

**SOUTHERN GAS TRADING
JOINT STOCK COMPANY**

(STOCK CODE: PGS)



ANNUAL REPORT 2025

Adapt and Be Ready – Stay Strong to Overcome

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LIST OF ABBREVIATIONS

Abbreviation	Full Term
PetroVietnam	Vietnam National Industry – Energy Group
PV GAS	Petrovietnam Gas Joint Stock Corporation
Gas South	Southern Gas Trading Joint Stock Company
VT GAS	Vietnam Liquefied Gas Company Limited
JSC	Joint Stock Company
GMS	General Meeting of Shareholders
BOD	Board of Directors
BOM	Board of Management
BOS	Board of Supervisors
Employees	Officers and Employees
Production & Business	Production and Business Operations
BO	Business Operations
CNG	Compressed Natural Gas
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
CYLINDER (“hoặc BOTTLE”)	Empty LPG Cylinder
QHSE	Quality – Health – Safety – Environment
IZ	Industrial Zone
ISO	International Organization for Standardization
OHSAS	Occupational Health and Safety Assessment Series
FPF	Fire Prevention and Fighting
PRU	Pressure Reducing Unit
NPAT	Net Profit After Tax
CC	Charter Capital
AR	Annual Report
FS	Financial Statements

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

The year 2025 concluded amid considerable challenges for the economy at large and the gas industry in particular. Market volatility, intensifying competition, and a slower-than-expected recovery in demand created a demanding operating environment. In this context, Southern Gas Trading Joint Stock Company (Gas South) remained steadfast in executing the business plan approved by the General Meeting of Shareholders, with a clear focus on maintaining operational stability and enhancing governance efficiency. Despite pressure in the LPG market and a decline in natural gas demand, Gas South achieved commendable results, particularly within the residual LPG segment. LPG business units not only fulfilled but exceeded their profit targets. Total LPG sales volume reached 205,886 tons (104.82% of plan), new cylinder output amounted to 214,958 units (121.5% of plan), and petroleum consumption totaled 4.36 million liters (103.30% of plan). Financially, total revenue reached VND 6,427.86 billion (97.84% of plan), while profit before tax stood at VND 141.75 billion (100.85% of plan).

These figures not only reflect the Company's disciplined cost management, resource optimization, and agile operational leadership, but also stand as a testament to the continued trust and enduring partnership of our valued Shareholders, Partners, and Customers.

On behalf of the Board of Directors, I would like to express my sincere appreciation for your steadfast support and cooperation. Looking ahead to 2026, the market is expected to present both opportunities and challenges. Building on a 25-year journey of establishment and growth, and drawing upon the resilience and unity forged over time, Gas South will continue to remain steadfast, proactively adaptive, and committed to its sustainable development strategy.

With the spirit of

“Readiness to Adapt - Steadfast in Overcoming Challenges”

The entire Gas South team will unite in determination to successfully achieve its strategic objectives and continue delivering long-term value to all stakeholders.

Respectfully yours,

**ON BEHALF OF THE BOARD OF
DIRECTORS
CHAIRMAN**

PHAN QUOC NGHIA

KEY FINANCIAL AND OPERATIONAL HIGHLIGHTS IN 2025

Index	Figure
Revenue	VND 6,427.86 billion
Expenses	VND 1,027.85 billion
Profit	VND 141.75 billion
CNG Volume	130,914,696 Sm ³
LPG Volume	Residential LPG: 144,839 tons Bulk LPG: 61,047 tons
New Cylinders Produced	214,958 units
Cylinders Maintained	663,331 units

Source: Southern Gas Trading Joint Stock Company

CHAPTER 1 - GENERAL INFORMATION

1.1. Overview

Trading Name	Southern Gas Trading Joint Stock Company
English Name	Southern Gas Trading Joint Stock Company
Abbreviation	Gas South JSC
Stock Code	PGS
Listing date	November 15, 2007
Exchange	Hanoi Stock Exchange (HNX)
Logo	
Charter Capital	VND 500.000.000.000
Total Equity	VND 1.018.746.692.401 đồng (as at December 31, 2025)
Business Registration Certificate	No. 0305097236, initially issued by Ho Chi Minh City Department of Planning and Investment on July 25, 2007; the 24th amendment was registered on October 30, 2025
Head Office	4th Floor, Petrovietnam Tower, No. 1-5 Le Duan Street, Saigon Ward, Ho Chi Minh City, Vietnam
Tel	(84.28) 3910.0324 – 3910.0108
Fax	(84.28) 3910.0165
Website	www.pgs.com.vn

Source: Southern Gas Trading Joint Stock Company

1.2. Formation and Development Process

Time	Formation and Development Process
2000	<p>Establishment of Southern Gas Enterprises: The predecessor of Southern Liquefied Gas Trading Joint Stock Company (now Southern Gas Trading Joint Stock Company) was Southern Gas Products Trading Enterprise under Petrovietnam Gas Joint Stock Corporation (PV GAS) established under the Decision No. 389/QĐ-HDQT dated March 28, 2000 of the Board of Directors of Petrovietnam Gas Joint Stock Corporation (now Vietnam National Industry - Energy Group).</p>
2006	<p>Establishment of Southern Liquefied Gas Company: On April 12, 2006, Southern Liquefied Gas Trading Company (Gas South) was established on the basis of Southern Gas Products Trading Enterprise under Petrovietnam Gas Joint Stock Corporation (PV GAS) and LPG Trading Department (Petechim).</p>

Time	Formation and Development Process
2007	<p>Transition to “Joint Stock Company” model and Listing on HNX: The Company officially adopted the “Joint Stock Company” model on July 25, 2007 with an initial charter capital of VND 150 billion. In the same year, the Company successfully conducted an IPO and was listed on HNX under stock code titled PGS.</p> <p>Achievement of Certifications for Quality Management System, Environmental Management System, and Occupational Health and Safety Management System: Gas South was awarded certifications by the British Standards Institution (BSI), including ISO 9001:2000 (Quality Management System), ISO 14001:2000 (Environmental Management System) and OHSAS 18001:2000 (Occupational Health and Safety Management System), with continuous upgrades in subsequent periods.</p>
2009	<p>Pioneer in Business Development of CNG: Gas South was among the first enterprises to introduce Compressed Natural Gas (CNG) products to the market, serving industrial zones and transportation fuel demand.</p>
2011	<p>Charter Capital Increased to VND 380 billion: The Company successfully issued 22,124,400 shares (equivalent to VND 22.244 billion) to existing shareholders, employees, and strategic investors, raising charter capital to VND 380 billion.</p>
2015	<p>15th Anniversary of Establishment - Charter Capital Increased to VND 500 billion: After 15 years of operation, the Company reached an annual LPG output of nearly 230,000 tons and revenue of around VND 6,000 billion, maintaining strong growth momentum. Additionally, the Company issued 12,000,000 shares to existing shareholders, equivalent to a value of VND 120 billion from the owner’s capital, raising the Company’s total charter capital to VND 500 billion to continue investing in business infrastructure development.</p>
2016	<p>Organizational Apparatus Restructuring - Company Renaming: The Company focused on restructuring the organization apparatus by divesting all capital contributions in Vietnam Compressed Natural Gas Joint Stock Company, converting Vietnam Liquefied Petroleum Gas Company Limited into VT Gas Branch, and converting Eastern Compressed Natural Gas Joint Stock Company into Eastern Branch. Simultaneously, the Company officially changed its name to Southern Gas Trading Joint Stock Company in May, 2016.</p>
2017	<p>Exceptional Growth in Business Operations: Following its restructuring, the Company entered a phase of strong growth, with revenue exceeding VND 6,000 billion, reaching VND 6,101.5 billion, achieving 128.6% of the plan and growing by 13.5% compared to 2016. Profit after tax reached VND 138.2 billion, achieving 110.4% of the annual plan. In addition, the Company successfully implemented the 5S Practical Program at the Company’s Office Block, Dong Nai Branch and Binh Khi Branch on June 20, 2017 and continued to strictly maintain the 5S Program at these units.</p>
2019	<p>Leading LPG, CNG and LPG Cylinder Trading Company in Vietnam: After nearly 20 years of formation and development, the Company became a leading enterprise in LPG, CNG, and LPG cylinder trading in Vietnam. In 2019, the Company</p>

Time	Formation and Development Process
	<p>recorded LPG output of 312,724 tons, 413,666 LPG cylinders, and nearly 139 million Sm³ of CNG, generating revenue of VND 6,391.8 billion. Moreover, the Company also expanded its portfolio with seven LPG cylinder brands, comprising Petrovietnam Gas, Petroleum, VT-Gas, A Gas, JP Gas, Dak Gas, Dang Phuoc Gas, serving both business partners and end consumers.</p>
2020	<p>Organizational Innovation, Company Apparatus Restructuring, Stable Development:</p> <ul style="list-style-type: none"> - The extraordinary General Meeting of Shareholders at the end of 2019 significantly altered the Company’s leadership apparatus. In 2020, the Company restructured by establishing Vietnam Liquefied Gas Company Limited - VT Gas, based on reorganizing the two Eastern Branch and VT Gas Branch; restructuring and rearranging the Company’s Executive Departments from six to five departments; reallocating LPG business locations to Branches according to geographical regions; issuing an organizational chart and workforce allocation for Branches across the Company towards streamlining, ensuring business efficiency. - The Company restructured the salary system based on production volume, linked to business performance, while simultaneously implementing comprehensive solutions to enhance product quality and digitize, manage, and trace the origin of LPG cylinders. - In 2020, the Company conducted a rooftop solar power project at the Western Branch (Can Tho City) with a capacity of 720 kWp and at Binh Khi Branch (Nhon Trach District, Dong Nai Province) with a capacity of 996 kWp, putting into production and business use and selling the surplus electricity to EVN’s power companies. - In 2020, the Company celebrated its 20th anniversary and launched the “Gas South” brand identity with a new logo and the slogan “Gas South - Natural Energy”, marking a new phase in the Company’s development journey. Following the launch of the new brand identity, the Gas South branded products were well-received and highly regarded in the market for many positive changes in product quality.
2021	<p>Standardization of Internal Governance Process - Adapting to New Conditions:</p> <ul style="list-style-type: none"> - The Covid-19 pandemic swept through from 2020 to 2023, causing thousands of businesses to falter and severely impacting the economy both domestically and internationally. In response to this urgent situation, Gas South implemented a series of flexible and timely measures to minimize the impact of the Covid-19 pandemic on Gas South's production and business operations, while ensuring the safety of life and maintaining morale for the Company's staff. The Company successfully weathered the "Covid-19 storm," stabilized production and business, and maintained its leading position in the gas business sector in Vietnam. - After more than a year of restructuring, Gas South standardized the current Rules, Regulations, Procedures, and Guidelines to align with the new actual situation regarding organization, governance, management, and preparation for digital transformation. This is part of an overall strategy to enhance management efficiency, ensure transparency, and strengthen compliance throughout the Company’s operations.
2022	<p>Digital Transformation - The Path to Realizing Sustainable Development Goals of Gas South:</p> <p>In 2022, Gas South decided to undertake a comprehensive digital transformation,</p>

Time	Formation and Development Process
	<p>establishing a solid foundation for sustainable development. This marked a determined beginning as Gas South officially entered the digital revolution with the collaboration of FPT Digital, a subsidiary of FPT Corporation, a leading entity in digital transformation consulting. Digital initiatives and synchronized solutions for digital transformation across all stages and levels were implemented by Gas South to achieve specific milestones according to the established digital transformation roadmap. This enabled Gas South to enhance all aspects of operations and business, driving stronger development. Successful digital transformation not only optimized business operations, built a digital culture within the organization, developed talented human resources, and formed new capabilities but also helped Gas South realize strategic environmental and social objectives for sustainable future development.</p>
2023	<p>Concentration on New Product Development - LNG (Liquefied Natural Gas)</p> <ul style="list-style-type: none"> - To proactively anticipate the energy transition to liquefied natural gas (LNG) in Vietnam, since 2020, Gas South has been conducting research on projects to supply LNG to existing and potential customers in the Eastern and Southwestern regions. During the year, Gas South focused on investing in the construction and installation of LNG stations at customer plants in Dong Nai, Binh Duong, and Long An provinces. - In 2023, Gas South inaugurated the Khanh Hoa LPG Filling Station with a filling capacity of 2,700 tons/month and a painting and repair capacity of 12,000 cylinders/month. The Khanh Hoa LPG Filling Station marks a new milestone in the development of Gas South, establishing a modern, safe model filling station, creating a solid reputation in the LPG market in Vietnam in general and the South Central region in particular.
2024	<p>Readiness to supply LNG</p> <ul style="list-style-type: none"> - Continuing the transition to clean LNG energy from 2023, in 2024, Gas South completed the construction, installation, and successful trial operation of three LNG supply stations. With this advancement, Gas South becomes one of the few enterprises in Vietnam capable of simultaneously supplying three important fuels: LNG, CNG, and LPG, meeting the diverse needs of sectors ranging from residential, industrial to transportation. - Not only affirming its position domestically, Gas South also expanded its market internationally through gas cylinder export activities. Notably, the company pioneered the production and launch of cold gas cylinders - a specialized solution for storing and pumping gas for air conditioners. With this achievement, Gas South proudly stands as the first and only entity in Vietnam to successfully produce cold gas cylinders, continuing to assert its leading position in the clean energy sector.
2025	<p>Comprehensive Digital Transformation and Enhanced AI Application in Production and Business Operations</p> <ul style="list-style-type: none"> - Continuing the digital transformation journey initiated in 2022, in 2025, Gas South identified digital transformation as a strategic priority to optimize operational processes, enhance labor productivity, strengthen data management capabilities, improve customer experience, and consolidate competitive advantages in the market. - During the year, the Company completed and officially put into operation many important digital initiatives, marking a new advancement in the comprehensive digitalization process: <ul style="list-style-type: none"> + DX02 - LPG Sales Management System (Go-live: September 1, 2025)

