PETROVIETNAM
PV Drilling

REACH OUT TO THE OCEAN
SUSTAIN THE FUTURE



INTEGRATED ANNUAL
REPORT 2024



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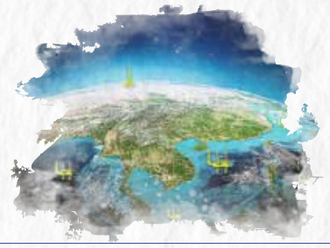
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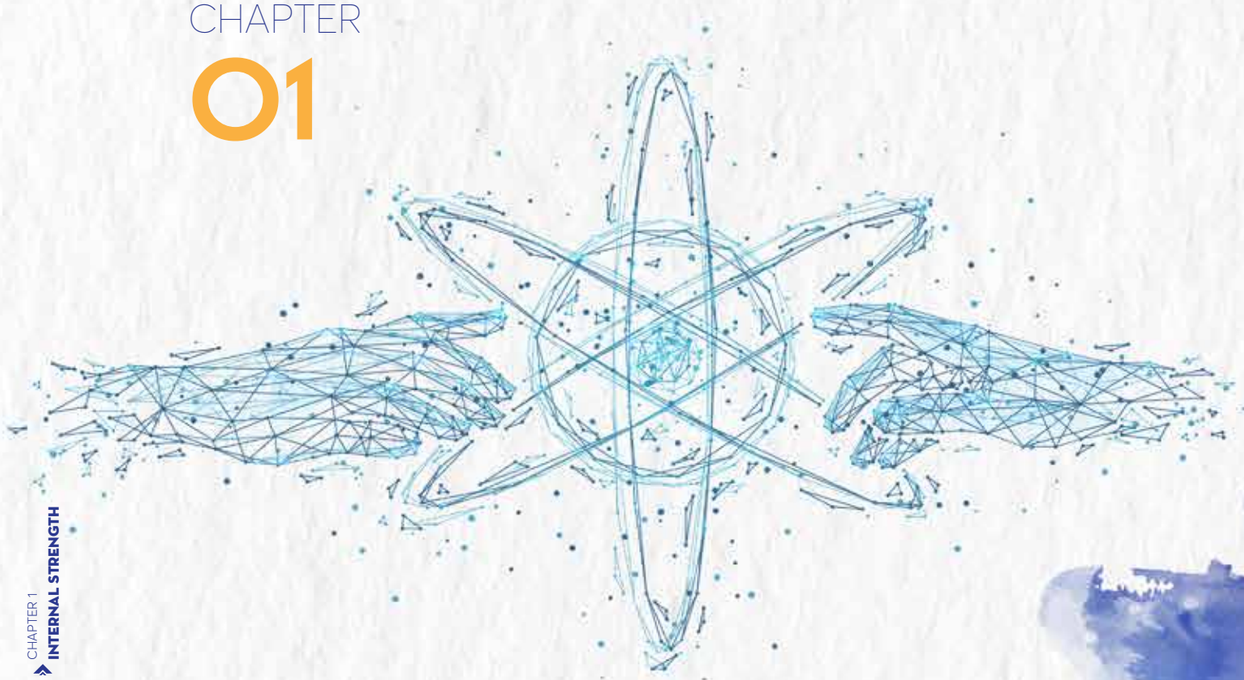
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CHAPTER
01



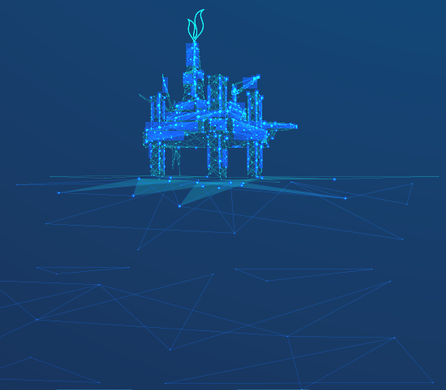
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VISION - MISSION - CORE VALUES





VISION

To be an internationally reputable and reliable drilling contractor and drilling-related services provider in the oil and gas industry.

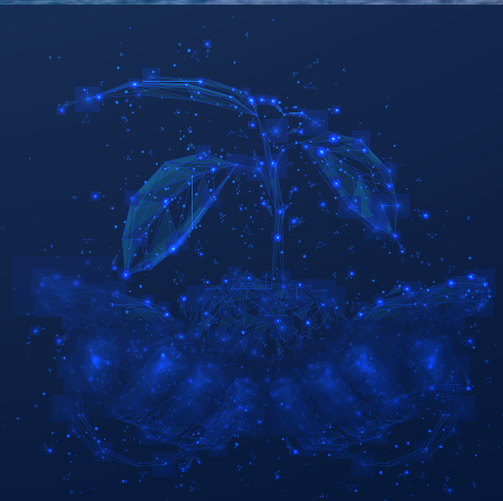
MISSION

To provide premium drilling and drilling-related services in the regional market and create value added for clients by delivering services with high quality at competitive prices.





PV DRILLING



CORE VALUES

PEOPLE

- Maintain positive workplace relationships with each other.
- Nurture passion by sharing knowledge, experience, ideas and information with each other.
- Create a positive workplace environment where every employee can learn, contribute, and excel in his/her field of work together with the continuous development of PV Drilling.
- Ensure the safety of our people and our workplace.

INTEGRITY

- Always behave in accordance with the Law and our Code.
- Raise questions and concerns when we notice inappropriate acts.
- Preserve PV Drilling's as well as clients' assets.
- Being accountable for our own actions.

PROFESSIONALISM

- Have the required skills and capability to do our work effectively and efficiently.
- Respect all commitments we have made and strive to generate the best results by taking suitable approaches to minimize costs.
- Constantly develop and innovate to provide value added services to clients.
- Make decisions based wholly on the interest of PV Drilling and the long-term interest of our clients and shareholders.

LETTER FROM **PRESIDENT & CEO**



NGUYEN XUAN CUONG
President & CEO

TOTAL REVENUE REACHED

9,566
billion VND

PROFIT AFTER TAX REACHED

698
billion VND

The PV DRILLING III rig successfully completed HIBISCUS' drilling campaign in Block PM3-CAA, offshore Western Malaysia. With 14 wells drilled over 860 days in the waters between Malaysia and Vietnam, the PV DRILLING III rig maintained a Zero LTI record and achieved many impressive accolades from the client as well as from PETRONAS. These include the 'Best Rig' award in 2023 and the record for the longest Extended Reach Drilling (ERD) in terms of measured depth (MD) for two consecutive years 2023 and 2024. The success of PV Drilling's rigs, along with the continuous setting of records in Malaysia, as well as the PV DRILLING II rig consistently achieving an operational efficiency of almost 100% after one year of providing service for Pertamina ONWJ, has further increased PV Drilling's reputation and strengthened clients' trust, especially Pertamina, through the continued extension of the drilling contract with the PV DRILLING II rig for another 3 firm years. Currently, all PV Drilling rigs have secured jobs until 2028, creating a solid foundation for PV Drilling to continue implementing its strategic plans that align with the motto "Reach out to the ocean – Sustain the future".

DEAR SHAREHOLDERS, INVESTORS, ESTEEMED PARTNERS AND CLIENTS,

First and foremost, on behalf of the Board of Management of PV Drilling, I would like to express my sincere gratitude and appreciation for the support and partnership of our Esteemed Shareholders, Clients, and Partners over the past year. Overcoming the difficulties and challenges of the economy, PV Drilling has adopted the motto "New driving force for growth" to confidently enter a new era with many impressive achievements in production and business activities, as well as corporate governance in 2024. This is the pivotal year for PV Drilling to continue conquering new successes in a volatile - uncertain - complex - ambiguous (VUCA) world.

2024 was considered a "super-year" of elections, with about 60 countries and territories holding important elections, directly affecting the global political and economic climate. Political changes pose new challenges to the stability and growth of the world economy in the coming time, especially amid increasing political tensions and high inflation. Despite facing major political challenges, the world economy still shows signs of recovery in 2024. Global inflation has fallen to 2.8%, significantly lower than in 2023. According to the International Monetary Fund (IMF), global economic growth in 2024 is at 3.5%. In Vietnam, GDP growth reached 7.09%, despite many challenges, thanks to the government's stringent policies. Upheavals in the real estate market, financial tensions and a sharp decline in exports have impacted the economy. Inflation has slowed down recently to 3.63%.

Over the past year, according to S&P Global, the price of Brent oil has maintained an average of 80.00 USD/barrel and at one point reached a high of 91.17 USD/barrel at the beginning of the year. The drilling rig utilization rate worldwide reached 95% in 2024. For the Southeast Asia region, the utilization rate of jack-up drilling rigs in Southeast Asia reached 96.29%. According to Westwood Global, the rental price of jack-up drilling rigs worldwide for rig type from > 350 ft is 136,000 USD/day, < 349 ft rig type is 110,000 USD/day. However, in the Vietnamese market, oil and gas contractors are still slow to implement new drilling programs, drilling programs are often short and discontinuous. This has affected the operation of domestic technical well services of PV Drilling.

Overall, 2024 marked a significant turning point in PV Drilling's new growth cycle as we successfully achieved our financial targets 3 months ahead of schedule. PV Drilling has achieved strong growth in production and business activities and promoted investment and joint ventures abroad. Accordingly, total revenue reached 9,566 billion VND, compared to 2023 increased by 55%, increased by 54% compared to the plan – Profit after tax reached 698 billion VND, increased by 84% compared to the plan and 28% compared to the previous year. The positive business results are partly due to the fact that the rig rate increased by 5% compared to the plan and 15.8% compared to 2023, the drilling rigs have increased their utilization rate and continue to maintain an operating efficiency of >99% while ensuring absolute safety. The PV DRILLING II rig recorded a Zero LTI milestone for 15 consecutive years, along with the efforts of other drilling rigs in maintaining their safety record after many years of operation. Long-term contracts with rate close to the market are also positive highlights recorded for jack-up drilling rigs in 2024. In the field of well technical services, PV Drilling and its subsidiaries continue to maintain market share in Vietnam, while strengthening the development of new services to meet the requests of clients. In particular, the Mud Logging service successfully penetrated the Malaysian market, providing services to PETRONAS, contributing to the process of expanding and developing well technical services to the international market.

In addition to the impressive business performance and the continued safe and efficient operation of PV Drilling's rigs, in 2024, PV Drilling developed a 'bundled services' package through 02 contracts with PVEP-POC, the Dai Hung Field - Phase 3 Project and the Song Doc Field Decommissioning Project. These will be a solid foundation for PV Drilling to expand this service abroad. Regarding operational efficiency, the PV DRILLING III and PV DRILLING VI rigs were recognized for their significant contributions to successful oil and gas discoveries in the Malaysian market; the PV DRILLING V rig continued to complete drilling wells ahead of schedule and was highly appreciated by client Shell Brunei Petroleum. A highlight in 2024 was that PV DRILLING II continued to have its contract extended by Pertamina for another 3 firm years in the Indonesian market. In addition, the establishment of a joint venture with an Indonesian partner is being implemented by PV Drilling after more than 10 years of being active in the Indonesian market, in order to maximize

LETTER FROM **PRESIDENT & CEO** *(continued)*



resources and increase market share as well as create conditions for developing well technical services into this market. Amidst the forecast increase in demand for drilling rigs, PV Drilling has decided to invest in the PV DRILLING VIII jack-up rig to serve the market from the fourth quarter of 2025. In addition to the field of exploration and appraisal drilling, PV Drilling has boldly expanded its capacity through the purchase of a new Hydraulic Workover Unit, in order to create initiative in technology, equipment and manpower to be ready to provide well repair and well plug and abandonment services in the domestic market from 2025 and expand to the Southeast Asian market from 2026.

In the global trend of increasing implementation of sustainable development and responsible business practices, the implementation of ESG (Environmental - Social - Governance) continues to receive special attention from PV Drilling because ESG not only contributes to building the business, but also supports market upgrading and social development. Regarding governance, PV Drilling attaches great importance to building an advanced corporate governance system on a modern information technology platform, based on international standards such as Oracle ERP data management software, Maximo asset and maintenance management software, RCM (Reliability-Centered Maintenance) program to support maintenance and repair work control, and ERM (Enterprise Risk Management) system (according to ISO 31000 and COSO standards), HSEQ system according to ISO standards... As a result, PV Drilling has met the requirements for rapid integration into a competitive environment with other Foreign Service providers, while effectively managing the business, improved service quality and built brand reputation with clients. Regarding environmental protection, PV Drilling has been implementing a very strict machine and equipment maintenance and repair process, complying with industry standards and international conventions to reduce greenhouse gas emissions. In which the LED replacement project on the rig is also underway, helping to reduce about 993 tons of CO_2e/year. In addition, the PVD HSEQ Reporting Online application built by PV Drilling helps to monitor energy and fuel consumption, as well as monitor monthly emission indicators, contributes to retrieving and managing data on energy consumption and environmental emissions quickly and efficiently. Towards the Net Zero target, PV Drilling is actively seeking investment opportunities in developing solutions for clean and alternative energy projects. At the same time, the implementation of the program to plant 100,000 trees in the period 2022 - 2025 in the Can Gio Protection Forest, roads in Can Tho City and Lung Ngoc Hoang Nature Reserve... that PV Drilling is implementing also contributes to land restoration, drought prevention, environmental protection, resources protection and response to climate change. Regarding social and community affairs, PV Drilling has successfully built and implemented the Social criterion in sustainable management through the implementation of capacity building programs, organizing many bonding programs for employees, connect employees with the Corporation's strategies, and at the same time spend a significant portion of profits each year to implement social welfare programs for the community, such as supporting more than 1 billion VND for people in Hoa Binh and Son La to overcome the consequences of storm No. 3 (Yagi), supporting over 300 billion VND to implement social welfare activities across the country.

With the successes in production and business operations management, along with the continuous improvement of the corporate governance system, transparency in information and always complying with regulations in all activities, PV Drilling was honored to receive the award in the category of Top 20 Best Annual Report – Non-financial Industry Group (ranking first) and Top 10 Best Corporate Governance – Large Cap Group (ranking 8th) organized by Ho Chi Minh City Stock Exchange, Hanoi Stock Exchange, Dragon Capital and Dau Tu (Investment) News; Top 42 Pioneering Enterprise committed to enhancing corporate governance in Vietnam – VNCG50. In addition to domestic awards, PV Drilling's reputation is increasingly recognized internationally through

LETTER FROM **PRESIDENT & CEO** *(continued)*



PV Drilling's reputation is increasingly recognized internationally through major awards such as the Corporate Excellence Award, the Master Entrepreneur Award (for the Corporation's Leader) by APEA in 2024, and was named one of the Best Companies to Work for in Asia in 2024 by HR Asia magazine.

major awards such as the Corporate Excellence Award, the Master Entrepreneur Award (for the Corporation's Leader) by APEA in 2024, and was named one of the Best Companies to Work for in Asia in 2024 by HR Asia magazine.

