

## REPORT

### Annual 2024

To: - State Securities Commission;  
- Hanoi Stock Exchange

#### I. General information

##### 1. General information

- Trading name: **Phuong Dong Petroleum Tourism Joint Stock Company**
- Business registration certificate No.: 2900781381
- Charter capital: VND 150,000,000,000 (one hundred and fifty billion VND)
- Owner's investment capital: VND 150,000,000,000 (one hundred and fifty billion VND)
- Address: No. 218 Le Duan, Truong Thi Ward, Vinh City, Nghe An
- Phone number: 02 38356229
- Fax number: 02 383593479
- Website: [www.phuongdongpv.com.vn](http://www.phuongdongpv.com.vn)
- Stock code: **PDC**
- Formation and development process:

Phuong Dong Petroleum Tourism Joint Stock Company was formerly a State-owned enterprise named Phuong Dong Hotel Hoang, established under Decision No. 2057/QD/UB dated December 26, 1994 of the People's Committee of Nghe An province.

- According to Decision No. 2044/QD-UB dated June 18, 1996 of the People's Committee of Nghe An province, Phuong Hoang Hotel was officially renamed Phuong Dong Hotel and Tourism Company.

- On February 4, 2007, Phuong Dong Hotel and Tourism Company changed its name to Phuong Dong Petroleum Tourism Company due to its conversion to become a member unit of the Vietnam Oil and Gas Group.

- On February 1, 2008, the Company officially converted to a Joint Stock Company and changed its name to Phuong Dong Petroleum Tourism Joint Stock Company.

- On September 29, 2009, the Company officially listed 15 million shares on the Hanoi Stock Exchange (HNX) with the stock code PDC.

- From August 2, 2022 to present, PDC stock code has changed its trading floor from the listed market at Hanoi Stock Exchange (HNX) to the registered trading market at Hanoi Stock Exchange (UPCOM).

2. Business lines and locations:

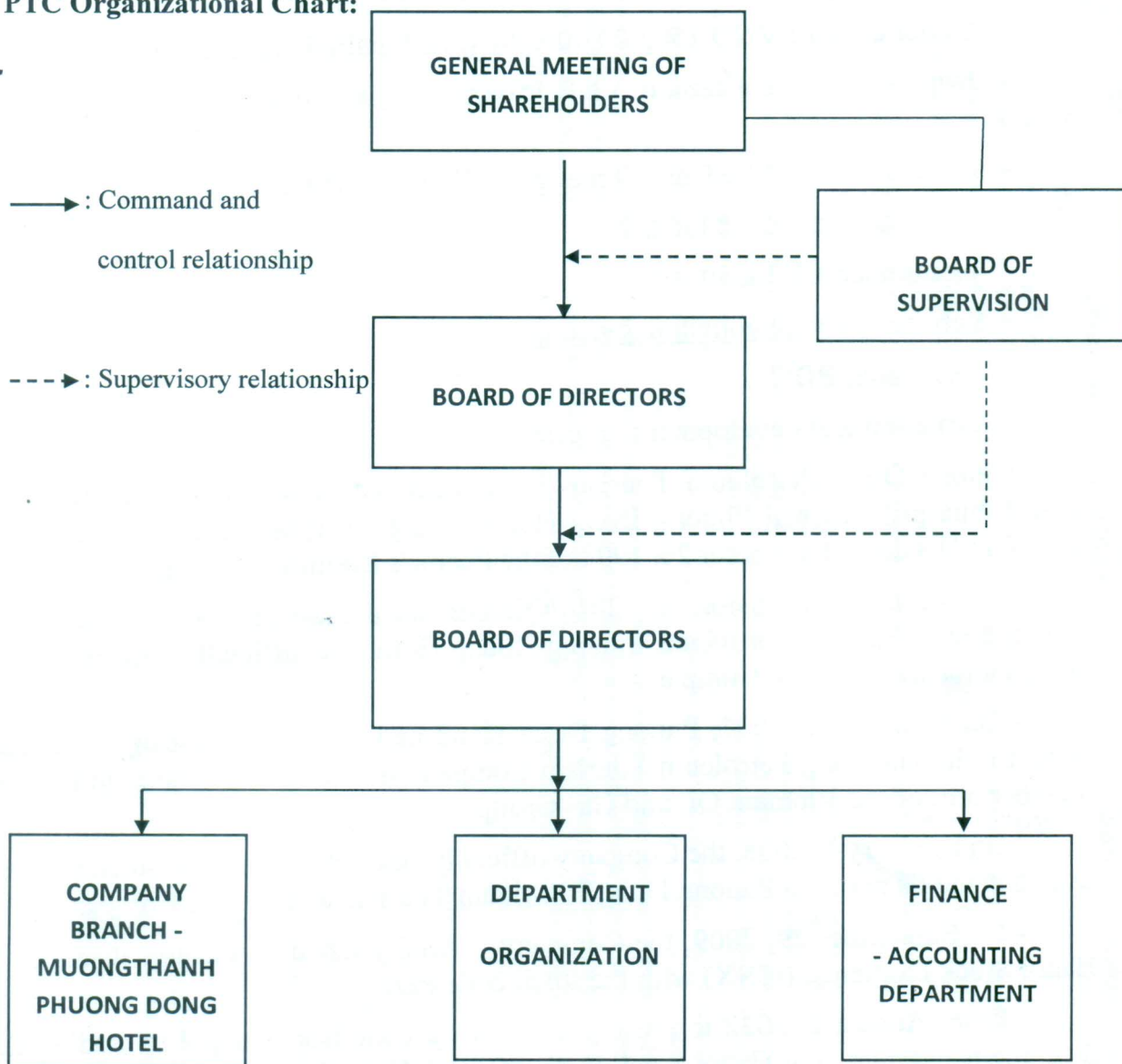
- Main business lines include:
  - + Tourism, hotel, restaurant services;
  - + Domestic and international travel services;
  - + Office leasing;...
- Business location: Nghe An Province.

3. Information on governance model, business organization and management apparatus

- Governance model:

Phuong Dong Petroleum Tourism Joint Stock Company is organized and operated according to the model of a Joint Stock Company, in compliance with the provisions of the Law on Enterprises of Vietnam and current legal documents

**PTC Organizational Chart:**





- Management structure.

a) General Meeting of Shareholders, Board of Directors, Supervisory Board and Board of Management:

- *General Meeting of Shareholders*: Is the highest authority to decide all important issues of the Company according to the Enterprise Law and the Charter of PTC Company.

- *Board of Directors*: Is the Company's management body with full authority to decide on all issues related to the Company's purposes and interests according to the provisions of the Company's Charter and the law.

- *Supervisory Board*: On behalf of shareholders, controls all business, management and operation activities of the Company.

- *Board of Directors*: The Company's Board of Directors includes the Director and Deputy Directors. The Director is the person who runs the Company's daily business, is responsible to the Board of Directors and the Law for the implementation of assigned rights and duties. The Director assigns or authorizes Deputy Directors to perform certain contents or scope of work within his/her authority and responsibility.

b) Specialized departments of the Company's office:

- *Organization and Administration Department*: has the function of advising and assisting the Company Director in managing and operating the organization of human resources, training, fostering and developing human resources; salaries and policies for employees; emulation and reward work, general administrative work; office management work; legal work; labor hygiene, labor protection, ...

- *Finance and Accounting Department*: has the function of advising and assisting the Director in managing corporate finance, preserving and developing capital; synthesizing, analyzing and evaluating production and business efficiency and capital use periodically and at the request of the Director; inspect the implementation of regulations on financial accounting management, opening and recording books, vouchers and accounting operations, ...

c) Affiliated units:

- *Branch of Phuong Dong Petroleum Tourism Joint Stock Company - Muong Thanh Phuong Dong Hotel*:

Address: No. 02 Truong Thi, Vinh City, Nghe An

Phone: (84-238) 3 562 299 Fax: (84-238) 3 562 562

Main functions and tasks: Trading in tourism services, hotels, restaurants; Office rental services; buying and selling all kinds of goods for tourists; Trading in materials, equipment, means of tourism; Trading in domestic and international travel services; Transporting tourists and guests under contract by car.

- Subsidiaries, associates:

a) Subsidiaries: No.

b) Associates:



Saigon Kim Lien Joint Stock Company

Address: No. 25 Quang Trung Street, Vinh City, Nghe An

Phone: (84-238) 3 838 899 Fax: (84-238) 3 838 899

Website: [www.saigonkimlien.com.vn](http://www.saigonkimlien.com.vn)

Main business lines: Hotel, restaurant, villa business; Domestic and international travel services, tourist transportation, full-package rental pick-up and drop-off; Buying and selling food and beverages; Business of ancillary services for hotel and beach resort operations; Trade centers; Airline ticket sales services; Office rental....

Saigon Kim Lien Joint Stock Company is a member company of Saigon Tourist Corporation (Saigontourist). The number of shares PTC holds at Saigon Kim Lien Joint Stock Company is VND 12,172,670,000 (equivalent to 16.45% of the charter capital of Saigon Kim Lien Joint Stock Company).

#### *4. Development orientation*

- Maintain a stable growth rate, taking the Hotel - Restaurant - Tourism business service as the basis for sustainable development, aiming to become a strong, prestigious, branded unit and a leading unit in the field of Hotel - Restaurant - Tourism in the North Central region.

- Strive to maintain the growth rate in revenue and profit. Implement social security work well; improve the material and spiritual life of employees in the Company.

#### *5. Risks:*

Competition between tourism units is becoming increasingly fierce and fierce, every year many 3-star and 4-star hotels continue to be invested in and put into operation. To attract customers and expand the market, the Company needs to focus on improving the quality and diversifying products and services, renovating and upgrading facilities to increase competitiveness. With the slow economic growth, competition between businesses will become increasingly fierce; costs related to repairs, upgrading equipment, labor, etc. are always fluctuating, making it difficult to manage costs to ensure the set targets.

## **II. Business performance in the year**

### *1. Business performance*

The world economy in 2024 continues to face many difficulties, challenges, unpredictable developments and hidden instabilities, increasingly fierce strategic competition between major countries, increasing military conflicts, political instability, slow global economic growth; high inflation; many major economies maintain tight monetary policies... In the country as well as in Nghe An province, the economy is still affected by many unfavorable external factors and long-standing internal limitations and shortcomings such as: high input prices of raw materials and fuels increase production costs, low labor productivity, epidemics, natural disasters, droughts, storms and floods causing damage in many localities have affected the Company's business activities. Business performance results in 2024 are as follows:



Unit: Billion VND

No	Target	Implementation 2023	Plan 2024	Implementation 2024	IM/PLAN 2024 %	IM 2024/ IM 023 %
A	B	1	2	3	4=3/2	5=3/2
1	Sales and service revenue	48,584	58,256	47,312	81.21	97.38
2	Expense	41,414	49,896	43,301	86.78	104.56
3	Profit before tax	7,170	8,360	4,011	47.98	55.94
4	Profit after tax	6,791	6,688	4,011	59.97	59.06
5	Submit to the State Budget	5,251	4,850	4,618	95.22	87.95
6	Investment, equipment purchase	4,556	4,500	0.839	0.02	0.02

General economic difficulties, revenue in 2024: 47 billion 312 million VND, 10 billion 944 million VND lower than the plan, completing 81.21% of the plan, down 2.62% compared to the same period last year.