Time	Formation and Development Process
	<ul style="list-style-type: none"> + DX04 - Technical Safety Management System (Go-live: December 2, 2025) + DX07 - Human Resource Management System (Go-live July 1, 2025) + ITX03 - Cybersecurity Enhancement Initiative (Completed: October 8, 2025) <p>- The completion and operation of key projects have facilitated the digitization of all production, business, and management activities at Gas South on a modern technological platform. Concurrently, the Company continues to improve, customize, and upgrade existing systems to enhance security, optimize usage efficiency, control costs, and ensure compatibility with business-specific characteristics.</p> <p>- The year 2025 is recognized as a pivotal year for digital transformation at Gas South, as key projects are successively completed and put into operation, laying a solid foundation for sustainable development and breakthroughs in the future.</p> <p>- Recognizing the role of technology and Artificial Intelligence (AI) in the digital era, the Company also focused on organizing numerous training programs, providing tools, and gradually integrating AI to support the work, management, and operations of Gas South during the year.</p>

Source: Southern Gas Trading Joint Stock Company

1.3. Awards and Achievement

- Top 30 Most Transparent Enterprises 2015 - 2016 by Hanoi Stock Exchange (HNX).
- Top 5 Best Annual Report in 2021 and 2022 MIDCAP, organized by Ho Chi Minh Stock Exchange (HOSE) and Securities Investment Newspaper.
- Top 20 Best Annual Report in 2024 MIDCAP, organized by Ho Chi Minh Stock Exchange (HOSE) and Securities Investment Newspaper.
- Binh Khi Branch - Gas South became the first enterprise in Vietnam receiving DOT certified by the U.S in the field of LPG cylinder production.
- Vietnam High-Quality Goods Certification in 2024 and 2025, awarded by Business Association of High Quality Vietnamese Goods.
- Trusted Brand Index Certification in 2016, granted by the Interconformity International Certification Organization (Federal Republic of Germany) and Trade Alliance Council - Vietnam Institute for Business Development.
- Outstanding Unit in Emulation Movements in 2012 and 2014, awarded by the Ministry of Industry and Trade.
- Second-Class Labor Medal, conferred by the President of the Socialist Republic of Vietnam in 2012.
- Outstanding Unit in Emulation Movements in 2015, awarded by the Government.
- Top 10 Best Corporate Governance Performances on HNX in 2022-2023 and 2024-2025.

1.4. Business Lines and Business Locations

1.4.1. Business Lines

- Retail of liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG).
- Electricity production; Transmission and distribution of electricity.
- Export and production of metal containers for compressed and liquefied petroleum gas, gas (excluding electroplating).
- Repair of metal tanks, containers (liquefied petroleum gas cylinders); Painting, maintenance, repair: storage tanks, reservoirs, pipelines, and storage facilities for various types of liquefied petroleum gas; Repair of machinery, equipment, and maintenance of facilities related to liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG).
- Architectural and related technical consultancy activities. Design of liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG) systems in industrial, residential, and transportation sectors.
- Construction and investment consultancy for liquefied petroleum gas (LPG), liquefied natural gas (LNG), compressed natural gas (CNG) projects, and gas industry; Operation of facilities related to liquefied petroleum gas (LPG); Completion of construction projects.
- Filling and distribution of liquefied petroleum gas (LPG); Production and distribution of compressed natural gas (CNG); Distribution of liquefied natural gas (LNG). Filling LPG into storage tanks, cylinders, tank trucks, and other equipment, systems, and vehicles; Filling CNG/LNG into CNG/LNG cylinder clusters, automobiles, and other equipment, systems, and vehicles.
- Export and import of liquefied petroleum gas (LPG), Export and import of compressed natural gas (CNG); Trading of liquefied petroleum gas (LPG), liquefied natural gas (LNG), compressed natural gas (CNG), gas products, and materials, equipment, and vehicles for transportation, storage, bottling, and trading 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).
- 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 industrial, residential, and transportation sectors; Construction of water supply and drainage works; Construction of electrical works; Construction of telecommunications and information communication works; Construction of other public utility works; Construction of hydraulic works; Construction of mining works; Construction of processing and manufacturing works; Construction of other civil engineering works.
- Transportation of goods by specialized vehicles; Cargo handling services.
- Wholesale of machinery, equipment, and other machine parts; Real estate business; Wholesale of fertilizers; Rental of machinery, equipment, and other tangible goods without operators; Cargo loading and unloading.
- Consultancy on other technologies. Technology transfer related to liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG).

1.4.2. Business Locations

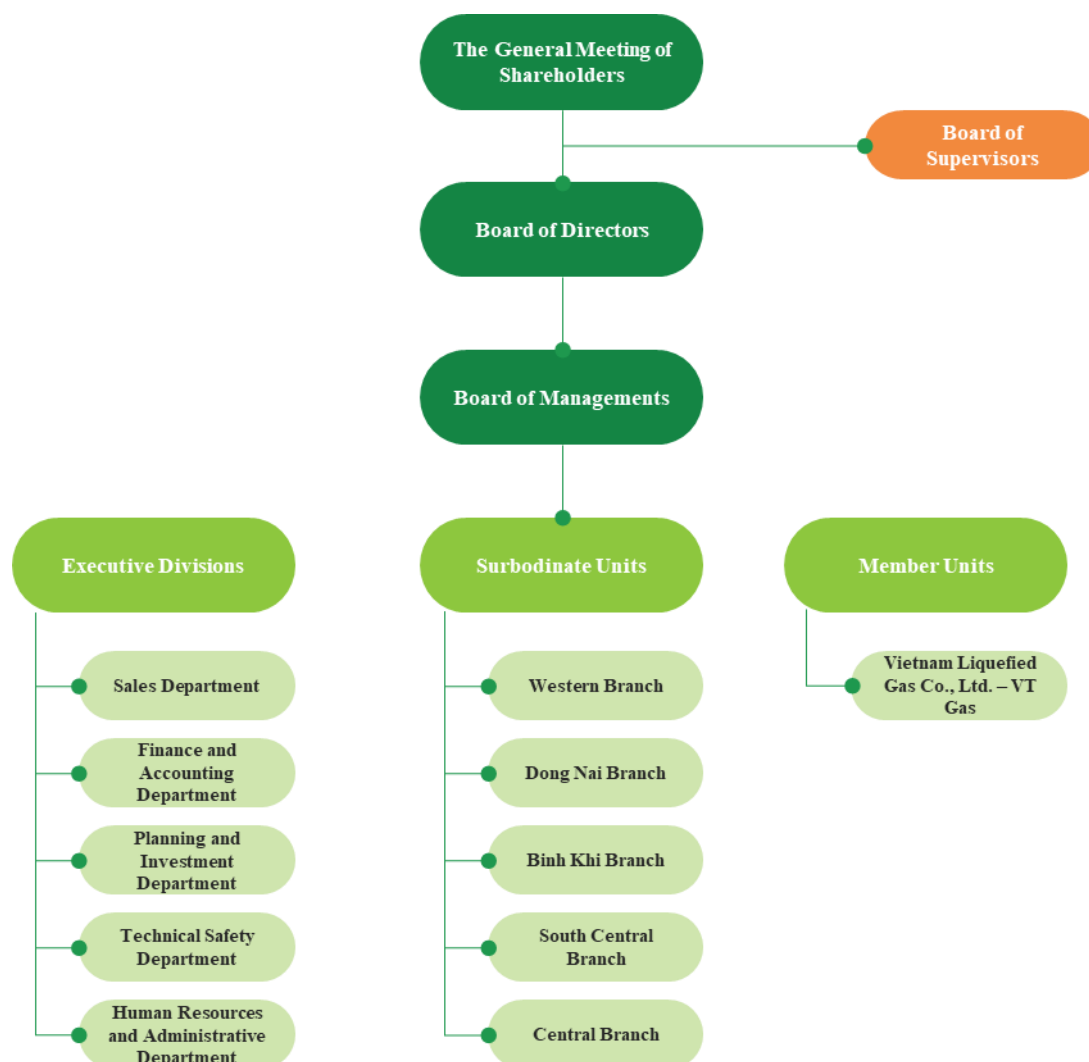
Products of Gas South have been present in the market since 2000. Over more than 25 years of sustained development, the Company has built a strong and agile distribution network spanning from Ca Mau to Nghe An.

1.5. Information on Governance Model, Business Organization and Management Apparatus

1.5.1. Governance Model

Currently, the Company operates under a governance structure comprising the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the General Director.

1.5.2. Management Apparatus Structure



Source: Southern Gas Trading Joint Stock Company

1.5.3. Subsidiary

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

- Company Name: Vietnam Liquefied Gas Company Limited – VT Gas
- Address: Room 606, 6th Floor, Waseco Building, No. 10 Pho Quang, Tan Son Hoa Ward, Ho Chi Minh City

- Phone: (028) 3997 6821; (028) 3997 6822; (028) 3998 56377
- Fax: (028) 3997 6823; (028) 3844 5906; (028) 3985 9250
- Business Sector: Trading in liquefied petroleum gas, gas products, materials, equipment, and means to provide transportation, storage, bottling, and trading services for liquefied petroleum gas.
- Charter Capital: VND 160 billion
- Company's Ownership Ratio: 100% of charter capital.

1.6. Development Orientation

In the context of a volatile energy market, intensifying competition, and escalating governance requirements, 2026 is designated as a year for internal consolidation - enhancing adaptability - and sustainable development, ensuring the Company remains proactive amidst all market fluctuations.

1.6.1. Key Objectives of the Company in 2026

❖ Flexible Adaptation - Leadership Position Consolidation

- The Company shall maintain market-leading status in Vietnam's LPG sector across two core business segments: Residential LPG and Industrial LPG.
- The Company shall enhance market forecasting capabilities, implement agile sales, pricing, and distribution policies to respond swiftly to energy supply-demand and price fluctuations.
- The Company shall preserve natural gas market share (CNG/LNG).
- The Company shall elevate distribution system quality through professionalization, streamlining and operational efficiency.

❖ Governance Capacity Enhancement - Corporate Resilience Enhancement

- The Company shall refine the governance system towards transparency and stringent risk management
- The Company shall accelerate digital transformation in business management, operations and customer service to optimize costs, boost productivity and elevate customer experience.
- The Company shall develop a proactive, professional workforce characterized by high adaptability.

1.6.2. Medium and Long-term Development Strategy

❖ Sustainable Growth - Diversification of Resources

- The Company shall maintain growth momentum in LPG and CNG/LNG market shares; optimize the utilization of existing infrastructure.
- The Company shall proactively prepare supply sources, financial frameworks, and risk contingency plans to ensure operational stability under all market conditions.
- The Company shall stepwise market expansion into Northern Vietnam and other high-potential regions.

❖ Market Expansion - Sustainable Value Creation

- The Company shall promote the export of LPG cylinders, refrigerant gas cylinders, and mechanical products for liquefied gas to international markets.

- The Company shall continue R&D and commercialization of LNG storage tank products, spearheading the clean energy transition trend.
- The Company shall seek strategic partnership to bolster long-term competitive advantages.

1.6.3. Short and Medium-term Key Programs

❖ Digital Transformation

- **Digital Integration:** Gas South is accelerating a comprehensive digital transformation, optimizing management and administrative workflows through initiatives such as: Digital Office, Data Warehouse and Management Reporting, LPG Cylinder Sales Support, HR Management, and Technical - Safety Management.
- **Data Digitalization:** The Company shall aim to digitize over 90% of administrative and management data to ensure seamless information flow for daily operations.

❖ New product development

- **Liquefied Natural Gas (LNG):** The Company has been investing in infrastructure, including LNG transport vehicles and regasification stations, to provide timely clean fuel solutions. With this milestone, Gas South becomes one of the few enterprises in Vietnam capable of simultaneously supplying three fuel types (LPG, CNG, LNG), meeting diverse customer needs from residential and industrial to transportation sectors.
- **Refrigerant Gas Cylinders:** In 2025, Gas South successfully researched and launched refrigerant gas cylinder products - specialized storage and pumping solutions for air conditioning systems. This achievement marks Gas South as the first and only unit in Vietnam to manufacture these cylinders, reaffirming its leadership in the clean energy sector.

❖ Community and Corporate Social Responsibility (CSR)

- **Internal Engagement:** The Company shall organize the “25 Years of Gas South in Me” program, including the 25th-anniversary yearbook, the “Gas South’s Got Talent” competition, and sporting events (football, running, pickleball) to enhance corporate cohesion.
- **Social Welfare:** The Company shall implement practical and impactful charitable activities rooted in the spirit of gratitude and social responsibility.
- **Gas South Mutual Support Fund:** The program shall operate based on voluntary contribution of employees and the organization to support colleagues facing critical illness or long-term hardship, fostering a culture of empathy and solidarity.

1.6.4. Sustainable Development Goals

❖ Corporate Culture: The Foundation for Overcoming Challenges

- The Company shall reinforce core values “Quality - Safety - Collaboration - Efficiency - Responsibility”.
- The Company shall promote internal solidarity by fostering a spirit of unity and readiness to pivot and adapt swiftly to new contexts.
- The Company shall adhere to customer-centricity by placing the customer at the heart of every decision and action.

❖ Environment

- **Greenhouse Gas (GHG) Mitigation:** Gas South is committed to reducing CO₂ emissions by utilizing cleaner energy sources such as Liquefied Petroleum Gas (LPG), Liquefied Natural Gas (LNG), and Compressed Natural Gas (CNG).
- **Renewable Energy Integration:** The Company shall invest in renewable energy projects and incentivize the use of solar energy throughout production and business operations.
- Gas South has completed rooftop solar installations at the Can Tho LPG Filling Station and Binh Khi Plant. These systems not only provide self-sustained energy for operations but also allow for the sale of excess capacity to EVN, further contributing to CO₂ reduction and environmental protection.

