

DRAFT

**REPORT ON PERFORMANCE RESULTS IN 2024
AND OPERATION PLAN IN 2025 OF THE BOARD OF DIRECTORS
OF PACIFIC PETROLEUM TRANSPORTATION JOINT STOCK COMPANY**

To: The General Meeting of Shareholders

The Board of Directors (BOD) of Pacific Petroleum Transportation Joint Stock Company (Pacific) respectfully submits to the Annual General Meeting of Shareholders the report on the performance results in 2024 and the operation plan for 2025 as follows:

I. BOARD OF DIRECTORS' PERFORMANCE IN 2024

1. Members of the Board of Directors

At the end of 2024, the Board of Directors (BOD) of Pacific Petroleum Transportation Joint Stock Company (Pacific) consisted of 05 members, specifically:

1. Mr. Le Manh Tuan - Chairman of the BOD
2. Mr. Hoang Duc Chinh – Executive member of the BOD, Director
4. Mr. Nguyen The Dan – Non - executive member of the BOD
5. Mr. Tran Van Luan - Non - executive member of the BOD
7. Mrs. Tran Thi Kim Khanh - Independent member of the BOD

The BOD operated in accordance with the Company Charter, the BOD operation regulations, the internal regulations, and other regulations of the Company.

2. Performance of the BOD

2.1. Overall evaluation

In 2024, the maritime transportation market continued to experience rapid and unpredictable fluctuations with a wide range of challenges, difficulties, opportunities and advantages. The significant impactors on shipping routes and shipping demand in tons/nautical miles varied from economic issues, when global economic growth did not certainly improve and the monetary policies of major economies erred on the side of cautious, to geopolitical issues since the geopolitical situation was still complicated in terms of prolonged conflict between Russia and Ukraine, tensions among the Middle East, Israel - Iran, attacks on ships in the Red Sea and drought in the Panama Canal. Accordingly, these factors made the oil market and oil transportation less stable in the past year.

Recognizing the continuing difficulties and challenges in both domestic and international transportation markets, the Board of Directors supervised and well-cooperated with the Board of Management (BOM) on finding and applying solutions for adapting to the new contexts and utilizing growth opportunities in order to handle the Company's key tasks, implement the business plan targets, resolutely carry out investment projects approved by the General Meeting of Shareholders and effectively re-structure the Company's organization, etc.

The BOD fully performed its representative functions of the Company’s owners in directing, supervising, urging and supporting the Company's operations. It provided appropriate orientation and timely direction to ensure effective and optimal use of resources as well as seek solutions for overcoming difficulties in business activities, with the aim of successfully completing the targets approved by the Annual General Meeting of Shareholders in 2024.

With a high sense of responsibility, solidarity and cooperation in an honest and careful manner, the BOD applied drastic solutions in the internal management and operation, as well as directed the BOM to implement the Resolutions of the General Meeting of Shareholders and of the Board of Directors, aligning with the benefits of Shareholders and the Company. As a result, in 2024, Pacific exceeded the planned targets assigned by the General Meeting of Shareholders.

The key of business performance results in 2024 are as follows:

Unit: Billion VND

No.	Indicator	2024 Plan	2024 Actual Results	Ratio Actual/Plan
1	Charter capital	1,037.00	1,037.00	100%
2	Total revenue	1,700.00	1,852.60	109%
3	Profit before tax	220.00	268.24	122%
4	Profit after tax	176,00	207,10	118%
5	State Budget Contribution	56.40	89.13	158%

Additionally, in 2024, PACIFIC’s stock (PVP) was included in MSCI Frontier Market Small Cap Index in November while PACIFIC continued to be listed on Top 500 Most Profitable Companies in Vietnam for the 7th consecutive year and Top 10 Reputable Logistics Companies for the 6th time.

2.2 Assessment of performance in accordance with resolutions of the General Meeting of Shareholders

In 2024, by strictly following the Resolution No. 01/NQ-TBD-DHDCD approved by the General Meeting of Shareholders on 17th April 2024, Pacific obtained the remarkable results as below:

- Cash dividend distribution: In October 2024, Pacific paid cash dividend at 8% of charter capital derived from undistributed profit after tax in 2023.
- Amendments to the Registration Certificate on business activities: Pacific completed the legal registration procedures to amend its Registration Certificate, updating the company's business lines and operational scope.
- Selection of audit firm for auditing the FY2024 financial statements: Pacific appointed Deloitte Vietnam Co., Ltd. to audit FY2024 financial statements and review the interim financial statements, in compliance with prevailing regulations.

- Adjustment in charter capital: In 2024, Pacific finalized the plan to increase charter capital by issuing shares to pay dividend from the undistributed profit after tax of 2023 at 10% of charter capital, in accordance with Resolution No. 01/NQ-TBD-DHDCD dated 17th April 2024.