Implementation costs reached 86.78% of the plan, and increased 4.56% compared to the same period last year. The company implemented a policy of increasing salaries for employees in accordance with the actual situation and increasing depreciation of fixed assets compared to the previous year, so costs increased compared to the same period.

Realized profit after tax : 4 billion 11 million VND, reaching 59.97% of the 2024 plan.

Payment to the State budget: 4 billion 618 million VND, 232 million VND lower than the plan, reaching 95.22% of the plan, down 12.05% compared to the same period last year.

Investment and procurement reached 839 million VND, a sharp decrease compared to the same period last year.

## 2. Organization and personnel

NO	Full name	Board of Directors Position	Shares owned	
			Number of Common Shares	%/ Charter capital
1	Thai Hong Nha	Member of the Board of Directors/ Company Director	0	0
2	Nguyen Thi Nguyet	Chief Accountant	0	0
3	Tran Dinh Phuc	Branch Director of the Company - Muong Thanh Phuong Dong Hotel	0	0

- Changes in the Board of Directors: During the year, the unit had no changes in the company's Board of Directors.

- The number of officers and employees as of December 31, 2024 was 113 people.

### 3. Investment situation, project implementation situation

In 2024, the unit continued to replace and repair damaged and degraded items including the restaurant area, complete some items from the bedroom block, invest in purchasing new tools and equipment for the Culinary and other Service departments to meet customer service quality. In 2024, the Company completed the construction of a new Bar on the 3rd floor - Muong Thanh Phuong Dong Hotel and handed it over for operation. The total investment of items implemented in 2024 is 839 million VND.

### 4. Financial situation

#### a) Financial situation

Unit: VND

No	Indicators	Implementation 2024	Implementation 2023	% Perform Increment (+), Decrease (-)
1	Total assets	256,076,539,406	267,624,913,338	-4.32
2	Net revenue from insurance and service	47,312,486,534	48,584,405,168	-2.62
3	Net operating profit	3,725,826,481	7,775,817,981	-52.08
4	Other profit	285,763,399	-605,684,248	147.18
5	Total accounting profit before tax	4,011,589,880	7,170,133,733	-44.05
6	Profit after corporate income tax	4,011,589,880	6,790,710,940	-40.93
7	Basic earnings per share (*)	267	453	-41.06

#### b) Key financial indicators:

Indicators	Year 2024	Year 2023	Increase + Decrease - (%)
<i>1. Liquidity ratio</i>			
+ Current ratio:	0.91	0.8	+ 13.58
Current assets/Current liabilities			
+ Quick ratio:	0.91	0.8	+13.56
Current assets - Inventory/Total current liabilities			
Current liabilities			
<i>2. Capital structure ratio</i>			



+ Debt/Total assets ratio	0.44	0.48	-8.21
+ Debt/Equity ratio	0.8	0.93	-14.52
<b>3. Operating capacity ratio</b>			
+ Total asset turnover			
Net revenue/Average total assets	0.18	0.18	
<b>4. Profitability ratio</b>			
+ Profit after tax ratio/Net revenue	0.08	0.14	-42.86
+ Profit after tax ratio/Equity ratio	0.028	0.049	-42.86
+ Profit after tax ratio/Total assets	0.016	0.025	-36
+ Profit from business operations ratio/Net revenue	0.079	0.16	-50.63

**5. Shareholder structure, change in owner's investment capital.**

**a) Shares:**

- Total number of outstanding shares: 15,000,000, of which:

+ Number of freely transferable shares: 15,000,000 Shares

+ Number of restricted shares: 0 Shares

**b) Shareholder structure**

By type of ownership:

No	Subjects	Number of shares	Ratio(%) Ownership/ Charter Capital
<b>1</b>	<b>Domestic Shareholders</b>	<b>14,992,300</b>	<b>99.949</b>
	- Organizations	1,475,675	9.84
	- Individuals	13,516,625	90.11
<b>2</b>	<b>Foreign Shareholders</b>	<b>7,700</b>	<b>0.05</b>
	- Organizations	0	
	- Individuals	7,700	0.05
<b>3</b>	<b>Total</b>	<b>15,000,000</b>	<b>100</b>

TT	Subjects	Number of shares	Ratio(%) Ownership/ Charter Capital
1	State Shareholders	0	0
2	Other Shareholder	15,000,000	100
	Domestic, including:		
	- Major Shareholders owning > 5% of Charter Capital	13,434,456	89.56
	- Other Shareholders	1,557,844	10.39
	- Foreign	7,700	0.05
3	<b>Total</b>	<b>15,000,000</b>	<b>100</b>

List of major shareholders:

No		ID card/CCCD/ Business registration number	Address	Number of shares	Percentage/ Charter capital (%)
1	Le Thanh Than	040050000073	Lot 13 BT3 Linh Dam Peninsula, Hoang Liet, Hoang Mai, Hanoi	3,000,000	20
2	Le Kim Giang	040062000078	Lot TT4 D1 O1 Dai Kim, Hoang Mai, Hanoi	3,049,456	20.33
3	Do Trung Kien	034083000099	Lot 13 BT3 Linh Dam Peninsula, Hoang Liet Ward, Hoang Mai District, Hanoi	2,850,000	19
4	Le Thi Hoang Yen	012187000020	Lot 13 BT3 Linh Dam Peninsula, Hoang Liet, Hoang Mai, Hanoi	1,406,000	9.37
5	Pham Thi Thu Thuy	031190006766	Room 1522, VP3 Linh Dam Peninsula, Hoang Mai, Hanoi	1,659,000	11.06



6	Saigon Beer - Alcohol-Beverage Corporation	0300583659	187 NGUYEN CHI THANH, WARD 12, DISTRICT 5, HCMC, VIETNAM	1,470,000	9.8
	<b>Total</b>			<b>13,434,456</b>	<b>89.56</b>

c) Changes in owner's capital: The Company has not increased its equity capital since its establishment through public offerings, private offerings, bond conversions, warrant conversions, bonus share issuances, stock dividends, etc.

d) Treasury stock transactions: No treasury stock transactions in 2024.

e) Other securities: In 2024, the Company will not issue securities.

#### 6. Report on the Company's environmental and social impacts

##### 6.1. Environmental impacts:

In 2024, the Company fully complies with laws and regulations on environmental protection, and joins the community in environmental activities.

##### 6.2. Material resource management:

The total amount of raw materials used to produce and package the organization's main products and services in 2024 is: VND 8,913,847,780. PTC always focuses on the most effective management of raw materials, ensuring the efficiency of production and business activities and efficiency for the environment and the community.

##### 6.3. Energy consumption:

PTC always focuses on ensuring energy savings (electricity, gas, oil, etc.), using energy types for production and business activities reasonably and effectively.

- Total electricity consumption in 2024: 1,320,150 Kw

- Total diesel oil consumption in 2024: 950 liters

##### 6.4. Water consumption:

Currently, PTC is consuming water supplied by Nghe An Water Supply Company Limited. Similar to the use of electricity and other types of energy, the Company focuses on efficiency and savings in water consumption.

Total water consumption in 2024 is: 24,504 m<sup>3</sup>

##### 6.5. Compliance with environmental protection laws:

In 2024, the Company fully complies with environmental protection laws and regulations. There are no penalties for violations due to non-compliance with the above regulations.

##### 6.6. Policies related to employees:

a) Number of employees, average salary for employees:

- Average number of employees in 2024: 115 people



- Average salary in 2024: VND 8,347,237/person.

b) Labor policy to ensure the health, safety and welfare of employees:

The periodic health check-up regime is strictly implemented, 100% of employees at the unit are provided with uniforms/workwear and fully implement the social insurance, health insurance and unemployment insurance regimes according to the State's regulations.

c) Employee training activities

Recognizing the importance of training and fostering human resources for sustainable development, PTC Company has regularly and continuously implemented on-site training programs associated with the daily work of each type of employee. On average, in 2024, each employee will participate in 1 to 2 training courses depending on the employee and employee classification. In 2024, the training of tourism occupational standards (SOPs) will continue to be maintained, and a new training topic on "Awareness of Sustainable Tourism" will be implemented, with training content built on national tourism occupational standards. In addition, all employees are regularly trained on-site by internal trainers according to a specific training plan for each month of the year.

6.7. Reports related to responsibility to the local community.

PTC Company always determines that in addition to developing production and business activities according to sustainable goals, the Company also focuses on social security work in the locality. Actively respond to activities and movements of gratitude; charity home programs and especially regularly participate in activities of visiting and giving gifts to households in difficult circumstances during the Lunar New Year.

6.8. Reports related to green capital market activities according to the guidance of the State Securities Commission.

### III. Report and evaluation of the Board of Directors

#### 1. Evaluation of production and business performance

No	Indicator	Unit	Plan 2024	Implementation 2024	IM 2024/ PLAN 2024%
1	Sales and service revenue	Tỷ đồng	58,256	47,312	81.21
2	Expense	Tỷ đồng	49,896	43,301	86.78
3	Profit before tax	Tỷ đồng	8,360	4,011	47.98
4	Profit after tax	Tỷ đồng	6,688	4,011	59.97
5	Submit to the State Budget	Tỷ đồng	4,850	4,618	95.22
6	Investment, equipment purchase	Tỷ đồng	4,500	0.839	0.02

+ In terms of revenue: In 2024, the total revenue from goods and services was VND 47,312 billion, reaching 81.21% of the annual plan, down 2.62% over the same period last year. Phuong Dong Hotel is the main operating unit generating revenue for the Company. In addition to the general difficult impact of the world and domestic economy,



in the Company's operating area, there are many hotels and restaurants that continue to be newly invested and put into use, competing on prices, affecting the implementation of the revenue plan.

+ In terms of profit: In 2024, the Board of Directors focused on solutions to reduce costs, especially strictly controlling input materials, ensuring reasonable costs, quality, focusing on the use and preservation of assets, and being autonomous in repairing assets serving operations to reduce costs and increase business efficiency. In 2024, revenue decreased accordingly. Operating profit of 4 billion 11 million VND reached 59.97%, down from the same period last year.