Looking towards 2025, the global economic picture is forecast to continue to be strongly influenced by the political upheavals of 2024. Elections, populism, and geopolitical tensions will continue to have a strong impact on the global economic landscape. Economic recovery remains fragile and vulnerable to unexpected shocks. The US decision to impose import tariffs on countries is making the world financial market volatile and raising concerns about escalating trade wars. Strengthening international cooperation, promoting free and multilateral trade, along with flexible and adaptive economic policies, will be the key to overcoming these challenges and moving towards a more stable and sustainable economic future. The global economy is forecast to grow at 2.8%.

Globally, core inflation is expected to fall to 4.2% in 2025 and 3.5% in 2026. In 2025, Vietnam will enter a new era of national advancement with many socio-economic policies to break through. Accordingly, the Government has set a target of achieving 8% economic growth in 2025 in the context of the world economy in 2025 being forecast to gradually return to the growth trajectory.

For the oil and gas industry specifically, according to the EIA (December 2024), the price of WTI crude oil continues to be in the range of 70 - 80 USD/barrel, with Brent crude oil averaging 74 USD/barrel, slightly lower than the 80 USD/barrel mark in 2024. Saudi Aramco's termination of contracts/suspension of drilling with 33 drilling rigs has also somewhat affected the supply and demand of rigs in 2025. According to Westwood Global's forecast, the demand for jack-up drilling rigs and rental prices in 2025 worldwide will tend to plateau temporarily, and the market will continue to warm up as many long-term drilling contracts will begin from 2026. In the Vietnamese market, the demand for drilling rigs is also forecast to increase to serve drilling programs such as Kinh Ngu Trang, Kinh Ngu Trang Nam, Te Giac Trang, Ca Ngu Vang, Su Tu Trang, Block B-O Mon, etc. This will be an opportunity for PV Drilling to confidently put the PV DRILLING VIII rig into operation to increase market share and reputation domestically, contributing to increasing production output of the Vietnam Oil and Gas Group.

In 2025, PV Drilling will continue its journey to reach out to the ocean with a focus on the Southeast Asia region. Following the success of implementing bundled contracts in Vietnam, the PV Drilling's subsidiaries will have many opportunities to develop market share in foreign markets by continuing to implement the strategy of integrating technical services with rigs as well as transitioning from providing individual services to 'bundled services' to optimize resources, enhance competitiveness, and bring added value to clients. Although the drilling rig market outlook is relatively positive, PV Drilling will still face some challenges. These include fierce competition in the domestic market due to private companies having more flexible operating and investment mechanisms, and the bidding for well technical services abroad has not met expectations due to the high protectionist policies of some countries.

Although 2025 is forecast to be difficult, PV Drilling remains cautiously optimistic, identifying business goals linked to growth and quality, ensuring absolutely safe drilling rig operations, maintaining service quality and continuing to expand market share to Southeast Asia; along with that is improving digital capacity and strengthening the "One PVD" ecosystem. In particular, PV Drilling will quickly complete the procedures to put the Joint Venture in Indonesia into operation, closely monitor the progress and strictly control the costs for the reactivation of the PV DRILLING VIII rig to put the rig into operation as planned. At the same time, the continued investment in important equipment items and monitoring the progress of the new Hydraulic Workover Unit construction will contribute to raising the position and competitiveness of PV Drilling in the international market. Regarding ESG, PV Drilling continues to strengthen activities related to environmental protection, responsibility to the community and society, and enhance corporate value to achieve the Environmental - Social - Governance goals that the Corporation has issued. In particular, PV Drilling also continues to focus on developing, researching and investing in expanding operations into the field of green energy and wind power to keep up with global development trends. However, change and challenges will always go hand in hand, and the needs and demands of the market and clients will also fluctuate. To achieve the set goals, PV Drilling must be firm, more flexible, must supplement and consolidate the foundation, innovate thinking, and prepare internal resources commensurate with new requirements. Besides setting goals to conquer, PV Drilling is also preparing for change to overcome all pressures and fluctuations. Now, PV Drilling looks to the future ahead with strong aspirations, unwavering spirit and proactivity to overcome existing limitations, turning ambitious goals into reality.

Sustainability and solidarity are the "guiding principles" that PV Drilling has strived to maintain and promote, helping PV Drilling overcome challenges. Therefore, the Board of Management has determined to continue to pursue a sustainable development strategy. We operate with the motto of valuing people, supporting the community and strongly improving governance. The 24-year milestone marks a long journey that PVD has gone through, making us one of the pioneering Vietnamese drilling contractors in the country's oil and gas drilling industry and successfully operating in foreign markets. I am extremely grateful and acknowledge the contributions of the dedicated staff, who are considered the heart and soul of PV Drilling. I also appreciate the companionship and support of the shareholders as well as the important contributions of the Vietnam Oil and Gas Group in the process of bringing PVD to achieve brilliant success. The progress we have made and the achievements we will reap in the future are all important pieces on the journey to bring PV Drilling to "Reach out to the ocean-Sustain the Future".

With the determination, effort, bravery and wisdom of more than 2,000 employees throughout the corporation, together with the long-standing culture of "putting people at the center" that has been continuously nurtured over more than 23 years of building and growth, PV Drilling will surely continue to develop to a new height in the digital era. Determined to pursue our plans, together with the trust and companionship of shareholders and all employees, we are confident that we will keep up with the achievements we have made, continue the spirit of innovation, creativity, and seize all development opportunities to complete the goals in 2025 our best, contributing to bringing sustainable and prosperous values to the country and community, as well as the best benefits to our clients, tens of thousands of shareholders and hundreds of domestic and foreign partners.

Wishing you, our Esteemed Shareholders, Investors, Partners, and Clients, good health, success, and happiness./.

COMPANY PROFILE

1. SCOPE OF BUSINESS

Drilling services

- Managing and operating offshore rigs.
- Managing and operating semi-submersible tender assist drilling rigs.
- Managing and operating onshore rigs.

Well technical services

- Cased hole logging.
- Slick line.
- Mud logging.
- Well testing.
- Well perforation - TCP.
- Explosive storage and transportation.
- Casing/Tubing running.

- Drilling tools/Tubular rental.
- Well bore clean up.
- Expandable liner.
- Managed pressure drilling and software.
- Filtration.
- Casing accessories.
- Directional drilling and surveying.

- Measurement while drilling.
- Coring.
- Geophysical measurement of drilling well (excluding the exploiting Karota measurement).
- Liner hanger.
- Casing exit.
- Drilling Bits.
- Gravel pack.
- Intelligent well completion.
- Mine exploitation technology.
- Cementing.
- Stimulation and coil tubing.
- Well completion.
- Solid separation, sand handling.
- Fracturing.
- Pipeline inspection, repair and cleaning.
- Repair, maintenance services related to the above mentioned.
- Implementation of the export right, import right, right of whole sale distribution, right of retail sale distribution of goods not in the list of goods prohibited for export, prohibited for import and list of goods banned for distribution according to the regulations of the Vietnamese laws or not subject to limitation according to the international agreements of which Vietnam is a signatory.

- Rental surface and subsea wellheads, mudline suspension, cold casing cutting services.
- Hydraulic workover services, well plug and abandonment.

- Well testing and Early production.
- Production well clean-up and appraisal.
- Surface sand control and monitoring.
- Surface and downhole sampling services.

- Surface equipment and services for rig and drilling campaigns.
- Equipment and services for WHPs and operations.

Manpower and training program services

- Wellsite geologist.
- Manpower and technical consultancy services.
- Drilling manpower supply.
- Training and certification.
- Labour supply Inspection, repair.

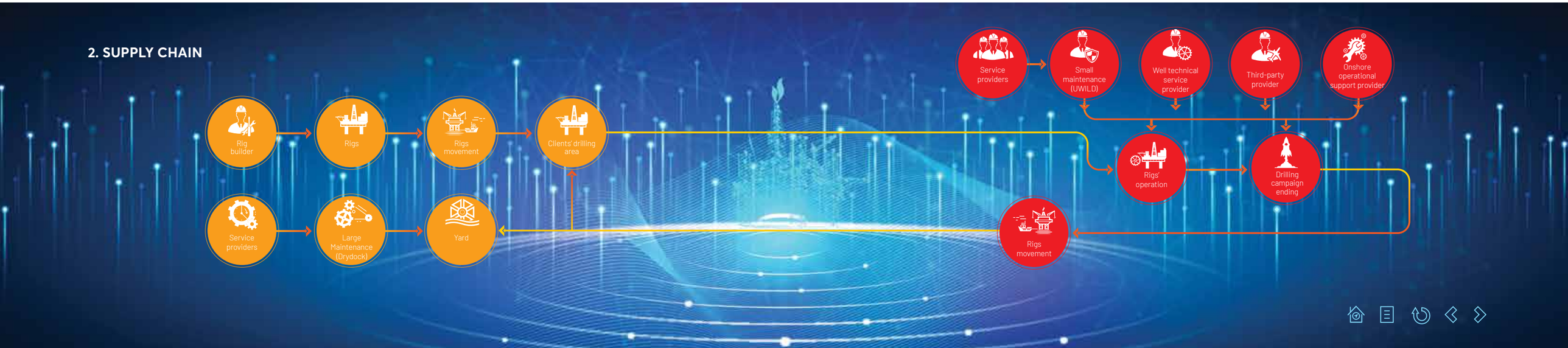
Inspection, repair, maintenance and workshop services

- Onshore and offshore tubular, tools, structural inspection and maintenance (API, DS-1, NS-2, etc.).
- Turning, threading and machining (Licensed from API, NOV Grant Prideco, TenarisHydril, TenarisNKK, TPS, etc.) for threading and recut of drill stems; fabrication of various types of Subs, X-Overs, pup joints, BHAs, other drill stems, etc.).
- Flanges and well-head components fabrication (API 6A license for fabrication and repair of flanges, flanged connectors, T-cross, hubs, test stump, adaptor spools, double studded adaptors, etc.).
- Hard banding and stabilizer redress (Arnco 100XT, 150XT, 300XT, 350XT, TCS Titanium, Duraband NC, Amarcor MStar; HF1000, HF2000, HF3000, HF5000 for mag and non-mag materials; etc.).
- Onshore and offshore structure welding and fabrication (tension deck pipeline, container, basket, etc.).
- Fabrication of various types of slings for oil field and other industries (LEEA full member).
- Containers, other transportation equipment and lifting gears proof load testing and certification (process/procedure audited and approved by DNV GL; full member of LEEA).
- Wellhead and completion equipment maintenance and high pressure hydrostatic test.
- Drilling and fishing jars service.
- Oilfield conductor pipe welding service.
- Industrial rope access inspection and repair.
- Under water/subsea inspection and repair (UWILD).
- PRV testing and calibration (PRV).
- Wire rope NDT.
- Conductor management services including connector manufacturing, conductor running, repair and maintenance.
- Trading/procurement services for oil and gas and other industries.
- Design/engineering/fabrication services for mounted skids, pressure vessels, etc., including high precision machining workshop.
- Maintenance and after sale services.
- Supply oil country tubular goods (OCTG), production tubing, drill pipe, pipeline, and related accessories, material, equipment for oil and gas and other industries.
- Provide total tubulars management services include but not limit to warehousing services, inspection and maintenance, transportation and logistics service.
- Provide machining services to cut threads for the oil and gas industry. This can involve the cutting of new threads on plain end casing or tubing; manufacture and maintenance of connectors from coupling.
- Metal processing, including cutting, shaping and metal structures hardening.
- Precision mechanical processing of large details on automatic machines.
- Technical services (fire prevention and fighting, marine, inspection/survey, technical commercial, designing, installation, repair and maintenance, consultancy and engineering services).

Oil spill response and environmental impact assessment services

- Respond to oil spill incidents at levels I, II, and III.
- Survey, consult and plan for oil spill response
- Organize training courses related to oil spill response service (IMO I, II, III, etc.).
- Cleaning oil tanks of floating vehicles and oil tanks.
- Survey, consult and prepare reports on environmental impact assessment.

2. SUPPLY CHAIN



COMPANY **PROFILE** *(continued)*

3. BUSINESS AREAS

› With the ownership of 04 jackups, 01 semisubmersible tender assist drilling (TAD) rig and 01 land rig, PV Drilling currently holds about 70% of the domestic drilling market.
› Other technical services: PV Drilling currently dominates about 80% - 100% market share of manpower, threading and oil spill response services.

4. OVERSEAS MARKETS

• Algeria:
PV Drilling established its Algeria Operating Office in March 2006 and began providing drilling services there in 2007. The PV DRILLING 11 rig has been regarded as a symbol of PV Drilling in Algeria, achieving numerous impressive milestones and records, including the deepest drill bit and fastest drill speed. The PV DRILLING 11 onshore rig has served drilling campaigns in Algeria for 17 years, successfully completing its missions. By the end of 2024, PV DRILLING 11 will conclude its "pioneering mission" in Algeria and is undergoing the transfer process to a partner due to a lack of work since Q2/2024.

• Singapore:
In 2013, PV Drilling established the joint venture PV Drilling Overseas to invest and operate drilling rigs. Hence, the PV DRILLING VI rig, invested by PV Drilling Overseas, started to serve for drilling campaigns from early March, 2015. PV DRILLING VI is currently the most modern jack-up rig of PV Drilling Corporation with 9 consecutive years of Zero LTI since its first day of operation.

• Malaysia:
In July 2023, PV Drilling established a Project management office in Malaysia, a country currently considered the most promising drilling market in Southeast Asia. In 2024, PV Drilling supplied the Malaysian market with three jack-up rigs: PV DRILLING I, PV DRILLING III, and PV DRILLING VI. Among these, PV DRILLING III set a new record by drilling the longest well in the region, reaching a depth of 6,963 meters, for Hibiscus Oil and Gas Malaysia Limited.



• Brunei:
The project management office in Brunei was established in July 2023 to overseas the management and operation of the TAD - PV DRILLING V rig, serving Brunei Shell Petroleum's (BSP) drilling campaign as well as to explore opportunities for business expansion in this market.
In 2024, drilling operations in Brunei continued to be conducted safely and efficiently, receiving high praise from clients for service quality. Additionally, in rig management and operation, PV Drilling successfully met the local business development target at the rate of 64.14%, and actively implemented the on-job training program with the rate of 88.53%.

• Indonesia:
The project management office in Indonesia was established in July 2023 to support PV Drilling's drilling campaigns in the region following the successful market entry and the commencement of services in July 2022. PV Drilling has built a strong reputation in the Indonesian market after more than two years of providing drilling services, and currently in the process of establishing a joint venture, PT PetroVietnam Drilling Indonesia (international trading name), to create a solid foundation for securing stable, long-term work for its drilling rigs while expanding service offerings for its subsidiaries across the value chain. From 2025, PV Drilling will deploy two jack-up rigs, PV DRILLING II and PV DRILLING III, becoming one of the largest drilling contractors in Indonesia.

• Thailand:
The project management office in Thailand was established in July 2023 to support the drilling campaign that began in October 2023. In Thailand, PV Drilling utilized the slim-hole drilling technique for the first time to serve the customer's drilling program. The successful execution of this campaign established a crucial foundation for PV Drilling to continue utilizing slim-hole techniques in Thailand and Phu Quoc POC in the future. In January 2024, the PV DRILLING I rig successfully completed its drilling campaign for Northern Gulf Petroleum Pte. Ltd. (NGP) in Thailand and transitioned to executing a drilling program for PCSB Malaysia starting in February 2024.

