labor productivity.

### *2.3 Technological improvements and application*

- Focused on applying technology in management and operations to increase efficiency and reduce costs.

- Accelerated digital transformation and automation of critical processes to optimize production and business operations.

- Strengthened product quality monitoring systems to ensure safety standards and maintain brand credibility in the market.

#### *2.4 Risk management and compliance with legal regulations*

- Fully complied with legal regulations, particularly in financial accounting and corporate governance.
- Implemented effective risk control measures to ensure safety in production, business, and investment activities.
- Proactively proposed solutions to address challenges and leverage opportunities for sustainable development.

#### *2.5 Social responsibility and environmental protection*

- Directed the execution of various social responsibility programs, contributing to community development.
- Strictly adhered to environmental protection regulations and applied clean technologies in business operations.

The Board of Directors highly appreciates and acknowledges the efforts of the CEO and the Board of Managements in 2024. Under their leadership, the company has achieved significant success, maintaining stable growth while ensuring the interests of shareholders and stakeholders are safeguarded. The Board is confident that the CEO and Board of Managements will continue to excel in achieving the production and business targets set for 2025, laying a solid foundation for sustainable development in the future.

### 3. PLANS AND STRATEGIC DIRECTION OF THE BOARD OF DIRECTORS

The Board of Directors is committed to continuing the company's development with a focus on stability, sustainability, and effective growth, while ensuring the interests of shareholders, investors, and stakeholders are balanced. To achieve this goal, the following key plans and directions are set:

#### *3.1 Expand market presence and enhance competitive capacity*

- Strengthen marketing activities and market development to expand the LPG and CNG distribution network into potential regions.
- Improve service quality to ensure safety and reliability in product delivery.
- Develop strategic partnerships with industry players to expand collaborative opportunities.

### *3.2 Optimize business operations*

- Enhance cost control and optimize the supply chain to improve operational efficiency.
- Invest in modern technologies to improve productivity and minimize waste in production and operations.
- Improve logistics and warehouse systems to enhance storage and distribution capabilities, ensuring quick and efficient product delivery.

### *3.3 Sustainable development and social responsibility*

- Promote environmental protection initiatives to reduce emissions in production and business operations.
- Increase the use of clean energy, and invest in green energy and clean natural gas development projects.
- Maintain and expand community programs supporting education and social welfare development.

### *3.4 Enhance management capacity and human resources development*

- Continue to refine corporate governance models in line with international standards, enhancing transparency and efficiency.
- Build a high-quality workforce, focusing on continuous training and professional development.
- Increase the application of digital technologies in management and operations to enhance workplace productivity

### *3.5 Strengthen risk management and legal compliance*

- Ensure security and safety in all production and business activities.
- Closely monitor risk factors to ensure financial and operational safety.
- Fully comply with legal regulations, accounting standards, and corporate governance practices.
- Maintain regular dialogue with shareholders and investors to ensure transparency and open communication.



The Board is committed to continuing the company's development under a sustainable growth strategy, creating long-term value for shareholders, employees, and the community. With the efforts of the CEO, the Board of Managements, and the entire workforce, the company will continue to strengthen its position in the gas market and sustain strong growth into 2025.

## VIII. CORPORATE GOVERNANCE

### 1. BOARD OF DIRECTORS

#### a) Members and Structure of the Board of Directors:

The Company's Board of Directors consists of 05 members, including 01 Chairman who works full-time, 01 Board Member who is concurrently a member of the Board of Managements, and 03 independent members of the Board. The Company does not have any member of the Board who simultaneously holds a position as a Board Member in more than 05 other companies:

NO.	FULL NAME	POSITION	SHAREHOLDING PERCENTAGE	
			REPRESENTATIVE SHAREHOLDINGS (PV GAS)	PERSONAL SHAREHOLDING
1	Mr. Phan Quoc Nghia	Chairman of the Board	35.26% Charter Capital	0.0013% Charter Capital
2	Mr. Nguyen Ngoc Luan	Board Member, General Director	0%	0%
3	Mr. Nguyen Hoang Giang	Independent Board Member	0%	0%
4	Mrs. Nguyen Ngoc Anh	Independent Board Member	0%	0%
5	Mrs. Vu Thi Thanh Tam	Independent Board Member	0%	0%

#### b) Committees under the Board of Directors

According to the provisions of Circular No. 115/2020/TT-BTC dated December 31, 2023, issued by the Ministry of Finance, which guides some provisions on corporate governance applicable to public companies under Decree No. 155/2020/ND-CP dated December 31, 2020, the Company's Charter, and the internal regulations on corporate governance, the establishment of committees under the Board of Directors is not mandatory. To date, the Board of Directors has not established any committees under its structure.

The Board of Directors has also appointed the Corporate Governance Officer and the Company Secretary in accordance with current regulations.

#### c) Activities of the Board of Directors:

- In 2024, the Board of Directors effectively completed its functions, tasks, powers, and responsibilities in accordance with the provisions of the Enterprise Law, the Company's Charter, the working regulations of the Board of Directors, the internal regulations on corporate governance, and other relevant regulations. The Board has directed, guided, and governed the Company's business activities, supervised the Board of Managements's implementation of resolutions, decisions, and directives from the Board of Directors and the Annual General Meeting of Shareholders, and managed business operations through internal management regulations, resolutions/decisions, instructions, documents, and Board meetings.

- The Board of Directors consistently monitors and follows up on the Company's business operations through reports and documents from the Board of Managements sent to the Board of Directors.

- The Board of Directors directly directed and provided feedback to the Board of Managements on significant issues arising during business operations.

- The Board members possess expertise, skills, and experience in finance, business, and the gas industry, ensuring the Company's business operations achieve the highest effectiveness and have performed their duties in accordance with current regulations.

- The Board of Directors held 04 meetings in 2024, and collected written opinions from the Board 11 times. The Board of Directors has issued resolutions and decisions on important matters, including:

- ✓ Approving the interim dividend payment for the year 2023 in cash;
- ✓ Approving the organization of the Annual General Meeting of Shareholders for 2024;
- ✓ Approving the credit limits for production and business operations and investment in 2024;
- ✓ Approval of collecting shareholders' opinions in writing to approve the decision of the General Meeting of Shareholders (addition of the Company's business lines)
- ✓ Approval of supplementing the content of collecting shareholders' opinions in writing to approve the decision of the General Meeting of Shareholders.
- ✓ Approving the collection of shareholders' opinions in writing regarding decisions from the General Meeting of Shareholders (Personnel matters);
- ✓ Deciding to reappoint the General Director of the Company;
- ✓ Deciding to reappoint the Deputy General Director of the Company (Mr. Dao Huu Thang);
- ✓ Deciding to reappoint the Deputy General Director of the Company (Mr. Tran Anh Dung)
- ✓ Reaching a consensus on the production and business plan targets for 2025 to assign tasks and plans within the Company, which will be presented to the Annual General Meeting of Shareholders for approval in 2025.

d) Activities of the independent members of the Board of Directors and the independent members' assessment of the Board of Directors' performance:

Activities of the independent members of the Board of Directors:

- In 2024, the independent members of the Board of Directors proactively carried out their supervisory and advisory functions, contributing to enhancing corporate governance effectiveness towards transparency, sustainability, and compliance with current regulations. With their important role in strategic direction, human resource management, and policy formulation, the independent members actively participated

and provided practical proposals. These contributions helped protect the interests of shareholders and stakeholders and promoted the stable, sustainable development of the Company.

Assessment by the independent members of the Board of Directors regarding the Board's performance:

- Over the past year, the Board of Directors has effectively performed its role in guiding and managing the listed Company with a high level of responsibility, solid expertise, and transparency in all activities. The Board fully complied with its functions, powers, and duties as stipulated in the Enterprise Law, the Company's Charter, the internal governance regulations, the Board's operating regulations, and other relevant laws. As a result, the Board has developed annual plans and set long-term objectives, enabling the Company and its subsidiaries to proactively manage their operations while improving the effectiveness of executive supervision.

- The Board of Directors has created favorable conditions for the independent members to fully exercise their rights and responsibilities, ensuring positive contributions to the Company's governance.

- Board meetings were convened and organized in accordance with the procedures stipulated in the Enterprise Law, the Company's Charter, and the Board's operating regulations. Notices for meetings and relevant documents were sent in a timely manner to Board members and the Supervisory Board, allowing them to review, study, and contribute feedback on time. The discussions during the meetings were thoroughly considered, with careful evaluations to make timely and effective decisions, directions, and solutions for the Company and shareholders.

- In addition to regular meetings, the Board of Directors frequently sought written opinions to promptly review and address important issues related to the Company's business operations, finance, investment, construction, and human resources.

- The resolutions and decisions of the Board of Directors were issued in accordance with the proper procedures, strictly following legal regulations, aligning with the actual business situation, meeting governance requirements, and supporting the Company's sustainable development.

- The publication of information regarding the Board's resolutions, decisions, and documents was conducted in compliance with the provisions of Circular 96/2020/TT-BTC dated November 16, 2020, by the Ministry of Finance, ensuring transparency and legal compliance.