## 2. Financial situation

Unit: VND

Assets	Ending balance 31.12.2024	Beginning balance 01.01.2024	% Increase + Decrease -
I. Short-term assets	<b>103,180,914,673</b>	<b>103,309,693,696</b>	<b>-0.12</b>
1. Cash and cash equivalents	3,177,207,205	5,455,833,585	-41.76
2. Short-term financial investments			
3. Short-term receivables	97,634,358,182	93,370,988,671	4.57
4. Inventories	87,597,962	69,851,441	25.41
5. Other short-term assets	2,281,751,324	4,413,019,999	-48.30
II. Long-term assets	<b>152,895,624,733</b>	<b>164,315,219,642</b>	<b>-6.95</b>
1. Long-term receivables	2,700,000	22,700,000	-88.11
2. Residual value of fixed assets	92,598,346,657	99,161,085,569	-6.62
3. Residual value of investment real estate	44,055,026,207	45,803,287,343	-3.82
4. Long-term unfinished assets			
5. Long-term financial investments	6,440,613,850	6,820,009,624	-5.56
6. Other long-term assets	9,798,938,019	12,508,137,106	-21.66
<b>Total assets</b>	<b>256,076,539,406</b>	<b>267,624,913,338</b>	<b>-4.32</b>
I. Liabilities	<b>113,616,869,025</b>	<b>129,176,832,837</b>	<b>-12.05</b>
1.1. Short-term debt	113,453,069,025	129,023,032,837	-12.07
1.2. Long-term debt	163,800,000	153,800,000	6.50

a) Assets: As of December 31, 2024, the Company's total assets were VND 256 billion 76 million, down 4.32% compared to the beginning of the period. Of which, short-

term assets decreased by 0.12%, long-term assets decreased by 6.95%.

In the structure of short-term assets, cash and cash equivalents decreased by 41.76%; receivables increased by 4.57%; other short-term assets (tools and equipment) serving hotel business activities decreased by 48.32% compared to the beginning of the year.

#### b) Debt situation

The debt situation in 2024 decreased compared to the beginning of the year (down 12.05%), mainly in the Short-term Debt item (down 12.07%) because during the year, the unit closely monitored and paid short-term debts to suppliers, not leaving outstanding debts.

#### 3. Improvements in organizational structure, policies, and management.

Recognizing the importance of organizational structure and management policies for the Company's operation and development, the Company pays great attention to improvements if there are any shortcomings. In 2024, there will be no changes in organizational structure, continuing to closely follow and improve the efficiency of the current organizational structure model.

#### 4. Future development plan

##### 4.1. Business plan for 2025

*Unit: Billion VND*

No	Indicator	Implementation 2024	Plan 2025	Plan 2025/ Implementation 2024 (%)
A	B	1	2	3
1	Revenue	47,312	50,000	+5.68
2	Expenses	43,301	44,000	+1.61
3	Profit before tax	4,011	5,600	+39.62
4	Profit after tax	4,011	4,500	+12.19
5	Payments to the budget	4,618	5,700	+23.43
6	Investment, equipment purchase	0.839	2,300	+274,036

##### 4.2. Key tasks:

- Improve capital efficiency, implement cost savings, ensure good completion of the 2025 production and business plan.

- Improve the efficiency of the management apparatus, build a human resource strategy to meet each development stage of the Company.

- Continue to maintain and stabilize the Company's production and business activities.

- Focus on the main business areas at Muong Thanh Phuong Dong Hotel.



#### 4.3. Implementation solutions:

##### a) Solutions on organization, management, and personnel:

- Optimize the use of existing personnel, stabilize the organizational structure, strengthen the supervision and direction of the management apparatus for units and functional departments in the process of implementing the 2025 production and business plan.

- Ensure policies for employees, promote union activities, help employees organize activities, promote the role of trade unions, help employees feel secure in their work.

- Organize and implement training plans, foster human resources to serve the requirements and development goals of the Company in 2025 and the following years.

##### b) Business solutions:

- Focus on solutions to increase revenue, improve service quality; flexibly price at each time, build separate price frames for each subject. Develop promotional programs, focus on building product packages suitable for the needs of many subjects, add new dishes, change the setup style, decoration to create highlights and attract customers.

- Strengthen the relationship building of travel agents, foreign agencies representing in Vietnam. Focus on exploiting customers from online room sales tools. Regularly pay attention to traditional customer care, have preferential and after-sales policies for new customers.

- Improve business capacity and skills on digital platforms, apply digital tools and technology in approaching customers, optimize efficiency in the process of managing, operating business activities, developing brands and building the image of the unit.

##### c) Financial solutions:

- Continue to closely monitor and be flexible in applying consumption norms, gross profit ratios in restaurant and hotel business.

- Regularly analyze and evaluate the market situation and price fluctuations to propose flexible, effective and timely financial solutions.

- Have a plan to arrange reasonable capital sources to ensure business activities, investment and project implementation.

##### d) Investment solutions:

- Implement investment and procurement plans to ensure progress and quality to meet the requirements of timely business operations.

##### e) Other solutions:

- Maintain and promote internal solidarity, build corporate culture on the basis of Muong Thanh Hotel Group's cultural foundation, considering this the leading factor determining the success of the production and business tasks in 2025.

- Develop appropriate reward and incentive policies and create motivation for employees in the Company.

- Continue to improve internal management processes in line with the reality and scale of the Company and facilitate daily operations.

#### *.5. Assessment report related to the company's environmental and social*



*responsibility*

a. Assessment related to environmental indicators (water consumption, energy, emissions, etc.).

In 2024, PTC has always focused on ensuring energy savings, electricity, water, gas, oil, etc., using energy efficiently and economically.

b. Assessment related to labor issues.

In 2024, the company fully implemented policies and regimes for employees in accordance with current regulations and collective labor agreements.

c. Assessment related to the company's responsibility to the local community.

In 2024, PTC has always paid attention to community activities, closely linked with local activities, and recognized by local authorities.

#### **IV. Board of Directors' assessment of the Company's operations**

1. Board of Directors' assessment of all aspects of the Company's operations, including assessments related to environmental and social responsibilities.

In 2024, the Board of Directors also directly directed and supervised the Director and the executive apparatus in production and business activities, capital management, increased cost reduction, further improved the system of internal management regulations, continued to maintain service quality, in parallel with developing production and business activities and protecting the environment.

In performing the tasks and powers of the Board of Directors assigned by the General Meeting of Shareholders, the provisions of the Law and the Company's Charter, the Board of Directors directly and promptly directed production and business activities, supporting the Executive Board to effectively perform the tasks assigned by the General Meeting of Shareholders and the Board of Directors through production and business targets.

2. Board of Directors' assessment of the performance of the Board of Directors

In 2024, in terms of management and direction, the Board of Directors actively supported and directed the Board of Directors and the executive apparatus in organizing and implementing production and business activities; managing the implementation of construction investment projects on schedule; arranging investment capital and business capital; organizing and arranging the apparatus, ensuring the regime and policies for employees in accordance with regulations.

With the function of inspection and supervision, the Board of Directors assessed that the Board of Directors and the executive apparatus have made efforts to overcome and effectively operate business activities in 2024

3. Plans and orientations of the Board of Directors

Based on the results of the work in 2024, the Board of Directors oriented the key activities in 2025 as follows:

3.1. Directing the strengthening of management, increasing revenue and profit for key and advantageous business segments such as hotels and restaurants;

3.2. Directing, supervising and supporting the Board of Directors to complete the 2023 business targets, increase productivity, maintain and improve service quality;



3.3. Continuing to direct the Board of Directors to apply cost-saving measures to improve business efficiency, ensure profit targets and minimize risks.

3.4. Implementing/supervising the implementation of approved projects, ensuring project quality and progress.

3.5. Supporting and directing the mobilization and arrangement of sufficient capital for business and investment and construction projects. Supervising and directing the management and effective use of capital, performing well the task of preserving and developing capital.

3.6. Protect the maximum legitimate rights of shareholders as well as pay more attention to the income, rights and working conditions of employees in the Company. Coordinate and facilitate the activities of Party and Union organizations in the Company.

3.7. Monitor the implementation of Resolutions/Decisions of the General Meeting of Shareholders and the Board of Directors as well as fully and effectively perform the duties and powers of the Board of Directors as prescribed by law and the Company's Charter.

## V. Corporate Governance

### 1. Board of Directors

a) Members and structure of the Board of Directors:

No	Full name	Position on the Board of Directors	Shares owned	
			Number of Common Shares	%/ Charter capital
1	Do Trung Kien	Chairman of the Board of Directors	2.850.000	19
2	Le Hai An	Member of the Board of Directors	0	0
3	Thai Hong Nha	Member of the Board of Directors/Director	0	0
4	Le Van Thin (Thanh)	Independent Member of the Board of Directors	0	0
5	Pham Thi Thu Thuy	Member of the Board of Directors	1.659.000	11,06

b) Subcommittees of the Board of Directors: The Board of Directors does not establish subcommittees

c) Activities of the Board of Directors:

In 2024, the Board of Directors held 05 meetings, specifically as follows:

No	Details	Result	Attendance rate of Board members	Note
1	Annual General Meeting of Shareholders Plan 2024.	Through	100%	



2	Re: Selecting an auditing unit to review the Semi-annual Financial Report (first 6 months of the year) and audit the Financial Report for 2024.	Through	100%	
3	Meeting Re: Evaluating the results of operations in the first 6 months of the year, implementing tasks for the last 6 months of 2024	Through	100%	
4	Meeting on personnel work Re: Approving the appointment of the position of Deputy Director of Muong Thanh Phuong Dong Hotel Branch"	Through	100%	
5	Meeting on Assigning business plan targets for 2025.	Through	100%	

d) Activities of independent members of the Board of Directors: The Board of Directors of the Company does not establish any subcommittees. In 2024, independent members of the Board of Directors will maintain their activities in accordance with the Company Charter, the Enterprise Law and relevant legal documents.

e) List of members of the Board of Directors with corporate governance training certificates: In 2024, the Company has not sent members of the Board of Directors to participate in corporate governance programs.

## 2. Board of Supervisors

a) Members and structure of the Board of Supervisors:

No	Full name	TITLE IN SUPERVISORY BOARD  Title in the Board of Supervisors	Shares owned	
			Number of Common Shares	%/ Charter capital
1	Le Thi Thu Huong	Head of the Supervisory Board	1.9	0,012
2	Phan Thi An	Member	0	0
3	Hoang Thi Bich Phuong	Member	0	0

The operating apparatus of the Supervisory Board in 2024 consists of 03 members.

Ms. Nguyen Thi Viet Ha - Member of the Supervisory Board has submitted a resignation letter from the Supervisory Board since December 17, 2023, which was approved by the General Meeting of Shareholders at the Annual General Meeting of Shareholders on April 26, 2024.

On April 26, 2024, Ms. Hoang Thi Bich Phuong was elected by the Annual General Meeting of Shareholders in 2024 as a member of the Supervisory Board for the term 2023 -2028.

b) Activities of the Supervisory Board

- Implement in accordance with the provisions of the Company's Charter, the Supervisory Board's Operating Regulations

- Monitor the Company's financial situation and business performance through the Company's Quarterly Financial Reports, 6-month reviewed Interim Financial Reports, and Audited Financial Reports for 2024.



- Attend meetings of the Board of Directors and the Board of Management to grasp the Company's operational situation.

- Participate in other internal audit activities organized by the Company.

- Meetings of the Supervisory Board

No.	Content	Results	Members' Meeting Attendance Rate	Notes
1	Appraisal of the 2023 Financial Report	Through	100%	
2	Appraisal of the Company's 6-month Financial Report of 2024	Through	100%	

3. Transactions, remuneration and benefits of the Board of Directors, Board of Management and Board of Supervisors/Audit Committee

a) Salary, bonus, remuneration, benefits.