ORGANIZATIONAL CHART



PETROVIETNAM DRILLING & WELL SERVICES CORPORATION (PV DRILLING)

Enterprise Registration Certificate for Joint-stock Company No.	0302 495 126, first registered on February 15th, 2006, 17th amended registration, on September 26th, 2022.
Head Office	4th Floor, Sailing Tower, 111A Pasteur, Ben Nghe Ward, District 1, Ho Chi Minh City
Phone	(84 - 28) 3914 2012
Fax	(84 - 28) 3914 2021, (84 - 28) 3914 2022
Website	www.pvdrilling.com.vn
Charter Capital	5,562,960,060,000 VND
Stock Code	PVD
Date of establishment	26/11/2001
Date of list on HCMC Exchange	2006
Scope of business	Drilling and drilling-related services
Place of business	Vietnam and Southeast Asia, Algeria, etc.



2,425 employees

As of 31/12/2024, PV Drilling and its subsidiaries have a total of 2,425 employees. The organizational structure of PV Drilling including the Corporation Head Office and its units as follows:

CORPORATE MANAGEMENT ORGANIZATIONAL **MODEL**



PV Drilling operates under the Corporation model, structured as a parent-subsidiary group, in which:

- The parent company – PetroVietnam Drilling and Well Service Corporation (PV Drilling) plays the role of overall management, strategic direction, and control over the entire system's operation.
- Subsidiaries – comprising 12 subsidiaries, joint ventures, and affiliated companies, in which PV Drilling holds controlling, dominant, or significant influence. These enterprises operate in fields related to drilling rig supply, well technical services, and other supporting services (such as manpower supply, mechanical fabrication, inspection, maintenance, etc., within the oil and gas sector).
- Dependent branche – 1 subsidiary unit under the Corporation, responsible for managing and operating drilling rigs.
- Overseas offices – 4 offices, serving as PV Drilling's international representatives, expanding market and fostering business partnership.

According to this structure, PV Drilling categorizes and specializes in specific service areas related to the oil and gas drilling sector, divided into three main business segments: (i) Drilling rig provision and drilling services, (ii) Oil and gas well technical services, (iii) Mechanical fabrication, inspection, maintenance, and other oil and gas services. The services of the parent company and its subsidiaries are clearly structured and distributed, ensuring independent operations without overlaps or redundancies. This enables PV Drilling to optimize management, efficiently utilize resources within the system, and maintain strong integration between the parent company and subsidiaries.

PV Drilling's leadership took the initiative in laying the foundation for a professional corporate governance system aligned with international standards. This includes the Health, Safety, Environment, and Quality (HSEQ) management system, which integrates various synchronized systems and standards to enhance service quality and build trust with clients, such as: API (American Petroleum Institute) standards for specialized drilling services, ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, ISO 45001:2018 for occupational health and safety management, HSE Case program following IADC standards.

CORPORATE MANAGEMENT ORGANIZATIONAL **MODEL** *(continued)*

In 2024, PV Drilling and its member enterprises made significant efforts to expand their service offerings, marking a major milestone by securing bundle contracts for the Dai Hung Phase 3 Project and the Song Doc Decommissioning Project—Vietnam's first-ever decommissioning project, where PV Drilling serves as the leading contractor in a consortium with a partner within Petrovietnam's value chain.



RELATIONSHIP BETWEEN THE CORPORATION AND ITS SUBSIDIARIES, JOINT VENTURES, AND AFFILIATES

The relationship between PV Drilling and its subsidiaries, joint ventures, and affiliates follows a vertical linkage model. Each enterprise plays a crucial role in the Corporation's entire service supply chain, undertaking specific stages of the process. This relationship is fundamentally capital-based, where the parent company's ownership stake in each enterprise determines the nature and level of control. The parent company PV Drilling exercises its rights and obligations within the enterprise as a shareholder or capital contributor, including rights such as: the right to guide organizational direction and operations, decision-making authority over the organizational structure, management of key personnel, market-related matters, business strategy, and other critical decisions of the enterprise. Through its representatives at affiliated enterprises, the parent company can accurately and promptly monitor the production and business activities of these enterprises.

The Corporation's governance mechanism over its subsidiaries, joint ventures, and affiliates is implemented through PV Drilling's appointed executives and capital representatives in these enterprises. They serve as key connectors between PV Drilling and the enterprises, helping to maintain alignment with the Corporation's common interests, fostering innovation and autonomy within each enterprise, and preventing unhealthy competition among member companies. This structure strengthens PV Drilling as a whole. Thanks to the Corporation's collective strength, the position of its member enterprises is also enhanced in economic engagements.

The Board of Directors and the CEO have clearly defined authority in managing various aspects of these enterprises. PV Drilling has established comprehensive regulations governing the management of appointed executives and capital representatives in these enterprises, including the Corporate Charter, Financial Management Regulation, Regulation on the Management of Executives and Capital Representatives in Other Enterprises, Personnel Management Regulation, Investment Delegation Regulation, etc. These frameworks ensure effective management and supervision of the enterprises while meeting the objectives of securing and growing PV Drilling's capital investments.

The Corporation also ensures autonomy for PV Drilling's appointed executives and capital representatives in carrying out their rights and responsibilities within the enterprises. These individuals maintain a close and well-coordinated working relationship, collaborating seamlessly while delegating tasks according to specific fields that align with their expertise and leadership capabilities. This structured approach ensures that each enterprise under their management effectively integrates into the service network.

Over the recent years, the Corporation and its member enterprises have established and continuously developed a comprehensive supply chain for drilling and well technical services, ensuring the provision of bundle services to clients and oil and gas contractors. Each enterprise within the Corporation serves as a crucial link, delivering specialized services within an integrated ecosystem. This structure maximizes operational efficiency and creates a distinct competitive advantage for the Corporation over other drilling contractors.

In 2024, PV Drilling and its member enterprises made significant efforts to expand their service offerings, marking a major milestone by securing bundle contracts for the Dai Hung Phase 3 Project and the Song Doc Decommissioning Project—Vietnam's first-ever decommissioning project, where PV Drilling serves as the leading contractor in a consortium with a partner within Petrovietnam's value chain. These achievements further reinforce PV Drilling's market position, enhance its value chain, and establish it as a key growth driver for the entire system, fostering sustainable development for both the Corporation and its subsidiaries.

CORPORATE MANAGEMENT ORGANIZATIONAL **MODEL** *(continued)*

OPERATIONAL SYSTEMS IN PV DRILLING'S CORPORATE GOVERNANCE

In the oil and gas drilling industry, alongside safety indicators regulated by the International Association of Drilling Contractors (IADC) of which PV Drilling has been a member since 2007, PV Drilling places special emphasis on its "Zero Lost Time Incidents (LTI)" target. The management teams of PV Drilling's rigs and its workforce consistently collaborate and strive to the utmost to achieve daily/monthly/quarterly/annual safety goals and maintain this commitment throughout their drilling service operations for clients.

From an early stage, PV Drilling's leadership took the initiative in laying the foundation for a professional corporate governance system aligned with international standards. This includes the Health, Safety, Environment, and Quality (HSEQ) management system, which integrates various synchronized systems and standards to enhance service quality and build trust with clients, such as: API (American Petroleum Institute) standards for specialized drilling services, ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, ISO 45001:2018 for occupational health and safety management, HSE Case program following IADC standards, Maximo system for maintenance, asset management, and inventory control, integrated with a Min-Max module to optimize stock planning and procurement processes.

As PV Drilling continues to expand its business scale and service portfolio, corporate governance has become an increasing challenge. Recognizing this, and identifying it as a key focus in its sustainable development strategy, PV Drilling has prioritized the development of a corporate governance system based on information technology, continuously improving it to match the company's growing operation. The corporate governance system, built on international standards, has enabled PV Drilling to rapidly integrate into the competitive market alongside foreign service providers. Currently, PV Drilling manages its corporate governance through the Enterprise Resource Planning (ERP) Oracle system, which comprehensively covers the module of Finance & Accounting, Procurement, Human Resources & Payroll, Contract Management & Budgeting, Online Management Reporting. The ERP Oracle system allows PV Drilling to track costs at the departmental level, control annual planning, and assess business efficiency down to each unit and service. This system serves as a critical tool for providing real-time information to support the Board of Directors in decision-making at every stage while ensuring information transparency, a vital requirement for a publicly listed company.

Additionally, the early adoption of a professional risk management system based on international standards ISO 31000 and COSO, uniformly implemented across the corporation, has significantly enhanced PV Drilling's corporate governance. This system enables risk identification, control, and prevention, supporting the company's goal of minimizing risks and preserving capital.

In 2024, surpassing major industry names, PV Drilling was honored among the Top 10 Best Corporate Governance Enterprises – Large-Cap Group and secured First Place in the Top 20 Best Annual Reports – Non-Financial Sector at the 17th Listed Companies Awards (VLCA). Moreover, PV Drilling was recognized as a pioneering enterprise committed to advancing corporate governance in Vietnam (VNCG50) at the Annual Corporate Governance Forum - AF7 (December 5, 2024), organized by VIOD. In addition, PV Drilling earned multiple prestigious awards in 2024, including Asia's Corporate Excellence Award and Best Company to Work for in Asia, among others. These accolades stand as a confirmation to PV Drilling's continuous efforts in implementing best corporate governance practices, driving sustainable growth.



HISTORY AND MILESTONES

2001



Petrovietnam Drilling and Well Services Company (PV Drilling) was established on the foundation of PTSC Offshore and was transferred a drilling project at mien Vang, Hanoi.

2002



PV Drilling kick-started the strategic planning for developing "a drilling contractor of Vietnam" with the consultation of PricewaterhouseCoopers (PwC) in the meantime. PV Drilling completed the set-up of its first three direct subsidiaries including Drilling Division, Well Services Division and NADOS.

2003



PV Drilling completed the set-up and implementation of the quality management system (QMS) ISO 9001:2000 on January 21, 2003 with the certification by DNV. The integration of such QMS ensured the quality commitment as well as the compliance of PV Drilling with international standards and procedures.

2004



PVD Logging was established to diversify PV Drilling's services, particularly those with high content of advanced technology.

2005



PV Drilling signed the contract of building its first jack-up drilling rig, simultaneously converted into a joint-stock company and started to approach available investment channels on the financial market in order to gather resources for its business development.

2006



PV Drilling's stock symbol "PVD" was officially listed on Vietnam Stock Exchange; PV Drilling established PVD Trading and Technical Services Company (PVD Tech), BJPV Drilling Joint-Venture and Project Admin Office in Algeria (PVD Algeria).

2007



PV Drilling officially changed into the Corporation; inaugurating the first offshore PV DRILLING I jack-up rig and the PV DRILLING 11 land rig; establishing PVD Drilling Division, PVD Well Services, PVD Offshore, PVD Invest (the old one) and PVD Training.

2008



PV Drilling completed an important M&A project to merge with PVD Invest, increasing the total corporate asset value above VND 12,000 billion and the charter capital of VND 2,105 billion. Established the joint ventures PVD - Expro and PVD Tubulars Management, reinforcing the strategy of cooperation with foreign partners to strengthen its competitiveness and develop its scope of services. Completed and put into operation the Enterprise resource management system ERP Oracle from January 1, 2008.

2009



PV Drilling received and launched two (2) other offshore jack-up rigs named PV DRILLING II and PV DRILLING III.

2010



PV Drilling reinforced its position as a professional drilling contractor by successfully operating three jack-up rigs and one land rig; established PVD Baker Hughes, PVD Invest (new) and PVD Deepwater.

2011



PV Drilling received and put into operation the first Semisubmersible Tender Assist Drilling (TAD) Rig in Vietnam - PV DRILLING V.

2012



PV Drilling completed the procedures to purchase 51% shares in Vietsbos Joint-Venture, the sole high-tech tubular threading factory in Vietnam; put the Joint Venture PVD - OSI into operation; proudly received the award "The Best Oil and Gas Drilling Contractor in Asia 2012" from World Finance.

2013



PV Drilling marked its own development footnote by simultaneously received the two honored awards including "The Most Admired ASEAN Enterprise" in "Growth – Large Company" Category, and the "The Best Offshore Drilling Contractor in Asia 2013" by World Finance as the second time.

2014



This year marked PV Drilling's outstanding business performance with the total asset value exceeding USD 1 billion, remarkable revenue of VND 20,884 billion (equivalent to USD 1 billion) and a profit after tax of VND 2,419 billion, respectively increasing 40% and 28% over year 2013, being the highest business result in the period 2010 - 2014.

2015



PV Drilling inaugurated the operation of its Myanmar Branch Office, PVD Myanmar, marking its primary success in overseas expansion strategy by winning the contract for a drilling campaign of Total Myanmar.

2016



PV Drilling took delivery of PV DRILLING VI - a modern jack-up rig of the latest generation with multiple prominent and advanced features. This year marked the 3rd time PV Drilling proudly received the award "The Best Offshore Drilling Contractor in Asia" from World Finance.

2017



PV Drilling converted its representative office in Malaysia to branch; establish a new branch in Thailand, all of which helped PV Drilling get more opportunities to approach and supply drilling and drilling-related services at these regional potential markets. End of 2017, PV Drilling successfully sent simultaneously 4/5 owned rigs to overseas markets.

2018



Successfully put the risk management system into operation in accordance with corporate governance and standards of ISO 31000:2009, COSO... supporting to the sustainable goal of PV Drilling; remained the appearance of 4 owned rigs at overseas markets.

2019



PV Drilling has successfully signed the provision of the TAD – PV DRILLING V rig for the drilling campaign of Brunei Shell Petroleum (BSP) in Brunei. It is the longestterm contract since its establishment. This contract not only proves its competence in managing and operating this deepwater drilling rig but also offers more opportunities for PV Drilling to penetrate Brunei's market as well as aproaches other potential drilling markets for provision of drilling and well technical services. Moreover, with 5/6 rigs operating overseas, 2019 marked a significant milestone of PV Drilling's expansion strategy to overseas markets.

2020



PV Drilling continued to succeed in its market expansion strategy by deploying four jack-up rigs in Malaysia during the first half of 2020. Additionally, the company expanded its drilling operations into Cambodia, initiated an investment project for a Drilling Equipment Set (DES) with load capacity tailored to customer requirements, and undertook the reactivation of the TAD rig - PV DRILLING V to support the drilling campaign in Brunei in early 2022.

2021



Maintain the stability and continuity of business operation in the context of the complex Covid-19 pandemic in Vietnam and the region; focusing on the implementation of such long-term contracts as the provision of PV DRILLING II land rig for BRS Phase 1-B drilling program in Algeria for GBRS from 8/2021; the re-activation and integration of the new DES into the TAD – PV DRILLING V rig, making it ready for the deepwater drilling program in Brunei from 2022; the provision of PV DRILLING III jackup rig to Repsol Malaysia from 12/2021.

2022



All the rig fleet has been operated stably and continuously. In particular, the TAD – PV DRILLING V rig has resumed operations to serve the drilling campaign of BSP customer in Brunei since January 2022. During the year, the TAD rig has completed two wells ahead of time, which was highly appreciated and awarded by the client. Besides, the TAD rig was ranking No. 2 (runner-up) in terms of efficiency among rigs of the same kind currently operating for Shell Global.