- Furthermore, Pacific successfully invested 01 MR tanker of 50,697 DWT and put the vessel into international commercial operation immediately after completing the investment.

However, due to various subjective and objective factors such as primarily volatility in the global economic and geopolitical landscape, the sale and purchase market for Aframax and MR tankers were adversely affected and put significant pressure/disadvantages on buyers when the number of offers was limited. This circumstance made various obstacles for Pacific to search for relevant vessels with price within the assigned total investment value and able to generate efficiency to the project not lower than planned. Therefore, Pacific was only able to complete one part of investment projects in investment plan approved by the General Meeting of Shareholders.

3. Activities of the BOD Members

In 2024, BOD members actively and proactively fulfilled their roles, diligently participated in and voted on matters within their authority, complied with the Enterprise Law, the Company Charter, the BOD's operation regulations, and other relevant legal regulations, effectively completed tasks assigned by the BOD, specifically as follows:

** Mr. Le Manh Tuan – Chairman*

Overseeing all BOD activities; Assigning, directing, supporting, and urging the implementation by BOD members; Directing the development of annual and medium-long-term plans, restructuring, personnel management, corporate culture initiative, and other important tasks; Directing the issuance and implementation of internal regulations; Supervising and urging of the implementation of investment projects.

**Mr. Hoang Duc Chinh – Executive member of the BOD/C.E.O*

Concurrently, serving as Executive BOD member and C.E.O, overseeing business operations and cooperation, human resources, planning and investment, new services/business development; Overseeing technical and safety management; and the implementation of information disclosure in compliance with the law; Other tasks assigned by the Chairman of the Board.

**Mr. Nguyen The Dan – Non - executive member of the BOD*

Serving as a non-executive board member; Overseeing the capital and cash flow management; Supervising the risk management, auditing of the Company's financial statements; Overseeing asset/vessel investment including project planning, investment implementation, efficiency assessment, asset management and liquidation; Other tasks assigned by the Chairman of the Board.

**Mr. Tran Van Luan – Non - executive member of the BOD*

Serving as a non-executive board member; Supervising labor and salary policies, the personnel recruitment and training; Overseeing the innovation and the restructuring of the Company; Supervising the issuance and implementation of internal regulations;

Supervising the implementation of the Company's culture; Other tasks assigned by the Chairman of the Board.

**Ms. Tran Thi Kim Khanh – Independent member of the BOD*

Serving as an Independent board member; Supervising the risk management on finance, accounting and the auditing of the Company's financial statements; Researching the model and the implementing of the audit committee at the Company; Supervising the implementation of contracts and transactions between the Company and its affiliated persons or between the Company and its major shareholders, internal persons and affiliated persons; Overseeing the development of norms, regulations, and governance rules of the Company; Overseeing the investor relation and the compliance with the provisions of law and the Company; Other tasks assigned by the Chairman of the Board.

4. Remuneration, allowances, and operating expenses of the BOD and the Board of Supervisors (BOS) in 2024

Remuneration, allowances, and operating expenditures of the BOD and the BOS in 2024 were paid according to the levels approved by the 2024 Annual General Meeting of Shareholders and Pacific' regulations, as follows:

- For Independent member of the BOD, adjunct BOD Members and adjunct BOS members: The allowance for independent BOD Member was VND 15,000,000/month; the remuneration for Chairman was VND 6,000,000/month; the remuneration for BOD members (including the BOD member concurrently holding the Director role) was VND 5,000,000/person/month; the remuneration for concurrent Head of Board of Supervisors was VND 4,000,000/month; the remuneration for concurrent BOS members was VND 2,500,000/person/month.

- The total remuneration and allowance paid to BOD and BOS members in 2024 was VND 540,000,000.

- For the BOD member holding concurrently the Director role of the Company: The salaries and income were implemented in accordance with the Company's regulations on salaries and bonuses.

5. Decisions of the Board of Directors in 2024

In 2024, the BOD held meetings, either in-person or by written opinion selections, including 04 quarterly regular meetings. Based on the results of these meetings, the BOD issued 27 resolutions and 16 decisions on important issues of the Company such as approving the business plan for 2024, investment projects, the increasing of Company's charter capital, the amendments and supplements of internal regulations, and management personnel,... to direct the Director in implementation. The list of significant Resolutions/Decisions issued by the BOD in 2024 was disclosed in the 2024 Corporate Governance Report.

6. Supervision of performance of the CEO and the Executive Board

The BOD of Pacific supervised the BOM's activities based on the Company Charter, the BOD operation regulations, the internal regulations, and other regulations of the Company by attending and giving opinions at internal meetings in order to promptly direct and implement drastic solutions in authorities on management and operation of the Board of Directors. Each member of the BOD executed the assigned tasks to ensure that the BOD's decisions were implemented consistently, effectively, and in compliance with

applicable laws.