Unit: VND

No.	Full name	Position	Salary, bonus, remuneration and benefits	Notes
<b>Board of Directors</b>				
1	Do Trung Kien	Chairman of the Board of Directors	36.000.000	Concurrent
2	Le Hai An	Member of the Board of Directors	18.000.000	Concurrent
3	Thai Hong Nha	Member of the Board of Directors/Director	18.000.000	Concurrent
4	Le Van Thin (Thanh)	Independent Member of the Board of Directors	18.000.000	Concurrent
5	Pham Thi Thu Thuy	Member of the Board of Directors	18.000.000	Concurrent
<b>Board of Control</b>				
1	Le Thi Thu Huong	Head of the Supervisory Board	187.600.918	Specialized
2	Phan Thi An	Member	12.000.000	Concurrent
3	Hoang Thi Bich Phuong	Member	8.133.333	Concurrent
<b>Board of Directors</b>				
1	Thai Hong Nha	Member of the Board of Directors/ Company Director	334.000.918	

2	Tran Dinh Phuc	Branch Director of the Company - Muong Thanh Phuong Dong Hotel	431.200.918	
3	Vo Thi Thao	Deputy. Branch Director of the Company	250.000.918	
4	Phan Thi Dieu Huyen	Deputy. Branch Director of the Company	150.465.849	
5	Truong Van Lanh	Deputy. Branch Director of the Company	56.264.983	
6	Nguyen Thi Nguyet	Chief Accountant	198.562.057	

b) Insider stock transactions: In 2024, the Company did not record reports from members of the Board of Directors, members of the Board of Supervisors/Audit Committee, the Director (General Director), Chief Accountant, managers, Company Secretaries, major shareholders and those related to the above subjects on the Company's stock transactions.

c) Contracts or transactions with insiders: In 2024, the Company did not conduct any transactions with members of the Board of Directors, members of the Board of Supervisors, the Director, Chief Accountant, managers, Company Secretaries, major shareholders and those related to them.

d) Assessment of the implementation of regulations on corporate governance: In 2024, the Company strictly implemented the provisions of the Charter and laws on corporate governance, correctly and fully implemented the information disclosure for large-scale public companies.

## VI. Financial Statements

Independent Auditor: **International Auditing and Valuation Company Limited**

1. Auditor's opinion: Fully accepted.
2. Audited financial statements for the year 2024.

*Attachments: Audited financial statements for the fiscal year ending December 31, 2024.*

### **Recipients:**

- As respectfully sent;
- Board of Directors/  
Supervisory Board of the Company;
- Director of the Company/Unit;
- Filed

**LEGAL REPRESENTATIVE**  
**DIRECTOR**



**Thai Hong Nha**



**PHUONG DONG PETROLEUM TOURISM  
JOINT STOCK COMPANY**

Audited financial statements  
For the year ended 31 December 2024



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**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Phuong Dong Petroleum Tourism Joint Stock Company (hereinafter called "the Company") presents this report together with the audited financial statements of the Company for the year ended 31 December 2024.

**GENERAL INFORMATION**

Phuong Dong Petroleum Tourism Joint Stock Company is established and operating under the Certificate of Business Registration No.2900781381 for the first time on 1 February 2008, and the 10<sup>th</sup> amendment dated 21 October 2016 issued by the Nghe An province Department of Planning and Investment.

**THE MEMBERS OF THE BOARD OF DIRECTORS, THE BOARD OF SUPERVISORS, AND THE BOARD OF MANAGEMENT**

The members of the Board of Directors, the Board of Supervisors, and the Board of Management of the Company during the year and to the date of this statement are as follows:

**The Board of Directors**

<b>Full name</b>	<b>Position</b>
Mr. Do Trung Kien	Chairman
Ms. Pham Thi Thu Thuy	Member
Mr. Le Hai An	Member
Mr. Le Van Thin	Member
Mr. Thai Hong Nha	Member

**The Board of Supervisors**

<b>Full name</b>	<b>Position</b>	<b>Date of appointment/dismissal</b>
Ms. Le Thi Thu Huong	Head of BOS	
Ms. Nguyen Thi Viet Ha	Member	Dismissed on 26 April 2024
Ms. Phan Thi An	Member	
Ms. Hoang Thi Bich Phuong	Member	Appointed on 26 April 2024

**The Board of Management**

<b>Full name</b>	<b>Position</b>	<b>Date of appointment/dismissal</b>
Mr. Thai Hong Nha	Director	
Mr. Tran Dinh Phuc	Director of Hotel Operations	
Ms. Phan Thi Dieu Huyen	Deputy Director of Hotel Operations	
Ms. Vo Thi Thao	Deputy Director of Hotel Operations	
Mr. Truong Van Lanh	Deputy Director of Hotel Operations	Appointed on 18 October 2024

**Legal representatives**

The legal representative of the Company during the year and to the date of this statement is Mr. Thai Hong Nha - Director.

**EVENTS ARISING AFTER THE END OF THE YEAR**

There are no significant events occurring after the year ended 31 December 2024, which needs to be adjusted or presented in these financial statements

**AUDITORS**

International Auditing and Valuation Company Limited has been appointed to audit the financial statements of the Company for the year ended 31 December 2024.



**STATEMENT OF THE BOARD OF MANGEMENT (Continue)**

**DISCLOSURE OF THE BOARD OF MANGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The Board of Management of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, The Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of Management of the Company is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these financial statements.

**APPROVAL OF THE FINANCIAL STATEMENTS**

The Board of Management approves the attached financial statements. The financial statements reflected truly and fairly the Company's financial position as at 31 December 2024, as well as the financial performance and cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

**COMMITMENT ON INFORMATION DISCLOSURE**

The Board of Management confirms to have complied with Decree No.155/2020/ND-CP dated 31 December 2020 elaborating some articles of the Law on Securities and the Company does not violate the obligation to disclose information under Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding some articles on disclosure of information on the securities market, Circular No.68/2024/TT-BTC dated 18 September 2024 amending to Circulars on securities transactions on securities trading system, clearing and settlement of securities transactions, operations of securities companies, and disclosure of information on securities market.

For and on behalf of The Board of Management,



**Mr. Thái Hồng Nha**

Director

Nghe An, 29 March 2025



No: 2806/2024/BCTC/IAV

## INDEPENDENT AUDITORS' REPORT

**To: The shareholders  
The Board of Directors, the Board of Supervisors, and the Board of Management  
of Phuong Dong Petroleum Tourism Joint Stock Company**

We have audited the accompanying financial statements of Phuong Dong Petroleum Tourism Joint Stock Company (hereinafter called "the Company"), prepared on 29 March 2025, as set out from page 6 to page 30, which comprise the statement of financial position as at 31 December 2024, the statement of income, and statement of cash flows for the year then ended, and the notes to the financial statements.

### **The Board of Management's Responsibility**

The Board of Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as The Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

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

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

### **Auditors' Opinion**

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2024, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



## INDEPENDENT AUDITORS' REPORT (Continue)

### Emphasis of Matters

We would like to draw attention to readers to Note 6.7 "Going Concern Assumption" regarding the Company's short-term liquidity risk, which indicates a potential inability to meet short-term obligations. However, the Board of Management has affirmed that the Company will continue its business operations, and the financial statements for the year ended 31 December 2024, have been prepared on a going concern basis.

As stated in Note 4.12 "Short-term trade payables," on 16 November 2015, the Company entered into Investment Cooperation Contract No. 607/PTC/HTDT-2015 with Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise to implement the Cua Dong Apartment - Hotel Complex Project at 167 Nguyen Phong Sac Street, Hung Dung Ward, Vinh City, Nghe An Province. Under this contract, both parties agreed to establish a new legal entity at any time when conditions prescribed by law or mutually agreed upon are met to carry out and operate the project. The ownership ratio of both parties upon project completion will be determined based on their actual capital contributions. However, due to legal obstacles related to the transfer of project ownership, the Company entered into contracts with Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise (a related party) under a direct appointment of contractor for the construction of the Cua Dong Apartment - Hotel Complex Project:

- Contract No. 658/2015/HDTT dated 20 December 2015, for project planning, investment preparation, design, technology equipment supply, and construction, valued at VND 77,676,000,000 (inclusive of VAT) ;
- Contract No. 62/2016/HDTC dated 21 February 2016, for the completion of construction works, valued at VND 48,489,383,942 (inclusive of VAT).

As at the date of preparation of the financial statements for the year ended 31 December 2024, Phuong Dong Petroleum Tourism Joint Stock Company and Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise have not yet finalized the liquidation of Investment Cooperation Contract No. 607/PTC/HTDT-2015.

Our opinion is not modified in respect of these matters.

### Other Matter

The financial statements of the Company for the year ended 31 December 2023 were audited by another independent audit firm. The auditor expressed an unmodified opinion on those statements on 29 March 2024



A blue ink signature of Thieu Sy Minh, the Auditor.

**NGUYEN PHUONG THUY**

**Deputy Director**

Audit Practising Registration Certificate

No. 4567-2022-283-1

**INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED**

Hanoi, 29 March 2025

**THIEU SY MINH**

**Auditor**

Audit Practising Registration Certificate

No. 5243-2025-283-1



**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

ASSETS	Code	Note	Closing balance VND	Opening balance VND
<b>A. SHORT-TERM ASSETS</b>	<b>100</b>		<b>103,180,914,673</b>	<b>103,309,693,696</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>3,177,207,205</b>	<b>5,455,833,585</b>
1. Cash	111		3,177,207,205	5,455,833,585
<b>II. Short-term financial investments</b>	<b>120</b>		-	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>97,634,358,182</b>	<b>93,370,988,671</b>
1. Short-term trade receivables	131	4.2	111,821,792,683	108,620,118,403
2. Short-term advances to suppliers	132	4.3	28,323,165,465	28,471,218,704
3. Other short-term receivables	136	4.6	3,018,271,043	1,808,522,573
4. Short-term allowance for doubtful debts	137	4.8	(45,528,871,009)	(45,528,871,009)
<b>IV. Inventories</b>	<b>140</b>	<b>4.4</b>	<b>87,597,962</b>	<b>69,851,441</b>
1. Inventories	141		87,597,962	69,851,441
<b>V. Other short-term assets</b>	<b>150</b>		<b>2,281,751,324</b>	<b>4,413,019,999</b>
1. Short-term prepaid expenses	151	4.5	2,281,751,324	4,413,019,999
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>152,895,624,733</b>	<b>164,315,219,642</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>2,700,000</b>	<b>22,700,000</b>
1. Other long-term receivables	216	4.6	2,700,000	22,700,000
<b>II. Fixed assets</b>	<b>220</b>		<b>92,598,346,657</b>	<b>99,161,085,569</b>
1. Tangible fixed assets	221	4.9	92,598,346,657	99,161,085,569
- Cost	222		214,331,663,656	215,030,296,799
- Accumulated depreciation	223		(121,733,316,999)	(115,869,211,230)
2. Intangible fixed assets	227	4.10	-	-
- Cost	228		442,380,500	442,380,500
- Accumulated amortisation	229		(442,380,500)	(442,380,500)
<b>III. Investment properties</b>	<b>230</b>	<b>4.11</b>	<b>44,055,026,207</b>	<b>45,803,287,343</b>
- Cost	231		57,692,617,503	57,692,617,503
- Accumulated depreciation	232		(13,637,591,296)	(11,889,330,160)
<b>IV. Long-term assets in progress</b>	<b>240</b>		-	-
<b>V. Long-term financial investments</b>	<b>250</b>	<b>4.7</b>	<b>6,440,613,850</b>	<b>6,820,009,624</b>
1. Equity investments in other entities	253		12,172,670,000	12,172,670,000
2. Allowances for impairment of long-term financial investments	254		(5,732,056,150)	(5,352,660,376)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>9,798,938,019</b>	<b>12,508,137,106</b>
1. Long-term prepaid expenses	261	4.5	9,798,938,019	12,508,137,106
<b>TOTAL ASSETS</b>	<b>270</b>		<b>256,076,539,406</b>	<b>267,624,913,338</b>

