

*Ho Chi Minh City, May 6, 2025*

## **REPORT**

### **Evaluation by the Independent Member of the Board of Directors on the operations of the Board of Directors of EVNGENCO3 in 2024**

In accordance with the rights and responsibilities stipulated in Item r, Clause 2, Article 27 of the Charter of Power Generation Joint Stock Corporation 3 (EVNGENCO3); Clause 2, Article 9 of the Internal Governance Regulations of EVNGENCO3; Clause 3, Article 4 of the Regulation on the Operations of the Board of Directors; and Clause 3, Article 277 of Decree No. 155/2020/ND-CP dated December 31, 2020, the Independent Member of the Board of Directors hereby provides the following report on the operations of the Board of Directors of EVNGENCO3 in 2024:

#### **1. The operations of Board of Directors in 2024**

- The BOD organized 13 meetings (including 12 regular meetings and 01 ad-hoc meeting) to set orientations, approve major policies, provide guidance, and focus on resolving key issues of EVNGENCO3. Meetings of the Board of Directors were conducted as stipulated by the Board's Operational Regulations and in full compliance with applicable laws;

- The Board of Directors issued a total of 72 Resolutions, including 38 Resolutions on key guidelines and orientations, medium- and long-term planning, personnel matters, Internal governance regulations, and 34 Resolutions addressing regular operational matters; 27 Decisions and 08 documents providing guidance and resolution to issues within its authority, covering all aspects of EVNGENCO3's operations.

#### **2. Key results achieved**

- The Board of Directors has overseen and directed the Corporation (EVNGENCO3) in implementing the objectives and tasks outlined in Resolution No. 45/NQ-DHDCD dated June 13, 2024 of the General Meeting of Shareholders. The main indicators of the business and financial results in 2024 of the Corporation are as follows:

<b>NO.</b>	<b>Item</b>	<b>Unit</b>	<b>2024 Plan Parent Company</b>	<b>2024 Implementation Parent Company</b>	<b>Plan/implem entation percentage</b>
1	Power generation output	million kWh	25,349	23,358	92.1%
2	Total revenue	billion dong	40,384	39,678	98.3%

3	Total expenses	billion dong	40,187	40,459	100.7%
4	Profit before tax ( <i>excluding exchange rate differences</i> )	billion dong	197	528	268.2%
5	Profit after tax ( <i>excluding exchange rate differences</i> )	billion dong	196	489	249.5%
6	Profit after tax ( <i>excluding exchange rate differences</i> )/Charter capital ratio	%	1.74	4.35	249.5%

- Regarding power output:

In 2024, EVNGENCO3's total electricity production (including wholly-owned subsidiaries and joint stock companies) reached 26.437 billion kWh, equivalent to 91.95% of the target approved by the General Meeting of Shareholders, and 113.92% of the plan assigned by EVN/the Ministry of Industry and Trade (MOIT). Of this total: wholly-owned subsidiaries generated 23.358 billion kWh, achieving 92.14% of the GMS-approved plan (114.5% of the EVN plan); and joint stock companies produced 3.080 billion kWh, reaching 90.52% of the assigned target by General Meeting of Shareholders (109.9% of MOIT's plan). The detailed electricity production output of the units is as follows:

*Unit: million kWh*

NO.	Unit	2024 Plan	2024 Implementation	Implementation - Plan	Comparison (%)	
					Year-over-year	Annual plan
	<b>EVNGENCO3</b>	<b>28,752</b>	<b>26,437</b>	<b>-2,315</b>	<b>89.42</b>	<b>91.95</b>
<b>I.</b>	<b>Parent Company</b>	<b>25,349</b>	<b>23,358</b>	<b>-1,991</b>	<b>89.81</b>	<b>92.14</b>
1	Phu My Thermal Power Company	8,319	7,014	-1,305	80.08	84.32
2	Vinh Tan Thermal Power Company	7,156	7,445	289	104.03	104.04
2.1	Vinh Tan 2 Thermal Power Plant	7,096	7,383	287	103.87	104.05
2.2	Vinh Tan 2 Solar Power Plant	60.0	61.7	1.7	126.99	102.85
3	Mong Duong Thermal Power Company	7,185	6,331	-854	88.58	88.11
4	Buon Kuop Hydro Power Company	2,690	2,568	-122	87.13	95.47
<b>II.</b>	<b>Joint Stock Companies</b>	<b>3,402</b>	<b>3,080</b>	<b>-322</b>	<b>86.59</b>	<b>90.52</b>
1	Ba Ria Thermal Power Joint Stock Company	85	74	-11	43.31	87.07
2	Ninh Binh Thermal Power Joint Stock Company	425	482	57	119.12	113.51