2023



The year 2023 marked a series of significant achievements and records that recognized the capabilities of the Vietnamese drilling contractor – PV Drilling, especially in international markets. In Malaysia, the PV DRILLING III rig set a new record for the longest well drilled at 6,863 meters, and was also awarded the "Excellence" achievement by PETRONAS for its performance in the second half of the year. In Indonesia, PV Drilling was selected by Pertamina EP to receive the "Best HSSE Performance in 2023" award from among 145 contractors providing services to Pertamina EP. In Brunei, the TAD – PV DRILLING V rig was honored with the "Rig of the Year 2023" award for the platform category currently providing services to Brunei Shell. Additionally, IADC Southeast Asia Chapter (IADC - SEAC) recognized the operational performance of the PV DRILLING I rig with the "Years Recordable Free Offshore Rig" award, and PV Drilling was acknowledged with the "Best Incident Rate Offshore Company" achievement.

2024



All offshore rigs maintained continuous operations throughout the year in key markets such as Malaysia, Brunei, and Indonesia, achieving near-perfect operational efficiency and maintaining Zero LTI record, demonstrating the exceptional management and operational capabilities as a leading regional drilling contractor. 2024 also marked the significant investment activities for PV Drilling, including the High-Pressure Workover Unit (HWU), the jack-up rig PV DRILLING VIII, various other specialized technical equipment, and the establishment of a joint venture in Indonesia. Notably, PV Drilling successfully signed and executed Vietnam's first field decommissioning project, playing a leading role in joint venture with partners within the value chain of Petrovietnam. Furthermore, the company's achievement of prestigious awards such as Asia's Corporate Excellence Award (APEA), Asia's Best Companies to Work, Top 10 Best Corporate Governance Enterprises – Large-Cap Group, Top 20 Best Annual Reports – Non-Financial Sector (First Place), etc., have contributed to enhancing the brand value of Vietnam's oil and gas drilling contractor in the international market.

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10 HIGHLIGHTS
IN 2024 BUSINESS ACTIVITIES

01 HIGHLIGHT
THE PV DRILLING III SUCCESSFULLY COMPLETED THE DRILLING OF THE BUNGA - ASTER 1 WELL



The PV DRILLING III began executing a drilling contract for client Hibiscus Petroleum (Malaysia) from the end of the first quarter of 2024. In May 2024, Hibiscus Petroleum announced the second discovery of oil reserves in block PM3 CAA, under the production sharing contract for block PM3 CAA, a commercial arrangement area between Vietnam and Malaysia. More importantly, the oil discovery at the Bunga - Aster 1 well will supply the oil reserves and production for block PM3 CAA. Following this discovery, Hibiscus Petroleum stated that it will have additional exploration plans for nearby fields within the next three years.

02 HIGHLIGHT
SET A RECORD FOR LONGEST EXTENDED REACH DRILLING (ERD) IN MALAYSIA, REACHING 6,970M



At 6:15 PM on July 2nd, 2024, the PV DRILLING III rig completed the final meter of drilling the BOC-28 well, part of the Bunga Orkid - C Field Development Project, block PM3 CAA, located in the overlapping sea of Malaysia - Vietnam, operated by HIBISCUS OIL & GAS MALAYSIA LIMITED. The BOC-28 wellbore, reaching a length of 6,970m, has set a record for the longest extended reach drilling in Malaysia. The PV DRILLING III rig has broken its own record, having previously set the record for the longest well in Malaysia with a wellbore length of 6,963m in early 2023. Prior to this, on March 7th, 2024, the PV DRILLING III rig was awarded the "Best Rig Award" by the Malaysia Petroleum Management (MPM) for its highly effective contributions to the success of drilling campaigns in Malaysia during 2023.

03 HIGHLIGHT
ZERO LTI



Zero LTI (Zero Lost Time Incidents) is an achievement that PV Drilling has successfully maintained throughout 2024 with certificate from the International Association of Drilling Contractors (IADC) for the Corporation's drilling rigs. Specifically, the PV DRILLING II rig achieved 15 years of Zero LTI on September 15th, 2024; the PV DRILLING III rig achieved 5 years of Zero LTI on December 7th, 2024; the PV DRILLING V rig achieved 12 years of Zero LTI on December 3rd, 2024; the PV DRILLING VI rig achieved 9 years of Zero LTI on February 28th, 2024; and the PV DRILLING 11 rig achieved 8 years of Zero LTI on July 1st, 2024.

04 HIGHLIGHT
HIGH UTILIZATION RATE AND HIGH OPERATING EFFICIENCY



In 2024, PV Drilling continued to record high utilization and operating efficiency for its offshore drilling rigs. Specifically, the utilization rate of offshore drilling rigs all reached 100%; the operating efficiency reached over 99%, with the PV DRILLING VI rig achieving a near-perfect operating efficiency of 99.85%.

05 HIGHLIGHT
EXPAND THE PROVISION OF DRILLING-RELATED SERVICES ABROAD



In line with the Corporation's "One PVD" strategy on its journey to expand internationally, 2024 marks a turning point in the development of drilling-related services in foreign markets. In particular, PVD Logging is carrying out a mud logging contract for Petronas in Malaysia from October 2024, following the successful provision of services to Northern Gulf Petroleum in Thailand at the end of 2023. PVD Well Services is providing rental services for casing and tubular running equipment and other equipment in the Malaysian market. PVD Offshore continues to develop geothermal drilling manpower supply services in the Japanese market,...

06 HIGHLIGHT
INVEST IN THE PV DRILLING VIII JACK-UP RIG



In 2024, PV Drilling invested in a used jack-up drilling rig with the standard design of KEPPEL FELS' Class B MOD V version, operating in the Southeast Asia, East Asia, Australia, and Oceania sea areas with a maximum water depth of 120 meters; with a drill depth of up to 30,000 feet (equivalent to 9,000 meters), with a capacity of having up to 120 people working directly on the rig simultaneously. The main technical features of this rig are nearly identical to the jack-up rigs that PV Drilling currently owns, making it convenient to arrange operating and management personnel as well as optimize other resources of PV Drilling. After a major overhaul, the rig has a new name, PV DRILLING VIII, and is expected to be put into service for clients from the fourth quarter of 2025.

10 HIGHLIGHTS IN 2024 BUSINESS ACTIVITIES *(continued)*

07 HIGHLIGHT

INVEST IN A HWU AND PROVIDE THE FIRST FIELD ABANDONMENT SERVICE IN VIETNAM



PV Drilling is currently investing in a Hydraulic Workover Unit (HWU). When the HWU is put into operation, PV Drilling will gain autonomy in equipment and technology in providing well intervention and abandonment services in Vietnam, as well as increase its market share in Southeast Asia. This service segment has significant development potential in the region as mature oil and gas fields gradually approach the end of their production cycle. In particular, PV Drilling will provide HWU services to two potential markets, Malaysia and Indonesia, as early as 2026. Additionally, PV Drilling's contracts for well intervention/abandonment services will open up development opportunities for other related services, such as: Wireline services by PVD Logging; Casing/Tubular Running services by PVD Well Service; Coil Tubing services by PVD Baker Hughes, etc., contributing to enhancing PV Drilling's value chain and creating added value for clients with high-quality services at competitive prices.

08 HIGHLIGHT

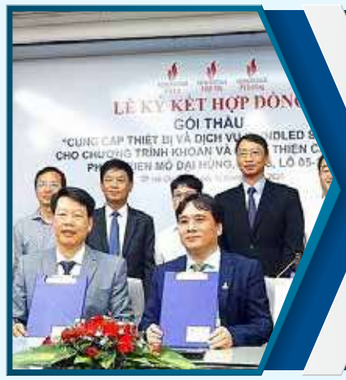
IMPLEMENT PROCEDURES TO ESTABLISH A JOINT VENTURE IN INDONESIA



After two years of providing drilling services in Indonesia (since December 2022), at the end of 2024, PV Drilling announced a Resolution of the Board of Directors on approving the overseas investment plan in the form of capital contribution to establish a joint venture company in Indonesia, in which PV Drilling contributes 40% of the total charter capital of 700,000 USD. The joint venture company's international trading name is PT PetroVietnam Drilling Indonesia (abbreviated: PT PVD Indo) under the limited liability company model. The main purpose of the joint venture is to provide jack-up drilling rig renting and well technical services supporting oil and gas exploration and production activities in the Indonesian market. The related procedures are being implemented by PV Drilling to quickly put the joint venture company into operation in the largest market of Southeast Asia.

09 HIGHLIGHT

PROVIDE EQUIPMENT AND A PACKAGE OF 11 SERVICES FOR THE DRILLING AND COMPLETION PROGRAM OF DEVELOPMENT WELLS AT DAI HUNG FIELD DEVELOPMENT – PHASE 3, BLOCK 05-1(A), BLOCK 05-1(A) OF PVEP-POC



Dai Hung Field Development – Phase 3 Project comprises a drilling program for 12 production wells, including injection, well repair operation, and sidetrack of the DH-21XP well at the DH-02 area, with a duration of 480 days. The drilling campaign was planned to commence by late July 2024. This project is vital for the energy security of the country and Petrovietnam. Thus, PV Drilling and its subsidiaries have made their utmost efforts to participate in bidding for the "Bundled Services" tender package, offering the best technical solutions at the most competitive prices, ensuring the safety and quality for the implementation of 11 well services, thereby realizing the cost-efficiency for the whole project. PV Drilling's signing of the "Bundled" 11-service package contract with PVEP-POC has further affirmed its position as a drilling contractor in the domestic market, continuing the success in providing "Bundled Services" to previous clients such as: BHP, ENI, Hoan Vu JOC, Thang Long JOC, and POVO (now Harbour Energy).

10 HIGHLIGHT

FOCUS ON THE IMPLEMENTING SUSTAINABLE DEVELOPMENT STRATEGIES AND THE "ESG" COMMITMENT



PV Drilling affirm its commitment to responsible business practices regarding Environment, Society, and Governance, integrated into the Corporation's strategy, operations, and decision-making processes. Through the "ESG" commitment, PV Drilling sets out actions to protect the environment, develop the economy, create value for the social community, promote sustainable development, and maintain PV Drilling's competitive position.

ACCOLADES AND ACCOMPLISHMENTS

01



CORPORATE EXCELLENCE AWARD

The Corporate Excellence Award is a prestigious award that honors enterprises with stable financial performance and long-term growth, demonstrating a strong commitment to sustainable business practices, innovation in both operations and business strategy, and creating a positive impact on employees, clients, customers, and the community.
With the theme "Celebrating Inclusive Entrepreneurship," the Asia Pacific Enterprise Awards (APEA) 2024 honors outstanding businesses and leaders who have made positive contributions to sustainable socio-economic development, while emphasizing the role of inclusive entrepreneurship in the new context of the Asia - Pacific region. Overcoming prominent and promising nominations, PV Drilling excellently received the Corporate Excellence Award, and PV Drilling's President and CEO Nguyen Xuan Cuong was honored with the Master Entrepreneur Award. The APEA 2024 awards has demonstrated the continuous efforts of the PV Drilling team under the excellent leadership of the Board of Management in building and developing the business. This is also the motivation for PV Drilling to further promote its achievements, aiming for new milestones in the future.

02



ONE OF THE BEST COMPANIES TO WORK FOR IN ASIA 2024

With the theme "The Definitive Z Choice – Entering a New Era with Generation Z," the winning companies of the "Best Companies to Work for in Asia" 2024 award (voted by HR Asia, Asia's leading human resources magazine) reflected the challenges and opportunities from the rise of the Gen Z workforce, creating a multi-generational work environment. This is also the period when PV Drilling strengthens its recruitment and training of young personnel to meet the increasing demands of work, as all owned rigs provide services abroad, along with rented rigs serving the domestic market.
PV Drilling always considers human resources as its most valuable asset and has successfully built an advanced human resource management system along with a competency model for each job position, especially the on-the-job training program. PV Drilling establishes a suitable and competitive employee benefits system, attracting young talent, creating a cohesive multi-generational work environment with a corporate culture that respects diversity; always focusing on the spiritual life of employees through cultural, sports, and team-building activities, linking production and business activities with community development and social welfare... All of these factors have been recognized by the Organizing Board, and PV Drilling is honored to be named as one of the "Best Companies to Work for in Asia 2024."

03



TOP 10 BEST CORPORATE GOVERNANCE – LARGE CAP GROUP AND TOP 20 BEST ANNUAL REPORTS – NON-FINANCIAL INDUSTRY GROUP (RANKED FIRST)

At the 17th Vietnam Listed Company Awards (VLCA) 2024, PV Drilling was honored in the Top 10 Best Corporate Governance – Large Cap Group and Top 20 Best Annual Reports – Non-financial Industry Group (ranked first). The VLCA Awards not only honor Listed Companies with outstanding efforts in reporting and disclosing information, implementing the best regulations and practices in governance, and good ESG (Environmental - Social - Governance) practices, but also serve as a platform to promote advanced governance standards, information transparency, and sustainable development.
The Top 10 Best Corporate Governance Companies has demonstrated PV Drilling's continuous efforts in improving governance efficiency and excellent governance practices.
The Top 20 Best Annual Reports (ranked first) has shown PV Drilling's meticulous investment in report content and presentation, as well as full compliance with the evaluation criteria.
PV Drilling's annual report's strength is that, in addition to maintaining compliance criteria, the Corporation proactively reports on sustainable development activities based on advanced governance practices worldwide, such as the ASEAN Scorecard, G20, OECD... The publication impressively presents the company's ESG efforts and sustainable development initiatives, such as energy saving, greenhouse gas emission reduction solutions, etc.

04



PIONEERING ENTERPRISE COMMITTED TO ENHANCING CORPORATE GOVERNANCE IN VIETNAM – VNCG50

PV Drilling is honored to be recognized as a pioneering enterprise committed to enhancing Vietnam's corporate governance – VNCG50 at the 7th Annual Forum on Corporate Governance (December 5, 2024). Previously, in July 2024, during the review of over 500 listed companies implementing information disclosure on Governance and English Annual Reports, PV Drilling was selected by the Evaluation Council into the Top 42 pioneering enterprises committed to enhancing Vietnam's corporate governance – VNCG50. This is a positive result of the efforts to improve and practice excellent governance, not only affirming PV Drilling's commitment to international standards but also enhancing brand reputation, building trust with shareholders and partners. This is also a motivation for PV Drilling to continue innovating, improving service quality, and developing sustainably, contributing to upgrading Vietnam's market on the international stage.

INTRODUCTION OF **BOARD OF MANAGEMENT**



CHANGES IN THE BOARD OF MANAGEMENT IN 2024

From January 1, 2024 to June 17, 2024, the PV Drilling Board of Management operated with six members including: Mr. Nguyen Xuan Cuong, Mr. Nguyen Cong Doan, Mr. Ho Vu Hai, Mr. Dinh Quang Nhut, Mr. Do Danh Rang, and Mr. Nguyen The Son.
From June 17, 2024 to the present, the PV Drilling Board of Management continues to operate with six members. Mr. Nguyen Dinh Duong was appointed as Vice President of PV Drilling, replacing Mr. Nguyen The Son, who was appointed as a Member of the Board of Directors of PV Drilling in April 2024.