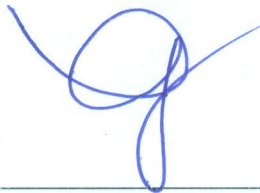
## STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>113,616,869,025</b>	<b>129,176,832,837</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>113,453,069,025</b>	<b>129,023,032,837</b>
1. Short-term trade payables	311	4.12	108,805,961,789	126,169,281,541
2. Short-term advances from customers	312	4.13	296,114,658	110,439,797
3. Taxes and amounts payable to the State budget	313	4.17	355,249,262	351,776,205
4. Payables to employees	314		1,859,062,679	1,951,035,583
5. Short-term accrued expenses	315	4.15	185,720,111	211,380,141
6. Short-term unearned revenue	318	4.16	281,980,000	5,790,909
7. Other short-term payables	319	4.14	1,622,133,607	178,587,861
8. Bonus and welfare fund	322		46,846,919	44,740,800
<b>II. Long-term liabilities</b>	<b>330</b>		<b>163,800,000</b>	<b>153,800,000</b>
1. Other long-term payables	337	4.14	163,800,000	153,800,000
<b>D. EQUITY</b>	<b>400</b>	<b>4.18</b>	<b>142,459,670,381</b>	<b>138,448,080,501</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>142,459,670,381</b>	<b>138,448,080,501</b>
1. Owner's contributed capital	411		150,000,000,000	150,000,000,000
- Ordinary shares with voting rights	411a		150,000,000,000	150,000,000,000
2. Share premium	412		22,819,811,566	22,819,811,566
3. Other equity funds	420		116,593,948	116,593,948
4. Retained earnings	421		(30,476,735,133)	(34,488,325,013)
- Losses accumulated to the prior year	421a		(34,488,325,013)	(41,279,035,953)
- Retained earnings of the current year	421b		4,011,589,880	6,790,710,940
<b>II. Other resources and funds</b>	<b>430</b>		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>256,076,539,406</b>	<b>267,624,913,338</b>



Preparer  
Nguyen Thi Nguyet



Chief Accountant  
Nguyen Thi Nguyet



Director  
Thai Hong Nha  
Nghe An, Vietnam  
29 March 2025



**STATEMENT OF INCOME**

For the year ended 31 December 2024

ITEMS	Code	Note	Current year VND	Prior year VND
1. Gross revenue from goods sold and services rendered	01	5.1	47,312,486,534	48,584,405,168
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered	10		47,312,486,534	48,584,405,168
4. Cost of goods sold and services rendered	11	5.2	30,585,980,045	28,665,183,359
5. Gross profit from goods sold and services rendered	20		16,726,506,489	19,919,221,809
6. Financial income	21	5.3	5,661,292	3,359,234
7. Financial expenses	22	5.4	379,455,774	1,076,547,330
- In which: Interest expense	23		-	-
8. Selling expenses	25		668,611,239	597,315,124
9. General and administration expenses	26	5.5	11,958,274,287	10,472,900,608
10. Net operating profit	30		3,725,826,481	7,775,817,981
11. Other income	31	5.6	839,473,193	820,052,234
12. Other expenses	32	5.7	553,709,794	1,425,736,482
13. Other profit	40		285,763,399	(605,684,248)
14. Accounting profit before tax	50		4,011,589,880	7,170,133,733
15. Current corporate income tax expense	51	5.9	-	379,422,793
16. Deferred corporate tax (income)/ expense	52		-	-
17. Net profit after corporate income tax	60		4,011,589,880	6,790,710,940
18. Basic earnings per share	70	5.8	267	453
19. Diluted earnings per share	71	5.8	267	453



Preparer  
Nguyen Thi Nguyet



Chief Accountant  
Nguyen Thi Nguyet



Director  
Thai Hong Nha  
Nghe An, Vietnam  
29 March 2025

**STATEMENT OF CASH FLOWS**

For the year ended 31 December 2024

(Indirect method)

ITEMS	Code	Note	Current year VND	Prior year VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Profit before tax	01		4,011,589,880	7,170,133,733
2. Adjustments for				
- Depreciation and amortisation of fixed assets and investment properties	02		9,150,257,359	7,204,932,258
- Allowances and provisions	03		379,395,774	1,076,547,330
- (Gains)/losses from investing activities	05		(251,115,838)	(197,845,142)
3. Operating profit before changes in working capital	08		13,290,127,175	15,253,768,179
- Change in receivables	09		(4,243,369,511)	978,615,551
- Change in inventories	10		(17,746,521)	(7,547)
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11		(15,542,063,812)	(8,393,450,464)
- Change in prepaid expenses	12		4,840,467,762	(39,832,936)
- Corporate income tax paid	15		-	(379,422,793)
- Other cash outflows	17		(17,900,000)	-
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>(1,690,484,907)</b>	<b>7,419,669,990</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(839,257,311)	(5,251,483,699)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22		245,454,546	194,485,908
3. Interest earned, dividends and profits received	27		5,661,292	3,359,234
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(588,141,473)</b>	<b>(5,053,638,557)</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Net cash flows from financing activities</b>	<b>40</b>		-	-
<b>Net increase/(decrease) in cash for the year</b>	<b>50</b>		<b>(2,278,626,380)</b>	<b>2,366,031,433</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>5,455,833,585</b>	<b>3,089,802,152</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70</b>		<b>3,177,207,205</b>	<b>5,455,833,585</b>

Preparer  
Nguyen Thi Nguyet

Chief Accountant  
Nguyen Thi Nguyet

Director  
Thai Hong Nha  
Nghe An, Vietnam  
29 March 2025





**NOTES TO THE FINANCIAL STATEMENT**

For the year ended 31 December 2024

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

**1. GENERAL INFORMATION****1.1 Structure of ownership**

Phuong Dong Petroleum Tourism Joint Stock Company is established and operating under the Certificate of Business Registration No.2900781381 for the first time on 1 February 2008, and the 10<sup>th</sup> amendment dated 21 October 2016 issued by the Nghe An province Department of Planning and Investment.

The Company's charter capital, as per the 10<sup>th</sup> amendment of the Certificate of Business Registration, is VND 150,000,000,000, with a total of 15,000,000 shares issued.

As at 31 December 2024, the Company employed 113 employees (31 December 2023: 108 employees).

**1.2 Business area**

The Company operates in direct support activities for include restaurant and hotel services, as well as tour operation and management.

**1.3 Business activities**

The Company's main business activities include:

- Short-term accommodation services (Details: Hotel services);
- Service agency;
- Provision of catering services under non-regular contracts with customers (banquet, conference, wedding services, etc.);
- Beverage service;
- Retail sale of tobacco products in specialized stores;
- Tour operation (Details: Domestic and international travel business);
- Support services related to tourism promotion and tour organization;
- Trading of materials, equipment, and means for the tourism industry;
- Passenger road transport within and outside urban areas (excluding bus transport);
- Other passenger road transport services;
- Inland water freight transport;
- Warehousing and storage of goods;
- Wholesale of solid, liquid, gaseous fuels, and related products (Details: Wholesale of petroleum and related products);
- Wholesale of electronic and telecommunications equipment and components;
- Road freight transport;
- Other specialized wholesale not elsewhere classified (Details: Wholesale of fertilizers);
- Wholesale of computers, peripheral devices, and software;
- Wholesale of other household goods (Details: Wholesale of household electrical appliances, lighting equipment, furniture, books, newspapers, magazines, and stationery);
- Mining and collection of hard coal;
- Iron ore mining;

- Wholesale of construction materials and other installation equipment;
- Real estate business, including ownership, usage rights, or leasehold rights;
- Other support activities related to transportation (Details: Sale of airline tickets and public transportation services);
- Retail sale of other new goods in specialized stores;
- Wholesale of unprocessed agricultural and forestry products (excluding timber, bamboo, and rattan) and live animals;
- Manufacture of fertilizers and nitrogen compounds;
- Other monetary intermediation activities (Details: Foreign currency exchange agency);
- Sauna, massage, and other similar health-enhancing services (excluding sports activities).

#### 1.4 Normal Operating Cycle

The Company's normal production and business cycle is carried out for a time period of 12 months.

#### 1.5 Characteristics of the business activities in the year which have impact on the financial statements

In 2024, there are no activities that have a significant impact on the indicators on the Company's Financial Statements.

#### 1.6 Disclosure of information comparability in the financial statements

The data presented in the financial statements for the year ended 31 December 2024 are comparable to the corresponding figures of the prior year.

### 2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

#### 2.1. Accounting convention

The accompanying financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

#### 2.2. Going concern assumption

As at 31 December 2024, the Company's ability to meet its short-term obligations may not be assured, as current assets are lower than current liabilities. However, the Board of Management affirms that the Company will continue its business operations since the short-term liabilities are owed to related parties and can be extended at any time. Accordingly, the financial statements for the year ended 31 December 2024, have been prepared on a going concern basis.

#### 2.3. Financial year

The Company's financial year begins on 01 January and ends on 31 December.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIE

#### 3.1 Estimate

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires The Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year (reporting



period). Although these accounting estimates are based on The Board of Management's best knowledge, actual results may differ from those estimates.

### 3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.3 Financial investments

#### Equity investments in other entities

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less allowance for impairment.

### 3.4 Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less allowance for doubtful debts.

Allowance for doubtful debts is made for receivables that are overdue for six months or more, [or presented under the Company's accounting policy, for example, in accordance with the Group's provision-making policy], or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

### 3.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Cost is calculated using the weighted average method and is accounted for using the perpetual inventory method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary allowance for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the statement of financial position date.

### 3.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of acquired tangible fixed assets includes the purchase price and all directly attributable costs necessary to bring the asset to its intended use.

	<b>Depreciation Period (Years)</b>
Buildings and structures	05 - 45
Machinery and equipment	03 - 15
Motor vehicles	05 - 10
Office equipment	02 - 10

### 3.7 Intangible assets

Intangible fixed assets are stated at cost less accumulated amortisation.