1.7. Risks

Identified risks that may impact the business operations of Gas South and the achievement strategic objectives include:

- ❖ **Environmental Risks:** LPG, CNG, and LNG are highly flammable substances. Therefore, in the absence of stringent safety protocols, the risk of fire and explosion poses a significant threat to both personnel and infrastructure integrity.
- ❖ **Natural Disaster Risks:** Extreme weather events such as storms, floods, or earthquakes may cause severe damage to infrastructure, manufacturing plants, and LPG/CNG/LNG storage or filling stations, resulting in operational disruptions to the production and supply chain.
- ❖ **Pandemic Risks:** Outbreaks of infectious diseases can diminish production capacity and disrupt supply chains due to workforce infections or mandatory quarantines, thereby constraining the Company's business continuity. Furthermore, pandemics may lead to a contraction in demand for LPG/CNG/LNG and end-users reduce consumption or industrial sectors cease normal operations, adversely affecting revenue and profitability.
- ❖ **Financial Risks**
 - **Price Volatility:** LPG, CNG and LNG prices are directly correlated with global oil and gas prices. Fluctuations in crude oil (Brent) and CP prices can impact production costs and selling prices, potentially eroding the Company's competitive edge and profit margins.
 - **Capital Mobilization Challenges:** The execution of new investment projects or production expansion may encounter obstacles if the Company faces financial constraints or fails to access capital at favorable and appropriate interest rates.
- ❖ **Political, Legal and Regulatory Risks:** Amendments to legal frameworks governing LPG/CNG/LNG business management, safety, environment, taxation, or import-export policies may necessitate strategic realignments or result in unforeseen compliance costs.
- ❖ **Technology and Market Risks**
 - **Technical Innovation:** Failure to promptly adopt emerging technologies may result in a loss of competitiveness against more advanced rivals, leading to decreased operational efficiency.
 - **Market Instability:** Intense competition from existing or new market entrants, coupled with shifting market demand, may negatively influence the Company's business performance.

CHAPTER 2 - OPERATING PERFORMANCE DURING THE YEAR

2.1. Business Performance

In accordance with the 2025 Business Plan Resolution approved by the General Meeting of Shareholders, the collective efforts of Gas South's management and employees have yielded the following key performance indicators (KPIs):

2.1.1. Production and Sales Volume

- ❖ **LPG Volume in 2025:** 205,886 tons (reaching 104.82% of the plan)
 - Residential LPG: 144,839 tons (reaching 103.92% of the plan)
 - Bulk LPG: 61,047 tons (reaching 107.01% of target)
- ❖ **Cylinder Volume in 2025**
 - New Cylinders: 214,958 units (reaching 212.48% of the plan)
 - Maintained Cylinders: 663,331 units (reaching 87.66% of the plan)
- ❖ **CNG Volume in 2025:** 130,914,696 Sm³ (reaching 83.6% of the plan)
- ❖ **Petroleum Volume in 2025:** 4,359.095 liters (reaching 103.3% of the plan)

2.1.2. Financial Indicators

- ❖ **Revenue in 2025:** VND 6,427.86 billion
- ❖ **Expenses in 2025:** 1,027.84 billion
- ❖ **Profit in 2025:** 141.75 billion

2.1.3. Investment - Construction

- ❖ **Total Investment Value in 2025:** VND 73.24 billion
 - New Projects: VND 2.4 billion
 - Transition Projects: VND 5.97 billion
 - Procurement: VND 18.22 billion
 - Cylinders Investment: VND 46.65 billion
- ❖ **Total Disbursement Value in 2025:** VND 71.36 billion
 - New Projects: VND 2.4 billion
 - Transition Projects: VND 5.97 billion
 - Procurement: VND 16.34 billion
 - Cylinders Investment: VND 46.65 billion

2.1.4. Labor - Income

- ❖ **Average Workforce in 2025:** 1,214 employees
- ❖ **Average Salary:** VND 17.06 million/person/month

2.1.5. Training

- ❖ **Training Sessions in 2025:** 3,935 attendances

❖ **Training Budget in 2025:** VND 2.3 billion

2.1.6. Analysis of Factors affecting the Company's Business Performance

❖ **Economic Factors:** Trade tensions, geopolitical risks and tax policy adjustments in major economies (particularly the U.S) indirectly impact the production and export activities of industrial customers.

❖ **Oil and Gas Price Volatility:** Fluctuation in Brent oil, CP, and DO/FO prices have a direct bearing on the cost of goods sold (COGS) and the retail prices of LPG, CNG, and LNG.

❖ **Market and Competitive Landscape**

- The LPG retail market remains intensely competitive regarding pricing and distribution policies.
- The natural gas market is witnessing aggressive competition with the emergence of new suppliers.
- Pressure to maintain market share necessitates cost optimization and flexible policy maintenance, which may compress profit margins.

❖ **Political and Regulatory Factors**

- Regulations on safety, fire fighting and prevention, traceability and technical standards have become increasingly stringent.
- The requirement for substantial recurring costs related to maintenance, inspection, and certification.
- High inherent risk in the gas industry, any incident could significantly impact financial and corporate reputation

❖ **Technological Factors:** Accelerating digital transformation across the LPG, CNG, and LNG supply chains allows Gas South to optimize management and operations, reduce costs and enhance overall competitiveness.

2.2. Organization and Personnel

2.2.1. Board of Directors

No.	Full Name	Position	Date of Birth	Place of Origin	Professional Qualifications	Shareholding Ownership
1	Mr. Phan Quoc Nghia	Chairman of the BOD	10/03/1967	Quang Ngai	Master of Industrial Management, Mechanical Engineer	100 shares; representing 0.0002% of charter capital
2	Mr. Nguyen Ngoc Luan	Member of the BOD, cum General Director	05/03/1977	Tuyen Quang	Bachelor of Laws, Bachelor of International Business Economics	0 shares; representing 0% of charter capital

No.	Full Name	Position	Date of Birth	Place of Origin	Professional Qualifications	Shareholding Ownership
3	Mr. Nguyen Hoang Giang	Independent member of the BOD	12/06/1986	Hai Phong	Master of Business Administration	0 shares; representing 0% of charter capital
4	Ms. Nguyen Ngoc Anh	Independent member of the BOD	05/09/1981	Ha Noi	Master of Finance, Bachelor of Economics	0 shares; representing 0% of charter capital
5	Ms. Vu Thi Tam Anh	Independent member of the BOD	22/04/1968	Hai Phong	Bachelor of Industrial Management and Basic Construction	0 shares; representing 0% of charter capital

Source: Southern Gas Trading Joint Stock Company

2.2.2. Board of Management and Chief Account

No.	Full Name	Position	Date of Birth	Place of Origin	Professional Qualifications	Shareholding Ownership
1	Mr. Nguyen Ngoc Luan	Member of the BOD, cum General Director	05/03/1977	Tuyen Quang	Bachelor of Laws, Bachelor of International Business Economics	0 shares; representing 0% of charter capital
2	Mr. Dao Huu Thang	Deputy General Director	17/05/1982	Hue	Bachelor of General Accounting	0 shares; representing 0% of charter capital
3	Mr. Dang Van Vinh	Deputy General Director	10/07/1967	Ha Tinh	Master of Business Administration	0 shares; representing 0% of charter capital
4	Mr. Tran Anh Dung	Deputy General Director	05/01/1980	Hai Phong	Master of Business Administration, Bachelor of Accounting	0 shares; representing 0% of charter capital
5	Mr. Cao Nguyen Duc Anh	Chief Account	29/10/1991	Lam Dong	Bachelor of Finance and Banking	0 shares; representing 0% of charter capital

Source: Southern Gas Trading Joint Stock Company

2.2.3. The Supervisory Board

No.	Full Name	Position	Date of Birth	Place of Origin	Professional Qualifications	Shareholding Ownership
1	Mr. Tran Van Chung	Head of the Supervisory Board	26/03/1976	Hai Phong	Bachelor of Accounting, Bachelor of Laws	0 shares; representing 0% of charter capital
2	Ms. Tran Thi Thu Hien	Member of Supervisory Board	18/11/1975	Hai Phong	Bachelor of Accounting and Auditing, Master of Business Administration	0 shares; representing 0% of charter capital
3	Ms. Dang Thi Hong Yen	Member of Supervisory Board	15/10/1973	Phu Tho	Bachelor of Corporate Finance and Accounting, Bachelor of Arts in English	0 shares; representing 0% of charter capital

Source: Southern Gas Trading Joint Stock Company

2.2.4. Changes in Management

During 2025, the Company underwent the following executive personnel changes:

- ❖ **Executive appointments/dismissals by the General Meeting of Shareholders:** On April 22, 2025, Ms. Tran Thi Thu Hien was re-elected as a Member of the Supervisory Board for the 2025 - 2030.
- ❖ **Appointments by the CEO:** On December 25, 2025, the CEO appointed Mr. Cao Nguyen Duc Anh as Chief Accountant for a 3-year term.

2.2.5. Officers and Employees Statistics

❖ Summary of Policies and its Changes regarding Employees

- As of December 31, 2025, the Company's total workforce stood at 1,225 employees. In full compliance with statutory regulations, 100% of personnel are under formal labor contracts. Notably, the majority of the workforce - 965 employees, representing 79% - are employed under indefinite-term contracts. This high proportion underscores the Company's steadfast commitment to job security and long-term career development.
- Furthermore, 100% of the workforce is deployed in roles that precisely align with their professional competencies. During the reporting period, there were no instances of layoffs or work stoppages, enabling the Company to fully leverage its human capital. This stability not only optimizes recruitment and training expenditures but also fosters high levels of operational specialization and institutional knowledge retention within the organization.

No.	Indicator	Unit	2025
1	Labor Contracts	Persons	1,225
a	Indefinite-term Contracts	Persons	965
b	Fixed-term contracts (1-3 years)	Persons	242
c	Short-term contracts (< 1 year)	Persons	18
2	Labor Contract Coverage Rate	%	100
3	Employee Turnover/Volatility	%	4
a	New Recruits	Persons	170
b	Terminations/Resignations	Persons	124
	Retirement	Persons	3
	Contract Expiration/Termination	Persons	121

Source: Southern Gas Trading Joint Stock Company

2.2.6. Diversity and Equal Opportunity

- ❖ Gas South implements a performance-based compensation policy designed not only to incentivize the workforce but also to attract and retain high-caliber talent. Personnel deployment adheres to the core principles of “the right person for the right job”, ensuring optimized labor productivity and fostering an environment where employees can maximize their full potential. Career advancement opportunities are adjudicated based on competency and merit, ensuring absolute fairness and transparency in professional development.
- ❖ Regarding gender equality, female employees currently constitute 14% of the total workforce. This figure reflects the inherent nature of the gas manufacturing and trading industry, which is traditionally male-dominated. However, the Company remains steadfast in its efforts to promote gender diversity within its leadership; this is evidenced by the fact that two-thirds of the Supervisory Board members and two-fifths of the Board of Directors are women.
- ❖ The Company’s human resources are characterized by high professional expertise, with 35% of personnel holding an Associate Degree or higher, meeting the escalating technical demands of the Company’s business operations. Furthermore, Gas South possesses a remarkably dynamic and youthful workforce, with 56% of employees (equivalent to 684 individuals) under the age of 40.

Position	Male	Female	% Female
Board of Directors	3	2	40%
Board of Management	4	0	0%
Supervisory Board	1	2	67%
Total Company	1,049	176	14%

Source: Southern Gas Trading Joint Stock Company

2.3. Investment and Project Implementation Status

2.3.1. Major Investments

- ❖ Realized Value in 2025: VND 73.24 billion
- ❖ Disbursement Value in 2025: VND 71.36 billion

2.3.2. Subsidiary

- ❖ As of December 31, 2025, Gas South has invested in one (01) subsidiary: Vietnam Liquefied Gas Company Limited - VT Gas
 - Contributed Capital: VND 160 billion
 - Ownership Rate: 100% of the charter capital
- ❖ In 2025, VT Gas successfully achieved its key production and business targets:
 - Profit Before Tax in 2025: VND 40 billion (reaching 141% of the annual target)
 - Profit After Tax/Charter Capital Ratio: 19.97%

2.4. Financial Position

❖ Financial Position

No.	Indicator	2024	2025
1	Total Assets	2,841,418,344,920	2,553,835,834,447
2	Revenue from Sales and Services	6,659,744,463,510	6,393,844,699,896
3	Operating Profit	140,930,087,418	135,546,158,158
4	Other Profit	7,929,950,232	6,199,635,307
5	Profit Before Tax	148,860,037,650	141,745,793,465
6	Profit After Tax	115,966,503,792	115,002,514,043
7	Dividend Payout Ratio	23.19%	23.00%

Source: Southern Gas Trading Joint Stock Company

❖ Key Financial Indexes

Indicator	Unit	2021	2022	2023	2024	2025
Profitability Ratios						
Gross Profit Margin	%	13.80%	12.42%	15.59%	14.66%	14.96%
EBIT Margin	%	1.99%	1.94%	2.79%	2.45%	2.57%
EBITDA Margin	%	3.54%	3.18%	3.97%	3.59%	3.82%

Indicator	Unit	2021	2022	2023	2024	2025
Net Profit Margin	%	1.41%	1.45%	1,87%	1,80%	1,87%
ROAE	%	7.94%	9.76%	10,47%	11,46%	11,31%
ROAA	%	3.33%	4.12%	4,14%	4,16%	4,26%
Liquidity Ratios						
Current Ratio	Times	1.00	1.02	1.03	1.06	1.07
Quick Ratio	Times	0.82	0.85	0.94	0.96	0.94
Cash Ratio	Times	0.36	0.29	0.5	0.56	0.45
Leverage Ratios						
Short-term Debt/Total Assets	%	48.51%	47.73%	55.82%	58.71%	55.73%
Debt-to-Total Assets	%	1.99%	11.25%	20.63%	18.60%	17.58%
Debt-to-Total Assets/Total Capital	%	58.23%	57.35%	92.71%	64.29%	60.11%
Total Equity/Total Assets	%	41.77%	42.65%	36.88%	35.71%	39.89%
Operational Efficiency Ratios						
Days Sales Outstanding	Days	31.61	30.01	35.15	35.40	31.26

Source: Southern Gas Trading Joint Stock Company

2.5. Shareholders Structure and Changes in Owner's Equity

2.5.1. Shares

- ❖ Total Common Shares: 50,000,000 shares
- ❖ Outstanding Shares: 49,998,794 shares
- ❖ Treasury shares: 1,206 shares
- ❖ Freely transferable shares 50,000,000 shares
- ❖ Restricted shares: 0 share

2.5.2. Shareholder Structure

❖ Shareholder Structure (as of September 25, 2025)

Category	Number of Shares	Ownership Percentages (%)
Domestic Shareholders	49,626,053	99.25%
Individuals	31,980,708	63.96%
Institutions	17,645,345	35.29%
Foreign Shareholders	372,741	0.75
Individuals	96,040	0.19
Institutions	276,701	0.56
Total	50,000,000	100.0

Source: Southern Gas Trading Joint Stock Company

❖ List of Major Shareholders Holding Over 5% of Charter Capital (as of September 25, 2025)

Name of Organization / Individual	ID Card / Passport / Business Registration No.	Address	Number of Shares	Ownership Percentage (%)
Petrovietnam Gas Joint Stock Corporation	3500102710	PV GAS Tower, 673 Nguyen Huu Tho Street, Nha Be District, HCMC	17,631,579	35.26%

Source: Southern Gas Trading Joint Stock Company

❖ Foreign Ownership Limit

Pursuant to Official Dispatch No. 852/UBCK-PTTT dated February 2, 2024, issued by the State Securities Commission of Vietnam, the maximum foreign ownership ratio at Southern Gas Trading Joint Stock Company is established at 49%.