3	Vinh Son-Song Hinh Hydropower Joint Stock Company	2,121	1,719	-402	77.46	81.02
4	Thac Ba Hydropower Joint Stock Company	357	414	57	135.17	115.86
5	Se San 3a Power Investment and Development Joint Stock Company	414	391	-23	85.76	94.46

The 2024 electricity output of the Parent company was 23.358 billion kWh, 1.99 billion kWh lower than planned (notably, the Phu My Thermal Power Company was 1.3 billion kWh lower, and the Mong Duong Thermal Power Company was 854 million kWh lower), reaching only 92.14% of the plan approved by the General Meeting of Shareholders and showing a decreasing trend over the years. This is significantly below the production capacity, mainly due to: (i) Renewable energy sources (RE), which account for a large proportion and continue to be prioritized for dispatch, resulting in low utilization of thermal power sources (electricity output generated from RE sources accounts for approximately 12.8% of the power system's total output, reaching about 104% compared to 2023); (ii) A sharp decline in domestic gas fuel supply (decreasing by about 1 billion m<sup>3</sup>/year since 2021), with gas-fired power generation accounting for approximately 7.1% of system power generation, reaching only about 82.8% compared to 2023; (iii) High utilization of BOT coal-fired thermal power plants; (iv) Electricity output contract quantity (Qc) calculated by the monthly method, with the alpha coefficient for hydropower at 98% and for thermal power at 70%. The contracted power output (Qc) of the Phu My and Vinh Tan 2 power plants was low, particularly Vinh Tan 2, which was not allocated any power generation under the operational dispatch method in January and February 2024 (Qc = 0). In 2024, Mong Duong 1 Thermal Power Plant continued to experience numerous incidents related to boiler piping.

- Regarding profit targets:

Profit before and after tax in 2024, excluding exchange rate differences, amounted to VND 528 billion and VND 489 billion, respectively, exceeding 168.2% and 149.5% of the targets approved by the General Meeting of Shareholders. However, due to a 4.63% increase in the USD/VND exchange rate as of December 31, 2024 compared to the beginning of the year, the Corporation incurred a loss of VND 1,309 billion in 2024. Consequently, the Corporation reported a loss, with profit before and after tax in 2024, including exchange rate differences, amounting to -VND 781 billion and -VND 786 billion, respectively.

- Solve many key tasks of the Corporation, including: strengthening key personnel within the Corporation and its units; directing solutions to ensure fuel supply for electricity production (especially during peak dry season months); procuring additional imported coal and sub-bituminous coal for combustion and blending to reduce variable costs, enhance competitiveness in the electricity market, and diversify coal fuel sources; deploying procurement of renewable LNG gas for electricity generation at Phu My power plants to secure both current and medium- to long-term gas fuel supply;

implementing solutions to improve the reliability and availability of power units and enhance economic and technical indicators, with particular focus on targets assigned for 2025 (the final year of the 2021–2025 program aimed at reducing the heat dissipation rate of Vinh Tan 2 and Mong Duong 1 thermal power plants) to reduce the heat dissipation rate as stipulated in the Power Purchase Agreements (PPA) of these plants, reduce self-consumption of electricity, optimize fuel costs, and improve production and business efficiency; and organizing the reception and provision of management, operations, and maintenance services for Phu My 3 BOT Power Plant while preparing for the reception of Phu My 2.2 BOT Power Plant.