The cost of intangible fixed assets comprises all the expenses incurred to obtain this asset put into use. Costs incurred after the initial recognition are recognized to increase the cost of intangible fixed assets if these costs certainly increase economic benefits in the future due to using this asset.

When intangible fixed assets are sold or retired, their cost and accumulated amortisation are removed from the statement of financial position and any profit or loss resulting from its disposal is included in the income or expense in the year.

The Company's intangible fixed assets include:

***Computer software***

The buying expenses of computer software which are not an integral part of related hardware are capitalized. Initial cost of computer software includes all the expenses paid until the date the software is put into use. Computer software is amortized in line with the straight-line method in 3 years.

**3.8 Investment properties**

Investment properties including land use right, a building or a part of building, infrastructure held by the company or by the lessee under a financial lease are used to earn rental or for capital appreciation. Investment properties are determined by their historical costs less accumulated depreciation. Historical cost of investment properties includes all the expenses paid by the company or the fair value of other consideration given to acquire the assets at the time of its acquisition or construction.

Subsequent expenses relating to investment properties that have already been recognized should be added to the net book value of the investment properties when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment properties, will flow to the company.

When the investment properties are sold, its historical cost and accumulated depreciation are write off, the any profit or loss arisen are posted into the income or the expenses.

The transfer from properties owners or inventory using a real estate investment only when owners cease using the properties and begin operating lease to another party or at the end of the construction phase. The transfer from investment properties to properties owners or inventory used only when the owner began to use this asset or initiated for the purpose of sale. The transfer from investment properties to properties for owner's using or inventories do not change the cost or value of the properties remaining at the date of conversion.

**3.9 Prepaid expenses**

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include the following expenses:

***Tools and equipment***

The tools and equipment have been put into use and are amortized to expense under the straight-line method to time allocation no more than 3 years.

***Repair costs of fixed assets***

Repair costs of fixed assets incurred once to have a large value are amortized to expense under the straight-line method to time allocation no more than 3 years.

***Other expenses***

Other expenses are allocated to expenses using the straight-line method with an allocation period of no more than 3 years.



### 3.10 Accounts payable and accrued expenses

Payables and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Payable expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company.
- Accrued expenses represent amounts payable for goods and services received from suppliers or provided to customers but not yet paid due to the absence of invoices or insufficient supporting accounting documentation. They also include amounts payable to employees for accrued leave and other production and business expenses that need to be recognized in advance. When these expenses are incurred in reality, any differences between the actual amount and the accrued amount are adjusted accordingly by recognizing additional expenses or reversing previously accrued expenses to reflect the variance.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

### 3.11 Owner's equity

Capital is recorded according to the amount actually invested by shareholders.

### 3.12 Distribution of net profits

Profit after tax is distributed to shareholders after an appropriation of funds under the Charter of the Company as same as the law and is approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-cash items in undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital, interest due to the revaluation of monetary items, the financial instruments and other non-cash items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders and there is a list of shareholders entitled to receive dividends.

### 3.13 Revenue and earnings

#### *Revenue from sales of finished goods and merchandise goods*

Revenue from sales of finished goods and merchandise goods is recorded when simultaneously satisfy the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The costs related to the sales transaction can be measured reliably.

#### *Revenue from service rendered*

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the statement of financial position date of that period. The outcome of a transaction can be measured reliably when all following conditions are satisfied:



- Revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The stage of completion of the service can be determined as of the end of the financial year.
- The costs incurred for the transaction and the costs to complete the service transaction can be measured reliably.

### **Financial income**

#### **Interest**

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

### **3.14 General and administration expenses**

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

### **3.15 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current tax payable is calculated based on taxable income for the year. Taxable income differs from profit before tax presented in the Statement of Comprehensive Income because taxable income excludes revenues or expenses that are taxable or deductible in different periods (including tax loss carryforwards, if any). Additionally, taxable income does not include non-taxable items or non-deductible expenses.

Deferred tax assets and deferred tax liabilities are offset when the Company has a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and deferred tax liabilities relate to corporate income tax managed by the same tax authority. The Company also intends to settle current income tax on a net basis.

The determination of the tax payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

### **3.16 Related parties**

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions.

In considering the relationship of the parties involved, the nature of the relationship is more emphasized than the legal form of the relationship.

## **4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF FINANCIAL POSITION**

### **4.1 Cash and cash equivalents**

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	Closing balance VND	Opening balance VND
Cash on hand	114,147,693	332,400,079
Demand deposits in banks	3,057,859,512	5,121,983,506
	<b><u>3,177,207,205</u></b>	<b><u>5,455,833,585</u></b>

**4.2 Short-term trade receivables**

	Closing balance VND	Opening balance VND
Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise (i)	92,965,692,339	90,787,692,339
Duc Thuan Trading And Service Company Limited (ii)	17,341,643,231	17,341,643,231
Others	1,514,457,113	490,782,833
	<b><u>111,821,792,683</u></b>	<b><u>108,620,118,403</u></b>
<b>Short-term trade receivables from related parties</b> (Details stated in Note 6.3)	<b><u>92,965,692,339</u></b>	<b><u>90,787,692,339</u></b>

(i) Details in Note 4.12

(ii) Details in Note 4.3

**4.3 Short-term advances to suppliers**

	Closing balance VND	Opening balance VND
Duc Thuan Trading And Service Company Limited (i)	27,097,000,000	27,097,000,000
Others	1,226,165,465	1,374,218,704
	<b><u>28,323,165,465</u></b>	<b><u>28,471,218,704</u></b>

(i) The receivables and advances to Duc Thuan Trading and Service Company Limited were made under contracts for the purchase of bagged dried cassava slices.

On 18 January 2010, the People's Court of Kon Tum Province issued Decision No. 01/2010/QD-MTTPS to initiate bankruptcy proceedings against Duc Thuan Trading and Service Company Limited and sent Notification No. 01/PS-TBTA dated 25 January 2010, to the Company as a trade creditor in accordance with the Bankruptcy Law. On 13 December 2011, the Company received an asset distribution decision from the People's Court of Kon Tum Province regarding the assets of Duc Thuan Trading and Service Company Limited, with a recoverable amount of VND 78,356,769. On 11 January 2012, the Company received the bankruptcy declaration decision from the People's Court of Kon Tum Province. The Company has fully recognized a 100% allowance for doubtful debts related to these receivables, amounting to VND 44,438,643,231.

**4.4 Inventories**

	Closing balance		Opening balance	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Raw materials	87,597,962	-	69,851,441	-
	<b><u>87,597,962</u></b>	<b><u>-</u></b>	<b><u>69,851,441</u></b>	<b><u>-</u></b>

**4.5 Prepaid expenses**

4.5.1 Short-term prepaid expenses

	Closing balance VND	Opening balance VND
Exporting instruments and tools	2,281,751,324	4,413,019,999
	<b><u>2,281,751,324</u></b>	<b><u>4,413,019,999</u></b>

4.5.2 Long-term prepaid expenses

	Closing balance VND	Opening balance VND
Repair and interior expenses	9,798,938,019	12,508,137,106
	<b><u>9,798,938,019</u></b>	<b><u>12,508,137,106</u></b>

4.6 Other receivables

4.6.1 Other short-term receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Advance payment for employees	429,074,773	-	369,674,773	-
Others	2,589,196,270	-	1,438,847,800	-
	<b><u>3,018,271,043</u></b>	<b><u>-</u></b>	<b><u>1,808,522,573</u></b>	<b><u>-</u></b>

4.6.2 Other long-term receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Collaterals and deposits	2,700,000	-	22,700,000	-
	<b><u>2,700,000</u></b>	<b><u>-</u></b>	<b><u>22,700,000</u></b>	<b><u>-</u></b>

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4.7 Long-term financial investment

	Closing balance			Opening balance		
	Cost VND	Allowance VND	Fair value VND	Cost VND	Allowance VND	Fair value VND
<i>Investments in others entities</i>	<b>12,172,670,000</b>	<b>(5,732,056,150)</b>	(*)	<b>12,172,670,000</b>	<b>(5,352,660,376)</b>	(*)
Sai Gon - Kim Lien Hotel & Resort (i)	12,172,670,000	(5,732,056,150)	(*)	12,172,670,000	(5,352,660,376)	(*)
	<b>12,172,670,000</b>	<b>(5,732,056,150)</b>	-	<b>12,172,670,000</b>	<b>(5,352,660,376)</b>	-

(i) The investment in Sai Gon - Kim Lien Hotel & Resort consists of 1,217,267 shares, representing 16.45% of voting rights. The company's principal business activities are restaurant and hotel services.

(\*) The Company has not determined the fair value of these financial investments due to the lack of specific guidance on fair value determination.

4.8 Bad debts

	Overdue	Closing balance		Overdue	Opening balance	
		Cost VND	Recoverable amount VND		Cost VND	Recoverable amount VND
Duc Thuan Trading And Service Company Limited	Over 3 years	44,438,643,231	-	Over 3 years	44,438,643,231	-
Others	Over 3 years	1,090,227,778	-	Over 3 years	1,090,227,778	-
		<b>45,528,871,009</b>	-		<b>45,528,871,009</b>	-

4.9 Increases, decreases in tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Others VND	Total VND
<b>COST</b>					
Opening balance	176,293,301,846	33,472,227,207	3,096,648,635	2,168,119,111	215,030,296,799
<i>Increases in the year</i>					
- Purchase in the year	-	147,500,000	-	177,096,517	324,596,517
- Transfer from construction in progress	514,660,794	-	-	-	514,660,794
<i>Decreases in the year</i>					
- Liquidation or transfer	-	(1,537,890,454)	-	-	(1,537,890,454)
<b>Closing balance</b>	<b>176,807,962,640</b>	<b>32,081,836,753</b>	<b>3,096,648,635</b>	<b>2,345,215,628</b>	<b>214,331,663,656</b>
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	82,333,702,012	29,563,495,640	1,916,061,775	2,055,951,803	115,869,211,230
<i>Increases in the year</i>					
- Depreciation charged	6,445,237,672	683,889,371	138,386,364	134,482,816	7,401,996,223
<i>Decreases in the year</i>					
- Liquidation or transfer	-	(1,537,890,454)	-	-	(1,537,890,454)
<b>Closing balance</b>	<b>88,778,939,684</b>	<b>28,709,494,557</b>	<b>2,054,448,139</b>	<b>2,190,434,619</b>	<b>121,733,316,999</b>
<b>NET BOOK VALUE</b>					
Opening balance	93,959,599,834	3,908,731,567	1,180,586,860	112,167,308	99,161,085,569
<b>Closing balance</b>	<b>88,029,022,956</b>	<b>3,372,342,196</b>	<b>1,042,200,496</b>	<b>154,781,009</b>	<b>92,598,346,657</b>

The historical cost of tangible fixed assets fully depreciated but still in use as at 31 December 2024, was VND 36,087,825,811, and as at 01 January 2024, was VND 35,457,820,804;

The net book value of tangible fixed assets pledged or mortgaged as collateral for loans as at 31 December 2024, was VND 0, and as at 01 January 2024, was VND 0.