The PV Drilling Executive Board consists of six members, who are experienced leaders with extensive expertise in the oil and gas industry. With deep knowledge in oil and gas drilling, finance, corporate governance, and business development, each member is assigned specific responsibilities to ensure the effective management and operation of the Corporation. Their close coordination, strong sense of responsibility, and strategic vision contribute significantly to PV Drilling's sustainable growth.



01 **MR. NGUYEN XUAN CUONG**
President & CEO cum member of the Board of Directors, PV Drilling

02 **MR. NGUYEN CONG DOAN**
Vice President

03 **MR. HO VU HAI**
Vice President

04 **MR. DINH QUANG NHUT**
Vice President

05 **MR. DO DANH RANG**
Vice President

06 **MR. NGUYEN DINH DUONG**
Vice President

INTRODUCTION OF **BOARD OF MANAGEMENT** *(continued)*

01

MR. NGUYEN XUAN CUONG

President & CEO cum member of the Board of Directors, PV Drilling



Date of appointment: 12/4/2019 (Title President & CEO)
Gender: Male, **Year of birth:** 1968
Education:
› Bachelor of Science (Drilling Engineering);
› Master of Business Administration.
Experience: 32 years of experience in the oil and gas field.

Field of charge:
Mr. Cuong is the legal representative and overall executive of the Corporation, responsible for the Corporation's strategy, planning, and development roadmap; directly overseeing organizational structure, human resources, training and workforce development, legal affairs, science and technology, and corporate innovation; providing direction for production, business development and commercial negotiations of the Corporation.

Employment History:

4/2019 – present	President & CEO, Member of the Board of Directors of PV Drilling;
9/2010 - 4/2019	Vice President, PV Drilling cum Director of PVD Drilling Division;
6/2008 - 9/2010	Vice President, PVEP;
2005 – 2008	Deputy Director, PVEP - Algeria;
2001 – 2005	Manager of Drilling Operation Department, PIDC;
1999 – 2001	Drilling Engineer, Unocal;
1996 – 1999	Drilling Engineer, PVSC;
1992 – 1996	Working at PTSC.

Concurrent positions:
Chairman of the Science and Technology Council, Director of the Science and Technology Fund, Head of the Steering Committee for Communication and Corporate Culture.

02

MR. NGUYEN CONG DOAN

Vice President



Date of appointment: 8/6/2020
Gender: Male, **Year of birth:** 1964
Education:
› Mechanical Engineering.
Experience: 35 years of experience in the oil and gas field.

Field of charge:
In charge of internal affairs, settlement of complaints - denunciations, security guards, directly in charge of emulation - commendation – discipline work, library archives, press propaganda, exhibitions, in charge of IT infrastructure development and digital transformation.

Employment History:

6/2021 – present	Vice President of PV Drilling, Member of PVD Training's BOD;
12/2020 – 6/2021	Vice President of PV Drilling, Chairman of PVD Training;
8/2020 - 12/2020	Vice President of PV Drilling, Chairman of PVD Training, Manager of HR Division of PV Drilling;
6/2020 - 8/2020	Vice President of PV Drilling, Chairman of PVD Training, Manager of HR Division of PV Drilling, Manager of PV Drilling's management project division in Algeria;
3/2019 - 6/2020	Manager of HR Division, PV Drilling; Manager of PV Drilling's management project division in Algeria;
8/2007 - 2/2019	Deputy Director of PV Drilling Division, Manager of PV Drilling's management project division in Algeria;
12/2006 - 7/2010	Deputy Director of Rig Management and Operation division, Manager of PV Drilling's branch in Algeria;
10/2006 - 12/2006	Deputy Director of Rig Management and Operation division; Acting manager of PV Drilling's branch in Algeria;
6/2003 - 9/2006	Manager of Administration and Drilling Manpower Supply department of Drilling Division, PV Drilling;
6/2002 - 6/2003	Acting Deputy Manager of Production Planning and Drilling Manpower Supply Department, Drilling Division, PV Drilling;
11/2001 - 5/2002	Toolpusher at Bon Trung - Song Hong's Drilling Project, PV Drilling;
10/1998 - 10/2001	Materials Coordinator, Inspector, Toolpusher, PTSC Offshore;
4/1993 - 9/1998	Floorman, Derrickman, Pumpman...on the rigs for PTSC Marine;
12/1990 - 3/1993	Mechanical engineer, GPTS.

Concurrent positions:
BOD Member of PVD Training, Deputy Chairman of PVD Tubulars, Chairman of the PVD Oil & Gas Mutual Assistance Fund, Head of the Committee for the Advancement of Women.

INTRODUCTION OF **BOARD OF MANAGEMENT** *(continued)*

03

MR. HO VU HAI

Vice President



Date of appointment: 8/6/2020
Gender: Male, **Year of birth:** 1971
Education:
› Bachelor in Maritime Engineering,
› Master of Business Administration.
Experience: 31 years of experience in the oil and gas field.

Field of charge:
In charge of PV Drilling's business activities in Vung Tau.

Employment History:

3/2015 – present	Vice President of PV Drilling;
2011 - 2015	Vice President, PVEP cum Director of PVEP Venezuela;
2009 - 2011	Vice President of PV Drilling cum Director of Drilling Division;
2008 - 2009	Vice President of PV Drilling cum Chairman of PVD Offshore;
2007 - 2008	Director of PVD Offshore;
2006 - 2007	Director of Drilling Services Enterprise, a subsidiary of PV Drilling;
2001 - 2006	Director of Oil Spill Response Services Enterprise, a subsidiary of PV Drilling;
1994 - 2001	Leader of Oil Spill Response Team of PTSC Offshore.

Concurrent positions:
Chairman of PVD Deepwater, BOD member of PVD Tech, Director of NASOS.

04

MR. DINH QUANG NHUT

Vice President



Date of appointment: 01/12/2022
Gender: Male, **Year of birth:** 1975
Education:
› Geology and Petroleum Engineering.
Experience: 27 years of experience in the oil and gas field.

Field of charge:
Mr. Nhut directly operates and manages PV Drilling's rig fleet; in charge of training and developing the drilling crew; taking charge of HSEQ activities and supporting well technical services of the Corporation.

Employment History:

01/2024 – present	Vice President of PV Drilling;
12/2022 -12/2023	Vice President of PV Drilling, Director of PVD Drilling Division, BOD member of PVD Overseas;
6/2019 - 11/2022	Director of PVD Drilling Division, BOD member of PVD Overseas;
1/2013 - 6/2019	Deputy Director of PVD Drilling Division, Managing Director of PVD Overseas;
1/2009 - 1/2013	Deputy Director of PVD Drilling Division;
1/2006 - 1/2009	Deputy Director of PVD Drilling Division; Deputy Project Manager in charge of Technical & Construction – Offshore Rig Building Projects for PV Drilling I, II, III;
1/2005 - 1/2006	Deputy Project Manager in charge of Technical & Construction – Offshore Rig Building Project for PV DRILLING I;
1/2004 - 1/2005	Well Site Manager at Hanoi Basin (Onshore Tien Hai – Thai Binh);
1/2002 - 1/2004	Service Center Manager – PV Drilling;
12/2000 - 12/2001	Service Center Deputy Manager – PTSC Offshore;
7/1998 - 12/2000	Service Center Operation Engineer – PTSC Offshore.

Concurrent positions:
Chairman of PVD Baker Hughes, BOD Member of PVD Overseas, Permanent Vice Chairman of Science and Technology Council.

INTRODUCTION OF **BOARD OF MANAGEMENT** *(continued)*

05
MR. DO DANH RANG
Vice President



Date of appointment: 13/4/2022
Gender: Male, **Year of birth:** 1972
Education:
› Master of International Finance and Accounting, Swinburne University, Australia.
Experience: 30 years of experience in the accounting and finance field.

Field of charge:
Responsible for finance management, financial accounting, internal audit, tax, corporate governance; directly in charge of information disclosure; responsible for BOD's materials and procedures to submit to the AGM; in charge of investor relation of PV Drilling; in charge of risk management, planning, investment and project management of the Corporation.

Employment History:

4/2017 – present	Vice President, PV Drilling;
9/2008 - 4/2017	Director of Finance Division, PV Drilling;
01/2008 – 9/2008	Deputy Director of Finance Division, PV Drilling;
6/2006 – 12/ 2007	Manager of Accounting - Finance Dept., Kimberly Clark Vietnam Ltd;
7/2003 – 6/2006	Manager of Finance Dept., S-Telecom CDMA, Mobile phone Center;
6/2001– 7/2003	Accounting - Finance team leader, Vietnam Holcim Joint Venture Company;
7/1998 – 6/2001	Accounting Cost team leader, Vietnam American Standard Company;
10/1995– 6/1998	General Accountant, Grand Imperial Saigon Hotel Ltd (Park Hyatt Hotel).

Concurrent positions:
BOD member of PVD Baker Hughes, BOD member of PVD Overseas,
Chairman of the Board of Investment Project Appraisal of the Corporation.

06
MR. NGUYEN DINH DUONG
Vice President



Date of appointment: 17/6/2024
Gender: Male, **Year of birth:** 1978
Education:
› Petroleum Drilling Equipment Mechanical Engineer.
Experience: 24 years of experience in the oil and gas field.

Field of charge:
Responsible for the business development and services of the Corporation; in charge of commercial negotiations of drilling rig supply contracts; managing the Corporation's commercial affairs.

Employment History:

6/8/2024 to present	Vice President of PV Drilling, Chairman of PVD Tech;
17/6/2024 – 01/08/2024	Vice President of PV Drilling cum Director of PVD Overseas;
4/2022 – 16/6/2024	Deputy Director of PVD Drilling Division, Director of PVD Overseas;
4/2019 –3/2022	Deputy Director of PVD Drilling Division, Manager of PV Drilling's management project division in Algeria;
7/2011 - 4/2019	Commercial Manager - PVD Drilling Division;
6/2011 - 7/2011	Deputy Manager of Operation Dept. - PVD Drilling Division;
5/2010 - 5/2011	Manager of Oversea Project Development Department - PVD Drilling Division;
8/2009 - 4/2010	Deputy Manager of Oversea Project Development Department - PVD Drilling Division;
5/2007 - 8/2009	Drilling Engineer, Operation Dept., PVD Drilling Division.
10/2006 –5/2007	Drilling Engineer, Drilling Operation Board, PV Drilling;
9/2005 –9/2006	Engineer of Technical Dept., PV Drilling.
10/2004 –8/2005	Drilling Engineer, PV Drilling;
01/2002 –9/2004	Assistant Crane Operator, Crane Operator, PV Drilling;
9/2001 – 12/2001	Driller, PTSC.

Concurrent positions:
Chairman of PVD Tech,
Expert team leader of investment projects invested by the Corporation.

INTRODUCTION OF CHIEF ACCOUNTANT CUM MANAGER OF FINANCE DIVISION

01

MR. NGUYEN NGOC TRUONG

Chief accountant cum Manager of Finance Division, PV Drilling



Date of appointment: 17/7/2020
Gender: Male, **Year of birth:** 1976
Education:
› Master of International Accounting and Finance
Experience: 27 years of experience in the field of finance accounting.

Employment History:

7/2020 – present	Chief accountant cum Manager of Finance Division, PV Drilling;
5/2017 - 7/2020	Manager of Finance Division, PV Drilling;
7/2011 - 4/2017	Deputy Manager of Finance Department, PV Drilling;
01/2011 - 6/2011	Team leader of Financial Analysis, PV Drilling;
01/2001 - 12/2010	Report team leader, Holcim Cement Group (Swiss);
7/1999 - 12/2000	Chief accountant, Son Ha Export Embroidery Company;
8/1998 - 6/1999	General accountant, Son Ha Export Embroidery Company.

Concurrent positions:
BOD member of Vietubes.

REPORT OF
THE BOARD OF MANAGEMENT



A. BUSINESS PERFORMANCE REPORT IN 2024

Though 2024 has been a challenging year, it also brought many opportunities while the world witnessed significant political shifts, power transitions and the far-reaching impacts of climate change and technology. In general, the global economy in 2024 experienced many positive adjustments, the inflation rate was approached to the target level since the FED had three interest rate cuts in 2024 after 4 consecutive increases in 2023, bringing interest rate down to 4.25-4.50%.

The Economy of Vietnam has gradually recovered, the year 2024 ended with the success of the Government in proactively and flexibly managing macroeconomic policies, in line with the global developments and domestic economic situation: maintaining the inflation rate at 3.63% for the whole year, production better in each quarter, continuously improving the efficiency of investment capital, enhancing the foreign investment, reaching a new historical milestone for export turnover. As a result, Vietnam's Gross Domestic Product (GDP) reached a growth rate of 7.09%, far exceeding the set target of 6-6.5%.

For the whole year of 2024, while the WTI crude oil prices remained unchanged comparing to the closing price at the end of 2023, hanging around 71.65 USD/barrel, Brent crude oil have experienced its second consecutive year of decreasing with the decline of 3% comparing to the closing price of 77.04 USD/barrel at the end of 2023. This decline was driven by deferred post-pandemic demand recovery, China's economy difficulties and increased crude oil output from the U.S. and other non-OPEC producers, contributing to an already well-supplied global market. By the end of 2024, the average price of WTI crude stood at nearly $76/barrel, while Brent crude averaged around 80 USD/barrel.

In 2024, since the world's largest oil company, Saudi Aramco, suspended the leasing of 33 jack-up rigs after announcing a delay in its 10 billion USD investment plan for the Safaniyah oilfield—the world's largest oilfield—and the Manifa expansion project, global jack-up rig rental rates have declined. The Southeast Asian market has been the most affected, with jack-up rig rental rates fluctuating from 80,000 USD to 170,000 USD per day, compared to the 120,000 USD to 170,000 USD per day range in the early 2024.

In 2024, with the efforts to overcome challenges and seize opportunities, PV Drilling's managements and employees have successfully achieved their goals under the motto of "New driving force for Growth." Remarkably, PV Drilling also maintained continuous operations of its drilling rigs with high efficiency, ensured safety and achieved a record of consecutive years with Zero LTI (Lost Time Incident). With the success of 2023, all six of PV Drilling's owned rigs operated in international markets throughout 2024 under long-term contracts. Aligning with the "ONE PVD" strategy, PV Drilling' s subsidiaries also made significant breakthroughs in their operations, actively contributing to PV Drilling's expansion into worldwide markets. A notable example is the geothermal drilling manpower supply service in Japan, which started with just 5-6 personnel in 2016 but grew to 67 personnel by the end of 2024, receiving high praise for workforce quality. In addition to this manpower supply, PV Drilling has been manufacturing Mud Tanks and export to Japan together with providing inspection and certification services of land rigs for Japanese partners. Moreover, PV Drilling secured a Mud Logging service contract for Petronas' drilling program in Malaysia in late 2024, demonstrating the corporation's growing competitive strength. These efforts was recognized when PV Drilling was honored by PetroVietnam as one of the five leading entities in providing new products and services at the 2024 Year end Conference and 2025 Task Implementation held on December 28, 2024.