2.5.3. Changes in Owner's Equity; Historical Increase in Charter Capital

Year	Amount (Unit: Billion VND)
2006	92.5
2007	150
2010	158.8
2011	380
2015	500

Source: Southern Gas Trading Joint Stock Company

Since 2016, the Company has not engaged in any capital increase activities
 Total treasury shares held by the Company: 1,206 shares

2.6. Report on Corporate Environmental and Social Impacts

2.6.1. Environmental Impacts

❖ Total Direct and Indirect Greenhouse Gas (GHG) Emissions

- Greenhouse gas (GHG) emissions refer to the release of gases that trap heat in the atmosphere, contributing to the greenhouse effect and global warming. Primary GHGs include CO₂ (carbon dioxide), CH₄ (methane), N₂O (nitrous oxide), and fluorinated gases such as HFCs and PFCs.
- Gas South’s Total GHG Emissions in 2025 comprise:
 - **Direct Emissions (Scope 1):** Emissions from the combustion of LPG/CNG in boilers at the Binh Khi Plant and Paint Shop during production and LPG cylinder maintenance; the utilization of CNG as fuel for CNG compressors; and the consumption of Diesel Oil for diesel engines, power generations, and transport vehicles.
 - **Indirect Emissions (Scope 2):** Emissions derived from the consumption of electricity purchased from the national grid (EVN).

No.	Fuel Type	Unit	Consumption	Emission Factor	Total Emissions (tons CO ₂ /year)
I Direct Emission (Scope 1)					
1	CNG	Sm ³	4,054,982	0.002114	8,572.2
2	LPG	Tons	166.91	2.88	480.7
3	Diesel Oil	Tons	264.84	3.165	838.2
II Indirect Emission (Scope 2)					
1	Electricity	kWh	13,296,272	0.0006766	8,996.2

Source: Southern Gas Trading Joint Stock Company

❖ GHG Mitigation Initiatives and Measures

To mitigate GHG emissions in alignment with Gas South’s operational characteristics, the Company has implemented the following strategic initiatives:

- **Afforestation:** All business facilities prioritize greenery. In 2025, Gas South planted an additional 124 trees. This action expands the green canopy for CO₂ sequestration, improves air quality, and protects the ecosystem, underscoring Gas South’s commitment to long-term environmental stewardship.
- **Renewable Energy Integration:** Gas South has commissioned rooftop solar systems at Can Tho LPG Storage Facility and Binh Khi Plant. This promotes the transition to renewable energy and reduces the Carbon footprint associated with traditional energy sources.
- **Production Process Optimization:** Gas South emphasizes production optimization and the adoption of employee-led technical innovations to enhance energy efficiency, thereby reducing industrial waste and GHG emissions.

- **Schedule Maintenance:** Rigorous periodic maintenance of machinery and equipment is conducted to ensure peak operational efficiency, mitigate leakages, and minimize energy dissipation.
- **Digital Transformation Initiatives:** Gas South is aggressively implementing digital transformation across all operations. Electronic document management and specialized software enable seamless, paperless data processing. This shift significantly reduces paper waste and avoids the environmental costs of physical document production. Furthermore, virtual meetings have replaced physical ones, curtailing CO₂ emissions associated with business travel and logistics.
- **Training and Awareness Enhancement:** Gas South continues to intensify training programs for employees regarding the critical importance of emission reduction and sustainable practices. This fosters a corporate culture rooted in environmental responsibility.

Through these dedicated efforts, Gas South reaffirms its steadfast commitment to fostering sustainable development through digital transformation and advanced technology integration. By minimizing resource consumption and mitigating environmental impacts, the Company strives toward a “Green and Clean” future for the community and future generations.

2.6.2. Raw Material Resource Management

Total volume of raw materials utilized for the production and packaging of the organization’s primary products and services during the year:

No.	Products and Services	Raw Materials	Unit	Quantity
1	Newly manufactured LPG cylinders			
1.1		Steel	Kg	2,522,270
1.2		Cylinder Valves	Piece	110,539
1.3		Steel Shot	Kg	6,680
1.4		Powder Coating	Kg	33,340
1.5		Teflon Tape	Roll	24,300
2	Maintained LPG cylinders			
2.1		Cylinder Valves	Piece	106,961
2.2		Steel Shot	Kg	32,146
2.3		Powder Coating	Kg	196,516
2.4		Teflon Tape	Roll	197,957
3	LPG cylinders			
3.1		Shrink Film Seals	Piece	10,269,568
3.2		Product Labels	Piece	1,496,507

Source: Southern Gas Trading Joint Stock Company

Report on the percentage of recycled materials used to produce the Company’s primary products and services: None

2.6.3. Energy Consumption

❖ Direct and Indirect Energy Consumption

To ensure a continuous production process and in alignment with Gas South’s current technological infrastructure, the Company utilized the following specific energy sources:

No.	Fuel Type	Unit	Consumption
I	Direct Energy Consumption		
1	CNG	Sm ³	4,054,982
2	LPG	Tons	166.91
3	Electricity	kWh	13,296,272
II	Indirect Energy Consumption		
1	Diesel Oil	Tons	264.84

Source: Southern Gas Trading Joint Stock Company

❖ Energy Savings Achieved Through Efficiency Initiatives

High-efficiency energy initiatives have enabled the Company to reduce consumption while maintaining or enhancing operational performance. Key initiatives implemented by Gas South include:

- **Technical Upgrades:** The Company deployed energy-efficient equipment and technologies, such as LED lighting, high-efficiency air conditioning, and smart control systems.
- **Renewable Energy Integration:** The Company implemented rooftop solar power systems
- **Awareness Campaigns:** The Company organized programs to enhance employee awareness regarding energy conservation.

❖ Report on Energy-Savings Initiatives and Performance Outcomes

➤ Solar Energy Utilization at Can Tho LPG Storage Facility

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
Yield (kWh/day)	4,167	2,570
Max Daily Yield (kWh/day)	4,630	2,707
Revenue (VND/month)	280,267,697	49,284,669

Source: Southern Gas Trading Joint Stock Company

➤ **Solar Energy Utilization at Binh Khi Plant**

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
Yield (kWh/day)	4,482	1,854
Max Daily Yield (kWh/day)	4,980	3,480
Revenue (VND/month)	258,201,629	113,449,739

Source: Southern Gas Trading Joint Stock Company

2.6.4. Water Consumption

➤ **Water Supply Sources and Total Volume Used**

Water Supply Source	Unit	Water Consumption Used in 2025
Tap Water (Municipal)	m ³	66,922
Groundwater (Borehole)	m ³	7,112

Source: Southern Gas Trading Joint Stock Company

➤ **Percentage and total volume of recycled and reused water: None**

2.6.5. Environmental Compliance

- Number of sanctions for non-compliance with environmental laws and regulations: None
- Total fines incurred due to non-compliance with environmental laws and regulations: None

2.6.6. Labor Policies

Average Income: VND 18.11 million/person/month

❖ **Labor Policies on Health, Safety, and Employee Well-Being**

- Prioritizing the health, safety and welfare of the workforce remains a core focus of the Company. The Company committed to fostering a safe and healthy professional environment, enabling employees to work with peace of mind and strive for excellence. The Company's policies not only strictly adhere to statutory regulations but also aim for higher benchmarks.
- Specifically, in 2025, the Company allocated VND 10.62 billion to comprehensive employee care, including accident insurance, health insurance, and medical services (comprising periodic health screenings, occupational disease examinations, and specialized gynecological check-ups for female staff).

❖ **Training and Development Activities**

- The Company conducted 2025 performance with 3,935 training sessions, reaching 100.6% of the annual plan. Total expenditure amounted to VND 2.3 billion, representing 104.5% of the allocated budget.
- The Company successfully completed all mandatory training programs required by law, ensuring 100% of employees obtained necessary certifications.

- The Company organized more than 99 training courses in 2025, specifically focusing on Tax Professionalism, LPG Sales Skill Enhancement, Digital Transformation, Cybersecurity, and AI. These internal initiatives enhance human capital quality while optimizing resource utilization and cost-efficiency.
- Integration programs for new hires achieved a 100% completion rate, facilitating rapid and effective integration into the corporation environment.
- Enhanced internal training has significantly bolstered the professional expertise of the Company's staff, optimizing costs compared to external alternatives and cultivating a culture of continuous learning.
- The integration of training management software allowed the Company to monitor and evaluate progress effectively. This data-driven approach facilitates content adjustments tailored to the evolving development needs of the workforce.
- The Company continued to execute training plans for successor teams to enhance the leadership pipeline, ensuring a talent-ready workforce for organizational transitions and sustainable growth.

2.6.7. Local Community Responsibility Report

- ❖ Gas South identifies community responsibility as a cornerstone of its sustainable development strategy, inextricably linked to the objectives of "Safety - Quality - Efficiency". To ensure the safety of areas surrounding the Company's operational facilities, the Company has invested in upgrading fire fighting and prevention systems, while organizing drills for fire suppression, search and rescue, chemical spill response, and port security. These measures ensure high readiness for any emergency contingencies.
- ❖ Furthermore, Gas South actively fosters socio-economic development through strategic community engagement, including prioritizing local recruitment across its network of terminals, plants and retail outlets. The Company's commitment to infrastructure development is exemplified by the construction of the Kenh Dung Bridge in Can Dang Commune, An Giang Province. In response to natural disasters, Gas South contributed VND 862,000,000 to relief efforts for Typhoons No. 3, 10 and 11, alongside providing critical support for flood-stricken regions in Central Vietnam. By maintaining full compliance with all tax obligations, the Company reinforces its dedication to a stable business environment and the pursuit of long-term sustainable growth.
- ❖ These initiatives not only elevate the quality of life for local residents but also yield tangible benefits for Gas South by mitigating risk-related costs, enhancing brand prestige, and building trust with partners and customers. Looking forward, Gas South will further expand cooperation with local authorities, investing in environmental protection initiatives to create long-term value for both the Company and society.

CHAPTER 3 - REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

3.1 Report on Business Performance

- ❖ In 2025, the Company's LPG volume witnessed robust growth, primarily driven by an intensified retail strategy across key regions, including Ho Chi Minh City, Central Vietnam and South Central Coast. Efforts were focused on enhancing delivery capabilities and expanding customer coverage. Furthermore, the quality of bottled LPG and related services saw significant improvements through enhanced cylinder maintenance, safety assurance protocols, and the implementation of digitalized cylinder management. These initiatives bolstered administrative efficiency and mitigated losses. Flexible sales policies combined with a well-refined distribution network allowed the Company to maintain market stability and achieve year-one-year growth.
- ❖ Conversely, market demand for compressed natural gas (CNG) experienced a slowdown. This was attributed to reduced order volumes from manufacturing clients facing economic headwinds. Additionally, gas consumption in the transport sector declined as the CNG bus fleet failed to expand, with new replacements trending toward electric buses. The gas market also faced stiff competition from numerous suppliers, while the uncompetitive pricing of liquefied natural gas (LNG) posed significant challenges in acquiring new industrial consumers.
- ❖ **Despite the intense competitive landscape in the LPG market, the Company remains committed to sustainable development goals, product quality management, and distribution channel expansion. In 2025, the Company achieved the following favorable results:**

No.	Item	Unit	Plan	Actual	Actual/Plan
I	Gas South in Total				
1	Liquefied Petroleum Gas (LPG)	Tons	196,420	205,886	104.82%
1.1	Residential LPG	Tons	139,370	144,839	103.92%
1.2	Bulk LPG	Tons	57,050	61,047	107.01%
2	Cylinder	Units			
2.1	Newly Manufactured Cylinders	Units	176,950	214,958	121.48%
2.2	Maintained Cylinders	Units	756,750	663,331	87.66%
3	Petroleum	Liters	4,220,000	4,359,095	103.3%
4	Natural Gas (CNG, LNG)	Sm³	156,555,000	130,914,696	83.6%
II	Financial Indexes				
1	Total Revenue	Billion VND	6,569.83	6,427.86	97.84%
2	Expenses	Billion VND	1,041.63	1,027.84	98.68%
3	Profit After Tax	Billion VND	140.56	141.75	100.85%

Source: Southern Gas Trading Joint Stock Company

3.1.1. Business Operations

❖ For LPG Sector

- The Company conducted continuous assessment of market demand, as well as analyzed and forecasted fluctuations in CP prices to develop timely contingency scenarios, ensuring the Company's overall business efficiency in alignment with market dynamics.
- The Company proactively collaborated with functional authorities and relevant agencies to report and address infringements regarding trademark disputes and illegal gas refilling.
- The Company regularly performed inspections of cylinder hygiene and strictly monitored gas liquid quality to ensure that Gas South products meet the highest standards upon reaching consumers.
- Sustained high-impact media and promotional programs were highly valued by General Agents and Dealers, such as the "International Travel with Gas South" program, customer gratitude gifts, and volume-based promotional schemes.
- Notably, in September 2025, Gas South launched the "**Bottled LPG Sales Support Solution**". Concurrently, the "**Bonbon Gas - Vouchers for Every Home**" promotion was implemented to encourage distributors and retail outlets to transition from traditional ordering methods (phone, Zalo, etc.) to the Bonbon App, fostering technological integration into business activities.
- Brand awareness was consistently maintained through billboard advertising at local markets, safety guidance workshops for consumers, and point-of-sale branding initiatives.
- The Company continued to strengthen digital presence and communication strategies across various social media platforms.