## 2. BOARD OF SUPERVISORS

Members and structure of the Board of Supervisors:

The Company's Board of Supervisors consists of 3 members, with the Head of the Board of Supervisors working full-time and 02 members working part-time, as follows:

NO.	FULL NAME	POSITION	SHAREHOLDING PERCENTAGE	
			REPRESENTATIVE SHAREHOLDINGS (PV GAS)	PERSONAL SHAREHOLDING
1	Mr. Tran Van Chung	Head of the Board	0%	0%
2	Mrs. Dang Thi Hong Yen	Member of the Board	0%	0%
3	Mrs. Tran Thi Thu Hien	Member of the Board	0%	78

b) Activities of the Board of Supervisors:

### I - ACTIVITIES OF THE BOARD OF SUPERVISORS:

#### 1. Activities of the Board of Supervisors:

Based on the rights and responsibilities of the Board of Supervisors as stipulated in Article 170 of the Enterprise Law No. 59/2020/QH14 and the Company's Charter, in 2024, the Board of Supervisors carried out the planned supervision activities that were approved by the General Shareholders' Meeting as follows:

- Supervised the compliance with the Company's Charter and adherence to current legal regulations. Supervised the issuance of Resolutions and Decisions by the Board of Directors and the Company's Board of Managements;

- Supervised the compliance with information disclosure regulations of the Company in accordance with the law;

- Supervised the implementation of Resolutions passed by the General Shareholders' Meeting; examined and supervised the execution of the business production plan. Reviewed the reasonableness, legality, and accuracy in the management and operation of the Company's business activities; monitored the progress of the Company's investment and procurement projects;

- Supervised the financial status, the management and use of capital, the operational effectiveness, and the ability to settle debts;

- Appraised the semi-annual and annual financial statements to ensure their accuracy and transparency. Analyzed and evaluated the financial situation and the Company's capital preservation and growth capacity;

- The supervision and inspection activities of the Board of Supervisors were continuously carried out to monitor the real situation and operational effectiveness of the Company, in order to detect and promptly rectify any shortcomings in the management and operation systems, as well as the internal control system. Quarterly, the Board of Supervisors developed a supervision and inspection plan, assigned responsibilities to each member by area, and carried out the inspection and supervision according to the plan;

- In 2024, the Board of Supervisors coordinated with the Company's inspection team to conduct supervision at VT Gas Company and its branches. At the end of the year, the Board of Supervisors worked with the independent auditors to participate in asset inventories at the Units and Branches of the Company.

## 2. Summary of the Board of Supervisors meetings:

In 2024, the Board of Supervisors held regular meetings (in-person, online, and via email consultations). The topics discussed in these meetings included:

- Developing and approving the 2024 inspection and supervision plan for the Board of Supervisors.

- Approving the report of the Board of Supervisors to be presented at the 2024 Annual General Meeting of Shareholders;

- Electing the Head of the Board of Supervisors for the 2024-2029 term due to personnel changes;

- Reviewing the salary/remuneration and bonuses for Board of Supervisors members
- Assigning tasks to the members of the Board of Supervisors.;
- Reporting on quarterly supervision activities, including: Evaluating the Company's business production situation; Reporting on the activities of the Board of Directors, Reporting on the activities of the Board of Managements; Assessing the implementation and adherence to the Company's internal regulations and policies;
- Approving the review of the interim and annual financial statements for 2024.
- Assigning members to supervise and report on the organization of the Annual General Meeting of Shareholders, in accordance with the legal procedures;
- Assigning members to participate in supervising the year-end inventory of assets and debts of the Company.

## II - Results of Supervision and Inspection

### 1. Results of supervising the company's business activities in 2024

- The Board of Supervisors appraised and agreed on the results of the Company's business activities in 2024, as presented in the report by the General Director of the Company, and confirmed the figures in the audited financial statements.

### 2. Results of the 2024 financial statement appraisal

- The Company's financial statements accurately and reasonably reflect the financial situation and business results of the Company as of December 31, 2024;
- The recording, bookkeeping, classification of economic contents, preparation, and presentation of the financial statements have been carried out in accordance with Accounting Standards, the Vietnamese Corporate Accounting Regime, and relevant legal regulations;
- The 2024 financial statement of the Company was audited by Ernst & Young Vietnam Limited Company in compliance with the Company's Charter and the 2024 General Shareholders' Meeting resolution;
- The Company has complied with the disclosure requirements, submitting periodic reports and information to the Hanoi Stock Exchange and the State Securities

Commission in accordance with the Ministry of Finance's regulations on public disclosure in the securities market.

### 3. Implementation of dividend payment plan and other Resolutions of the Annual General Meeting of Shareholders

- The Company has paid a dividend of 20% of the charter capital for 2023 in cash as approved by the Annual General Meeting of Shareholders resolution;

- The remuneration/salary and bonuses for the Board of Directors and Board of Supervisors were paid in accordance with the 2024 Annual General Meeting of Shareholders resolution;

- Other matters have been implemented according to the Annual General Meeting of Shareholders resolutions.

### 4. Results of supervision of the Board of Directors' management tasks

- In 2024, the Board of Directors' management activities complied with legal regulations, the Company's Charter, internal regulations, and General Meeting of Shareholders resolutions;

- The Company's Board of Directors held both regular and extraordinary meetings in accordance with the Company's Charter. In 2024, the Board of Directors held 4 meetings, both online and in-person, and issued several Resolutions and Decisions. These Resolutions and Decisions were passed in the correct order, with proper authority, and in line with legal bases and the Company's Charter;

- The Board of Directors supervised the Board of Managements's implementation of the General Shareholders' Meeting resolutions, the Board's decisions, and the Company's business activities. Within its powers and responsibilities, the Board worked closely with the Board of Managements to comprehensively direct the Company's operations, playing a crucial role in helping the Company exceed its 2024 profit target as set by the Annual General Meeting of Shareholders.

### 5. Results of supervision of the Board of Managements' management tasks

- The Board of Management has fully implemented the resolutions of the Board of Directors; carried out its rights and duties in accordance with the company's Charter and relevant legal regulations.



- The Board of Managements of the Company focused on decisive and flexible management, promptly addressing difficulties in production and business activities, capitalizing on cost-cutting opportunities, helping the Company overcome common challenges, and exceeding the assigned profit plan;

- The Board of Managements has taken measures to preserve capital, including provisions for inventory devaluation, provisions for doubtful receivables, closely monitoring debt recovery efforts to minimize bad debts and overdue debts, and focusing on fire safety. The Company has purchased full property, goods, and exchange rate fluctuation insurance.;

- The digital transformation efforts in 2024 were strongly advanced by the Board of Managements.;

- The Board of Managements continued to strengthen employee training, standardize job titles, and encourage employees to improve professional knowledge and personal capabilities. Employment contracts and terminations between employers and employees were conducted in accordance with state regulations. The Company has timely paid social insurance, health insurance, and unemployment insurance in compliance with regulations. The Company's leadership has paid attention to fully and promptly implement labor policies for employees in accordance with the law.

6. Report on the evaluation of the coordination between the Board of Supervisors, the Board of Directors, and the Board of Managements

- The Board of Supervisors, the Board of Directors, and the Board of Managements of the Company have always coordinated closely, ensuring the maximum benefits of the Company and its shareholders while adhering to legal regulations and the Company's Charter. The Board of Supervisors has received cooperation and support from the Board of Directors and the Board of Managements in carrying out its duties, including the provision of information, documents, and assigning staff to work with the Board of Supervisors when requested.;

- The Board of Supervisors is invited to attend meetings of the Board of Directors and regular management meetings of the Company. At these meetings, the Board of Supervisors has also contributed ideas to ensure the appropriateness of the Company's activities.;

- The Board of Supervisors has conducted financial statement verification before presenting them to the Board of Directors and the General Shareholders' Meeting. Quarterly reports summarizing the inspection and control work of the Board of Supervisors are sent to the Board of Directors and major shareholders.

#### 7. Report on the evaluation of transactions with related parties

- Transactions between the Company, its subsidiaries, and companies controlled by it (with more than 50% ownership) and members of the Board of Directors or related parties: In 2024, the Company entered into several gas purchase contracts with units under the Vietnam National Oil and Gas Group (Petrovietnam Gas). Specific details are provided in Note 28 (Transactions with Related Parties) in the audited 2024 Financial Statements by Ernst & Young Vietnam. All of these contracts were issued with resolutions and publicized in accordance with the regulations of the Enterprise Law and Circulars on public information disclosure on the securities market.;

- Transactions between the Company and other companies where a member of the Board of Directors is a founding member or an executive within the past three years before the transaction: No transactions occurred.

### III - WORK PLAN FOR 2025

The Board of Supervisors will continue to perform its functions and duties to ensure the legal rights and interests of the Company and its Shareholders:

- Monitor the compliance with the Company's Charter, the Enterprise Law, legal regulations, and the Company's internal management regulations;

- Monitor and assess the implementation of the resolutions of the Annual General Shareholders' Meeting 2025 regarding the execution of the 2025 business plan, progress of project implementation, disbursement, settlement of investment projects, analysis and evaluation of financial situation, capital management, operational efficiency, and debt repayment capacity of the Company. Monitor the management of equity capital and the Company's investments in other enterprises;

- Verify the financial statements, check for accuracy, fairness, and consistency in managing production, accounting, statistics, and financial reporting, as well as assess the management activities of the Board of Directors in 2025;

- Review transactions with related parties that fall within the approval authority of the Board of Directors or the General Shareholders' Meeting, and make recommendations regarding transactions that need approval if deemed necessary. Monitor the Company's information disclosure activities, including related parties and transactions with related parties;

- Assess the effectiveness of the Company's internal control system and provide suggestions (if any) to improve its efficiency;

- Cooperate with the Board of Directors, the Company's internal audit team, and internal auditors to inspect and monitor the management and operational activities at the Company, its subsidiaries, and branches;

- Monitor the dividend payments to shareholders and other matters according to the resolutions of the General Shareholders' Meeting.