2024 also marked milestones for PV Drilling in corporate governance, received numerous prestigious awards such as the Corporate Excellence Award, Master Entrepreneur Award; The Best Workplace in Asia; Top 10 Best Corporate Governance Enterprises (Large-Cap Group); and Top 20 Best Annual Reports (Non-Financial Sector), etc. At the same time, PV Drilling strengthened its efforts in human resource training, digital transformation, corporate culture, and union activities, enhancing internal capabilities and nuturing a positive impact across the organization.

In addition, PV Drilling has invested in a three-legged multi-purpose jack-up rig with cantilever. Specifically, the corporation officially received the ownership transfer from Seadrill Prospero Ltd on December 26, 2024. This investment marks a significant milestone in PV Drilling's strategy to expand its fleet of jack-up rigs, catering to the key Southeast Asian market and demonstrates PV Drilling's strong negotiation capabilities and international cooperation.

As a result, PV Drilling had a highly successful year, reflected in key financial figures: total revenue reached VND 9,566 billion, and profit after tax was VND 698 billion, increasing by 54% and 84%, respectively, compared to the target set by the Annual General Meeting of Shareholders. These achievements demonstrated the company's resilience, strategic development approach, and commitment to continuous growth. PV Drilling reaffirms its position as it expands into new frontiers, fully embracing the spirit of "Reach out to the ocean – Sustain the future," contributing to the overall prosperity of the Oil and Gas industry.

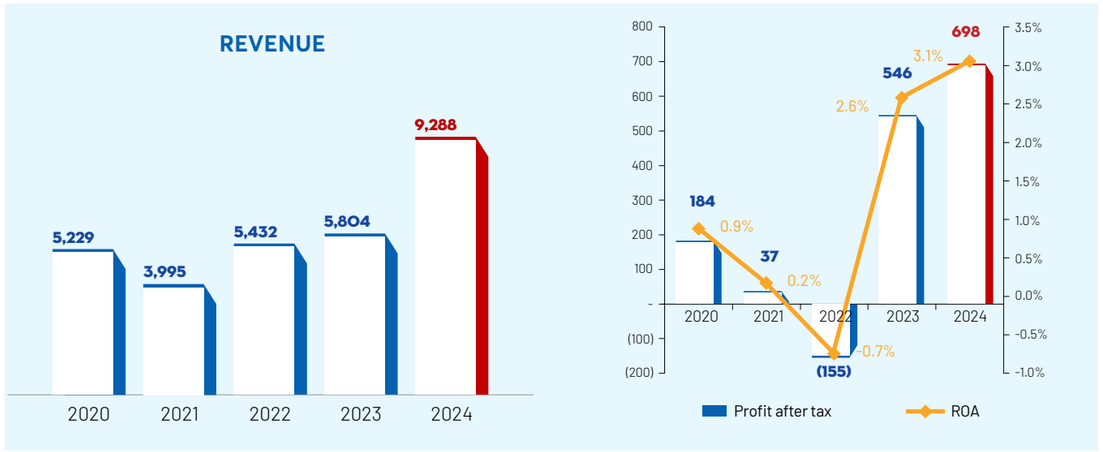
B. EVALUATE THE COMPANY'S POSITION/ COMPARE ITS PERFORMANCE WITH OTHER ENTERPRISES IN THE SAME INDUSTRY

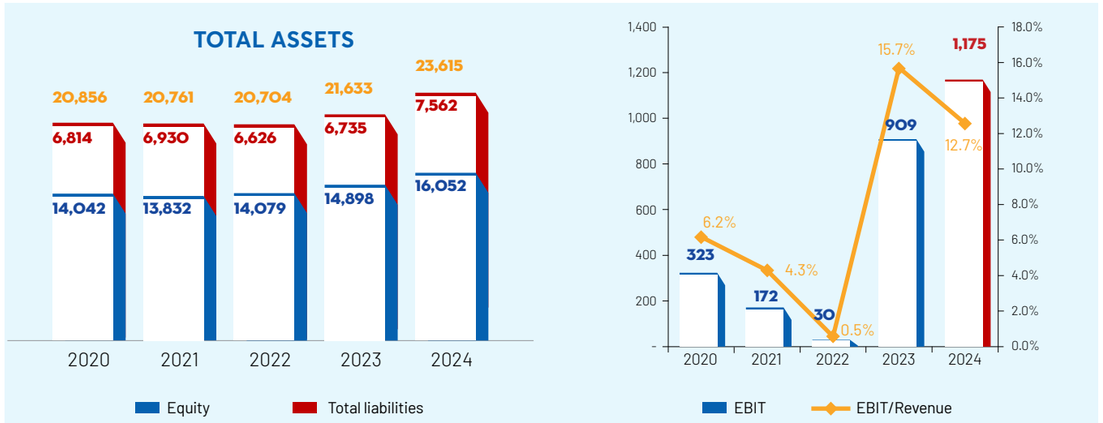
In the domestic market, PV Drilling has firmly established itself as a leading pioneer in Vietnam's oil and gas drilling industry. With a strong reputation and extensive experience accumulated over years of continuous development, the company has successfully carried out numerous safe and efficient drilling campaigns, consistently meeting and exceeding client expectations. On the international stage, PV Drilling continues to affirm its competitive strength, earning recognition as one of the region's premier drilling contractors. The company has proven its ability to compete effectively with other leading international drilling enterprises. In particular, PV Drilling has secured a substantial market share and entered into long-term contracts with major clients in the region, underscoring the trust and confidence placed in the company and reinforcing its solid position in the global marketplace:

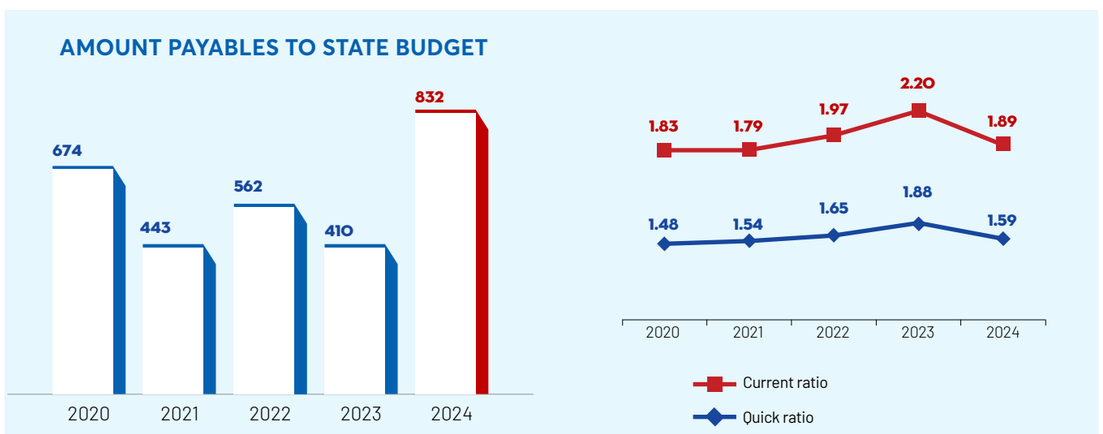
- **In Brunei:** The PV DRILLING V rig has demonstrated exceptional operational performance, achieving an efficiency rate of over 98% from January 2022 through the end of 2024. This outstanding performance was maintained alongside a flawless safety record, with zero incidents reported, ensuring the safety of both personnel and equipment throughout the drilling operations. Notably, in 2023, the rig was awarded the "Rig of the Year" title by Shell Global. In Brunei, there are currently three drilling contractors operating: Borr and Valaris, each with one jack-up rig, while PV Drilling is the only contractor providing a tender-assist drilling (TAD) rig.
- **In Malaysia:** In 2024, PV Drilling continues to maintain approximately 25% of the market share for jack-up rigs with the operation of three rigs: PV DRILLING I, PV DRILLING III, and PV DRILLING VI. This positions PV Drilling as the second-largest provider of jack-up rigs in the market, ranking just behind Velesto, and significantly outperforming other international contractors operating in the region.
- **In Indonesia:** Since entering the Indonesian market in July 2022 through December 2024, PV Drilling has demonstrated its capabilities and competitive position with the PV DRILLING II rig achieving a high operational efficiency of 98%. As a result, PV Drilling has gained attention from drilling contractors and has secured a market share on par with other international contractors such as Borr, Vantage, Japan Drilling, Valaris, and Apexindo. In 2024, in addition to extending the contract for the PV DRILLING II rig with Pertamina ONWJ until the end of 2028, PV Drilling also signed a new contract to provide the PV DRILLING III rig for a firm period of 3 years and 2-year extention option with Pertamina ONWJ and Pertamina OSES. As a result, beginning in 2025, PV Drilling will rank among the top two drilling contractors in Indonesia in terms of market share, with two jack-up rigs — PV DRILLING II and PV DRILLING III — operating in the country.

REPORT OF
THE BOARD OF MANAGEMENT *(continued)*

C. FINANCIAL HIGHLIGHT OF 2024

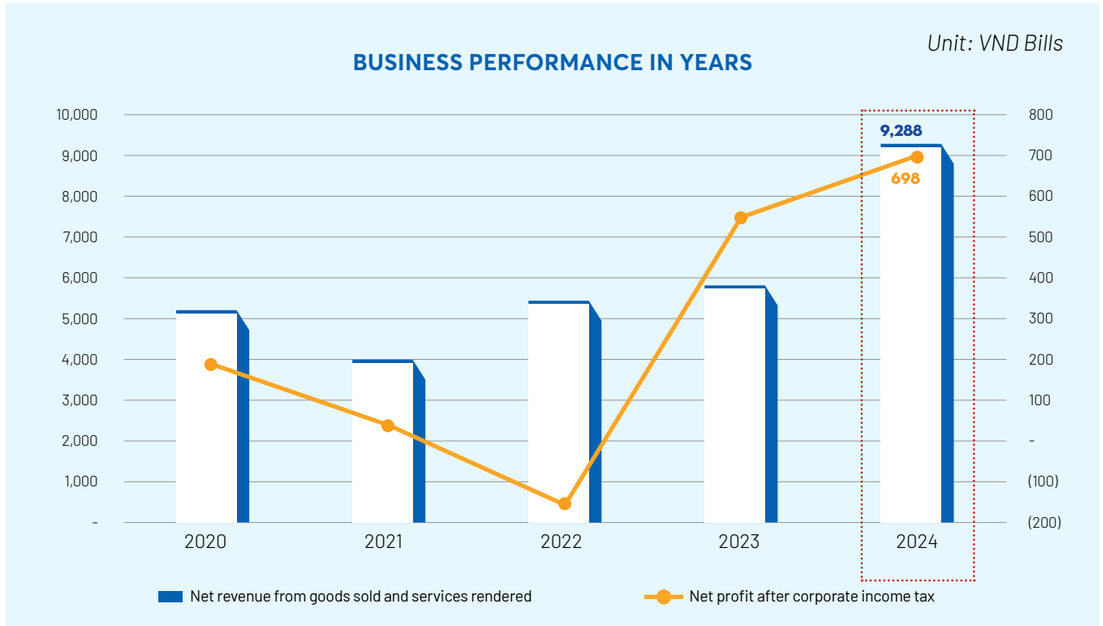






D. BUSINESS PERFORMANCE OF 2024

The year 2024 continues PV Drilling's sustainable growth chain, with total revenue from business operations and net profit after tax increasing significantly by 60% and 27%, respectively, compared to 2023. This remarkable business performance is the result of years of persistent preparation in the drilling services sector and the bold effective transformation of drilling related services, which have made steady and solid progress.



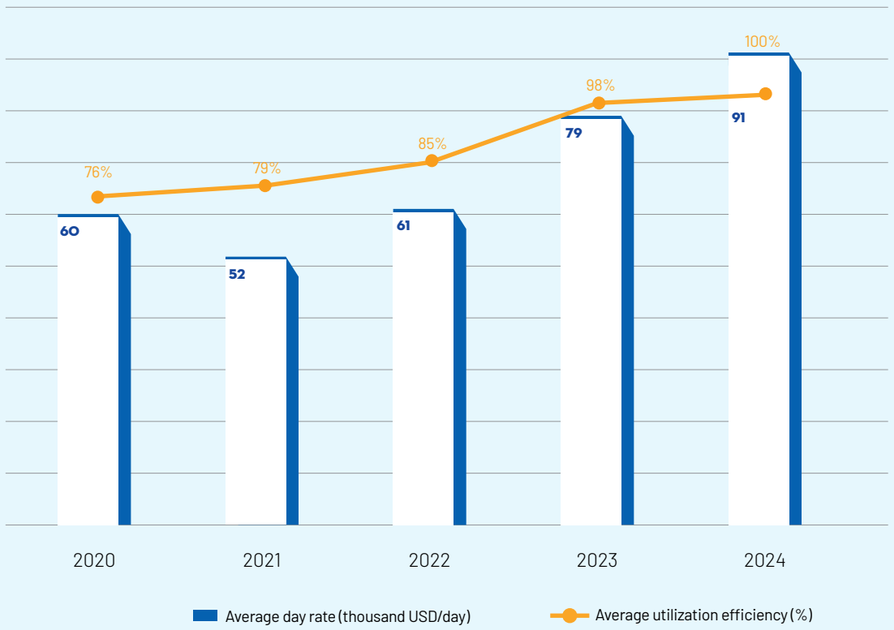
In 2024, Drilling Services segment, Drilling related service segment, and business activity of Joint Ventures all made impressive contributions to PV Drilling's business performance, including:

Drilling services

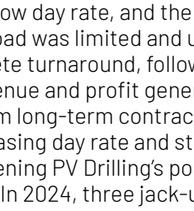
PV Drilling's drilling services in 2024 recorded a revenue increases of 39% and profit after tax of 99% compared to 2023. These achievements were driven by several impressive performance factors: all four jack-up rigs operated continuously and efficiently in overseas markets, with an average day rate of exceeding USD 91,000 per day and an operational efficiency 99.6%; the TAD rig continued its stable operation with high efficiency of 98.0%, further strengthened PV Drilling's reputation with Brunei Shell Petroleum (BSP). Furthermore, in 2024, PV Drilling also operated two leased rigs, including: Thor (in collabolation with Borr Drilling) and Hakuryu-11 (in collaboration with JDC). These leased rigs contributed to additional revenue and profit in this services segment.

REPORT OF
THE BOARD OF MANAGEMENT *(continued)*

AVERAGE DAY-RATE AND UTILIZATION EFFICIENCY OF THE OWNED JACK-UP RIGS IN YEARS



Unlike the 2021-2022 period, when jack-up rigs operated mainly in short-term domestic drilling campaigns with low day rate, and the number of rigs working abroad was limited and unstable. 2024 marked a complete turnaround, following the success of 2023. The revenue and profit generated by jack-up rigs came from long-term contracts (over two years) with increasing day rate and stable operations, further strengthening PV Drilling's position in the regional market. In 2024, three jack-up rigs operated in Malaysia and one rig was deployed in Indonesia, achieving 100% utilization rate, making them the core contributors to the drilling service segment's success.