❖ For CNG Sector

- The Company intensified new customer acquisition efforts across multiple channels to broaden market presence.
- The Company focused on maintaining and strengthening relationships with the existing customer base to ensure stability.
- The Company collaborated closely with upstream suppliers to ensure a consistent and reliable feedstock supply.

❖ Cylinder Manufacturing and Mechanical Engineering

- Comprehensive care was delivered to existing clients while actively identifying and pursuing new business opportunities.
- The Company refined production lines and conducted rigorous testing for specialized refrigerant gas cylinders.
- The Company targeted clients with demands for mechanical engineering, maintenance, and repair services to enhance the unit's overall business performance and profitability.

3.1.2. Financial Management

- The Company proactively audited and reviewed operational expenses to maximize overall business efficiency.
- Requirements for production and investment activities were accurately determined to ensure rational and effective resource allocation.

- The Company maintained relationships with banks and credit institutions; monitored and leveraged preferential interest rates to optimize the Company's financial performance.
- Account receivable risks were actively assessed and controlled, while strengthening financial measures to ensure debt recovery and mitigate potential financial exposure.
- Accounting and tax training sessions were regularly organized to enhance professional expertise and ensure that accounting practices remain in full compliance with legal regulations, contributing to transparency across all operations.
- The Company leveraged advanced management reporting software to improve administrative oversight and optimize governance efficiency.
- The Company successfully implemented an automated invoicing solution, integrating every step from order placement and tracking to delivery verification and automatic invoice issuance within the accounting software. This initiative has minimized manual intervention, optimized human resources, ensured data accuracy, and significantly improved customer service speed.

3.1.3. Investment - Construction

- The Company regularly updated project progress to provide timely interventions, ensuring all construction activities adhere to the approved timelines.
- Supervision and stringent management were enhanced to guarantee project quality and investment progress as planned.
- The Company completed all necessary documentation and procedures for the final settlement of completed projects in accordance with statutory requirements.

3.1.4. Human Resources and Training

In 2025, the Company focused on the synchronized implementation of human resource management and training initiatives. These efforts aimed to enhance the quality of our workforce, ensuring alignment with operational requirements and the Company-wide digital transformation roadmap. Key achievements include:

- Conducted periodic reviews and evaluations of organizational structures, functions, and job descriptions across all subsidiaries. Based on these assessments, recruitment and personnel deployment were executed in accordance with approved plans while addressing the specific operational needs of each unit.
- Adjusted and supplemented regulations regarding Key Performance Indicators (KPIs) and incentive policies to better reflect business outcomes. Labor allocation was optimized based on regional characteristics and operational models, thereby enhancing labor productivity and human resource efficiency.
- Organized annual and ad-hoc training programs to bolster professional expertise and soft skills. Competency-building initiatives were implemented for employees across LPG business units, progressively developing a high skilled workforce to support the Company's sustainable development.
- Executed recruitment processes that ensured both quantity and quality based on actual demand, with a strategic priority on positions directly serving production and business activities.
- Successfully deployed the HrOnline management software (Go-Live in July, 2025). The system integrates modules for timekeeping, KPI evaluation, headcount planning, and personal budgeting, while interfacing with relevant systems for payroll and bonus calculations, significantly modernizing human resource administration.

3.1.5. Digital Transformation

Gas South identified digital transformation as a pivotal mission to optimize processes, increase labor productivity, strengthen data management, and improve service quality. In 2025, the Company implemented several digital initiatives as per the established roadmap, progressively standardizing administrative tasks and enhancing operational oversight. Key milestones achieved in 2025 include:

- DX02 - Bottled LPG Sales Support Solution: Officially transitioned to operational status (Go-Live) on September 1, 2025.
- DX04 - Safety and Technical Management System: Officially transitioned to operational status (Go-Live) on December 2, 2025.
- DX07 - Human Resource Management System: Officially transitioned to operational status (Go-Live) on July 1, 2025.
- ITX03 - Cybersecurity Infrastructure Enhancement: Successfully deployed and operationalized on October 8, 2025.
- DX01 - Data Warehouse & Management Reporting (Phase 2): Officially transitioned to operational status (Go-Live) on October 30, 2025.

3.1.6. Technical Affairs, Safety, Health and Environment

Gas South prioritized occupational health and safety, fire prevention, environmental protection and rigorous maintenance operations. All activities were executed with strict adherence to statutory regulations and internal Company policies. In 2025, the following initiatives were undertaken:

- Completed both scheduled and ad-hoc maintenance tasks, ensuring the safe and continuous operation of all machinery and equipment.
- Upgraded the chain conveyor systems and reconfigured the filling station layout at the Tay Ninh LPG Filling Station.
- Installed an extra 30-ton LPG tank at the Quang Tri Filling Station.
- Maintained monthly internal emergency drills and conducted large-scale-inter-agency drills annually to ensure preparedness.
- Conducted daily, monthly and quarterly safety audits of equipment, transport vehicles, and the working environment across all business locations, enabling the timely identification and mitigation of potential hazards.
- Provided comprehensive annual training on occupational health and safety, gas safety techniques, and the transportation of dangerous goods for employees directly involved in business operations.
- Ensured all machinery, and material subject to strict occupational safety requirements underwent mandatory technical safety inspections. Furthermore, all measuring instruments were fully calibrated, with inspection and calibration validity strictly maintained through regular-cycles.
- Provided periodic health check-ups and specialized screenings for occupational diseases for all employees in full compliance with statutory labor regulations.
- Executed environmental protection consistently in strict adherence to the approved Environmental Dossier and Environmental Permit.

3.2. Financial Overview

3.2.1. Asset Status

In 2025, the Company maintained steady growth momentum, achieving numerous positive outcomes in its production and business operations.

❖ Financial Highlights

- Total Assets: VND 2,553 billion
- Net Profit Margin/Charter Capital: 23%
- Profit Before Tax: VND 141.75 billion (exceeding plan by 0.85%)
- Profit After Tax: VND 115 billion

❖ Growth Drivers

- Leveraging a solid financial foundation, timely and strategic leadership from the Board of Directors, and the collective synergy of all employees, Gas South achieved remarkable results in 2025. These accomplishments not only affirm the Company's stable development but also established a robust premise for sustainable growth in the subsequent years.

❖ Asset Utilization Efficiency

- **Consistent Profitability:** In 2025, the Company continued to record stable profitability. Gross Profit Margin reached 14.96%, an increase compared to 2024 and surpassing the 2021-2022 period. Net Profit Margin returned to a 5-year high of 1.87%. ROA stood at 4.26% - the highest in the 2021-2025 period - while ROE was maintained at 11.31%, reflecting highly efficient capital utilization. These indicators demonstrate the Company's resilience and sustained business performance amidst fierce market competition.
- **Sound Liquidity and Risk Management:** Throughout 2025, the Company's liquidity ratios remained within safe thresholds. The Current Ratio reached 1.07 and the Quick Ratio was 0.94, showing an improvement over 2024 and ensuring the Company's ability to meet short-term obligations. The Cash Ratio stood at 0.45; although slightly lower than the previous year, it remains among the highest in the 5-year cycle. Cash and cash equivalents accounted for 24.96% of total assets, enabling the Company to maintain healthy working capital and mitigate liquidity risks.
- **Enhanced Operational Efficiency:** The year 2025 marked a significant improvement in operational efficiency. The Days Sales Outstanding decreased by 31.26 days, a substantial improvement over 2024, reflecting enhanced receivables management and debt collection. Equity Turnover reached 6.06 turns, remaining high and stable relative to previous years. The Days Inventory Outstanding was kept low at 8.94 days, aligning with the characteristics of the LPG business and contributing to the mitigation of risk associated with inventory price fluctuations.

3.2.2. Account Payable Status

❖ Leverage Ratios

- In 2025, the Company continued to pursue a conservative financial policy, characterized by a Debt-to-Capital ratio of 60.11% - a decrease from 2024 (64.29%), reflecting a deleveraging trend and an enhanced financial safety margin.
- Debt-to-Total Assets ratio decreased to 17.58%, demonstrating effective control over interest-bearing debt and borrowed capital.

- Equity-to-Total Assets increased to 39.89%, indicating a more sustainable capital structure, thereby effectively mitigating interest rate risks amid market volatility.

3.3. Improvements in Organizational Structure, Policies and Governance

The Company has implemented comprehensive solutions to refine its organizational structure and human resource management. These initiatives aim to enhance administrative efficiency, empower local units, and accelerate digital transformation across the system:

- The performance evaluation policies (KPIs) and progressive incentive schemes were adjusted and supplemented. These updates ensure strict alignment with business outcomes while decentralizing recruitment, training and evaluation processes. This provides units with greater autonomy in selecting appropriate labor contract models.
- The Company revolutionized workforce management by integrating training with competency assessments and job requirements. This strategic alignment focuses on developing the LPG business team to ensure long-term workforce quality.
- The Company intensified digital transformation in HR through the deployment of HrOnline (Go-live in July 2025). The system integrates modules for timekeeping, KPIs, headcount planning, and personal budgeting. Furthermore, it connects data for payroll and bonus calculations, while implementing digital signatures for labor contracts, payroll approvals, and online proposals.

These aforementioned advancements have significantly improved transparency, timeliness, and efficiency in HR administration. By standardizing processes and reducing manual tasks, the Company has established a modern and sustainable governance foundation.

3.4. Future Development Plan

Looking ahead to 2026, the Board of Directors identifies a landscape characterized by significant challenges and market volatility. Consequently, the Company has established prudent production and business targets for 2026 to ensure market stability and sustained growth.

3.4.1. Strategic Objectives for 2026

- The Company shall maintain safe, stable and efficient business activities. Safety remains a foundational principle and our highest responsibility across all stages - from refilling and transportation to distribution and customer service.
- The Company shall focus on market share retention and service quality enhancement. By adopting a customer-centric approach, the Company will strictly control costs and optimize operations to improve capital efficiency amidst intensifying market competition. Each unit and employee is encouraged to proactively innovate and uphold labor discipline.
- The Company shall accelerate digital transformation, standardize management processes, and build a professional workforce. Human capital and technology shall be recognized as the primary drivers of development. Gas South shall be committed to investing in training and fostering a culture of safety, discipline and solidarity.

3.4.2. Operational and Financial Targets for 2026

❖ Volume Targets

- Liquefied Petroleum Gas (LPG): 201,606 tons
 - Residential LPG: 147,006 tons

- Bulk LPG: 54,600 tons
- Natural Gas (CNG, LNG): 135,241,768 Sm³
- Newly Manufactured Cylinders: 207,770 units
- Maintained Cylinders: 702,940 units

❖ **Financial Targets**

- Total Revenue: VND 6,501.50 billion
- Expenses: VND 1,027.36 billion
- Profit Before Tax: VND 128.6 billion

3.4.3. Strategic Solutions for 2026

- The Company shall continue to bolster retail activities and expand agency distribution channels, together with intensifying customer acquisition in the Horeca (Hotel, Restaurant, Cafe) and industrial LPG segments to drive volume and brand recognition.
- Regarding cylinder production and mechanical engineering, the Company shall research and deploy new mechanical products and high-pressure vessels for both domestic and export markets. This diversification aims to mitigate the impact of the increasingly competitive LPG market.
- For CNG and LNG, the Company shall target a volume growth of 3.31% compared to 2025. This is an ambitious goal given the current economic headwinds and fierce competition.
- The Company shall refine the HR management system and enhance analytical capabilities based on personnel data, as well as continue leadership development and succession planning.
- The Company shall strengthen the application of digital technologies in governance and operations to ensure data safety, process transparency and cost optimization.

3.5. Environmental and Social Responsibility Report

3.5.1. Assessment of Environmental-Related Indicators

❖ **Environmental Protection**

- Given the inherent nature of the oil and gas industry, Gas South remained acutely aware that its business and production activities exerted a direct impact on the surrounding environment. Consequently, environmental protection was a core priority, as the Company was committed to making every effort to navigate its environmental footprint.
- Gas South consistently prioritized investments in advanced technologies designed to enhance energy and water efficiency while mitigating pollution. Furthermore, the Company actively promoted and encouraged the adoption of LPG and CNG in industrial production and transportation. These initiatives aligned with the strategic goal of transitioning toward eco-friendly energy resources, thereby contributing proactively to global climate change mitigation.
 - LNG, alongside LPG and CNG, constituted the core of Gas South's low-emission portfolio. These products offered a cleaner alternative to conventional fuels such as coal and oil, making them highly suitable for industrial production while significantly mitigating environmental degradation. LNG was a globally established commercial fuel. In 2023, Vietnam commenced importing LNG to supply power plants and industrial consumers. Recognizing this trend early, Gas South initiated research into LNG supply projects as far

back as 2020, proactively positioning itself to lead the nation’s energy transition toward LNG.

- By accelerating comprehensive digital transformation and adopting “paperless office” solutions, Gas South significantly reduced paper and ink consumption, thereby lessening its operational impact on the environment.
- Gas South invested in social energy systems at its office locations, demonstrating a steadfast commitment to reducing carbon emissions and transitioning toward sustainable, clean energy.