In 2024, despite the difficult and fluctuated conditions of the shipping market, with the efforts, determination, solidarity and high consensus of the entire Board of Management, Pacific successfully fulfilled and excelled in all tasks and targets assigned by the General Meeting of Shareholders, specifically:

- Having stable business activities with the efficient use of all resources.
- Exceeding the 2024 business plan targets assigned by the General Meeting of Shareholders.
- Ensuring income and living standards for employees; building and training a team of leaders and employees with appropriate qualifications and enthusiasm to create a foundation for sustainable development in the coming years.
- Fully fulfilling obligations to the State according to regulations, transparent management with clear division of labor and decentralization in the management apparatus.
- Enhancing the development and expansion of business activities to ensure the sustainable development of the Company in the coming years.
- Closely following the SnP market to implement and complete the investment plan.
- Strengthening the training and recruitment of capable personnel with experience in operation and technical management, especially young staff suitable for the development conditions of the Company.

7. The investment plan implementation

Based on the resolution approved by the General Meeting of Shareholders, Pacific had planned to implement 02 investment projects, specifically:

- 01 ongoing project with adjustment in vessel type of 02 MR tankers or 01 Aframax tanker and 01 new project of 01 Aframax tanker or 02 MR tankers. However, despite the effort to implement the investment plan of the BOD and BOM, due to the fluctuations of the SnP market with the increasing in the vessel prices and the decreasing in the tanker offers, Pacific just completed the investment with 01 MR tanker in the third quarter of 2024 and put it into operation in the international market right after the investment.
- For other investment projects, due to unfavorable market conditions, the total investment value had not met expectations. Therefore, the Company has still closely followed the SnP market and would make specific proposals in the next year's plan.

8. The investor relations

Pacific always maintains its relations with shareholders, strengthens interactions with investors and fund management companies in order to seek strategic investors. Pacific also ensures the disclosure of information to shareholders in compliance with current regulations and laws, the Company Charter and internal regulations on the corporate governance.

9. Transactions between the Company and its members of the Board of Directors and the affiliated persons of members of the Board; or between the Company and its major shareholders, internal persons and affiliated persons; or between the Company and the companies that its members of the Board of Directors has been founding members or CEOs in the 03 latest years calculated till the time of first transaction:

details attached to the audited financial statements for the fiscal year 2024.

10. Performance of Independent member of the BOD and the evaluation results of Independent Board members on the performance of the BOD: the report attached herewith.

II. ORIENTATION TO IMPLEMENT KEY TASKS AND PLAN FOR 2025

1. Financial Targets for 2025: The financial targets for 2025 have been approved at the resolution No.01-25/NQ-TBD-DHDCD dated 28th April 2025 by the 2025 Extraordinary General Meeting of Shareholders, specifically:

No.	Indicators	Unit	Amount for 2025
1	Charter capital	VND Billion	1,037
2	Total revenue	VND Billion	1,850
3	Profit before tax	VND Billion	245
4	Profit after tax	VND Billion	196
5	State Budget Contribution	VND Billion	61.4

These are the minimum targets that must be completed. In reality, a lot of efforts will be required to outperform the set goals and achieve growth compared to the performance in 2023 and 2024.

2. The BOD's key priorities for 2025

The year 2025 is forecasted to remain unstable with many unpredictable difficulties and challenges for the oil and gas transportation market driven by the trade war, US tariff policies, geopolitical tensions, the evolving energy policies and tighter regulations on the environment and emissions, ...

Therefore, the BOD continues to direct the Company's operation in line with strategic objectives to achieve the business plan for 2025, focusing on specific objectives, including:

- Directing and supervising the BOM to effectively implement the business plan for 2025 as approved by the General Meeting of Shareholders.

- Closely monitoring the BOM to follow the SnP market in order to implement the approved investment plan and expand the Company's fleet with the target market as both international and domestic market to ensure that the operation efficiency will not be lower than the set plan.

- Maintaining 100% of domestic crude oil transportation market, ensure safe and timely transportation of crude oil inputs and product outputs for Dung Quat Refinery in combination with the international market.

- Directing and supervising the BOM to execute the Resolutions of the General Meeting of Shareholders and the BOD, simultaneously monitoring and coordinating with the BOS to propose solutions for expanding the Company's fleet, enhancing transportation capacity and market aimed to facilitate the sustainable and stable development of the Company in the future.

- Appointing/dismissing personnel according to the organization structure and labor allocation in line with the business development orientation for 2025; Enhancing the training, recruitment and development of highly competent and specialized human

resources to meet the Company's development requirements.

- Enhancing the quality of the corporate governance system in accordance with the law and best practices; Reviewing and improving the regulation system of governance in accordance with the actual Company's business activities.