In Malaysia: The year 2024 marked the highest number of jack-up rigs operating in Malaysia since 2017, with the average utilization of more than 3 rigs. Along with effective rig operations and ensuring the quality of service provided, PV Drilling consistently adheres strictly to regulations on tax policy, localization, personnel, etc., in the host country.

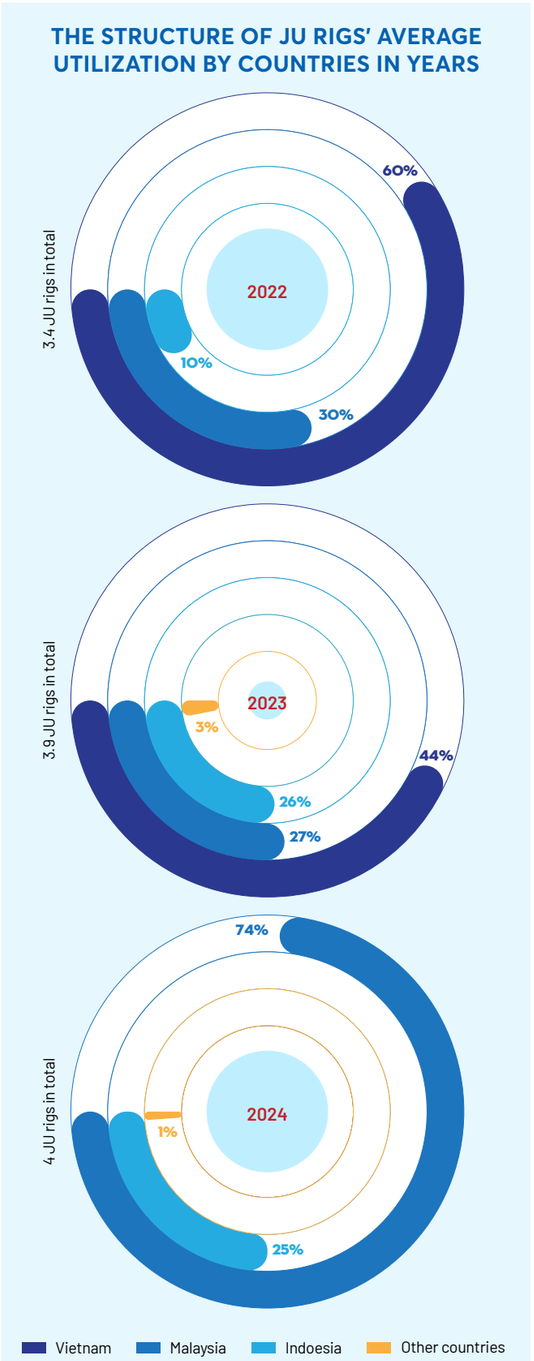


In Indonesia: Indonesia is considered one of the markets with the highest demand for drilling rigs but is also famously strict in Southeast Asia. For two consecutive years (2023, 2024), the PV DRILLING II rig has successfully carried out its pioneering mission of successfully penetrating the drilling market in Indonesia with continuous effective operations. This has opened up many opportunities for other jack-up rigs as well as providing well technical services to support exploration and production activities in this challenging market.

At the end of 2024, PV Drilling announced the Board of Directors' resolution approving the plan to invest abroad by contributing capital to establish a joint venture in Indonesia, with PV Drilling contributing 40% of the total charter capital of 700,000 US dollars. This is a determined step in the strategy to conquer the oil and gas market in Indonesia.



REPORT OF
THE BOARD OF MANAGEMENT *(continued)*



Summary of Rig Operation in 2024:

- **Jack-up rig PV DRILLING I:** After completing a drilling contract for NGP in Thailand, the rig PV DRILLING I commenced a two-year firm contract (with an optional three-year extension) for PCSB in Malaysia from February 2024. After three years (since 2020), PV DRILLING I confidently returned to Malaysia for a long-term drilling campaign with a high day rate;

- **Jack-up rig PV DRILLING II:** Continued its three-year firm drilling program for Pertamina ONWJ in West Java, Indonesia, starting December 7, 2022. With efficient, safe, and professional operations, the rig PV DRILLING II played a main role in affirming PV Drilling's service quality and reputation in the highly competitive Southeast Asian market, facilitated the operation of other PV Drilling's rigs;

- **Jack-up rig PV DRILLING III:** Currently carrying out drilling operations for SEA Hibiscus (SEAH) and HML Hibiscus (HML) in Malaysia. After completing SEAH's drilling campaign (expected in early Q2/2025), the rig shall be mobilized to Indonesia for a three-year firm contract (with an optional two-year extension) for Pertamina;

- **Jack-up rig PV DRILLING VI:** Conducting PCSB's drilling program in Malaysia under a two-year firm contract (with an optional three-year extension), starting from December 2023;

- **PV DRILLING V (TAD):** Continue to implement a drilling contract for Brunei Shell Petroleum (BSP) under the six-year firm drilling contract (with a 2+2 year optional extension) since January 28, 2022;

- **Land rig PV DRILLING 11:** Completed its drilling campaign for GBRS in Q1/2024, and entered a prolonged warm stack period. After careful evaluation, PV Drilling's management found a partner to transfer the rig, with expected completion in Q1/2025.

- **Leased rigs:** As all of PV Drilling's owned rigs operated overseas, maintaining domestic market share remained a key consideration. In 2024, despite limited or delayed domestic drilling programs, PV Drilling collaborated with reputable foreign partners to provide drilling services in Vietnam:
  - *The rig THOR*: worked for Hoang Long JOC from the late August 2024 to the late October 2024.
  - *The rig HAKURYU-11*: has been operating for Idemitsu and Murphy from early April 2024 and expected to finish in early March 2025.

In addition to drilling operations, efficient rig maintenance and servicing were key factors in ensuring the success of the drilling services sector. PV Drilling always maintains strict compliance with safety regulations, ensures all rigs operated safely and efficiently, with an average operational efficiency of over 98% in 2024.

The drilling services segment successfully met its 2024 targets and is well-positioned for 2025 with secured long-term drilling contracts. In 2025, PV Drilling shall introduce a newly invested rig into operation, which is expected to significantly strengthen the company's drilling services in the upcoming years.



REPORT OF THE BOARD OF MANAGEMENT *(continued)*



Drilling related services

In 2024, all of PV Drilling's owned rigs operated overseas, while domestic drilling activities remained limited, similar to 2023. However, PV Drilling maintained its leading market position in drilling related services, continuously seeking new opportunities, maintaining high service quality, and ensuring safe operations in a highly competitive market. The total revenue and profit after tax for these services increased of 110% and 32%, respectively, compared to 2023. This is a remarkable achievement for a sector that still faces significant challenges.

Within the range of drilling related services, three key segments contributed most significantly to the business performance: Well technical services; Manpower services; and Trading & procurement services.

- **Well technical services** has always been the primary profit driver, revenue and profit after tax in 2024 increased respectively 83% and 64% compared to 2023. Key contributors to this result were high-tech service contracts directly executed by PV Drilling, including: Wireline services provided to POVO, Bien Dong POC, and Thang Long JOC; Tool rental for POVO, Hoang Long/Hoan Vu, Halliburton, Idemitsu, ENI, Murphy, etc. Additionally, the well technical services segment has been steadily executing its international expansion strategy by gradually providing Mud Logging services for Petronas in Malaysia, Casing Tubular Running Services equipment rental for Odfjell in Malaysia.
- **Trading and procurment services** has been the main revenue driver for drilling related services, with a 668% increase in revenue and a 118% increase in profit compared to the same period last year. A remarkable contract in 2024 was the USD 22.5 million supply agreement of Flexible Flowlines for PVEP POC. The successful execution of this contract demonstrated PV Drilling's flexibility, diverse service capabilities, and broad product range within the domestic oil & gas market.
- **Manpower services:** For the past years, this segment's performance was closely tied to PV Drilling's domestic rig operations. However, despite all owned rigs working abroad in 2024, this service has grew compared to 2023: Revenue increased by 25% and profit increased 49% compared to 2023. PV Drilling has been maintaining high service quality and a skilled workforce, successfully fulfilling manpower supply contracts for both domestic and international clients, including: Shelf Drilling, Vietsovpetro, JWS, SSV Catariana, Hakuryu-11, and Borr Thor. In addition, Geothermal drilling manpower supply in Japan has been remaining stable and consistent. These factors collectively contributed to the growth of the manpower supply segment in 2024.

By the end of 2024, PV Drilling's subsidiaries have explored new business directions and secured important contracts for 2025, including: CTRS casing tubular running services for AMNGR JSC (Severnaya Avrora rig) at Block 09-3/12 (VSP); Mud Logging for VSP; Chemical Injection Packages (Fluids), Wellhead Equipment (SOCO), Casing (VSP), Crane (Zarubezhneft); Gas Hydration Packages, Cranes, Pressure Vessels, and Chemical Injection Skids for PTSC MC...

In addition, in December 2024, PV Drilling held the Kick-off Ceremony for the project 'Providing design and execution of well abandonment and removal - relocation of the Song Doc field, Song Doc field abandonment project, offshore Vietnam.' This is a bundle services contract for the Song Doc field abandonment project between the investor PVEP-POC and the PVD-POS Consortium. PV Drilling considers this to be one of the key projects of PV Drilling in general and other drilling-related services in 2025.

Business performance of Joint Ventures

Over the years, PV Drilling's joint ventures remained stable, ensuring high service quality and effective cost control. PVD Expro experienced higher work volume, contributing positive profit growth and Vietubes saw an increase in new threading production, contributing to positive profit growth in 2024. However, in 2023, PVD Baker Hughes recorded an extraordinary revenue and profit gain due to customer compensation for lost-in-hole equipment in Indonesia and Malaysia. This exceptional event made the 2024 joint venture results appear lower in comparison. If excluding the profit impact of 2023, the net profit from joint ventures's business performance in 2024 actually increased by 37% compared to 2023.

REPORT OF THE BOARD OF MANAGEMENT *(continued)*

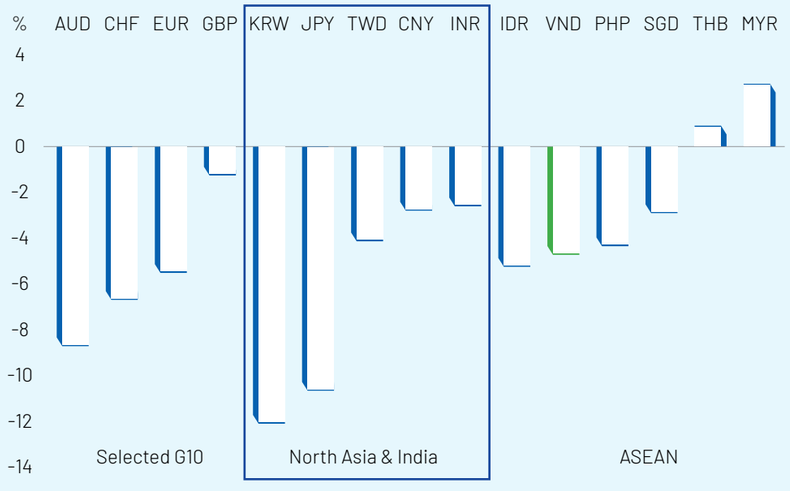
E. IMPACT OF EXCHANGE RATE DIFFERENCES AND LOAN INTEREST RATES

The year 2024 presents more favorable conditions for PV Drilling's production and business operations compared to 2023, thanks to significant improvements in the international environment, with loose monetary policies form many countries, helping to reduce pressure on Vietnam's monetary management policies. In particular, the U.S. Federal Reserve implemented three interest rate cuts in 2024. Although the adjustments were relatively modest — totaling a reduction of 1.0% for the year — the Fed's benchmark interest rate remained at a relatively high level, ranging from 4.25% to 4.5%. In addition to these rate cuts, the Fed signaled its intention to slow the pace of future borrowing cost reductions. Forecasts for 2025 indicate only one to two potential rate cuts, given the continued stability of the U.S. unemployment rate and persistent inflationary pressures that have yet to show significant improvement.

The period leading up to the U.S. presidential election and the subsequent victory of Donald Trump, combined with positive economic indicators — particularly strong U.S. employment data — have recently fueled a surge in the U.S. dollar index and dampened expectations regarding the pace and intensity of the Federal Reserve's interest rate cuts in this new cycle.

In response to these global developments, and consistent with its approach in previous periods, the State Bank of Vietnam (SBV) has continued to implement a flexible exchange rate management policy aimed at maintaining macroeconomic stability. This has been achieved through the strategic setting of USD selling prices to support the market, while simultaneously reintroducing Treasury bill issuances to manage liquidity in the interbank market. These measures have indirectly contributed to bolstering market confidence and alleviating pressure on the exchange rate.

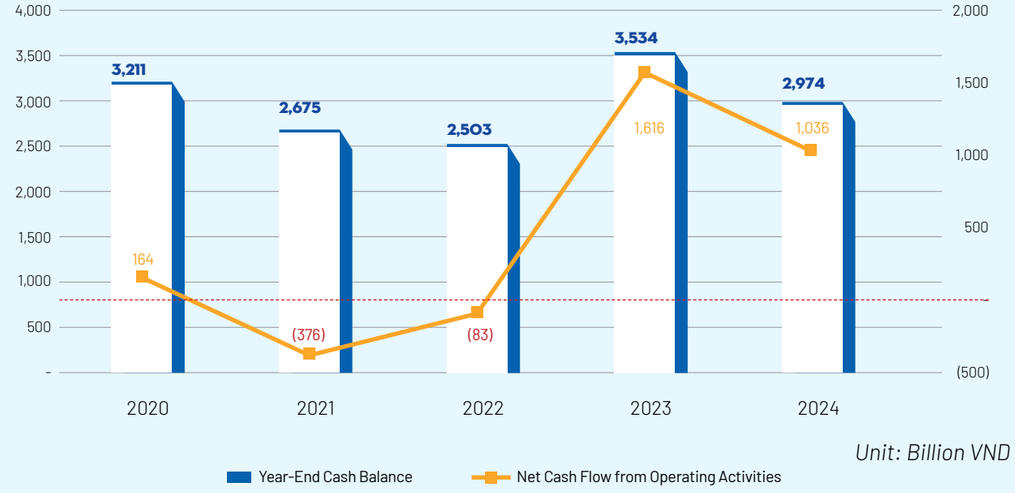
CHART OF THE EXCHANGE RATE MOVEMENTS OF VARIOUS CURRENCIES AGAINST THE USD IN 2024



Controlling cash flow, exchange rate fluctuations, and enhancing financial management

The geopolitical fluctuations throughout 2024, along with the persistent risk of rising inflation rates in economies worldwide and the high value of the USD compared to other currencies, have significantly impacted investment activities and growth in businesses as well as the broader economy.

CASH BALANCE AND CASH FLOW FROM OPERATING ACTIVITIESYEAR 2020 - 2024



The Cash balance at the end of 2024 decreased due to the Corporation's disbursement of USD 45 million to invest in the purchase of PV DRILLING VIII.