### 3. TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF GENERAL DIRECTORS AND THE BOARD OF SUPERVISORS

#### a) Salary, bonus, remuneration, and other benefits:

Salary, bonus, remuneration of the Board of Directors, the Board of Supervisors, and the Board of Managements:

The Company implements the salary and remuneration policy for members of the Board of Directors, the Board of Supervisors, and the Board of Managements according to legal regulations, aligning with the Company's annual salary policy and wage fund, corresponding to the capability and performance of each member, as follows:

1. The Company has paid remuneration and bonuses to the members of the Board of Directors as follows:

- Total remuneration and bonus amount: VND 2,691,433,334

2. The Company has paid remuneration and bonuses to the members of the Board of Supervisors as follows:

- Total remuneration and bonus amount: VND 231,000,000

- Total salary and bonus of the Head of the the Board of Supervisors: VND 859,338,943

- Total amount: VND 1,090,338,943

3. The Company has paid salaries and bonuses to the members of the Board of Managements with a total amount of: VND 8,602,386,565

Details of the salary, bonus, and remuneration for each member of the Board of Directors, the Board of Supervisors, General Director and the management staff are as follows:

No.	FULL NAME	POSITION	TOTAL SALARY, REMUNERATION, BONUS Y2024
<b>BOARD OF DIRECTORS</b>			<b>2,691,433,334</b>
1	Phan Quoc Nghia	Chairman the BOD	751,433,334
2	Nguyen Hoang Giang	Member of BOD	447,500,000
3	Nguyen Ngoc Anh	Member of BOD	447,500,000
4	Vu Hoang Ha	Member of BOD	24,657,534
5	Vu Thi Thanh Tam	Member of BOD	400,239,726
6	Ha Anh Tuan	Member of BOD	22,602,740
7	Nguyen Ngoc Luan	Member of BOD	597,500,000
<b>MANAGEMENT BOARD</b>			<b>8,602,386,565</b>
1	Nguyen Ngoc Luan	General Director	2,889,753,264
2	Dao Huu Thang	Deputy General Director	1,430,880,592
3	Dang Van Vinh	Deputy General Director	1,628,517,144
4	Tran Anh Dung	Deputy General Director	1,628,103,249
5	Cao Nguyen Duc Anh	Chief Accountant	1,025,132,316
<b>BOARD OF SUPERVISORS</b>			<b>1,090,338,943</b>
1	Dao Thanh Hang	Head of BOS (from January to April 2024)	349,342,889
2	Tran Van Chung	Head of BOS (from April to December 2024)	509,996,054

No.	FULL NAME	POSITION	TOTAL SALARY, REMUNERATION, BONUS Y2024
3	Tran Thi Thu Hien	Member of BOS	118,000,000
4	Dang Thi Hong Yen	Member of BOS	113,000,000

Currently, members of the Board of Directors, the Board of Supervisors, and the Board of Managements do not receive any intangible benefits or benefits that cannot be quantified in monetary terms. They only receive salaries and remuneration according to the regulations of the Company's Charter and the Company's salary and bonus policies

b) Stock transactions of internal people: In 2024, no stock transactions of internal people occurred.

c) Contracts or transactions with internal people: In 2024, there were transactions between the Company and related parties as follows:

No.	Organization/ Individual Name	Related Relations hip with the Company	Business Registratio n Number, Issue Date, Issuing Authority*	Head Office Address/ Contact Address	Transaction Period with the Company	Resolution/ Decision Number of the General Meeting of Shareholders/ Board of Directors	Content, Quantity, Total Transaction Value (VND)	Notes
1	Vietnam Gas Corpora tion - JSC (PV GAS)"	Major sharehold er with over 10% shareholdi ng and voting rights	350010271 0, issued May 12, 2015"	673 Nguyen Huu Tho, Phuoc Kien, Nha Be, Ho Chi Minh City	From January 1, 2024 to December 31, 2024	Resolution 01/NQ-KMN, dated April 21, 2022	- Purchase of goods and services: 6,504,402,877 - Dividends paid: 35,263,158,000 - Revenue from sales and service provision: 55,458,780	
2	VT - Gas	Subsidiary company	031615811 3, issued February 21, 2020	Room 606, 6th Floor, Waseco Building, No. 10 Pho Quang, Ward 2, Tan Binh District, Ho Chi	From January 1, 2024 to December 31, 2024	-	- Revenue from sales and service provision: 276,320,166,508 - Purchase of goods and services: 5,646,544,612 - Profit distribution: 25,000,000,000	100% capital ownersh ip

No.	Organization/ Individual Name	Related Relations hip with the Company	Business Registratio n Number, Issue Date, Issuing Authority*	Head Office Address/ Contact Address	Transaction Period with the Company	Resolution/ Decision Number of the General Meeting of Shareholders/ Board of Directors	Content, Quantity, Total Transaction Value (VND)	Notes
				Minh City				

d) Evaluation of compliance with corporate governance regulations:

In 2024, the Company fully implemented its rights and obligations in accordance with the provisions of the Enterprise Law, the Securities Law, the internal regulations on Corporate Governance, and other relevant legal documents. The Company consistently adhered to legal regulations to ensure that its business operations are transparent, efficient, and sustainable. Specifically:

- The Company published its governance report fully, accurately, and on time as required by law. The report included all necessary information about the Company's operations, governance structure, shareholder rights, and other important matters.

- The Company also complied with information disclosure requirements under Circular 96/2020/TT-BTC, ensuring transparency and providing full data to investors.

- The Company's Board of Directors is reasonably structured, ensuring the required proportion of independent members. Board meetings are held periodically according to regulations, with minutes recorded fully, and rights and obligations are followed as required. Resolutions and decisions of the Board of Directors are made transparently, without conflicts of interest, ensuring fairness and aligning with the Company's and shareholders' interests.

- The Company has disclosed its financial reports fully, accurately, and timely according to regulations. The financial reports are audited by an independent auditing organization, ensuring accuracy and compliance with the State Securities Commission's regulations. The financial information disclosure is carried out transparently, allowing investors and shareholders to easily access and assess the Company's operations.

- The internal audit department of the Company ensures its independence from the executive management, complies with internal audit regulations, and effectively performs its supervisory function. The internal audit helps enhance transparency in

financial activities and internal control, mitigate risks, and improve the Company's operational efficiency.

- The Company implements its dividend policy in a fair and transparent manner, ensuring balanced benefits between shareholders and the Company. Furthermore, asset management is conducted according to safe financial principles, optimizing operational performance, and sustaining long-term growth.

- The Company is committed to fulfilling its social obligations, including environmental protection, community support, and promoting sustainable development. The Company proactively applies environmentally friendly business practices, minimizing negative impacts on the ecosystem, and enhancing its social responsibility.

- The Company places special emphasis on protecting employees' rights, ensuring safe working conditions, reasonable welfare benefits, and respecting employees' legal rights. The Company regularly organizes training programs, enhances skills, and creates career development opportunities for its workforce.

## **IX. FINANCIAL STATEMENTS**

# Southern Gas Trading Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2024





# Southern Gas Trading Joint Stock Company

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# Southern Gas Trading Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Southern Gas Trading Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103007397 issued by the Department of Planning and Investment of Ho Chi Minh City on 25 July 2007. The Company subsequently received the amended Enterprise Registration Certificates No. 0305097236 dated 15 May 2015, with the latest being the 23<sup>rd</sup> amended Enterprise Registration Certificate on 11 August 2022. The Company's shares were listed on the Ha Noi Stock Exchange in accordance with trading code as PGS.

The current principal activities of the Company and its subsidiary ("the Group") are to import and export Liquefied Petroleum Gas ("LPG"), gas-related products, and materials, equipment and vehicles for transportation, storage, bottling and trading of LPG; to construct, install and consult with LPG works, gas industry works; transfer technology, provide maintenance services for LPG-related civil works; to transport LPG and freight container; to provide services related to LPG and gas-related products in industrial, civil and transportation fields; to trade petrol, lubricant and relevant additives; to trade fertilizer; to trade real estates; and to load and unload cargos; production, filling and distribution of LPG and compressed natural gas ("CNG") and liquefied natural gas ("LNG"); manufacturing metal containers for compressed gas, liquefied petroleum gas and natural gas; repair of tank containers, metal containers; painting, maintenance and repair of tanks, reservoirs, pipelines, oil and gas storage types; wholesale of machinery, equipment and other machine parts; construction and finishing works of civil engineering.

The Company's head office is located at 4th Floor, Petro Vietnam Building, No. 1 - 5 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTORS

The members of the Board of Directors during the year and at the date of this report are:

Mr Phan Quoc Nghia	Chairman
Mr Nguyen Ngoc Luan	Member
Mr Nguyen Hoang Giang	Member
Ms Nguyen Ngoc Anh	Member
Ms Vu Thi Thanh Tam	Member

### BOARD OF SUPERVISION

The members of the Board of Supervision during the year and at the date of this report are:

Mr Tran Van Chung	Head	appointed on 23 April 2024
Ms Dao Thanh Hang	Head	resigned on 23 April 2024
Ms Tran Thi Thu Hien	Member	
Ms Dang Thi Hong Yen	Member	

### THE MANAGEMENT

The members of the Management during the year and at the date of this report are:

Mr Nguyen Ngoc Luan	General Director
Mr Tran Anh Dung	Deputy General Director
Mr Dao Huu Thang	Deputy General Director
Mr Dang Van Vinh	Deputy General Director

# Southern Gas Trading Joint Stock Company

GENERAL INFORMATION (continued)

## LEGAL REPRESENTATIVE

The legal representative of the Group during the year and at the date of this report is Mr Nguyen Ngoc Luan.

## AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

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# Southern Gas Trading Joint Stock Company

## REPORT OF THE MANAGEMENT

The Management of Southern Gas Trading Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiary ("the Group") for the year ended 31 December 2024.

### THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operation and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

The management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

### STATEMENT BY THE MANAGEMENT

The management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of the consolidated results of its operations and its consolidated cash flows for the year ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of the management:



\_\_\_\_\_  
Nguyen Ngoc Luan  
General Director

Ho Chi Minh City, Vietnam

17 March 2025

Reference: 12628592/67737826/HN

## **INDEPENDENT AUDITORS' REPORT**

**To: The Shareholders of Southern Gas Trading Joint Stock Company**

We have audited the accompanying consolidated financial statements of Southern Gas Trading Joint Stock Company ("the Company") and its subsidiary (collectively referred to as "the Group"), as prepared on 17 March 2025, as set out on pages 6 to 38, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

### ***The management's responsibility***

The management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

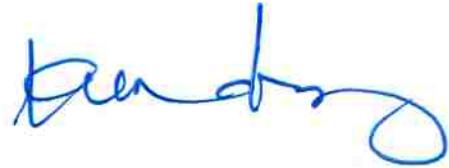
**Opinion**

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

**Ernst & Young Vietnam Limited**



Phạm Thị Cam Tu  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 2266-2023-004-1



Dương Phúc Kiên  
Auditor  
Audit Practicing Registration Certificate  
No. 4613-2023-004-1

Ho Chi Minh City, Vietnam

17 March 2025

CONSOLIDATED BALANCE SHEET  
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>1,769,303,160,908</b>	<b>1,578,488,435,818</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>931,975,641,216</b>	<b>761,371,999,502</b>
111	1. Cash		175,175,641,216	261,371,799,502
112	2. Cash equivalents		756,800,000,000	500,000,200,000
<b>120</b>	<b>II. Short-term investment</b>		<b>58,474,000,000</b>	<b>58,474,000,000</b>
123	1. Held-to-maturity investments	5	58,474,000,000	58,474,000,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>613,914,012,608</b>	<b>619,688,103,486</b>
131	1. Short-term trade receivables	6	624,550,435,891	546,807,222,467
132	2. Short-term advances to suppliers	7	32,890,646,944	36,126,272,400
136	3. Other short-term receivables	8	10,355,196,522	58,450,168,332
137	4. Provision for doubtful short-term receivables	6, 7, 8, 9	(53,882,266,749)	(21,695,559,713)
<b>140</b>	<b>IV. Inventories</b>	<b>10</b>	<b>122,161,018,772</b>	<b>92,402,675,242</b>
141	1. Inventories		125,344,255,987	98,583,501,516
149	2. Provision for obsolete inventories		(3,183,237,215)	(6,180,826,274)
<b>150</b>	<b>V. Other current assets</b>		<b>42,778,488,312</b>	<b>46,551,657,588</b>
151	1. Short-term prepaid expenses	11	6,450,094,460	5,144,373,358
152	2. Value-added tax deductible	16	35,125,786,349	40,204,676,727
153	3. Tax and other receivables from the State	16	1,202,607,503	1,202,607,503
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,072,115,184,012</b>	<b>1,159,148,886,449</b>
<b>210</b>	<b>I. Long-term receivable</b>		<b>3,240,026,981</b>	<b>3,525,863,398</b>
216	1. Other long-term receivables	8	3,240,026,981	3,525,863,398
<b>220</b>	<b>II. Fixed assets</b>		<b>382,439,290,925</b>	<b>382,519,873,732</b>
221	1. Tangible fixed assets	12	356,612,713,178	357,358,565,391
222	Cost		2,081,069,256,202	2,013,023,314,874
223	Accumulated depreciation		(1,724,456,543,024)	(1,655,664,749,483)
227	2. Intangible fixed assets	13	25,826,577,747	25,161,308,341
228	Cost		43,821,978,900	41,523,103,900
229	Accumulated amortization		(17,995,401,153)	(16,361,795,559)
<b>240</b>	<b>III. Long-term asset in progress</b>		<b>38,966,345,187</b>	<b>81,960,393,908</b>
242	1. Construction in progress	14	38,966,345,187	81,960,393,908
<b>260</b>	<b>IV. Other long-term assets</b>		<b>647,469,520,919</b>	<b>691,142,755,411</b>
261	1. Long-term prepaid expenses	11	633,773,650,751	683,523,577,003
262	2. Deferred tax assets	28.3	13,695,870,168	7,619,178,408
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,841,418,344,920</b>	<b>2,737,637,322,267</b>

CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2024

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>1,826,676,578,562</b>	<b>1,727,864,471,701</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>1,668,182,663,469</b>	<b>1,528,216,103,650</b>
311	1. Short-term trade payables	15	848,889,593,188	698,434,416,957
312	2. Short-term advances from customers		7,320,350,358	2,647,931,561
313	3. Statutory obligations	16	16,896,431,103	10,426,076,931
314	4. Payables to employees		56,470,398,635	49,145,329,487
315	5. Short-term accrued expenses	17	192,785,659,035	162,759,653,129
319	6. Other short-term payables	18	6,651,522,181	23,076,112,395
320	7. Short-term loans	19	528,523,819,180	564,844,530,548
321	8. Short-term provision		-	4,823,690,678
322	9. Bonus and welfare fund		10,644,889,789	12,058,361,964
<b>330</b>	<b>II. Non-current liabilities</b>		<b>158,493,915,093</b>	<b>199,648,368,051</b>
337	1. Other long-term liabilities	18	146,399,093,663	177,877,689,485
338	2. Long-term loans	19	12,094,821,430	21,770,678,566
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,014,741,766,358</b>	<b>1,009,772,850,566</b>
<b>410</b>	<b>I. Capital</b>	<b>20.1</b>	<b>1,014,741,766,358</b>	<b>1,009,772,850,566</b>
411	1. Share capital		500,000,000,000	500,000,000,000
411a	- Shares with voting rights		500,000,000,000	500,000,000,000
412	2. Share premium		45,594,384,212	45,594,384,212
415	3. Treasury shares		(12,061,327)	(12,061,327)
418	4. Investment and development fund		362,934,290,222	362,934,290,222
421	5. Undistributed earnings		106,225,153,251	101,256,237,459
421a	- Undistributed earnings by the end of previous year		1,258,649,459	6,096,001,502
421b	- Undistributed earnings of the year		104,966,503,792	95,160,235,957
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>2,841,418,344,920</b>	<b>2,737,637,322,267</b>

Ho Chi Minh City, Vietnam

17 March 2025



Le Thi Diem Chi  
Preparer



Cao Nguyen Duc Anh  
Chief Accountant



Nguyen Ngoc Luan  
General Director



CONSOLIDATED INCOME STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenues from sales of goods and rendering of services	22.1	6,659,744,463,510	5,905,226,559,572
02	2. Deductions	22.1	(221,061,993,713)	(227,873,786,060)
10	3. Net revenues from sales of goods and rendering of services	22.1	6,438,682,469,797	5,677,352,773,512
11	4. Cost of goods sold and services rendered	23	(5,495,063,722,526)	(4,792,196,520,802)
20	5. Gross profits from sales of goods and rendering of services		943,618,747,271	885,156,252,710
21	6. Finance income	22.2	14,523,053,020	10,443,785,373
22	7. Finance expenses	24	(9,205,300,284)	(12,815,390,908)
23	<i>In which: Interest expenses</i>		(8,981,229,222)	(12,762,581,378)
25	8. Selling expenses	25	(684,456,936,566)	(655,765,955,413)
26	9. General and administrative expenses	26	(123,549,476,023)	(86,514,031,540)
30	10. Operating profit		140,930,087,418	140,504,660,222
31	11. Other income		8,909,424,921	5,147,143,011
32	12. Other expenses		(979,474,689)	(73,295,277)
40	13. Other profit		7,929,950,232	5,073,847,734
50	14. Accounting profit before tax		148,860,037,650	145,578,507,956
51	15. Current corporate income tax expense	28.1	(38,970,225,619)	(31,091,581,798)
52	16. Deferred tax income (expense)	28.1	6,076,691,761	(8,326,690,201)
60	17. Net profit after tax		115,966,503,792	106,160,235,957
61	18. Net profit after tax attributable to shareholders of the parent		115,966,503,792	106,160,235,957
70	19. Basic earnings per share	21	2,099	1,903
71	20. Diluted earnings per share	21	2,099	1,903



Le Thi Diem Chi  
Preparer



Cao Nguyen Duc Anh  
Chief Accountant



Nguyen Ngoc Luan  
General Director

CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>148,860,037,650</b>	<b>145,578,507,956</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortization	12, 13	73,027,707,035	66,782,474,205
03	Provisions		24,365,427,299	7,373,152,326
04	Foreign exchange (gains) losses arisen from revaluation of monetary accounts denominated in foreign currency		(41,810,467)	14,492,948
05	Profit from investing activities		(14,383,029,944)	(8,830,083,573)
06	Interest expenses	24	8,981,229,222	12,762,581,378
08	<b>Operating profit before changes in working capital</b>		<b>240,809,560,795</b>	<b>223,681,125,240</b>
09	(Increase) decrease in receivables		(21,920,061,407)	2,731,088,159
10	(Increase) decrease in inventories		(26,760,754,471)	36,709,584,943
11	Increase in payables		146,673,842,674	29,010,368,488
12	Decrease in prepaid expenses		48,444,205,150	73,490,785,673
14	Interest paid		(9,141,833,115)	(13,002,619,795)
15	Corporate income tax paid	16	(34,410,395,655)	(20,414,819,887)
17	Other cash outflows for operating activities		(12,439,254,175)	(6,925,550,000)
20	<b>Net cash flows from operating activities</b>		<b>331,255,309,796</b>	<b>325,279,962,821</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(29,999,341,635)	(81,200,065,670)
22	Proceeds from disposals of fixed assets		201,995,634	1,942,381,683
23	Term-bank deposits and loans to another entity		(100,000,000,000)	(20,510,000,000)
24	Collections from borrower		100,000,000,000	-
27	Interest received		15,099,472,483	6,141,110,551
30	<b>Net cash flows used in investing activities</b>		<b>(14,697,873,518)</b>	<b>(93,626,573,436)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings	19	1,326,763,031,678	1,205,190,323,152
34	Repayment of borrowings	19	(1,372,759,600,182)	(906,546,028,646)
36	Dividends paid	20.2	(99,971,806,000)	(99,971,806,000)
40	<b>Net cash flows (used in) from financing activities</b>		<b>(145,968,374,504)</b>	<b>198,672,488,506</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash and cash equivalents		170,589,061,774	430,325,877,891
60	Cash and cash equivalents at beginning of year		761,371,999,502	331,046,143,059
61	Impact of exchange rate fluctuation		14,579,940	(21,448)
70	Cash and cash equivalents at end of year	4	931,975,641,216	761,371,999,502