❖ **Energy and Water Consumption**

- The Company recognized that the judicious and efficient use of energy not only yields significant cost-saving benefits but also plays a pivotal role in environmental stewardship and infrastructure, Gas South emphasized the critical role of periodic maintenance and rigorous technical audits of existing machinery. These initiatives served as a primary catalyst for reducing energy intensity and maximizing operational performance.
- Furthermore, the Company’s portfolio of Natural Gas and Liquefied Petroleum Gas (LPG) was proactively integrated into internal operations. This strategic utilization contributed to the optimization of operational expenditure, while simultaneously facilitating a reduction in greenhouse gas (GHG) emission and mitigating the Company’s overall ecological footprint.

Energy and Fuel Category	Unit	Consumption Volume in 2025
CNG	Sm ³	4,054,982
LPG	Tons	166.91
Diesel Oil (DO)	Tons	264.84
Electricity	Kwh	13,296,272
Tap Water	m ³	66,922
Groundwater (Borehole)	m ³	7,112

Source: Southern Gas Trading Joint Stock Company

❖ **Waste and Wastewater**

- Gas South maintained rigorous oversight of wastewater and waste treatment processes to mitigate environmental impacts. These measures ensured that the operations of the Company, its subsidiaries, and its affiliates did not adversely affect the local environment or biodiversity within our professional footprint.
- Non-hazardous and hazardous solid wastes were strictly segregated by category and labeled in full compliance with statutory requirements. The Company maintained strategic partnerships with licensed waste management service providers to ensure that all waste disposal and treatment activities were executed in strict adherence to environmental laws and regulations.

	Unit	Volume Generated in 2025
Industrial Wastewater	m ³	32,142
Domestic Wastewater	m ³	23,996

	Unit	Volume Generated in 2025
Non-Hazardous Solid Waste	Tons	122.25
Hazardous Waste	Tons	18.83

Source: Southern Gas Trading Joint Stock Company

❖ Environmental Compliance

- All regulations pertaining to environmental management were promptly updated, strictly complied with, and consistently implemented by Gas South throughout 2025. As a result, no violations relating to environmental matters were recorded during the year. In parallel, the integrated Quality - Safety - Environment management system was continuously enhanced to improve operational efficiency, and mitigate effects on relevant stakeholders. In 2025, the Company was granted a Certificate of Eligibility for Environmental Protection for one facility (Dak Lak LPG Filling Station), as well as Environmental Licenses for three facilities (Can Tho LPG Storage and Filling Station, Dung Quat LPG Storage and Filling Station, Da Nang LPG Filling Station) in accordance with prevailing regulations. Additionally, wastewater and solid waste treatment processes were rigorously managed to ensure all regulatory compliance. Gas South also periodically conducted environmental monitoring programs for air and water quality in line with environmental protection commitments and statutory requirements, enabling effective control and timely remedial actions where necessary.
- Furthermore, the Company continued to promote and expand the distribution of CNG, LPG, and LNG products to a broader customer base, thereby encouraging the adoption of cleaner energy sources and contributing to the reduction of greenhouse gas (GHG) emissions.

No.	Monitoring Category	Total Monitoring Indicators	Non-compliant Indicators	Remarks / Corrective Actions
1	Occupational Environment Monitoring	591	09	Non-compliant parameters: Noise, Temperature. Corrective actions: Employees were equipped with ear protection; ventilation at depots/filling stations were enhanced; additional cooling equipment was installed.
2	Wastewater Monitoring	0	0	Gas South's facilities are not subject to mandatory wastewater monitoring requirements.
3	Emissions Monitoring	36	0	

Source: Southern Gas Trading Joint Stock Company

❖ Occupational Health and Safety

Gas South places strong emphasis on occupational health and safety to ensure an optimal working environment for employees while maintaining uninterrupted production and business operations, free from incidents and accidents.

- Employees are fully equipped with appropriate personal protective equipment (PPE). In addition to safety training, all personnel strictly adhere to applicable regulations. Occupational safety and hygiene practices are rigorously managed under the integrated Quality - Safety - Environment system. Inspection and maintenance activities for machinery and equipment are conducted in strict compliance with safety standards, while measurement and calibration instruments are regularly verified to ensure conformity with regulatory requirements.
- In 2025, internal emergency response drills were conducted on a monthly basis across all production and business facilities of Gas South.
- Gas South has also secured comprehensive insurance coverage for offices, LPG depots and filling stations, CNG compression and supply stations for transportation, PRU stations at customer sites, and product liability insurance.
- In 2025, a network of 93 safety officers actively participated in occupational health and safety initiatives, including providing guidance to employees on regulatory compliance and safe working practices. The Board of Directors consistently reinforced adherence to workplace safety regulations. Safety officers identified and reminded certain employees of non-compliant practices, such as improper parking, failure to use provided PPE, and other unsafe behaviors. These actions contributed significantly to the prevention of incidents and occupational accidents. Gas South also organized professional occupational health and safety training programs for its network of safety officers, further strengthening the effectiveness of workplace safety management across the organization.

❖ Occupational Safety and Hygiene Performance in 2025

No.	Description	Number of Performed Tasks/Plans				
		2021	2022	2023	2024	2025
1	Technical Safety Measures and Fire & Explosion Prevention	380/642	422/642	438/568	446/573	587/604
2	Occupational Hygiene Measures, Hazardous Exposure Prevention, and Improvement of Working Conditions	267/323	343/447	347/426	367/424	142/144
3	Provision of Personal Protective Equipment	90/138	232/301	177/227	198/219	166/167
4	Employee Health Care	288/317	302/422	325/495	336/399	146/149
5	Communication and Training on Occupational Safety and Hygiene	34/68	53/79	147/153	49/76	70/70

Source: Southern Gas Trading Joint Stock Company

❖ **Safety Training Performance**

No.	Training Content	Target Participants	Training Performance (Persons)			
			2022	2023	2024	2025
1	Safety Training in Gas Business Operations	Employees directly working at depots, stations and business units	636	725	838	665
2	Safety Training for Industrial Gas Transportation	Warehouse staff, loaders, drivers transporting LPG, CNG and LNG and LPG cylinders	73	175	120	241
3	Electrical Safety Techniques	Power Plant Operations	129	56	115	26
4	Occupational Safety and Hygiene Training for Groups		778	885	709	1,041
5	First Aid and Emergency Response Training		316	338	371	243
6	Fire Fighting and Prevention Operation and Practising Certificate	On-site fire response teams	548	446	536	847

Source: Southern Gas Trading Joint Stock Company

3.5.2. Assessment of Labor-Related Matters

❖ In 2025, amid an increasingly competitive energy market characterized by numerous challenges, Gas South continued to effectively implement its strategy for sustainable human resources development. This remained a critical foundation for enhancing competitiveness and fulfilling the Company’s corporate social responsibility commitment. Additionally, the Company focused on fostering a transparent working environment, creating equitable opportunities for career advancement, and strengthening long-term employee engagement.

❖ **Key Initiatives Implemented**

- The Company developed and maintained transparent remuneration, bonus, and performance evaluation policies aligned with individual performance outcomes. Compensation was regularly reviewed and adjusted in line with market benchmarks, thereby motivating employees and enhancing productivity.
- Statutory welfare policies were fully complied while additional benefits beyond regulatory requirements were extended, including voluntary health insurance for employees, periodic health check-ups for female employees, and financial support for employees facing serious illnesses through the Social Security Fund and Gas South’s Mutual Support Fund. These

policies underscore the Company's commitment to both the material and spiritual well-being of its workforce.

- The Company continuously updated and refined job descriptions and competency frameworks to ensure clarity in roles and responsibilities. Based on standardized job frameworks, targeted training programs are implemented to enhance employee capabilities and support effective task execution.
- Recruitment processes were conducted in a standardized and competency-based manner, ensuring the selection of qualified candidates aligned with job requirements. Newly recruited employees were provided with onboarding and internal/external training programs to facilitate integration into Gas South's corporate culture and maximize job performance.
- The Company promoted a respectful, transparent and cohesive working environment through professional seminars, teambuilding activities, as well as domestic and international travel programs. These initiatives contributed to strengthening corporate culture and fostering employee engagement.
- Reward and recognition mechanisms were implemented fairly and timely, acknowledging outstanding individuals and teams who contribute significantly to business performance. This served as a key driver for sustaining motivation and reinforcing a strong sense of responsibility across the organization.

Through these concerted efforts, Gas South continues to affirm its commitment to sustainable human capital development, fulfilling its responsibilities toward employees while enhancing adaptability and maintaining stable growth amid challenging market conditions.

3.5.3. Assessment of Corporate Social Responsibility toward Local Communities

Social welfare initiatives were actively implemented throughout 2025. The Company issued and executed social welfare and sponsorship programs to encourage employee participation and contributions toward community-oriented activities, particularly in support of disadvantaged and critically ill individuals. In 2025, employees voluntarily contributed an additional two days salary (corresponding to five Sundays), totaling over VND 1.3 billion, to support social welfare and charitable programs organized by Gas South

❖ Key Contributions

- Sponsorship for Cau Kenh Bridge, Can Dang Commune, An Giang Province: VND 6000,000,000.
- Financial support for employees suffering from serious illnesses: VND 150,000,000.

❖ Additional Activities

- The Company mobilized employee contributions to support victims of storms No. 3, 10 and 11 and flooding in Central Vietnam, with total donations amounting to VND 862,000,000.
- The Company organized voluntary contributions equivalent to two working days to support the Oil and Gas Mutual Support Fund, totaling over VND 700,000,000.
- The use of welfare and bonus funds was ensured to be appropriate and transparent, as reported at the 2024 Employee Conference, aimed at improving both material and spiritual well-being of employees while supporting social and charitable initiatives in alignment with Company policies.

CHAPTER 4 - ASSESSMENT OF THE BOARD OF DIRECTORS REGARDING THE COMPANY'S OPERATIONS

4.1. Assessment of the Board of Directors regarding the Company's operations, including Environmental and Social Responsibilities

4.1.1. Production and Business Operations

- ❖ In 2025, despite ongoing challenges in both global and domestic economic environments, the Company demonstrated strong adaptability and maintained stable operations.
- ❖ In the domestic market, competition in LPG and CNG trading remained intense, requiring enterprises to adapt flexible and responsive strategies. The Company's leadership proactively implemented and closely monitored production and business plans in alignment with market developments, ensuring operational efficiency.
- ❖ Notably, in 2025, the Company achieved several key milestones
 - Maintained its position as one of the leading LPG and CNG distributors in Southern Vietnam.
 - Ranked among Top 20 Best Annual Reports in 2025, reflecting transparency in information disclosure and effective corporate governance.
 - Achieved production targets exceeding planned levels, with revenue meeting projections and profit before tax surpassing targets, thereby ensuring effective cost control and profitability amid a volatile market environment.

4.1.2. Environmental Responsibility

- ❖ The Board of Directors highly valued the Company's strict compliance with environmental regulations and its commitment to sustainable development, specifically
 - Fully complied with legal regulations on environmental protection and safety in production, storage and gas trading activities.
 - Invested in and upgraded technologies to reduce emissions, enhance energy efficiency, and optimize system performance.
 - Controlled emissions strictly, and solid waste in accordance with applicable technical standards.
 - Strengthened energy-saving initiatives and efficient resource management across the system.

These efforts contribute to minimizing environmental impacts and enhancing the Company's brand reputation in the clean energy sector.

4.1.3. Social Responsibility

- ❖ The Company continued to reaffirm its social responsibility toward the community and employees through practical initiatives
 - Ensured stable employment and maintained comprehensive welfare policies, contributing to improved living standards for employees.
 - Actively participated in social welfare programs, including support for housing construction and scholarships for underprivileged students.
 - Promoted sustainable corporate culture, ethical business practices and transparency in governance and internal operations.

Briefly, 2025 remained a challenging year for enterprises operating in the gas sector. However, through a well-defined strategy, effective governance, and strong adaptability, the Company successfully maintained its competitive position, ensured stable and safe operations, and fulfilled its environmental and social responsibilities. Recognition in the Top 20 Best Annual Reports further demonstrated the Company's commitment to transparency and adherence to high standards of corporate governance in a dynamic economic environment.

4.2. Assessment of the Board of Directors regarding the Operations of the Board of Management

4.2.1. Executive Management and Business Plan Implementation

- ❖ The Board of Management steered the Company through a volatile market landscape by employing flexible business strategies to navigate the shifts within Vietnam's energy sector in 2025, thereby ensuring operational stability.
- ❖ At the 2025 Annual General Meeting of Shareholders, the Board of Management presented the business performance and the business plan, which targeted a total revenue of approximately VND 6,570 billion and a profit before tax of nearly VND 141 billion - a conservative yet pragmatic forecast aligned with prevailing market conditions.
- ❖ Under the leadership of the Board of Management, the Company maintained robust cash flow balance, stringent cost control, and financial efficiency, establishing a solid foundation for the realization of defined strategic objectives.

4.2.2. Human Resource Management and Development

- ❖ The Board of Management prioritized the implementation of human resource policies designed to retain a high-caliber workforce, consistent with the Company's transformation and sustainable development strategies for 2025. The Company sustained its workforce development initiatives through enhanced training programs, particularly in business, production, and operations, to satisfy increasingly rigorous market demands.

4.2.3. Technological Innovation and Application

- ❖ The Board of Management emphasized the integration of technology into management and operational frameworks to bolster productivity, automate key processes, and optimize cost structures. Accelerating digital transformation and adopting tailored technological solutions served as a critical preparatory phase to ensure business resilience amidst continuous market innovation.

4.2.4. Risk Management and Legal Compliance

- ❖ The Company remained fully compliant with legal regulations, with a particular focus on financial-accounting governance and internal controls; the Board of Management directed the execution of effective risk mitigation measures to safeguard production, business, and investment activities. Adherence to internal protocols and timely periodic disclosure significantly enhanced corporate transparency and fortified the Company's reputation among shareholders and the broader market.