- Strengthening inspection, supervision, internal audit and risk management to minimize operational risks and improve governance efficiency.

- Developing a strategic framework for sustainable development in which integrating ESG into business activities and implementing ESG initiatives.

- Strengthening communication strategies, corporate culture, and the culture of the BOD.

- Accelerating digital transformation, developing a comprehensive digital strategy with a clear digital vision and detailed implementation roadmap, and synchronizing business operations data and information across the entire Company.

- Ensuring not only optimized benefits for shareholders but also stable employment and enhancing physical and mental wellbeing for the whole employees and crews; Actively participating in social welfare activities to positively contribute to the community and society.

III. CONCLUSION

Building upon the achievements of 2024, with the solidarity, creativity and determination of the BOD, the BOM and all employees, the BOD is confident in fulfilling the mandated assigned by the General Meeting of Shareholders and continuing to lead Pacific towards greater successes. This commitment secures the sustainable and long-term development for Pacific while continuously increasing values for shareholders.

This is the Performance Report in 2024 and the Operation Plan for 2025 of the Board of Directors of Pacific Petroleum Transportation Joint Stock Company.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval./.

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

Le Manh Tuan

DRAFT

**INDEPENDENT BOARD MEMBER’S ASSESSMENT REPORT
ON THE PERFORMANCE OF THE BOARD OF DIRECTORS
OF PACIFIC PETROLEUM TRANSPORTATION
JOINT STOCK COMPANY IN 2024**

In 2024, the BOD consisted of 05 members in which possessing 01 independent member. All members of the BOD actively and fully participated in strategic planning, reviewed proposals from the BOM, supervised risks and ensured the compliance with corporate governance principles according to Company Charter, internal regulations on corporate governance and current regulations for public companies listed on the Hochiminh Stock Exchange (HOSE).

1. The internal auditing tasks

In 2024, the Internal Auditing Department was officially established in accordance with the provisions of Decree No.05/2019/ND-CP of the government. The establishment of this specialized department is an important step in improving the internal control system and enhancing the independence of internal monitoring at the Company.

The Internal Audit Department has preliminarily built an annual audit plan, with a strategic focus on high-risk areas. Pilot audits have been conducted, enabling the Executive Board to identify existing control weaknesses and formulate recommendations for improvement.

It is essential to continue strengthening professional competencies and refining audit methodologies to suit the specific characteristics of the maritime transportation sector. In parallel, a coordination framework between Internal Audit and relevant functional departments should be established to enhance the effectiveness of audit activities.

2. Board of Directors’ Meetings

In 2024, the Board of Directors (BOD) meetings were held flexibly through in-person sessions, virtual meetings, and written opinion selections. Meeting materials were better prepared compared to the previous year, reflecting improved organizational processes and a strong sense of responsibility.

To further enhance strategic oversight and governance quality, I recommend that the BOD should continue maintaining quarterly meeting schedule, with participation of representatives from key functional departments. This will provide multi-dimensional insights and support timely for effective decision-making.

3. Oversight of Executive Management

The BOD has effectively fulfilled its oversight responsibilities over the Executive Management, ensuring that business operations are carried out in alignment with the strategies approved by the General Meeting of Shareholders.

The Executive Board has made commendable efforts to optimize transportation capacity, control operating costs, and leverage technology to improve operational efficiency. Nevertheless, more attention should be paid to risk management, with timely updates on fuel price volatility, operational costs and market conditions to enable

appropriate adjustments on strategies.

4. Supervision of Related-Party Transactions

As an independent member of the BOD, I have placed particular emphasis on the oversight of related-party transactions to ensure transparency and compliance with legal regulations.

In 2024, all related-party transactions were reviewed and submitted to the BOD or the General Meeting of Shareholders for consideration and approval in accordance with the Enterprise Law, the Company's Charter, and internal regulations. Disclosure of these transactions was conducted in full, thereby mitigating potential conflicts of interest and protecting the rights of minority shareholders.

I recommend that the Company has to continue to maintain an up-to-date list of related parties, conduct regular reviews of transactions with highly-potential risks, and ensure that all related decisions are duly approved by the appropriate authority.

5. Overall Assessment of the Board of Directors' Performance

In 2024, the Board of Directors continued to effectively perform its roles in strategic direction, supervision, and decision-making across critical areas. All members demonstrated a high level of responsibility, relevant expertise and a commitment to safeguarding the interests of the Company and its shareholders.

The Company achieved its revenue and profit targets, fulfilled its tax obligations to the State, maintained stable employment for its workforce, and further enhanced its reputation within the maritime transportation industry.

I firmly believe that, with an increasingly robust corporate governance foundation, the Company will continue to develop in a stable and sustainable roadmap, delivering increasing greater long-term value to its shareholders.