Ho Chi Minh City, Vietnam

17 March 2025



Le Thi Diem Chi  
Preparer



Cao Nguyen Duc Anh  
Chief Accountant



Nguyen Ngoc Luan  
General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2024 and for the year then ended

1. **CORPORATE INFORMATION**

The Group consists of Southern Gas Trading Joint Stock Company ("PGS" or "the Company") and its subsidiary as follows:

**Company**

Southern Gas Trading Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103007397 issued by the Department of Planning and Investment of Ho Chi Minh City on 25 July 2007. The Company subsequently received the amended Enterprise Registration Certificates No. 0305097236 dated 15 May 2015, with the latest being the 23<sup>rd</sup> amended Enterprise Registration Certificate on 11 August 2022. The Company's shares were listed on the Ha Noi Stock Exchange in accordance with trading code as PGS.

The Company's current principal activities are to import and export Liquefied Petroleum Gas ("LPG"), gas-related products, and materials, equipment and vehicles for transportation, storage, bottling and trading of LPG; to construct, install and consult with LPG works, gas industry works; transfer technology, provide maintenance services for LPG-related civil works; to transport LPG and freight container; to provide services related to LPG and gas-related products in industrial, civil and transportation fields; to trade petrol, lubricant and relevant additives; to trade fertilizer; to trade real estates; and to load and unload cargos; production, filling and distribution of LPG and compressed natural gas ("CNG") and Liquefied Natural Gas ("LNG"); manufacturing metal containers for compressed gas, liquefied petroleum gas and natural gas; repair of tank containers, metal containers; painting, maintenance and repair of tanks, reservoirs, pipelines, oil and gas storage types; wholesale of machinery, equipment and other machine parts; construction and finishing works of civil engineering.

The Group's head office is located at 4th Floor, Petro Vietnam Building, No. 1 - 5 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.

The number of Group's employees as at 31 December 2024: 1,155 (31 December 2023: 1,172).

**Subsidiary**

<i>Name of subsidiary</i>	<i>Business</i>	<i>Status</i>	<i>Ownership and voting right</i> %
VT Gas - Viet Nam Liquefied Gas Company Limited	Trading liquefied petroleum gas, gas products, supplies, equipment and vehicles for providing service of transporting, storage, bottling and trading liquefied petroleum gas	In operating	100.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 2. BASIS OF PREPARATION

### 2.1 *Accounting standards and system*

The consolidated financial statements of the Company and its subsidiaries ("the Group") expressed in Vietnam Dong ("VND") are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the General Journal system.

### 2.3 *Fiscal year*

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

### 2.4 *Accounting currency*

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

### 2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the parent company and its subsidiary for the year ended 31 December 2024.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealized gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly-liquid investments with an original maturity of not more than three (3) months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

#### 3.2 *Inventories*

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, merchandise, tools and equipment - cost of purchase on a weighted average basis.

Finished goods and work-in process - cost of finished goods on a weighted average basis.

##### *Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods and other inventories owned by the Group, based on appropriate evidence of impairment available at the consolidated balance sheet date. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

#### 3.3 *Receivables*

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful receivables.

The provision for doubtful receivables represents amounts of outstanding receivables at the consolidated balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded into general and administrative expenses accounts in the consolidated income statement. When bad receivables are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

#### 3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

##### *Land use rights*

Land use rights is recorded as an intangible fixed asset on the consolidated balance sheet when the Group obtained the land use rights certificates. The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for intended use and is not amortized when having indefinite useful life.

#### 3.6 *Depreciation and amortization*

Depreciation of tangible fixed assets, investment properties and amortization of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Building and structure	5 - 50 years
Machinery and equipment	3 - 8 years
Means of transportation	3 - 10 years
Office equipment	3 - 4 years
Land use rights	38 - 50 years
Brand	9 years
Computer software	2 - 5 years

#### 3.7 *Borrowing cost*

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the year in which they are incurred.

#### 3.8 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.8 *Leased assets* (continued)

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Group is the lessor*

Assets subject to operating leases are included as the Group's fixed assets in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognized in the consolidated income statement as incurred.

For other cases under operating leases, lease income is recognized in the consolidated income statement on a straight-line basis over the lease term.

*Where the Group is the lessee*

Assets held under finance leases are capitalized in the consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalized financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

#### 3.9 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortized over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as long-term prepaid expense and are amortized to the consolidated income statement:

- ▶ LPG gas cylinders be amortized in 10 years;
- ▶ Prepaid rental;
- ▶ Maintenance fee;
- ▶ Relocation and restructuring costs;
- ▶ Tools and consumables with large value issued into production and can be used for more than one year; and
- ▶ Etc.

*Prepaid land rental*

Prepaid land rental represents the unamortized balances of advanced payments made in accordance with lease contract for a period of 5 years to 49 years. Such prepaid rental is recognized as a long-term prepaid expense for allocation to the consolidated income statement over the remaining lease period according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of the fixed assets.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.10 *Investments*

##### *Held-to-maturity investments*

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognized as finance expense in the consolidated income statement and deducted against the value of such investments.

##### *Provision for diminution in value of investments*

Provision of the investment is made when there are reliable evidence of the diminution in value of those investments at the consolidated balance sheet date. Increases or decreases to the provision balance are recorded into finance expenses account in the consolidated income statement.

#### 3.11 *Payables and accruals*

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

##### *Deposit received for LPG cylinders*

According Point 3, Article 7 of Circular No. 118/2010/TT-BTC dated 10 August 2010 guiding financial and tax regimes applicable to traders of bottled liquefied petroleum gas, annually when allocating costs of LPG cylinders, the Group shall transfer deposit amounts to incomes when determining enterprise income tax-liable incomes. The transfer time corresponds the time of allocating costs for LPG cylinders to LPG trading expenses (10 years).

#### 3.12 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment;

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Group conduct transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conduct transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

#### 3.13 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss upon purchase, sale, re-issue or cancellation of the Group's own equity instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.14 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

#### 3.15 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

▶ *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operation or of in-depth investments.

▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

#### 3.16 *Revenue recognition*

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognized:

*Sale of goods*

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

*Rendering of services*

Revenues are recognized upon completion of the services provided.

*Interest*

Revenue is recognized as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

*Rental income*

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.17 Taxation

##### *Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the deferred current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

##### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the consolidated balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Previously unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

#### 3.18 Related parties

Parties are considered to be related parties of the Group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including their close family members.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.19 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's principal activities are to trade gas, petrol and lubricant, process LPG gas cylinders and provide maintaining gas cylinders server. In addition, these activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is manufacturing or the locations where the Group is trading. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

### 4. CASH AND CASH EQUIVALENTS

	VND	
	Ending balance	Beginning balance
Cash on hand	14,474,306,284	24,720,710,290
Cash at banks	160,701,334,932	236,651,089,212
Cash equivalents (*)	756,800,000,000	500,000,200,000
<b>TOTAL</b>	<b>931,975,641,216</b>	<b>761,371,999,502</b>

(\*) Cash equivalents represented the short-term bank deposits with original maturity of less than three months. Details are as follows:

Banks	Ending balance (VND)	Maturity date	Interest rate % per annum
Vietnam Public Commercial Joint Stock Bank	325,000,000,000	From 21 January 2025 to 31 March 2025	4.3 - 4.6
Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV")	201,800,000,000	From 10 January 2025 to 31 March 2025	4.5 - 4.7
Vietnam Bank for Agriculture and Rural Development ("Agribank")	150,000,000,000	From 3 March 2025 to 19 March 2025	4.3 - 4.4
Vietnam Joint Stock Commercial Bank for Industry and Trade	40,000,000,000	From 3 March 2025 to 5 March 2025	4.2
Military Commercial Joint Stock Bank	40,000,000,000	From 13 March 2025 to 19 March 2025	4.4
<b>TOTAL</b>	<b>756,800,000,000</b>		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

#### 5. SHORT-TERM HELD-TO-MATURITY INVESTMENTS

Short-term held-to-maturity investments represented the term deposits in VND at commercial banks with maturity as the four (4) to twelve (12) months. Details are as follows:

<i>Banks</i>	<i>Ending balance</i>	<i>Maturity date</i>	<i>Interest rate</i>
	<i>(VND)</i>		<i>% per annum</i>
Vietnam Public Joint Stock Commercial Bank	50,000,000,000	From 11 April 2025 to 14 April 2025	4.9
Modern Bank of Vietnam Limited	7,964,000,000	From 5 January 2025 to 28 June 2025	2.88 - 2.9
Joint Stock Commercial Bank for Investment and Development of Vietnam	510,000,000	2 February 2025	4.2
<b>TOTAL</b>	<b><u>58,474,000,000</u></b>		