4.2.5. Corporate Social Responsibility and Environmental Protection

- ❖ The Company sustained its commitment to community-oriented activities and social responsibility while ensuring strict compliance with environmental protection standards throughout its operations. The Board of Management supervised the management of emissions, waste disposal, and occupational safety, ensuring that all corporate activities aligned with industry benchmarks and prevailing legislation.

- ❖ The Board of Directors highly commends the executive management and governance performance delivered by the Board of Management in 2025. Under the effective leadership and stewardship of the Board of Management, the Company maintained stable operations and executed business plans that responded well to market dynamics and the Company’s overarching development policies, while upholding legal compliance and social responsibility. The Board of Directors remains confident that the Board of Management shall continue to excel in its executive role to fulfill strategic objectives in the following years.

4.3. Strategic Plans and Directions of the Board of Directors

The Board of Directors intends to further the Company’s development under the guiding principles of “Stability - Efficiency - Sustainability - Transformation”, in alignment with the strategy approved at the Annual General Meeting of Shareholders and the Company’s long-term development roadmap. Amidst continued volatility in the energy market, the rising trend toward clean fuels, and increasingly stringent governance requirements, the Board of Directors has established the following strategic priorities for 2026:

❖ Market Expansion and Competitive Enhancement

- The Company will continue to consolidate its position in the traditional LPG market while expanding distribution networks within key and high-potential regions.
- There shall be a concerted push to develop the CNG and LNG markets.
- Enhancing service quality, ensuring supply chain security, and delivering increased value-added solutions for both industrial and residential customers remain paramount.
- The Company shall strengthen partnerships with strategic allies both within and outside the industry to optimize the supply chain and unlock new growth opportunities.

❖ Optimization of Production and Business Operations

- Rigorous cost management, inventory optimization, and enhanced cash flow oversight shall be maintained.
- The Company shall continue to invest in upgrading its terminal systems, bottling stations and logistics fleets to augment storage and distribution capacity.
- Finalizing and effectively leveraging existing digital transformation projects shall ensure maximization of technological investment returns.
- The Company shall bolster market data analytics to proactively develop business scenarios that respond to energy price fluctuations.

❖ Sustainable Development and Clean Energy Directions

- The Company remains steadfast in its commitment to environmental protection, occupational safety, and regulatory compliance within the energy sector.
- The development of clean gas products (CNG/LNG) shall be accelerated to align with global energy transition trends and emission reduction goals.
- Modern technology shall be integrated into operations to minimize energy consumption and optimize system performance.
- Corporate responsibility initiatives shall be sustained and expanded to support the communities in which the Company operates.

❖ **Governance Capacity Enhancement and Human Resources Development**

- The corporate governance model shall be refined toward greater transparency and professionalism, in accordance with best practices for public companies.
- The Company shall intensify the integration of digital technologies and artificial intelligence (AI) into management and decision-making processes.
- The Company shall prioritize human resource training to meet the demands of digital transformation and the expansion into the clean gas sector.
- A corporate culture rooted in adaptability, innovation, and long-term efficiency will be cultivated.

❖ **Risk Management Enhancement and Information Transparency**

- The internal control system shall be strengthened to ensure comprehensive risk management across business, financial and technical operations.
- Proactive response scenarios shall be established to mitigate energy price volatility and market competition risks.
- The Company commits to full and timely information disclosure while maintaining regular engagement and dialogue with shareholders and investors.

The Board of Directors pledges its continued support to the Board of Management in executing the 2026 Business Plan, ensuring the harmonious balance of interests among shareholders, employees and stakeholders. Built upon the solid foundations established over recent years - specifically the achievements in digital transformation and the strategic pivot toward clean gas - the Board of Directors is confident that the Company shall maintain its market leadership and generate sustainable value in this new phase of development.

CHAPTER 5 - CORPORATE GOVERNANCE

5.1. Board of Directors

5.1.1. Structure and Composition of the Board of Directors

❖ The Board of Directors consists of five members, including one Chairman, one member concurrently serving on the Board of Management, and three Independent Members of the Board of Directors. No member concurrently holds a directorial position in more than five other enterprises.

❖ List of Members of the Board of Directors

No.	Full Name	Position	Ownership Percentage
1	Mr. Phan Quoc Nghia	Chairman	0.0002%
2	Mr. Nguyen Ngoc Luan	Member of the Board of Directors cum General Director	0%
3	Mr. Nguyen Hoang Giang	Independent Member of the Board of Directors	0%
4	Ms. Nguyen Ngoc Anh	Independent Member of the Board of Directors	0%
5	Ms. Vu Thi Thanh Tam	Independent Member of the Board of Directors	0%

Source: Southern Gas Trading Joint Stock Company

5.1.2. Committees under the Board of Directors

- ❖ Pursuant to Circular No. 116/2020/TT-BTC and Decree No. 155/2020/ND-CP regarding corporate governance for public companies, the establishment of committees is currently optional. To date, the Board of Directors has not established any specialized committees.
- ❖ The Board of Directors has appointed a Person in charge of Corporate Governance and a Company Secretary in full compliance with current regulations.

5.1.3. Operations of the Board of Directors

- ❖ In 2025, the Board of Directors fully exercised its functions, duties and authorities in accordance with the Enterprise Law, the Company Charter, and the Internal Governance Regulations of the Board of Directors. Additionally, the Board of Directors issued timely Resolutions and Decisions to provide strategic direction and supervision to the Board of Management, ensuring that production and business activities remained aligned with the plans approved by the General Meeting of Shareholders.
- ❖ The Board of Directors successfully organized the 2025 Annual General Meeting of Shareholders, passing critical contents regarding 2024 performance, the 2025 business plan, and development directions as disclosed on the Company's official website.

- ❖ The Board of Directors regularly monitored and updated production and business performance through periodic and ad-hoc reports from the Board of Management; provided timely reviews and directives on critical issues regarding business strategy, investment, finance, risk management and digital transformation.
- ❖ 2025 marked a pivotal year in the Company's digital transformation roadmap, with the Board of Directors closely supervising the deployment of key technology projects to enhance governance efficiency, transparency, and operational optimization.
- ❖ Special attention was also paid to risk management and occupational safety in the gas sector, ensuring strict legal compliance and raising corporate governance standards to strengthen the Gas South brand prestige.
- ❖ Leveraging their extensive expertise in finance, corporate governance, and the gas industry, the members of the Board of Directors actively engaged in high-level deliberation and provided profound strategic insights. This collective professional depth ensured that all issued resolutions were highly feasible and meticulously aligned with the complex dynamics of the 2025 energy market landscape.
- ❖ In 2025, the Board of Directors convened meetings and conducted written consultations with members of the Board of Directors a total of 17 times. All members of the Board of Directors fully participated in these meetings and written consultation processes. The Board of Directors issued Resolutions and Decisions covering the following key matters:
 - Approval of the LNG purchase agreement principle with Petrovietnam Gas Trading Company - Petrovietnam Gas Joint Stock Corporation.
 - Organization of the 2025 Annual General Meeting of Shareholders.
 - Approval of credit limits for business operations and investment activities in 2025.
 - Re-appointment of the Chairman of Vietnam Liquefied Gas Company Limited (Mr. Tran Anh Dung).
 - Re-appointment of the Supervisor of Vietnam Liquefied Gas Company Limited (Ms. Nguyen Thi Thanh).
 - Approval of documents and materials for submission to the 2025 Annual General Meeting of Shareholders.
 - Approval of expenditure levels from the Board of Management's Bonus and Welfare Fund.
 - Approval of the 2024 cash dividend payment (20% of Charter Capital/share)
 - Approval of transaction terms with related parties (Gas purchase agreement with PV Gas D).
 - Termination of operations of the South Central Branch (Ninh Thuan Branch).
 - Approval of the plan to participate in the auction of used 12kg LPG cylinders from the Company
 - Collecting shareholders' written consultation to approve General Meeting of Shareholders decisions regarding headquarter relocation, changing main business lines, and adjusting foreign ownership limits (up to 51%)
 - Approval of the terms and conditions of transaction agreement with Related Parties (the purchase agreement for auctioned assets, namely used 12kg LPG cylinders).
 - Approval of relocation of the CNG compressor at Hiep Phuoc Station to My Xuan Station.

- Updates on the content and quantity of the Company’s seals and its direct branches.
- Issuance of the Company’s new Administrative Expense Norms (replacing Decision No. 125/QD-Gas South dated March 9, 2022).
- Approval of transactions with related parties via investment forms on the stock market.

5.1.4. Operations of Independent Members of the Board of Directors

- ❖ In 2025, Independent Members of the Board of Directors proactively and diligently fulfilled their roles and responsibilities in accordance with the Enterprise Law, the Company Charter, and the Internal Regulations on Corporate Governance, contributing to the enhancement of governance efficiency through transparency, professionalism and sustainability.
- ❖ With the objective and independent capacities, Independent Members of the Board of Directors maintained full attendance at all meetings, conducted rigorous reviews of documents, and provided critical feedback and consultancy on pivotal matters, including strategic development orientations, business production plans, investments, risk management, digital transformation, and senior personnel affairs.
- ❖ Amidst the Company’s initiatives to bolster governance capacity, optimize operations, and drive digital transformation - as disclosed on the official website - Independent Members of the Board of Directors offered strategic advice to ensure these operations aligned with best governance practices, strengthened internal controls, and safeguarded the legitimate interests of shareholders, particularly minority shareholders.
- ❖ Furthermore, Independent Members of the Board of Directors prioritized the supervision of legal compliance and internal regulations, ensuring that the operations of the Board of Directors and the Board of Management remained consistent with the goals of stable and sustainable growth, while further consolidating the market reputation of the Gas South brand.
- ❖ The contribution of Independent Members of the Board of Directors in 2025 continued to affirm its vital role in reinforcing a transparent governance foundation, elevating operational performance, and generating sustainable value for shareholders and stakeholders.

5.2 The Supervisory Board

5.2.1. Structure and Composition of the Supervisory Board

The Company’s Supervisory Board consists of three members, including one Executive Head of Supervisory Board and two Non-Executive members. The specific composition is as follow:

No.	Full Name	Position	Ownership Percentage	
			PV Gas Representative	Personal Ownership
1	Mr. Tran Van Chung	Head of Supervisory Board	0%	0%
2	Ms. Dang Thi Hong Yen	Member of Supervisory Board	0%	0%
3	Ms. Tran Thi Thu Hien	Member of Supervisory Board	0%	0.00016%

Source: Southern Gas Trading Joint Stock Company

5.2.2. Operations of the Supervisory Board

❖ Operations of the Supervisory Board

Pursuant to the authorities and responsibilities stipulated in the Enterprise Law No. 59/2020/QH14 and the Company Charter, the Supervisory Board executed the 2025 inspection and supervision plan approved by the General Meeting of Shareholders as follows:

- Monitored compliance with the Company Charter and prevailing legal regulations; supervised the issuance of Resolutions and Decisions by the Board of Directors and the Board of Management.
- Supervised adherence to the Company's information disclosure regulations in accordance with the law.
- Monitored the implementation of General Meeting of Shareholders' Resolutions; inspected and supervised the execution of business plan; assessed the rationality, legality, integrity and diligence in business management and operations; monitored the progress of the Company's investment and procurement projects.
- Supervised the financial status, operational efficiency, solvency, capital management and cash flow balance.
- Appraised interim and annual financial statements to ensure transparency and accuracy; analyzed and evaluated the financial health and the capacity for capital preservation and growth.
- Conducted continuous inspections and supervisions to promptly capture the Company's operational status and efficiency, identifying and rectifying deficiencies within the management, executive and internal control systems. Quarterly inspection plans were established with specific task assignments for each member.
- Supervised the formulation and allocation of 2025 business plans for the Company and its subsidiaries.
- In 2025, the Supervisory Board collaborated with the Company's internal audit team to conduct inspections at VT Gas and other branches. At year-end, the Supervisory Board coordinated with independent auditors to supervise inventory counts at the Company and its affiliated units.

❖ Summary of the Supervisory Board Meetings

In 2025, the Supervisory Board held periodic meetings with the following key agendas:

- Formulation and approval of the Supervisory Board's 2025 inspection and supervision plan.
- Approval of the Supervisory Board's Report for submission to the 2025 Annual General Meeting of Shareholders.
- Submission to the General Meeting of Shareholders for the election of members of the Supervisory Board for the new term.
- Assignment of specific duties to the Supervisory Board members.
- Review of quarterly supervision reports, including evaluations of business performance, the Board of Directors' operations, the Board of Management's performance, and compliance with the Company Charter and regulations.
- Assignment of members to supervise year-end asset and liability inventories.
- Approval of the appraisal reports for the 2025 interim and annual financial statements.

- Participation in the supervision and reporting of the organization of General Meeting of Shareholders to ensure compliance with legal procedures and sequences.
- Discussion of the 2025 inspection and supervision results and the proposed action plan for 2026.

