

**Vinh Son - Song Hinh
Hydropower JSC**

**Socialist Republic of Vietnam
Independence - Freedom - Happiness**

No.: 202/VSH-TCKT
Ref: Explanation of profit
fluctuations in VSH's audited
financial statements for 2024

Quy Nhon, March 05th, 2025

To:

- Ho Chi Minh Stock Exchange;
- The State Securities Commission;
- The Shareholders.

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, providing guidance on information disclosure on the stock market.

Vinh Son - Song Hinh Hydropower JSC (VSH) would like to provide an explanation for the fluctuations in business performance in 2024 compared to 2023, as presented in the audited financial statements by Ernst & Young Vietnam Co., Ltd., as follows:

1. Separate financial statements:

Item	Unit	2024	2023	Increase ↑/ Decrease ↓	Rate % ↑ ↓
1. Electricity generation activities					
- Electricity output	Million kWh	1,698.97	2,193.94	-494.97	-22.56%
- Electricity generation revenues	VND billion	1,825.14	2,572.04	-746.90	-29.04%
- Electricity generation expenses	VND billion	1,000.02	1,074.38	-74.36	-6.92%
- Electricity generation profit	VND billion	825.12	1,497.66	-672.54	-44.91%
2. Financial activities:	VND billion				
- Financial revenues	VND billion	14.42	5.45	8.97	164.55%
- Financial expenses	VND billion	318.03	410.45	-92.42	-22.52%
- Profit	VND billion	-303.61	-405.00	101.39	25.03%
3. Others	VND billion				
- Other revenues	VND billion	0.00	0.16	-0.16	
- Other expenses	VND billion	0.28	1.08	-0.80	
- Profit	VND billion	-0.28	-0.92	0.64	
4. Total profit before tax:	VND billion	521.22	1,091.74	-570.52	-52.26%
5. Total profit after tax:	VND billion	447.64	993.30	-545.66	-54.93%

Net profit after tax in 2024 decreased by VND 545.66 billion (equivalent to a 54.93% decline) compared to 2023, primarily due to the following reasons:

i) *Electricity generation activities:* Due to the impact of the El Nino phenomenon, hydrological conditions in the Central and Central Highlands regions in 2024 were unfavorable. The inflow of water into the plants' reservoirs

declined compared to the same period last year, significantly affecting the Company's electricity production. As a result, commercial electricity output decreased by 494.97 million kWh (equivalent to a 22.56% reduction). Additionally, the average electricity selling price of the plants in the competitive power market in 2024 was lower than in the same period last year, leading to a revenue decline of VND 746.90 billion (equivalent to a 29.04% decrease).

ii) *Financial activities*: Financial profit in 2024 increased by VND 101.39 billion (equivalent to a 25.03% increase) compared to 2023 due to the following factors:

+ Financial revenue increased by VND 8.97 billion (equivalent to a 164.55% increase) due to VSH earning higher interest from term deposits compared to the same period last year.

+ Financial costs 2024 decreased by VND 92.42 billion (equivalent to a 22.52% decrease) due to banks lowering interest rates on loans and a gradual reduction in loan balances.

2. Consolidated financial statements:

Item	Unit	2024	2023	Increase ↑/ Decrease ↓	Rate % ↑↓
1. Electricity generation activities					
- Electricity output	Million	1,698.97	2,193.94	-494.97	-22.56%
- Electricity generation revenues	VND	1,825.14	2,572.04	-746.90	-29.04%
- Electricity generation expenses	VND	999.33	1,073.69	-74.36	-6.93%
- Electricity generation profit	VND	825.81	1,498.35	-672.54	-44.89%
2. Financial activities:	VND				
- Financial revenues	VND	14.42	5.45	8.97	164.55%
- Financial expenses	VND	318.03	410.45	-92.42	-22.52%
- Profit	VND	-303.61	-405.00	101.39	25.03%
3. Others	VND				
- Other revenues	VND	0.00	0.16	-0.16	
- Other expenses	VND	0.28	1.08	-0.80	
- Profit	VND	-0.28	-0.92	0.64	
4. Total profit before tax:	VND	521.91	1,092.43	-570.52	-52.22%
5. Total profit after tax:	VND	448.33	993.99	-545.66	-54.90%

The Company's results in the audited consolidated financial statements for 2024 were primarily affected by those of the audited separate financial statements for 2024. Therefore, the causes of profit fluctuations in the audited consolidated financial statements for 2024 are similar to those explained in the audited separate financial statements.

The company respectfully informs the Ho Chi Minh Stock Exchange, the State Securities Commission, and our shareholders about the aforementioned situation. Kind regards./.

Recipients:

- As above;
- In charge of Company Administration;
- Archived by: The office; F&A Dept.

General Director



Nguyen Van Thanh