#### 6. SHORT-TERM TRADE RECEIVABLES

	<i>Ending balance</i>	<i>Beginning balance</i>
	<i>VND</i>	
Amounts due from other parties	624,489,431,233	546,755,837,947
<i>In which:</i>		
<i>Vicera Co., Ltd</i>	34,382,464,070	20,230,128,620
<i>Nam Kim Steel Joint Stock Company</i>	30,970,222,332	21,746,444,581
<i>Others</i>	559,136,744,831	504,779,264,746
Amounts due from a related party (Note 29)	61,004,658	51,384,520
<b>TOTAL</b>	<b><u>624,550,435,891</u></b>	<b><u>546,807,222,467</u></b>
Provision for doubtful short-term receivables	<u>(48,804,700,490)</u>	<u>(17,612,930,327)</u>
<b>NET</b>	<b><u>575,745,735,401</u></b>	<b><u>529,194,292,140</u></b>

*Detail of movements of provision for doubtful short-term receivables:*

	<i>Current year</i>	<i>Previous year</i>
	<i>VND</i>	
Beginning balance	(17,612,930,327)	(16,519,827,916)
Add: Provisions made during the year	(32,014,844,253)	(1,986,628,680)
Less: Reversal of provisions during the year	823,074,090	893,526,269
Ending balance	<u>(48,804,700,490)</u>	<u>(17,612,930,327)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

#### 7. SHORT-TERM ADVANCE TO SUPPLIERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Dong Nai Port Joint Stock Company	16,514,520,647	16,529,004,347
Thang Long Technical Trading and Construction Joint Stock Company	5,694,012,380	4,112,041,401
Others	10,682,113,917	15,485,226,652
<b>TOTAL</b>	<b>32,890,646,944</b>	<b>36,126,272,400</b>
Provision for doubtful short-term advance to suppliers	(1,025,520,700)	(782,629,386)
<b>NET</b>	<b>31,865,126,244</b>	<b>35,343,643,014</b>

#### 8. OTHER RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>10,355,196,522</b>	<b>58,450,168,332</b>
Interest receivables from banks	1,886,777,435	2,760,688,433
Advance to employees	1,680,504,497	1,565,938,170
Others	6,787,914,590	54,123,541,729
<b>Long-term</b>	<b>3,240,026,981</b>	<b>3,525,863,398</b>
Deposits	3,240,026,981	3,525,863,398
<b>TOTAL</b>	<b>13,595,223,503</b>	<b>61,976,031,730</b>
Provisions for doubtful other receivables	(4,052,045,559)	(3,300,000,000)
<b>NET</b>	<b>9,543,177,944</b>	<b>58,676,031,730</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**9. PROVISION FOR DOUBTFUL SHORT-TERM RECEIVABLES**

	Ending balance			Beginning balance			VND
	Cost	Provision	Recoverable amount	Cost	Provision	Recoverable amount	
Dong Nai Granite Tiles Company Limited	22,901,607,372	(18,321,285,897)	4,580,321,475	22,225,785,780	-	22,225,785,780	
King Minh Ceramics Production Company Limited	13,499,221,947	(10,799,377,558)	2,699,844,389	11,609,623,860	-	11,609,623,860	
Others	33,265,793,108	(24,761,603,294)	8,504,189,814	25,416,097,966	(21,695,559,713)	3,720,538,253	
<b>TOTAL</b>	<b>69,666,622,427</b>	<b>(53,882,266,749)</b>	<b>15,784,355,678</b>	<b>59,251,507,606</b>	<b>(21,695,559,713)</b>	<b>37,555,947,893</b>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**10. INVENTORIES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Merchandise goods	51,291,211,416	26,920,895,332
Raw materials	29,100,686,483	29,383,939,583
Tools and supplies	24,277,912,678	33,340,462,181
Goods in transit	12,151,349,704	-
Finished goods	5,096,243,185	5,589,559,857
Work in process	3,426,852,521	3,348,644,563
<b>TOTAL</b>	<b>125,344,255,987</b>	<b>98,583,501,516</b>
Provision for obsolete inventories	(3,183,237,215)	(6,180,826,274)
<b>NET</b>	<b>122,161,018,772</b>	<b>92,402,675,242</b>

*Details of movements of provision for obsolete inventories:*

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	(6,180,826,274)	(4,724,467,037)
Add: Provision made during the year	(209,040,754)	(5,338,176,351)
Less: Utilisation of provision during the year	3,206,629,813	3,881,817,114
Ending balance	<u>(3,183,237,215)</u>	<u>(6,180,826,274)</u>

**11. PREPAID EXPENSES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>6,450,094,460</b>	<b>5,144,373,358</b>
Rental expenses	1,356,077,589	2,128,484,878
Insurance fee	1,167,972,869	1,107,745,585
Others	3,926,044,002	1,908,142,895
<b>Long-term</b>	<b>633,773,650,751</b>	<b>683,523,577,003</b>
Gas cylinder costs (*) (Notes 3.9)	475,938,748,134	519,246,196,544
Land lease	67,187,314,711	68,968,045,153
Office rental	38,810,377,351	39,906,114,679
Tool and equipment	36,053,675,369	37,231,313,961
Maintenance fee	7,129,398,641	9,367,965,652
Office renovation	642,664,837	1,762,031,552
Others	8,011,471,708	7,041,909,462
<b>TOTAL</b>	<b>640,223,745,211</b>	<b>688,667,950,361</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

11. **PREPAID EXPENSES** (continued)

(\*) *Detail of movements of gas cylinders:*

	<i>Current year</i>	<i>Previous year</i>
		VND
Beginning balance	519,246,196,544	579,200,452,668
Add: Increasing during the year	53,972,033,090	40,366,505,566
Less: Allocation to operating expenses	<u>(97,279,481,500)</u>	<u>(100,320,761,690)</u>
Ending balance	<u>475,938,748,134</u>	<u>519,246,196,544</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 12. TANGIBLE FIXED ASSETS

	Building and structure	Machinery and equipment	Means of transportation	Office equipment	Others	Total	VND
<b>Cost</b>							
Beginning balance	631,175,807,949	1,275,890,441,208	73,013,786,665	6,750,232,153	26,193,046,899	2,013,023,314,874	
Construction in progress completed	-	47,149,397,428	6,778,347,035	-	-	53,927,744,463	
New purchases	456,162,727	8,210,522,090	7,217,062,439	528,660,000	354,363,635	16,766,770,891	
Disposals	(76,389,976)	(1,162,993,313)	(875,316,818)	(533,873,919)	-	(2,648,574,026)	
Reclassification	(1,146,380,373)	2,435,903,253	(1,289,522,880)	-	-	-	
Ending balance	630,409,200,327	1,332,523,270,666	84,844,356,441	6,745,018,234	26,547,410,534	2,081,069,256,202	
<i>In which:</i>							
Fully depreciated	148,685,164,352	1,076,844,225,834	23,268,467,450	3,947,002,520	23,351,386,765	1,276,096,246,921	
<b>Accumulated depreciation</b>							
Beginning balance	423,049,693,142	1,164,280,925,112	39,142,451,168	5,244,637,817	23,947,042,244	1,655,664,749,483	
Depreciation for the year	30,282,886,049	32,489,965,192	7,777,706,488	638,264,716	205,278,996	71,394,101,441	
Disposals	(76,389,976)	(1,103,482,867)	(888,561,138)	(533,873,919)	-	(2,602,307,900)	
Reclassification	-	341,056,889	(341,056,889)	-	-	-	
Ending balance	453,256,189,215	1,196,008,464,326	45,690,539,629	5,349,028,614	24,152,321,240	1,724,456,543,024	
<b>Net carrying amount</b>							
Beginning balance	208,126,114,807	111,609,516,096	33,871,335,497	1,505,594,336	2,246,004,655	357,358,565,391	
Ending balance	177,153,011,112	136,514,806,340	39,153,816,812	1,395,989,620	2,395,089,294	356,612,713,178	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**13. INTANGIBLE FIXED ASSETS**

	VND			
	<i>Land use rights</i>	<i>Computer software</i>	<i>Branding</i>	<i>Total</i>
<b>Cost</b>				
Beginning balance	28,839,738,884	11,218,994,640	1,464,370,376	41,523,103,900
New purchase	-	2,298,875,000	-	2,298,875,000
Ending balance	<u>28,839,738,884</u>	<u>13,517,869,640</u>	<u>1,464,370,376</u>	<u>43,821,978,900</u>
<i>In which:</i>				
Fully amortized	-	10,850,839,000	1,464,370,376	12,315,209,376
<b>Accumulated amortization</b>				
Beginning balance	4,431,935,966	10,465,489,217	1,464,370,376	16,361,795,559
Amortization for the year	343,355,436	1,290,250,158	-	1,633,605,594
Ending balance	<u>4,775,291,402</u>	<u>11,755,739,375</u>	<u>1,464,370,376</u>	<u>17,995,401,153</u>
<b>Net carrying amount</b>				
Beginning balance	<u>24,407,802,918</u>	<u>753,505,423</u>	<u>-</u>	<u>25,161,308,341</u>
Ending balance	<u>24,064,447,482</u>	<u>1,762,130,265</u>	<u>-</u>	<u>25,826,577,747</u>

**14. CONSTRUCTION IN PROGRESS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
LNG business project	29,222,994,119	73,179,702,669
Land lease and clearance costs	4,773,938,018	4,773,938,018
Others	4,969,413,050	4,006,753,221
<b>TOTAL</b>	<u><b>38,966,345,187</b></u>	<u><b>81,960,393,908</b></u>