4.10 Intangible assets

	Computer software VND	Total VND
<b>COST</b>		
Opening balance	442,380,500	442,380,500
Closing balance	<u>442,380,500</u>	<u>442,380,500</u>
<b>ACCUMULATED AMORTISATION</b>		
Opening balance	442,380,500	442,380,500
<i>Amortisation charged</i>	-	-
Closing balance	<u>442,380,500</u>	<u>442,380,500</u>
<b>NET BOOK VALUE</b>		
Opening balance	-	-
Closing balance	<u>-</u>	<u>-</u>

- The historical cost of fully amortised intangible assets still in use as at 31 December 2024, was VND 442,380,500, and as at 01 January 2024, was VND 442,380,500.

4.11 Investment properties

	Buildings and land use rights VND	Total VND
<b>COST</b>		
Opening balance	57,692,617,503	57,692,617,503
Closing balance	<u>57,692,617,503</u>	<u>57,692,617,503</u>
<b>ACCUMULATED DEPRECIATION</b>		
Opening balance	11,889,330,160	11,889,330,160
<i>Depreciation charged</i>	1,748,261,136	1,748,261,136
Closing balance	<u>13,637,591,296</u>	<u>13,637,591,296</u>
<b>NET BOOK VALUE</b>		
Opening balance	45,803,287,343	45,803,287,343
Closing balance	<u>44,055,026,207</u>	<u>44,055,026,207</u>

The historical cost of fully depreciated investment properties still in use as at 31 December 2024, was VND 0, and as of 01 January 2024, was VND 0;  
 The net book value of investment properties pledged or mortgaged as collateral for borrowing as at 31 December 2024, was VND 0, and as at 01 January 2024, was VND 0.

4.12 Short-term trade payables

	Closing balance		Opening balance	
	Value	Amount able to be paid off	Value	Amount able to be paid off
	VND	VND	VND	VND
Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private	100,264,556,353	100,264,556,353	115,657,879,020	115,657,879,020
Ocean Group Joint Stock Company	4,655,619,963	4,655,619,963	4,655,619,963	4,655,619,963
Others	3,885,785,473	3,885,785,473	5,855,782,558	5,855,782,558
	<b>108,805,961,789</b>	<b>108,805,961,789</b>	<b>126,169,281,541</b>	<b>126,169,281,541</b>
<b>Short-term trade payables to related parties (Details stated in Note 6.3)</b>	<b>100,264,556,353</b>		<b>115,657,879,020</b>	

(i) The Company is recognizing receivables and payables with Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise as follows:

- Trade receivables: VND 92,965,692,339;
- Short-term trade payables: VND 100,264,556,353.

Phuong Dong Petroleum Tourism Joint Stock Company (Party A) and Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise (Party B) entered into Investment Cooperation Contract No. 607/PTC/HTDT-2015 on 16 November 2015, to jointly implement the Cua Dong Apartment – Hotel Complex Project at the designated location.

Both parties agreed to cooperate in investment and establish a new legal entity at any time when the legal conditions are met or as mutually agreed upon to implement and operate the project. The ownership ratio of both parties upon completion of the project will correspond to their actual capital contribution ratio:

+ Party A: Contributes capital in the form of all rights, entitlements, and interests of the investor arising from the Project on plot No. 167, Nguyen Phong Sac Street, Vinh City, Nghe An Province. The valuation is based on the commercial advantage of the Project and the expenses incurred by Party A during its implementation up to the time of cooperation. Both parties have tentatively agreed that the contributed asset value of Party A shall be VND 10 billion, based on Land Valuation Document No. 1671/STC-QLG&CS dated 19 June 2013, issued by the Department of Finance of Nghe An Province.

+ Party B: Contributes capital in cash, assets, and other forms, including all expenses incurred during the construction and execution of the Project (including but not limited to project implementation phases, design modifications, and construction). Party B's ownership ratio in the newly established entity will be determined based on the actual amount of capital contributed by Party B during the Project's implementation.

However, due to legal obstacles concerning the transfer of the project's investor, the Company entered into contracts with Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise (a related party of the Company) through a direct appointment of contractor for the construction of the Cua Dong Apartment – Hotel Complex Project, as follows:

Contract No. 658/2015/HĐTT dated 20 December 2015: Covers project planning, investment preparation, design, technology equipment supply, and construction, with a total contract value of VND 77,676,000,000 (inclusive of VAT).



Contract No. 62/2016/HĐTC dated 21 February 2016: Covers the construction and finishing phase, with a total contract value of VND 48,489,383,942 (inclusive of VAT).

As at the financial statement preparation date, Contract No. 607/PTC/HTĐT-2015 between Phuong Dong Petroleum Tourism Joint Stock Company and Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise is still under negotiation and pending termination.

**4.13 Short-term advances from customers**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Others	296,114,658	110,439,797
	<b><u>296,114,658</u></b>	<b><u>110,439,797</u></b>

**4.14 Other payables**

**4.14.1 Other short-term payables**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Trade union fee	5,568,160	18,069,138
Social insurance	132,791,251	132,791,251
Health insurance	18,298,475	18,298,475
Unemployment insurance	9,428,997	9,428,997
Others	1,456,046,724	-
	<b><u>1,622,133,607</u></b>	<b><u>178,587,861</u></b>

**4.14.2 Other long-term payables**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Thanh Dat Investment Development Joint Stock Company	153,800,000	153,800,000
Others	10,000,000	-
	<b><u>163,800,000</u></b>	<b><u>153,800,000</u></b>

**4.15 Short-term accrued expenses**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Accrued electricity expenses	90,850,890	74,874,690
Other accrued expenses	94,869,221	136,505,451
	<b><u>185,720,111</u></b>	<b><u>211,380,141</u></b>

**4.16 Unearned revenue**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Unearned revenue from lease payments	281,980,000	5,790,909
	<b><u>281,980,000</u></b>	<b><u>5,790,909</u></b>

4.17 Taxes and amounts payables to the State budget

	Opening balance		Movement in the year		Closing balance	
	Taxes Receivable	Taxes Payable	Taxes Receivable	Taxes Payable	Taxes Receivable	Taxes Payable
	VND	VND	VND	VND	VND	VND
Value added tax	-	240,794,806	3,203,314,367	3,190,727,993	-	253,381,180
Special consumption tax	-	28,417,051	151,692,790	151,367,651	-	28,742,190
Corporate income tax	-	7,168,915	-	-	-	7,168,915
Personal income tax	-	75,395,433	54,396,467	63,834,923	-	65,956,977
Land and housing tax	-	-	1,205,511,916	1,205,511,916	-	-
Other taxes	-	-	6,146,147	6,146,147	-	-
	-	<b>351,776,205</b>	<b>4,621,061,687</b>	<b>4,617,588,630</b>	-	<b>355,249,262</b>

The Company's tax finalization is subject to examination by the tax authorities. As the application of tax laws and regulations to various transactions may be interpreted differently, the amount of tax presented in the financial statements may be subject to adjustments based on the tax authorities' decisions.

4.18 Owner's equity

4.18.1 Reconciliation table of equity

	Owner's contributed capital	Share premium	Other owner's	Retained Earnings	Total
	VND	VND	VND	VND	VND
Prior year's opening balance	150,000,000,000	22,819,811,566	116,593,948	(41,279,035,953)	131,657,369,561
Profit for the year	-	-	-	6,790,710,940	6,790,710,940
Prior year's closing balance	<b>150,000,000,000</b>	<b>22,819,811,566</b>	<b>116,593,948</b>	<b>(34,488,325,013)</b>	<b>138,448,080,501</b>
Current year's opening balance	150,000,000,000	22,819,811,566	116,593,948	(34,488,325,013)	138,448,080,501
Profit for the year	-	-	-	4,011,589,880	4,011,589,880
Current year's closing balance	<b>150,000,000,000</b>	<b>22,819,811,566</b>	<b>116,593,948</b>	<b>(30,476,735,133)</b>	<b>142,459,670,381</b>



4.18.2 Details of owner's investment capital

	Closing balance		Opening balance	
	Actual contributed capital	Ratio	Actual contributed capital	Ratio
	VND	%	VND	%
Mr. Le Thanh Than	30,000,000,000	20.00%	30,000,000,000	20.00%
Mr. Le Kim Giang	32,194,560,000	21.46%	32,194,560,000	21.46%
Mr. Do Trung Kien	28,500,000,000	19.00%	28,500,000,000	19.00%
Ms. Le Thi Hoang Yen	14,060,000,000	9.37%	14,060,000,000	9.37%
Ms. Pham Thi Thu Thuy	16,590,000,000	11.06%	16,590,000,000	11.06%
Saigon Beer - Alcohol - Beverage Corporation	14,700,000,000	9.80%	14,700,000,000	9.80%
Others	13,955,440,000	9.30%	13,955,440,000	9.30%
	<b>150,000,000,000</b>	<b>100%</b>	<b>150,000,000,000</b>	<b>100%</b>

4.18.3 Capital transactions with owners and dividend distribution, profit sharing

	Current year VND	Prior year VND
<b>Owner's invested equity</b>		
Capital contribution at the beginning of the year	150,000,000,000	150,000,000,000
Contributed capital increased during the year	-	-
Contributed capital decreased during the year	-	-
Capital contribution at the end of the year	150,000,000,000	150,000,000,000
<b>Dividends or distributed profits</b>	-	-

4.18.4 Shares

	Closing balance Shares	Opening balance Shares
<b>Number of shares registered for issuance</b>	<b>15,000,000</b>	<b>15,000,000</b>
<b>Number of shares issued to the public</b>	<b>15,000,000</b>	<b>15,000,000</b>
- Ordinary shares	15,000,000	15,000,000
- Preference shares	-	-
<b>Number of shares repurchased</b>	-	-
- Ordinary shares	-	-
- Preference shares	-	-
<b>Number of outstanding shares in circulation</b>	<b>15,000,000</b>	<b>15,000,000</b>
- Ordinary shares	15,000,000	15,000,000
- Preference shares	-	-
An ordinary share has par value of (VND/share)	10,000	10,000

4.18.5 Profits distribution

	Current year VND	Prior year VND
Undistributed profit at the beginning of the year	(34,488,325,013)	(41,279,035,953)
Profit from business activities in the year	4,011,589,880	6,790,710,940
Other adjustments to decrease profit	-	-
Other adjustments to increase profit	-	-
Dividends or distributed profits to funds during the year	-	-
<b>Remaining undistributed profit</b>	<b>(30,476,735,133)</b>	<b>(34,488,325,013)</b>

4.19 Off Statement of Financial Position items

Operating lease assets

The Company has land lease agreements in Truong Thi Ward, Vinh City, Nghe An Province, for the purpose of constructing a hotel, a conference center, and office spaces, etc. The details are as follows:

Project name	Contract Number	Leased Area (m <sup>2</sup> )
Phuong Dong Hotel Construction	151/HB-TD	9,715.5
Construction of 800-seat Convention Center, Office, and Phuong Dong Commercial Complex	158/HB-TD	3,198.0