**Construction Investment Activities:** On April 21, 2025, the Groundbreaking Ceremony for the Corporation Headquarter Project in Ho Chi Minh City was held. For power projects, the Corporation has actively promoted research, fostered cooperation, and submitted proposals to the competent authorities for updating the projects within the Adjusted National Power Development Plan VIII. On April 15, 2025, the Prime Minister issued Decision No. 768/QĐ-TTg on approval of the adjusted National Power Development Plan VIII. This plan includes projects researched and proposed by the Corporation and its partners, focusing on clean power sources such as flexible power plants, expanded hydropower, pumped-storage hydropower, floating solar on reservoirs, solar farms, onshore and offshore wind power plants, and LNG power plants. The total planned capacity is approximately 6,455 MW, with an expected commissioning period from 2027 to 2031.

- Regarding equitization finalization, the Corporation made significant efforts throughout the year and successfully completed the equitization finalization process. On December 31, 2024, the Commission for Management of State Capital at Enterprises approved the actual value of the State capital at the time of the official transformation of the parent company - Power Generation Corporation 3 of Vietnam Electricity Group - into a joint stock company, as outlined in Decision No. 673/QĐ-UBQLV. On February 18, 2025, the Commission for Management of State Capital at Enterprises, Vietnam Electricity, and Power Generation Corporation 3 One Member Limited Liability Company signed the Minutes of Handover of Assets, Capital, Labor, and Land from Power Generation Corporation 3 One Member Limited Liability Company to Power Generation Joint Stock Corporation 3, effective as of 00:00 on September 27, 2018. This serves as an important foundation for the Corporation to continue restructuring and increasing its charter capital, thereby generating resources to invest in the development of new power projects.

- Effectively implement environmental protection measures; ensure the material and mental well-being of employees; and actively participate in social security activities.

- Ensure compliance with the regulations applicable to public joint stock companies listed on HOSE.

### **3. Evaluation**

- The Board of Directors has decisively directed and promptly resolved key issues and urgent tasks, while also maintaining a long-term orientation to ensure the

continuity of the Corporation's operations.

- Resolutions, decisions, and documents of the Board of Directors, adopted and issued based on the strong consensus of its members - either during Board meetings or through the collection of written opinions - fully comply with relevant regulations, the Resolutions of the General Meeting of Shareholders, as well as the objectives, development orientations, and operational practices of EVNGENCO3.

- The Board of Directors and the Executive Board have performed their duties as per regulations and assigned authorities, without overlapping responsibilities, while consistently coordinating and providing timely support in executing activities. They have decisively directed management and proposed effective, timely solutions to enable EVNGENCO3 to successfully achieve the tasks and targets of the 2024 plan amid numerous challenges, while safeguarding the legitimate rights and interests of shareholders.

- The Board of Directors has consistently conducted inspection, audit, and supervision activities through annual, thematic, and ad-hoc monitoring and audit programs as per the regulations governing the Board's operations, ensuring the successful completion of targets and tasks assigned by the General Meeting of Shareholders.

- The members of the Board of Directors have diligently fulfilled their responsibilities and duties in accordance with their prescribed rights and obligations; cooperated effectively, acted responsibly, and completed the tasks assigned by the Board.

- Overall assessment: In 2024, the Board of Directors of EVNGENCO3 has effectively fulfilled its functions, tasks, rights, and obligations as prescribed by the Law on Enterprises, and under EVNGENCO3's Charter, EVNGENCO3's Internal Regulation on Governance, the Operational Regulation of the Board of Directors of EVNGENCO3, and other relevant regulations. The Board has conducted its duties with a high sense of responsibility and transparency in governing the listed companies.

The foregoing is the evaluation report of the independent member of the Board of Directors on the activities of the EVNGENCO3's Board of Directors in 2024, respectfully submitted to the General Meeting of Shareholders./.

***Recipients:***

- General Meeting of Shareholders;
- Board of Directors;
- Supervisory Board;
- Filed in Archive, Department of General Affairs.

**INDEPENDENT MEMBER OF THE BOD**

**Do Mong Hung**