**15. SHORT-TERM TRADE PAYABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Amounts due to a related party (Note 29)	434,242,486,505	366,544,868,737
Amounts due to other parties	414,647,106,683	331,889,548,220
<i>In which:</i>		
Hyosung Vina Chemicals Company Limited	189,368,210,069	7,907,361,396
Binh Son Refining and Petrochemical Joint Stock Company	115,851,382,244	115,773,578,056
Others	109,427,514,370	208,208,608,768
<b>TOTAL</b>	<u><b>848,889,593,188</b></u>	<u><b>698,434,416,957</b></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 16. TAXATION

	VND			
	<i>Beginning balance</i>	<i>Increase in the year</i>	<i>Decrease in the year</i>	<i>Ending balance</i>
Value-added tax	(36,245,703,145)	1,120,961,570,493	(1,116,544,933,188)	(31,829,065,840)
Corporate income tax	5,662,579,081	38,970,225,619	(34,410,395,655)	10,222,409,045
Personal income tax	804,165,602	14,891,867,288	(12,318,731,341)	3,377,301,549
Others	(1,202,248,837)	838,047,348	(838,406,014)	(1,202,607,503)
<b>TOTAL</b>	<b>(30,981,207,299)</b>	<b>1,175,661,710,748</b>	<b>(1,164,112,466,198)</b>	<b>(19,431,962,749)</b>
<i>In which:</i>				
Value-added tax deductible	(40,204,676,727)			(35,125,786,349)
Tax overpaid	(1,202,607,503)			(1,202,607,503)
Tax payables	10,426,076,931			16,896,431,103

## 17. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cost of purchasing CNG	128,066,023,976	109,379,935,936
Cost of cylinder rental	35,404,248,296	13,256,521,198
Promotion expense	9,056,556,913	12,273,797,396
Others	20,258,829,850	27,849,398,599
<b>TOTAL</b>	<b>192,785,659,035</b>	<b>162,759,653,129</b>

## 18. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>6,651,522,181</b>	<b>23,076,112,395</b>
Deposits	278,221,400	352,221,400
Borrowing goods	116,913,544	13,377,399,060
Trade union fee	84,281,611	2,261,473,257
Others	6,172,105,626	7,085,018,678
<b>Long-term</b>	<b>146,399,093,663</b>	<b>177,877,689,485</b>
Deposits (*) (Notes 3.11)	146,399,093,663	177,877,689,485
<b>TOTAL</b>	<b>153,050,615,844</b>	<b>200,953,801,880</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

18. OTHER PAYABLES (continued)

(\*) These deposits received from customers for the value of gas cylinder shell with movement as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Beginning balance	177,877,689,485	210,864,084,081
Add: Deposits received in the year	24,379,022,867	17,214,888,162
Less: Allocated to revenues (Notes 22.1)	(35,730,433,559)	(35,828,274,596)
Less: Deposits reimbursed	(20,127,185,130)	(14,373,008,162)
Ending balance	<u>146,399,093,663</u>	<u>177,877,689,485</u>

19. LOANS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>528,523,819,180</b>	<b>564,844,530,548</b>
Short-term bank loans (Note 19.1)	518,847,962,044	555,168,673,412
Current portion of long-term bank loan (Note 19.2)	9,675,857,136	9,675,857,136
<b>Long-term</b>	<b>12,094,821,430</b>	<b>21,770,678,566</b>
Long-term bank loan (Note 19.2)	12,094,821,430	21,770,678,566
<b>TOTAL</b>	<b><u>540,618,640,610</u></b>	<b><u>586,615,209,114</u></b>

The movement of bank loans during the year are follows:

				VND
	<i>Short-term bank loans</i>	<i>Current portion of long-term loan</i>	<i>Long-term bank loan</i>	<i>Total</i>
Beginning balance	555,168,673,412	9,675,857,136	21,770,678,566	586,615,209,114
Drawdown	1,326,763,031,678	-	-	1,326,763,031,678
Repayment	(1,363,083,743,046)	(9,675,857,136)	-	(1,372,759,600,182)
Reclassification	-	9,675,857,136	(9,675,857,136)	-
Ending balance	<u>518,847,962,044</u>	<u>9,675,857,136</u>	<u>12,094,821,430</u>	<u>540,618,640,610</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 19. LOANS (continued)

### 19.1 Short-term loans

The Group obtained these unsecured loans to finance for its working capital requirements of the Group.

<i>Banks</i>	<i>Ending balance</i> <i>(VND)</i>	<i>Maturity date</i>	<i>Interest rate</i> <i>% per annum</i>
Joint Stock Commercial Bank for Investment and Development of Vietnam – Ben Nghe Branch	307,274,755,524	From 18 February 2025 to 14 March 2025	3.1%
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ky Dong Branch	209,801,886,670	From 3 February 2025 to 26 March 2025	3.1% - 3.5%
Shinhan Bank (Vietnam) Ltd., – Ho Chi Minh City Branch	1,771,319,850	28 February 2025	3.5%
<b>TOTAL</b>	<b><u>518,847,962,044</u></b>		

### 19.2 Long-term bank loan

<i>Bank</i>	<i>Ending balance</i> <i>(VND)</i>	<i>Maturity date</i>	<i>Interest rate</i> <i>% per annum</i>	<i>Collaterals</i>
Shinhan Bank (Vietnam) Ltd., – Ho Chi Minh City Branch	<u>21,770,678,566</u>	From 25 January 2025 to 12 January 2027	6.8 - 7.9	All assets, including but not limited to machinery, vehicles and other ancillary systems under the Project LNG supplies to industrial and transportation customers according to Decision No. 144/QD-KMN dated 22 March 2021
<i>In which:</i>				
<i>Non-current portion</i>	12,094,821,430			
<i>Current portion</i>	9,675,857,136			

The Group obtained the long-term loan to finance the development costs of LNG supply system for business purposes.

# Southern Gas Trading Joint Stock Company

B09-DN/HN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2023 and for the year then ended

## 20. OWNERS' EQUITY

### 20.1 Increases and decreases in owners' equity

	Share capital	Share premium	Treasury shares	Development fund	Undistributed earnings	VND Total
<b>Previous year</b>						
Beginning balance	500,000,000,000	45,594,384,212	(12,061,327)	362,934,290,222	110,475,151,126	1,018,991,764,233
Net profit for the year	-	-	-	-	106,160,235,957	106,160,235,957
Dividend declaration	-	-	-	-	(104,379,149,624)	(104,379,149,624)
Bonus and welfare fund	-	-	-	-	(11,000,000,000)	(11,000,000,000)
Ending balance	500,000,000,000	45,594,384,212	(12,061,327)	362,934,290,222	101,256,237,459	1,009,772,850,566
<b>Current year</b>						
Beginning balance	500,000,000,000	45,594,384,212	(12,061,327)	362,934,290,222	101,256,237,459	1,009,772,850,566
Net profit for the year	-	-	-	-	115,966,503,792	115,966,503,792
Dividend declaration (*)	-	-	-	-	(99,997,588,000)	(99,997,588,000)
Bonus and welfare fund	-	-	-	-	(10,000,000,000)	(10,000,000,000)
Management fund	-	-	-	-	(1,000,000,000)	(1,000,000,000)
Ending balance	500,000,000,000	45,594,384,212	(12,061,327)	362,934,290,222	106,225,153,251	1,014,741,766,358

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

20. OWNERS' EQUITY (continued)

20.2 Capital transactions with owners and distribution of dividends

	Current year	VND Previous year
<b>Contributed share capital</b>		
Beginning and ending balances	<u>500,000,000,000</u>	<u>500,000,000,000</u>
<b>Dividends</b>		
Dividend declared (*)	99,971,806,000	104,379,149,625
Dividends paid	99,971,806,000	99,971,806,000

(\*) In accordance with the Board of Directors' Resolution No. 07/NQ-KMN dated 23 April 2024, the Company was approved to pay 2023 dividends by cash at 20% par value. On 6 June 2024, the Company has completed the 2023 dividend payment above.

20.3 Shares

	<u>Number of shares</u>	
	Ending balance	Beginning balance
Authorized shares	50,000,000	50,000,000
Shares issued and fully paid	50,000,000	50,000,000
<i>Ordinary shares</i>	<i>50,000,000</i>	<i>50,000,000</i>
Treasury shares	1,206	1,206
<i>Ordinary shares</i>	<i>1,206</i>	<i>1,206</i>
Shares in circulation	49,998,794	49,998,794
<i>Ordinary shares</i>	<i>49,998,794</i>	<i>49,998,794</i>

Shares at par value in circulation is VND 10,000/share.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 21. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated as follows:

	<i>Current year</i>	<i>Previous year</i>
Net profit after tax attributable ordinary shareholders (VND)	115,966,503,792	106,153,177,216
Distribution to bonus and welfare fund, and m (VND) (*)	<u>(11,000,000,000)</u>	<u>(11,000,000,000)</u>
Net profit after tax attributable to ordinary shareholders (VND)	104,966,503,792	95,153,177,216
Weighted average number of ordinary shares (share)	49,998,794	49,998,794
Basic and diluted earnings per share (VND/share)	2,099	1,903

(\*) According to the Resolution of the 2023 Annual General No. 07/NQ-KMN dated 23 April 2024, the Group's shareholders approved the plan to distribute its profit to reward Board of Management and established Bonus and Welfare Fund in 2023 and plan for 2024. Accordingly, the profit used to compute earnings per share for 2023 and 2024 is adjusted for the said appropriation.

There have been no dilutive potential ordinary shares during the year and up to the date of these consolidated financial statements.