5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF INCOME

5.1 Revenue from goods sold and services rendered

	Current year VND	Prior year VND
Revenue from goods sold and services rendered	47,312,486,534	48,584,405,168
	<b>47,312,486,534</b>	<b>48,584,405,168</b>
<b>Revenue from related parties</b> (Details stated in Note 6.3)	<b>1,980,000,000</b>	<b>1,980,000,000</b>

5.2 Cost of goods sold and services rendered

	Current year VND	Prior year VND
Cost of goods sold and services rendered	30,585,980,045	28,665,183,359
	<b>30,585,980,045</b>	<b>28,665,183,359</b>

5.3 Financial income

	Current year VND	Prior year VND
Interest on deposits and borrowing	5,661,292	3,359,234
	<b>5,661,292</b>	<b>3,359,234</b>



5.4 Financial expenses

	Current year VND	Prior year VND
Allowance for impairment of investments	379,455,774	1,076,547,330
	<b>379,455,774</b>	<b>1,076,547,330</b>

5.5 General and administration expenses

	Current year VND	Prior year VND
Management staff expenses	4,330,923,586	4,279,529,558
Others	7,627,350,701	6,193,371,050
	<b>11,958,274,287</b>	<b>10,472,900,608</b>

5.6 Other income

	Current year VND	Prior year VND
Sale, disposal of fixed assets	245,454,546	194,485,908
Receipt of electricity and water fees	551,564,647	569,528,660
Others	42,454,000	56,037,666
	<b>839,473,193</b>	<b>820,052,234</b>

5.7 Other expenses

	Current year VND	Prior year VND
Electricity and water expenses	551,563,647	568,682,115
Others	2,146,147	857,054,367
	<b>553,709,794</b>	<b>1,425,736,482</b>

5.8 Basic earnings per share and Diluted earnings per share

	Current year VND	Prior year VND
<b>Accounting profit after corporate income tax</b>	4,011,589,880	6,790,710,940
Increasing or decreasing adjustments to accounting profit to determine profit or loss attributable to ordinary shareholders:	-	-
Profit or loss attributable to ordinary shareholders (VND)	4,011,589,880	6,790,710,940
Appropriation to reward and welfare funds	-	-
Average ordinary shares in circulation for the year (shares)	15,000,000	15,000,000
<b>Basic earnings per share</b>	<b>267</b>	<b>453</b>
Number of additional shares expected to be issued	-	-
<b>Diluted earnings per share</b>	<b>267</b>	<b>453</b>

5.9 Corporate income tax expense

	Current year VND	Prior year VND
<b>Profit before tax</b>	<b>4,011,589,880</b>	<b>7,170,133,733</b>
Real Estate Business	-	-
Other Business Activities	4,011,589,880	7,170,133,733
<b>Adjustments for taxable profit</b>	<b>(250,952,849)</b>	<b>486,360,193</b>
<i>Real Estate Business</i>	-	-
<i>Other Business Activities</i>	(250,952,849)	486,360,193
<i>Increasing adjustments</i>	2,146,147	739,459,189
<i>Decreasing adjustments</i>	(253,098,996)	(253,098,996)
<b>Carried forward losses</b>	<b>(3,760,637,031)</b>	<b>(7,656,493,926)</b>
Real Estate Business	-	-
Other Business Activities	(3,760,637,031)	(7,656,493,926)
<b>Taxable corporate income</b>	-	-
Real Estate Business	-	-
Other Business Activities	-	-
<b>Tax-exempt income</b>		
<b>Non-preferential corporate income tax rate</b>	20%	20%
<b>Corporate income tax</b>	-	-
Real Estate Business	-	-
Other Business Activities	-	-
<b>Corporate income tax expense based on taxable profit in the current year</b>	-	-
Adjustments for corporate income tax expense in previous years to the current year	-	379,422,793
<b>Total current corporate income tax expense</b>	-	<b>379,422,793</b>

6. OTHER INFORMATION

6.1. Commitments

Operating Lease Commitments:

- Land Lease Agreement No. 151/HD-TD dated 14 October 2009 between the People's Committee of Nghe An Province (the lessor) and Phuong Dong Petroleum Tourism Joint Stock Company (the lessee), with the following terms:
  - Leased land area: 9,715.5 m<sup>2</sup> (Nine thousand seven hundred fifteen point five square meters) located in Truong Thi Ward, Vinh City, Nghe An Province;
  - Location and boundaries: As specified in the "Extract and supplementary cadastral map survey (revised) No. 1009BD/DC - Phuong Dong Petroleum Tourism Joint Stock Company," confirmed by the Department of Natural Resources and Environment on 30 July 2008;
  - Lease term: 8,200.6 m<sup>2</sup> of land in compliance with the planning regulations is leased until 7 September 2046; 1,514.9 m<sup>2</sup> of land not in compliance with the planning regulations (within the construction boundary of a road) is temporarily leased, with the requirement that Phuong Dong Petroleum Tourism Joint Stock Company maintain the current status and refrain from new construction on this area;
  - Land use purpose: Construction of Muong Thanh Phuong Dong Hotel;
  - Land rental fees: The lessee is responsible for paying land rental fees in accordance with Decision No. 400/QD-UBND.DC dated 23 September 2009, issued by the People's Committee of Nghe An Province and the pricing decision of the Nghe An Department of Finance.
- Land Lease Agreement No. 158/HD-TD dated 25 October 2013 between the People's Committee of Nghe An Province (the lessor) and Phuong Dong Petroleum Tourism Joint Stock Company (the lessee), with the following terms:



- Leased land area: 3,198.0 m<sup>2</sup> (Three thousand one hundred ninety-eight square meters) located in Truong Thi Ward, Vinh City, Nghe An Province;
- Location and boundaries: As specified in the extract of the cadastral map (surveyed and revised) No. 62/2013/BD.DC at a scale of 1/500, confirmed by the Department of Natural Resources and Environment on 2 May 2013;
- Lease term: Until 26 September 2063;
- Land use purpose: Construction of an 800-seat conference center, office space, and Phuong Dong commercial facilities.
- Land rental fees: Rental pricing is determined according to Decision No. 400/QD-UBND.DC dated 16 October 2013, issued by the People's Committee of Nghe An Province and the approved pricing decision of the Department of Finance. The rental price remains fixed for five years from 16 October 2013, to 16 October 2018. After this period, the rental price will be adjusted in accordance with the Government Decrees No. 142/2005/ND-CP dated 14 November 2005, and No. 121/2010/ND-CP dated 30 December 2010, on land and water surface rental fees.

**6.2. Assets under operating leases**

As at the end of fiscal year, the future minimum lease payments under non-cancellable operating leases were:

	Closing balance VND	Opening balance VND
Within 1 year	4,717,825,812	4,893,413,448
Over 1 year to 5 years	6,829,465,792	11,140,018,882
Over 5 years	-	379,999,994
	<b>11,547,291,604</b>	<b>16,413,432,324</b>

**6.3. Transactions and balances with related parties**

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

**6.3.1 Transactions and balances with key management members, the individuals involved with key management members**

Key management members include members of The Board of Directors, the Board of Supervisors, and the Board of Management and Chief Accountant. Individuals associated with key management members are close members in the family of key management members.

**Income of key management members:**

	Position	Current year VND	Prior year VND
Mr. Thai Hong Nha	Director	334,000,918	334,362,841
Mr. Tran Dinh Phuc	Deputy Director	431,200,918	431,562,841
Ms. Phan Thi Dieu Huyen	Deputy Director	150,465,849	250,362,841
Ms. Vo Thi Thao	Deputy Director	250,000,918	250,362,841
Mr. Truong Van Lanh	Deputy Director	56,264,983	-
Ms. Le Thi Thu Huong	Head of BOS	187,600,918	187,962,841
Ms. Nguyen Thi Nguyet	Chief Accountant	198,562,057	186,707,116

**6.3.2 Transactions and balances with other related parties**

Other related parties to the Company include subsidiaries, joint-ventures, associates controlled businesses, individuals with direct or indirect voting rights at the Company and intimately members within their families, businesses run by key management employees and individuals with direct or indirect voting rights of the Company and intimately members of their families.

**List of other related parties**

Other related parties	Relationship
Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise	Mr. Le Thanh Than – Major Shareholder of Phuong Dong Petroleum Tourism Joint Stock Company, concurrently Director of Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise

**Transactions with other related parties**

During this fiscal year, there were major transactions with related companies as follows:  
Apart from the related party transactions disclosed in the preceding Notes, the Company has engaged in the following additional related party transactions:

Other related parties	Content	Current year VND	Prior year VND
Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise	Rental income	1,980,000,000	1,980,000,000

**Balance of accounts receivable/(payable) with other related parties**

	Closing balance VND	Opening balance VND
<b>Short-term trade receivables</b>		
Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise	92,965,692,339	90,787,692,339
	<b>92,965,692,339</b>	<b>90,787,692,339</b>
	Closing balance VND	Opening balance VND
<b>Short-term trade payables</b>		
Muong Thanh Cua Dong Hotel - Branch Of Dien Bien No1 Construction Private Enterprise	100,264,556,353	115,657,879,020
	<b>100,264,556,353</b>	<b>115,657,879,020</b>

**6.4. Information of Department**

The company is not required to prepare segment reports because it does not satisfy one of the three conditions for preparing segment reports by geographical area as prescribed in Circular 20/2006/TT-BTC dated 20 March 2006 of the Ministry of Finance regarding guidance on the implementation of six (06) accounting standards issued under Decision No. 12/2005/QD-BTC dated 15 February 2005 of the Ministry of Finance.



**6.5. Events occurring after the end of the financial year**

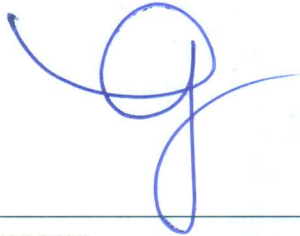
The Company's Board of Management confirms that, to the best of its knowledge and assessment, there are no material subsequent events occurring after the financial year-end that would require adjustments to or disclosures in these financial statements.

**6.6. Comparative figures**

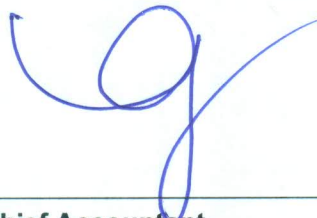
The comparative figures are those presented in the audited financial statements of the Company for the financial year ended at 31 December 2023, which were audited by AFC Vietnam Auditing Company Limited – Northern Branch.

**6.7. Going Concern Assumption**

As at 31 December 2024, the Company's ability to meet its short-term obligations may not be assured, as current assets are lower than current liabilities. However, the Board of Management affirms that the Company will continue its business operations since the short-term liabilities are owed to related parties and can be extended at any time. Accordingly, the financial statements for the year ended 31 December 2024, have been prepared on a going concern basis.



**Preparer**  
**Nguyen Thi Nguyet**



**Chief Accountant**  
**Nguyen Thi Nguyet**



**Director**  
**Thai Hong Nha**  
Nghi An, Vietnam  
29 March 2025