5.2.3. Results of Supervision and Monitoring

- ❖ **Results of Supervision toward Production and Business Operations:** The Supervisory Board appraised and reached a consensus on the 2025 business performance as presented in the report of the General Director, ensuring consistency with the figures in the audited financial statements as of December 31, 2025.
- ❖ **Results of Financial Statement Appraisal for the Fiscal Year 2025**
 - The Company's financial statements provide a true and fair view of the financial position and business performance of the Company for the fiscal year ended December 31, 2025.
 - Bookkeeping, accounting books opening, economic transactions classification, and the financial statements preparation were conducted in strict adherence to Vietnam Accounting Standards, the Vietnam Accounting Policy for Enterprises and relevant legal provisions.
 - The 2025 financial statements were audited by Ernst & Young Vietnam Limited, complying with the Company Charter and Resolution of the General Meeting of Shareholders.
 - The Company prepared and disclosed periodic information on the Hanoi Stock Exchange (HNX) and State Securities Commission of Vietnam in accordance with the Ministry of Finance's regulations on information disclosure in the securities market.
- ❖ **Implementation of Dividend Payment Plan and other Resolutions of General Meeting of Shareholders**
 - The Company executed the 2024 cash dividend payment at a rate of 20% of Charter Capital as per the General Meeting of Shareholders Resolution.
 - Remunerations for the Board of Directors and the Supervisory Board were implemented in compliance with the 2025 General Meeting of Shareholders Resolution. Details are consolidated in the 2025 remuneration and income report and the 2026 plans for the Board of Directors and the Supervisory Board.
 - Fund appropriations, including the Bonus and Welfare Fund, were carried out in accordance with the 2025 General Meeting of Shareholders Resolution.
 - Other matters were implemented in full compliance with the resolutions of the General Meeting of Shareholders
- ❖ **Results of Supervision of the Board of Directors' Management**
 - The corporate governance operations of the Board of Directors in 2025 were conducted in full compliance with applicable laws, as well as the Company's Charter, internal regulations, and the resolutions of the General Meeting of Shareholders.
 - The Board of Directors convened both regular and extraordinary meetings in accordance with the provisions of the Company's Charter. During 2025, the Board of Directors held meetings in both virtual and in-person formats and issued a number of Resolutions and Decisions. All Resolutions and Decisions were promulgated in accordance with proper procedures, within the Board of Directors' authority, and in full compliance with the applicable legal framework and the Company's Charter.

- The Board of Directors exercised its supervisory role over the Executive Board to direct and oversee all aspects of the Company's operations, thereby making a significant contribution to the Company's achievement of profit exceeding the 2025 targets as approved by the General Meeting of Shareholders.

❖ **Results of Supervision of the Board of Management's Management Performance**

- The Board of Management fully implemented the Resolutions of the Board of Directors and strictly fulfilled its rights and responsibilities in accordance with the Company's Charter and applicable laws.
- The Board of Management demonstrated decisive and flexible management in addressing operational challenges, proactively resolving difficulties in production and business operations. As a result, the Company successfully overcame common challenges and exceeded its assigned profit targets.
- The Board of Management implemented measures to preserve capital, including provisions for inventory devaluation and doubtful receivables collection to minimize bad debts and outstanding balances. In addition, strong emphasis was placed on safety and fire prevention, alongside the procurement of comprehensive insurance coverage for assets and goods,
- Digital transformation initiatives continued to be accelerated in 2025, with a focus on enhancing existing platforms and deploying new software solutions to standardize and synchronize operational processes.
- The Board of Management directed the enhancement of substantive training programs aimed at improving professional and managerial competencies. Particular emphasis was placed on compliance training and other specialized programs to meet operational requirements.
- Recruitment activities were conducted in accordance with established procedures and actual operational needs. The execution and termination of labor contracts between the employer and employees were carried out in compliance with regulatory requirements. The Company fulfilled its obligations relating to social insurance, health insurance, and unemployment insurance in a timely and compliant manner. Furthermore, the Company's leadership ensured the full and timely implementation of policies and benefits for employees in accordance with applicable laws.

❖ **Report on the Assessment of Coordination between the Supervisory Board, the Board of Directors and the Board of Management**

- The Supervisory Board, the Board of Directors and the Board of Management maintained close coordination on the basis of safeguarding the best interests of the Company and its shareholders, within the framework of compliance with applicable laws and internal regulations. The Supervisory Board received full cooperation and facilitation from the Board of Directors and the Board of Management in performing its duties, including the provision of information and documentation, as well as the assignment of relevant personnel to work with the Supervisory Board upon request.
- The Supervisory Board was invited to attend meetings of the Board of Directors and the Company's management meetings. At these meetings, the Supervisory Board actively contributed its opinions to ensure the appropriateness and compliance of the Company's operations.
- The Supervisory Board conducted reviews of the financial statements prior to their submission to the Board of Directors and the General Meetings of Shareholders. Quarterly reports on

inspection and supervision prepared by the Supervisory Board were duly submitted to the Board of Directors and major shareholders.

❖ **Report on the Assessment of Related-Party Transaction**

- Transactions between the Company, its subsidiaries, and entities in which the Company holds more than 50% of the voting rights, and members of the Board of Directors and their related parties: In 2025, the Company entered into a number of gas purchase and sale contracts with affiliated units/subsidiaries of Petrovietnam Gas Joint Stock Corporation, as detailed in Footnote 29 (Related-Party Transactions) of the 2025 audited financial statements, which were audited by Ernst & Young Vietnam Limited. All such contracts were duly approved through the Company's Resolutions and disclosed in compliance with the Enterprise Law and regulations governing information disclosure in the securities market.
- Transactions between the Company and entities in which members of the Board of Directors were founders or held managerial positions within the three years preceding the transaction date: No such transactions arose.

5.2.4. Plan for 2026

The Supervisory Board shall continue to perform its functions and duties to safeguard the legitimate interests of the Company and its shareholders, focusing on the following key areas:

- ❖ Monitor compliance with the Company's Charter, the Enterprise Law, and other applicable legal regulations, as well as the Company's internal governance policies and procedures;
- ❖ Supervise and evaluate the implementation of the resolutions of the 2026 Annual General Meeting of Shareholders, particularly with respect to the execution of the 2026 production and business plan; monitor the progress, disbursement, and finalization of investment projects; and analyze and assess the Company's financial position, capital management and utilization, operational efficiency, and debt repayment capacity. This includes oversight of the management of owners' equity and the Company's investments in other enterprises;
- ❖ Review and appraise the financial statements; assess the accuracy, fairness and consistency to the Company's operational management, as well as its accounting, statistical and financial reporting practices; and prepare the report evaluating the management performance on the Board of Directors for 2026;
- ❖ Review related-party transactions subject to the approval authority of the Board of Directors or the General Meeting of Shareholders, and provide recommendations on transactions requiring approval where deemed necessary; and supervise the Company's information disclosure practices, including matters relating to related parties and related-party transactions;
- ❖ Assess the effectiveness of the Company's internal control system and provide recommendations (if any) to enhance its effectiveness;
- ❖ Coordinate with the Board of Directors, internal inspection teams, and internal audit in conducting inspections and supervision of management operations and production and business operations at the Company, its subsidiaries, and branches;
- ❖ Supervise the payment of dividends to shareholders and the implementation of other matters in accordance with the resolutions of the General Meeting of Shareholders.

5.3. Transactions, Remuneration, and Benefits of the Board of Directors, the Supervisory Board, the Board of Management and Chief Accountant

5.3.1. Salaries, Bonuses, Remunerations and Benefits

The Company fully implements the payment of salaries and remunerations to members of the Board of Directors, the Supervisory Board, the Board of Management, and the Chief Accountant in accordance with legal regulations. These payments are harmonized with the Company's annual salary policy and budget, ensuring the Company is commensurate with the capacity and performance results of each individual member.

- ❖ The Company has paid remuneration and bonuses to members of the Board of Directors as follows:
 - Total remuneration and bonuses: VND 3,116,266,667
- ❖ The Company has paid salaries/remuneration and bonuses to members of the Supervisory Board as follows:
 - Total remuneration and bonuses for non-executive members of the Supervisory Board: VND 259,000,000.
 - Total salaries and bonuses for executive Head of Supervisory Board: VND 822,404,356.
 - Total: VND 1,081,404,356.
- ❖ The Company has paid salaries and bonuses to members of the Board of Management and Chief Account in the following amount: VND 8,874,871,260.

Details regarding the salaries/remuneration and bonuses for each member of the Board of Directors, the Supervisory Board, the Board of Management and Chief Accountant as follows:

❖ Income of Leadership in 2025

No.	Full Name/Position	Salaries / Remuneration	Executive Board Bonuses	Other Salaries / Bonuses	Total
	Board of Directors	2,540,666,667	550,000,000	25,600,000	3,116,266,667
1	Phan Quoc Nghia	740,666,667	200,000,000	17,600,000	958,266,667
2	Nguyen Ngoc Luan	450,000,000	200,000,000		650,000,000
3	Nguyen Hoang Giang	450,000,000	50,000,000	2,000,000	502,000,000
4	Nguyen Ngoc Anh	450,000,000	50,000,000	3,000,000	503,000,000
5	Vo Thi Thanh Tam	450,000,000	50,000,000	3,000,000	503,000,000
	Supervisory Board	975,404,356	95,000,000	11,000,000	1,081,404,356

No.	Full Name/Position	Salaries / Remuneration	Executive Board Bonuses	Other Salaries / Bonuses	Total
1	Tran Van Chung	764,404,356	33,333,333	8,000,000	805,737,689
2	Dao Thanh Hang		16,666,667		16,666,667
3	Tran Thi Thu Hien	105,500,000	25,000,000		130,500,000
4	Dang Thi Hong Yen	105,500,000	20,000,000	3,000,000	128,500,000
	Board of Management	7,514,360,297	300,000,000	-	7,814,360,297
1	Nguyen Ngoc Luan	2,982,052,036			2,982,052,036
2	Dao Huu Thang	1,380,057,307	100,000,000		1,480,057,307
3	Dang Van Vinh	1,589,188,897	100,000,000		1,689,188,897
4	Tran Anh Dung	1,563,062,057	100,000,000		1,663,062,057
	Chief Accountant	1,005,510,963	55,000,000		1,060,510,963
1	Cao Nguyen Duc Anh	1,005,510,963	55,000,000		1,060,510,963
	Total	12,035,942,283	1,000,000,000	36,600,000	13,072,542,283

Source: Southern Gas Trading Joint Stock Company

5.3.2. Transactions of Shares by Insiders

❖ No share transactions by insiders occurred during 2025

5.3.3. Contracts or Transactions with Insiders

No.	Name of Organization / Individual	Relationship with the Company	ID/Business Registrations No., Date & Place of Issuance	Headquarter Address / Contract Address	Transaction Period	Resolution / Decision No. Approved by GMS/BOD	Content, Quantity, Total Transaction Value (VND)	Notes
1	Petrovietnam Gas Joint Stock	Major shareholder holding over 10%	3500102710 issued on May 12, 2015	673 Nguyen Huu Tho Street,	From January 1, 2025 to December	01/NQ-Gas South dated April 21, 2022	Revenue from sales and services: 42,656,056	

No.	Name of Organization / Individual	Relationship with the Company	ID/Business Registration No., Date & Place of Issuance	Headquarter Address / Contract Address	Transaction Period	Resolution / Decision No. Approved by GMS/BOD	Content, Quantity, Total Transaction Value (VND)	Notes
	Corporation (PV Gas)	of voting shares		Phuoc Kien Commune, Nha Be District, HCMC	31, 2025		Procurement of goods and services: 1,752,163,301,659 Dividend paid: 35,263,158,000	
2	Vietnam Liquefied Gas Company Limited - VT Gas	Subsidiary	0316158113 issued on February 21, 2020	Room 606, 6th Floor, Waseco Building No. 10 Pho Quang Street, Tan Son Hoa Ward, Tan Binh District, HCMC	From January 1, 2025 to December 31, 2025	-	Revenue from sales and services: 1,136,124,057,828 Procurement of goods and services: 4,177,734,781 Distributed Profit: 25,000,000,000	

Source: Southern Gas Trading Joint Stock Company

5.3.4. Assessment of Corporate Governance Compliance in 2025

- ❖ In 2025, the Company continued to fully discharge its rights and obligations in accordance with the Law on Enterprises, the Law on Securities, the Company's Charter, Internal Regulations on Corporate Governance, and other relevant legal frameworks. Corporate Governance operations were implemented with an emphasis on transparency, professionalism, and alignment with the Company's sustainable development strategy. Specifically:
 - **Information Disclosure and Governance Reporting:** The Company prepared and disclosed Corporate Governance Reports in a comprehensive, accurate and timely manner as prescribed by law. The reports faithfully reflected operational status, governance structure, related-party transactions, and other material matters, ensuring that shareholders and investors had access to transparent and timely information.
 - **Compliance with Disclosure Regulations:** Information disclosure was strictly executed pursuant to Circular No. 96/2020/TT-BTC and prevailing legal documents, ensuring publicity and transparency, thereby bolster market confidence in the Company.
 - **Organization and Operation of the Board of Directors:** The Board of Directors maintained an appropriate structure, ensuring the required ratio of independent members. Meetings were convened periodically and extraordinarily in compliance with prescribed protocols and procedures; documentation was provided in full, and minutes were recorded and archived according to regulations. Resolutions and Decisions were issued based on objective

deliberations, free from conflicts of interest. ensuring a harmony of interests between the Company and its shareholders.

- **Financial Statements and Independent Audit:** The Company ensured the preparation and disclosure of Financial Statements in an exhaustive, precise, and timely manner. The 2025 Financial Statements were audited by an independent auditing firm approved by the State Securities Commission, ensuring integrity and compliance with prevailing accounting standards. Financial information disclosure was conducted transparently via official channels and the Company's website.
 - **Dividend Policy and Financial Management:** The Company implemented an equitable and transparent dividend policy, consistent with business performance and the financial plan approved by the General Meeting of Shareholders. Assets and capital sources were managed under principles of safety and efficiency, ensuring financial solvency and supporting sustainable development objectives.
 - **Social and Environmental Responsibility:** In line with the published sustainable development direction, the Company continued to deploy environmental protection activities and enhance safety in the gas business. Concurrently, social security programs were maintained to support communities in the localities where the Company operates.
 - **Labor Policy:** The Company placed special emphasis on protecting the legitimate rights and interests of employees, ensuring safe working conditions, and providing appropriate welfare and development opportunities. Professional training and skill enhancement initiatives were maintained regularly to meet the Company's development and digital transformation requirements.
- ❖ In 2025, the Company strictly complied with corporate governance regulations, ensuring transparency and alignment with the standards of a listed enterprise. Maintaining a robust governance foundation has contributed to consolidating the Gas South brand reputation, enhancing the confidence of shareholders, investors, and stakeholders, and creating a premise for stable and sustainable growth in the next phase.

CHAPTER 6 – FINANCIAL STATEMENT