## 22. REVENUES

### 22.1 Revenue from sales of goods and rendering of services

	<i>Current year</i>	<i>Previous year</i>
<b>Gross revenue</b>	<b>6,659,744,463,510</b>	<b>5,905,226,559,572</b>
<i>In which:</i>		
Revenue from sales of LPG	4,492,308,224,660	4,123,155,154,833
Revenue from sales of CNG	1,932,450,641,481	1,564,837,621,873
Revenue from sales of petrol and lubricant	83,358,574,190	87,791,382,150
Revenue from sales of LPG gas cylinders	50,349,986,786	39,491,688,442
Revenue from maintaining gas cylinders	34,054,313,150	25,831,141,310
Revenue from allocation of gas cylinders deposit (Notes 3.11 and 18)	35,730,433,559	35,828,274,596
Others	31,492,289,684	28,291,296,368
<b>Sales deduction</b>	<b><u>(221,061,993,713)</u></b>	<b><u>(227,873,786,060)</u></b>
<b>Net revenue</b>	<b><u>6,438,682,469,797</u></b>	<b><u>5,677,352,773,512</u></b>
<i>In which:</i>		
Sales to others	6,438,627,011,017	5,677,211,604,081
Sales to a related party (Note 29)	55,458,780	141,169,431

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**22. REVENUES** (continued)

**22.2 Financial income**

	VND	
	Current year	Previous year
Interest income	12,436,752,495	8,474,223,338
Late payment interest	1,790,543,104	-
Foreign exchange gains	295,757,421	1,969,562,035
<b>TOTAL</b>	<b><u>14,523,053,020</u></b>	<b><u>10,443,785,373</u></b>

**23. COST OF GOODS SOLD AND SERVICES RENDERED**

	VND	
	Current year	Previous year
Cost of liquefied gas LPG	3,703,666,423,307	3,336,455,428,031
Cost of CNG	1,518,659,937,421	1,197,729,864,255
Cost of petrol and lubricant	79,453,564,348	84,646,073,798
Cost of LPG gas cylinders	42,651,248,919	37,272,911,181
Cost of maintaining gas cylinders	18,141,514,477	8,917,752,656
Allocation of gas cylinder	121,392,948,562	117,668,010,443
Others	11,098,085,492	9,506,480,438
<b>TOTAL</b>	<b><u>5,495,063,722,526</u></b>	<b><u>4,792,196,520,802</u></b>

**24. FINANCE EXPENSES**

	VND	
	Current year	Previous year
Interest expenses	8,981,229,222	12,762,581,378
Foreign exchange losses	224,071,062	52,809,530
<b>TOTAL</b>	<b><u>9,205,300,284</u></b>	<b><u>12,815,390,908</u></b>

**25. SELLING EXPENSES**

	VND	
	Current year	Previous year
Labor cost	242,295,083,895	208,034,862,662
Tools and equipment	141,265,298,541	149,980,025,975
Expenses for other external services	86,060,678,327	83,698,460,067
Depreciation and amortization	59,352,436,804	58,216,536,350
Transportation expenses	68,826,767,250	66,625,227,565
Others	86,656,671,749	89,210,842,794
<b>TOTAL</b>	<b><u>684,456,936,566</u></b>	<b><u>655,765,955,413</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 26. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Labor cost	37,169,109,489	39,973,252,379
Provision for doubtful debts	31,434,661,477	1,986,628,680
External services expense	28,031,009,693	29,401,807,825
Tools expenses	7,243,937,744	7,972,598,620
Depreciation and amortization	2,385,189,659	2,075,028,096
Others	17,285,567,961	5,104,715,940
<b>TOTAL</b>	<b><u>123,549,476,023</u></b>	<b><u>86,514,031,540</u></b>

## 27. PRODUCTION AND OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of merchandises	5,171,771,689,976	4,524,199,813,724
Expenses for external services	332,325,251,439	293,011,582,578
Labor costs	305,862,943,940	270,195,749,160
Tools and equipment	149,223,680,914	158,828,139,187
Cost of raw material	119,595,471,117	89,812,042,860
Depreciation and amortization (Notes 12 and 13)	73,027,707,035	66,782,474,205
Others	151,341,598,652	132,912,889,860
<b>TOTAL</b>	<b><u>6,303,148,343,073</u></b>	<b><u>5,535,742,691,574</u></b>

## 28. CORPORATE INCOME TAX

The Group has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

The tax returns filed by the Group are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

### 28.1 CIT expenses

	VND	
	<i>Current year</i>	<i>Previous year</i>
Corporate income tax expense	38,479,876,636	31,091,581,798
Adjustment for under accrual of CIT expense from prior years	490,348,983	-
	<u>38,970,225,619</u>	<u>31,091,581,798</u>
Deferred tax (income) expense	(6,076,691,761)	8,326,690,201
<b>TOTAL</b>	<b><u>32,893,533,858</u></b>	<b><u>39,418,271,999</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 28. CORPORATE INCOME TAX

### 28.1 CIT expenses (continued)

The reconciliation between CIT expenses and the accounting profit multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
<b>Accounting profit before tax</b>	<b>148,860,037,650</b>	<b>145,578,507,956</b>
At CIT rate applied for the Group	29,772,007,530	29,115,701,592
<i>Adjustments:</i>		
Non-deductible expenses	2,631,177,345	1,020,150,166
Adjustment for under accrual of CIT expense from prior years	490,348,983	-
Written-off deferred tax assets relating to provision for investment	-	9,282,420,241
<b>CIT expenses</b>	<b>32,893,533,858</b>	<b>39,418,271,999</b>

### 28.2 Current tax

The current tax payable is based on taxable income for the current year. The taxable income of the Group for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

### 28.3 Deferred taxes

The following are the deferred tax assets recognized by the Group, and the movements thereon, during the current and previous years:

	VND			
	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Provisions	10,059,195,556	4,048,678,271	6,010,517,285	(10,327,622,595)
Unrealized profit eliminated in consolidation	3,636,674,612	3,570,500,137	66,174,477	2,000,932,394
<b>TOTAL</b>	<b>13,695,870,168</b>	<b>7,619,178,408</b>	<b>6,076,691,761</b>	<b>(8,326,690,201)</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 29. TRANSACTIONS WITH RELATED PARTIES

List of a related party that has a relationship with the Group and has transactions with the Group during the year is as follows:

<i>Related parties</i>	<i>Relationship</i>
PetroVietnam Gas Joint Stock Corporation ("PV Gas")	Major shareholder

Transactions with related parties during the year were as follows:

<i>Related party</i>	<i>Transactions</i>	<i>VND</i>	
		<i>Current year</i>	<i>Previous year</i>
PV Gas	Purchase of goods and service	1,906,504,402,877	1,699,667,912,938
	Dividend paid	35,263,158,000	35,263,158,000
	Sale of goods and service rendered	55,458,780	141,169,431

Amounts due from and due to such related party at the balance sheet date were as follows:

<i>Related party</i>	<i>Transactions</i>	<i>VND</i>	
		<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade receivable</b>			
PV Gas	Sale of goods and service rendered	<u>61,004,658</u>	<u>51,384,520</u>
<b>Short-term trade payable</b>			
PV Gas	Purchase of goods and service	<u>434,242,486,505</u>	<u>366,544,868,737</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

*Transactions with other related parties*

Allowance of members of the Board of Directors, Board of Supervision and salary, bonus of the Management:

Individuals	Position	VND	
		Current year	Previous year
<b>Board of Directors</b>			
Mr Phan Quoc Nghia	Chairman	751,433,334	569,600,000
Mr Nguyen Ngoc Luan	Member	597,500,000	560,000,000
Mr Nguyen Hoang Giang	Member	447,500,000	410,000,000
Ms Nguyen Ngoc Anh	Member	447,500,000	186,000,000
Ms Vu Thi Thanh Tam	Member		
	(appointed on 12 December 2023)	400,239,726	9,230,770
Mr Ha Anh Tuan	Member		
	(resigned on 15 June 2023)	22,602,740	88,500,000
Mr Vu Hoang Ha	Member		
	(resigned on 12 December 2023)	24,657,534	88,269,230
<b>Board of Supervision</b>			
Mr Tran Van Chung	Head		
	(appointed on 23 April 2024)	509,996,054	-
Ms Dao Thanh Hang	Head		
	(resigned on 23 April 2024)	349,342,889	829,487,367
Ms Tran Thi Thu Hien	Member	118,000,000	362,797,734
Ms Dang Thi Hong Yen	Member	113,000,000	86,333,333
Mr Pham Tuan Anh	Member	-	6,666,667
<b>Management</b>			
Mr Nguyen Ngoc Luan	General Director	2,889,753,264	2,763,300,624
Mr Tran Anh Dung	Deputy General Director	1,628,103,249	1,567,377,337
Mr Dang Van Vinh	Deputy General Director	1,628,517,144	1,564,466,949
Mr Dao Huu Thang	Deputy General Director	1,430,880,592	1,359,679,790
<b>Other Management</b>			
Mr Cao Nguyen Duc Anh	Chief accountant	1,025,132,316	971,599,819
<b>TOTAL</b>		<b>12,384,158,842</b>	<b>11,423,309,620</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 30. OPERATING LEASE COMMITMENTS

The Group leases land and office under operating lease arrangements. The minimum lease commitment as at the balance sheet date under the operating lease arrangement is as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	6,168,164,510	6,850,688,380
From 1 to 5 years	5,159,958,607	6,560,246,475
Over 5 years	6,102,507,466	6,432,211,055
<b>TOTAL</b>	<b><u>17,430,630,583</u></b>	<b><u>19,843,145,910</u></b>

### 31. EVENT AFTER THE BALANCE SHEET DATE

There is no significant matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Group.

Ho Chi Minh City, Vietnam

17 March 2025



\_\_\_\_\_  
Le Thi Diem Chi  
Preparer



\_\_\_\_\_  
Cao Nguyen Duc Anh  
Chief Accountant



\_\_\_\_\_  
Nguyễn Ngọc Luan  
General Director