From the beginning of 2024, PV Drilling's management anticipated that USD loan interest rates would remain elevated and that upward pressure on the VND/USD exchange rate would have a significant impact on the Corporation's business performance. In response, PV Drilling has consistently regarded financial management as a top strategic priority. This focus includes prudent cash flow management, proactive planning and execution of derivatives transactions to mitigate exchange rate risk, and continuous efforts to enhance capital efficiency.

PV Drilling consistently adheres to all financial and accounting management regulations, as well as the principles of prudent capital utilization. The Corporation ensures that long-term capital is allocated exclusively to long-term investments, while the mobilization and use of funds are strictly controlled and aligned with their designated purposes.

In addition, PV Drilling maintains regular monitoring and proactive acceleration of client receivable collections, with a particular focus on prioritizing debt recovery in USD. The Corporation also exercises strict control over expenditures to safeguard financial discipline and optimize overall financial efficiency.

PV Drilling closely monitors cash flows, prepares quarterly, monthly, and weekly revenue and expenditure plans, and oversees daily cash inflows and outflows in USD and VND to ensure flexible management and optimal efficiency. In 2024, PV Drilling achieved a USD collection rate of over 90% of total revenue. This high USD collection rate has enabled the Corporation to secure sufficient USD funds to cover USD-denominated expenses, minimizing losses due to exchange rate fluctuations. Additionally, the Corporation has engaged in derivative contracts and currency swaps with banks to further mitigate exchange rate risks.

To reduce loan interest expenses, PV Drilling renegotiated with lending banks for loans related to the investments in the PV DRILLING V, PV DRILLING VI rigs, and the Drilling Equipment Set (DES). This includes adjusting repayment schedules, prioritizing principal repayments to reduce interest pressure, paying interest at the end of the loan term, and early loan settlement.

In 2024, the parent company only utilized its credit limits with banks for bid guarantees and contract performance guarantees, without raising any loan capital.

The financial risk assessment system continues to be maintained to prevent, detect, and analyze potential risks that the Corporation may face. Every month, the Risk Management Report is updated to promptly reflect changes in market conditions as well as the Corporation's internal operations.

REPORT OF THE BOARD OF MANAGEMENT *(continued)*

F. INVESTMENT PLAN AND IMPLEMENTATION OF BIG INVESTMENT PROJECTS IN 2024

With the goal of creating a "New driving force for Growth," in 2024, PV Drilling has undertaken new investment projects, including investments in drilling rigs, HWU well intervention/abandonment equipment, rig upgrades, equipment procurement and building of more modern office infrastructure. Some major projects implemented by PV Drilling in 2024 include:

- **Purchase of the three-legged multi-purpose jack-up rig with cantilever:** The objective of investment is to meet the demand for self-elevating jack-up rigs for customers in Vietnam and Southeast Asia, bringing practical benefits to customers and PV Drilling, enhancing service quality, ensuring continued services to domestic and foreign oil and gas companies, while increasing revenue and profit for PV Drilling and Petrovietnam;
- **Purchase of new Hydraulic Workover Unit (HWU):** The project has a total investment of 8 million USD. Currently, the contract is being executed, and the project is expected to be completed by Q4/2025. The investment in purchasing the HWU equipment package aims to meet market demand, as many oil and gas wells are currently experiencing declining production due to factors such as reservoir pressure depletion, well contamination, and damaged production equipment. This service segment has significant development potential in the region as mature oil and gas fields gradually approach the end of their production cycles. PV Drilling's contracts for well workover/abandonment services will open up opportunities for the development of other related services, such as: Wireline services by PVD Logging; Casing/Tubular Running services by PVD Well Service; Coil Tubing services by PVD Baker Hughes... contributing to enhancing PV Drilling's value chain and creating added value for customers through high-quality and competitive-priced services;
- **Purchase of New Under-Rig Floor Cranes for Jack-Up Rigs:** In recent years, PV Drilling has been expanding its drilling services to international markets, particularly in high-potential drilling markets such as Malaysia, Thailand, and Indonesia. Many customers in these regions require jack-up rigs to be equipped with Offline Activities capabilities, allowing simultaneous operations such as drilling while conducting wireline logging or running casing and assembling adjacent wellheads. These features help reduce drilling time and costs. Therefore, investing in new equipment to support simultaneous operations is essential for PV Drilling's jack-up rigs. This investment not only meets customer demands but also enhances technological capabilities, ensuring competitiveness and job security in the current and future. The total investment for this project was approximately VND 33 billion, with full disbursement completed in 2024;
- **Project "Construction of PV Drilling Office in Vung Tau City":** The project has a total investment of nearly VND 70 billion, featuring a total floor area of 5,300 m^2 and a construction scale of six floors on a land area of approximately 3,000 m^2 in Vũng Tàu City. Construction began on January 2, 2024, and is expected to be completed in early 2025. The PV Drilling office building in Vũng Tàu will serve as the headquarters for PV Drilling's member units operating in the city. This modern and well-equipped office building, closely associated with the PV Drilling brand, will provide a stable working environment, contributed to enhancing the PV Drilling brand value and creating a positive impression with partners and customers when cooperating and transacting with PV Drilling/PVD Offshore. PVD tower shall indirectly reduce office rental costs for current units.

In 2024, PV Drilling disbursed about VND 1,098 billion (achieving 45.7% of the approved investment plan). The lower-than-planned disbursement was primarily due to delays in the "Procurement the three-legged multi-purpose jack-up rig with cantilever" project and the "Provision of a Hydraulic Workover Unit (HWU)" project.

For the investment projects from subsidaries, total disbursement in 2024 reached VND 73 billion, equivalent to 28.5% of the annual plan. The lower execution rate resulted from stopping/ pausing of equipment investments to reflect the market demand.

PV Drilling maintains strict control over its procurement and investment processes to ensure efficiency and alignment with actual business operations.

Detailed investment disbursement of PV Drilling's holding company and its subsidaries are as follows:

No	Investment Category in 2024	Plan (billion VND)	Actual (billion VND)	% plan achieved
A	**Carry forward investment**	**223,24**	**99,12**	**44,4%**
I	**Investments of Holding company**	**148,76**	**35,56**	**23,9%**
1	Procurement of a Hydraulic Workover Unit (HWU)	131,60	17,81	13,5%
2	Crane for Jack-up Rigs	17,16	17,74	103,4%
II	**Investments of PV Drilling's subsidaries**	**74,48**	**63,56**	**85,3%**
1	PV Drilling Office construction (Vung Tau)	49,50	29,07	58,7%
2	4.0 PCE set	14,10	14,10	100,0%
3	Workshop expansion Phase III – Dong Xuyen Industrial Zone	10,88	20,39	187,4%
B	**Investments in 2024**	**2.438,05**	**1.072,22**	**44,0%**
I	**Investments of Holding company**	**2.255,76**	**1.062,72**	**47,1%**
1	MPD Equipment	117,50		0,0%
2	Purchasing Jack-up Drilling Rig	2.115,0	1.057,50	50,0%
3	IT projects in 2024	8,50	1,62	19,1%
4	Other projects	4,00		0,0%
5	Procurement of stationary, office equipments & computers	3,24	3,60	111,1%
6	Joint venture establishment in Indonesia	7,52		0,0%
II	**Investments of PV Drilling's subsidaries**	**182,29**	**9,50**	**5,2%**
1	CRTi equipment set	89,30		0,0%
2	DTRS equipments	23,50	2,81	11,9%
3	Deep hole drilling machine	11,77		0,0%
4	Other workshop equipments	4,77	1,69	35,4%
5	Hydraulic Extendable Bail Arm 2 (HEBA Ver2)	7,99		0,0%
6	PVDWS Fill up and Circulating Tool 9 5/8" - 20"	2,59		0,0%
7	Power tong positioning system c/w Hydraulic Power pack for operating	7,99		0,0%
8	Other Technical Equipments	16,69	1,85	11,1%
9	Machinery	10,50		0,0%
10	Training & Services Equipments	4,00		0,0%
11	Purchasing vehicle	3,20	3,15	98,4%
	Total	**2.661,29**	**1.171,34**	**44,0%**

REPORT OF THE BOARD OF MANAGEMENT *(continued)*

G. PV DRILLING'S FINANCIAL SITUATION IN 2024

Key indicators of 2024 financial report

ITEM	Unit	2023	2024	% +/-
Total revenue	VND Bil.	6,160	9,566	55.3%
In which: Revenue from selling goods and providing services	*VND Bil.*	*5,804*	*9,288*	*60.0%*
Operating profit	VND Bil.	567	919	62.1%
Other profit	VND Bil.	91	18	-80.4%
Profit before tax	VND Bil.	658	937	42.4%
Corporate income tax	VND Bil.	112	239	112.8%
Profit after tax	VND Bil.	546	698	27.8%
Dividend payout (in form of cash)	%	-	5%	
Dividend payout (in form of stock)	%	-	-	

Although oil prices in 2024 showed a downward trend towards the end of the year, drilling activities in Southeast Asia are more vibrant with new drilling campaigns are being lauched in Malaysia and Indonesia. PV Drilling's owned drilling rigs had continuous and stable long-term contracts in foreign markets, maintaining favorable day rate. With the motto "New driving force for growth", PV Drilling has seized opportunities, accelerated the breakthrough and has successfully completed its set goals. The business perfomance of PV Drilling in 2024 continue to affirm a new growth cycle after the successful year of 2023 with total revenue reached 9,566 billion VND, increased by 55% compared to the previous year and exceeding the Annual General Meeting of Shareholders (AGM) by 54%; profit after tax reached 698 billion VND, increased by 28% compared to the previous year and exceeding 84% of AGM.

Although the Fed cut interest rates three times in 2024, with a total reduction of 0.75 percentage points, interest rates remained high at 4.25%-4.5%. Additionally, since the Fed's rate cuts occurred in the end of 2024, PV Drilling still faced a higher average interest rate in 2024 versus to 2023 (7.34% in 2024 vs. 6.43% in 2023). As a result, interest expenses in 2024 remained high at VND 238 billion (compared to VND 250 billion in 2023), despite a significant reduction in loan principal.

Additionally, for three consecutive years (2022-2024), the VND continued to depreciate against the USD by approximately 3%-5% per year. However, thanks to effective cash flow management and optimized USD utilization through derivative financial instruments, PV Drilling minimized the impact of exchange rate fluctuations on the corporation's business performance in 2024. Lower exchange rate difference costs compared to previous years also had a significant positive impact on PV Drilling's business results. PV Drilling incurred VND 62 billion in exchange rate difference costs in 2024, compared to VND 77-78 billion in 2022-2023.

Key financial ratios

LIQUIDITY RATIO	Unit	2023	2024
Current ratio	time	2.2	1.9
Quick ratio	time	1.9	1.6
Current asset - Inventory	VND Bil.	5,928	6,566
Current liabilities	VND Bil.	3,146	4,124

FINANCIAL LEVERAGE	Unit	2023	2024
Total liabilities/Total assets	time	0.3	0.3
Total liabilities/Equity	time	0.5	0.5

Total assets increased by 1,982 billion VND at the end of 2024, compared to the end of 2023, primarily driven by a rise in accounts receivable and increased cash flow from strong business activities; specifically: current assets increased by 854 billion VND and non-current assets increased by 1,127 billion VND..

PV Drilling has balanced its financial capacity to increase the equity ratio in the jack-up rig investment project, aiming to reduce loan interest expenses amid persistently high market interest rates. A total of 45 million USD was disbursed for this project from owners' equity leading to a decrease in current assets and a corresponding increase in non-current assets. As a result, curent ratio slightly declined by the end of 2024 compared to the previous year. However, these indicators still far exceed the safety thresholds set by PV Drilling's financial regulations and general financial control standards. Additionally, the debt-to-equity ratio and debt-to-total assets ratio remain at reasonable levels, reinforcing PV Drilling's strong financial health.

OPERATIONAL EFFICIENCY	Unit	2023	2024
Inventory turnover	time	6.1	8.4
Inventory	VND Bil.	954	1,108
Revenue/Total assets	time	0.3	0.4

PROFITABILITY RATIOS	Unit	2023	2024
Profit after tax/Revenue	%	9.4%	7.5%
Profit after tax/Equity (ROE)	%	3.8%	4.5%
Profit after tax/Assets (ROA)	%	2.6%	3.1%
Operating profit/Revenue	%	9.8%	9.9%

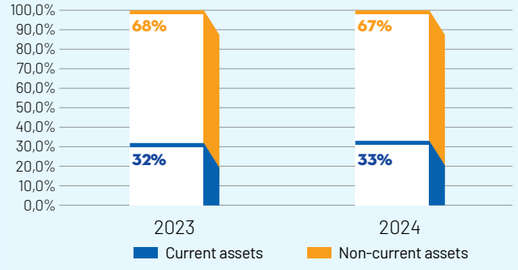
The operational efficiency and profitability ratios in 2024 showed a notable increase, reflecting improved business performance compared to the previous year and the targets set by the Annual General Meeting of Shareholders. All owned rigs (excluding land rig) achieved 100% utilization rates, with day rate of jack-up rig remaining at favorable levels. Asset utilization in 2024 was clearly demonstrated by the increase in revenue and profit, as well as improved profitability ratios such as ROA and ROE. However, the net profit margin decreased compared to 2023 due to: the operation of lease rigs (HAKURYU 11 and Thor) to meet domestic demand which had lower profit margins than owned rigs; a significant increase in revenue of trading and procurement services; and higher corporate income tax expenses, as many rigs operated in Malaysia during the year.

Structure of Total assets:

ITEMS	2023 (VND Bil.)	% contribution	2024 (VND Bil.)	% contribution	% +/-
Total assets	21,633	100%	23,615	100%	9.2%
- Current assets	*6,928*	*32%*	*7,782*	*33%*	*12.3%*
- Non-current assets	*14,705*	*68%*	*15,832*	*67%*	*7.7%*

In 2024, total assets reached VND 23,615 billion, marking a 9.2% increase compared to 2023, with both current and non-current assets growing. Current assets increased by VND 854 billion year-over-year, primarily due to higher accounts receivable in line with rising revenue. Additional, non-current assets grew by VND 1,127 billion, mainly driven by the investment in acquiring the PV DRILLING VIII jack-up rig.

THE STRUCTURE OF CURRENT AND NON-CURRENT ASSETS



REPORT OF
THE BOARD OF MANAGEMENT *(continued)*

Liabilites structure:

ITEMS	2023 (VND Bil.)	% contribution	2024 (VND Bil.)	% contribution	% +/-
Liabilities	6,735	100%	7,562	100%	12.3%
- Current liabilities	*3,146*	*47%*	*4,124*	*55%*	*31.1%*
- Long term liabilities	*3,589*	*53%*	*3,438*	*45%*	*-4.2%*
Liabilities/Total assets		31%		32%	

By the end of 2024, PV Drilling's total liabilities reached 7,562 billion VND, an increase of 828 billion VND (equivalent to a 12.3% increase compared to 2023). This rise was primarily due to an increase in accounts payable (corresponding to higher accounts receivable) and accrued expenses (such as loan interest, owned rig's operating costs). The liability-to-total assets ratio remained around 30%, consistent with recent years.

Equity Structure:

Total owners' equity of PV Drilling at the end of 2024 was reached 16,052 billion VND, an increase of 1,154 billion VND compared to the end of 2023.

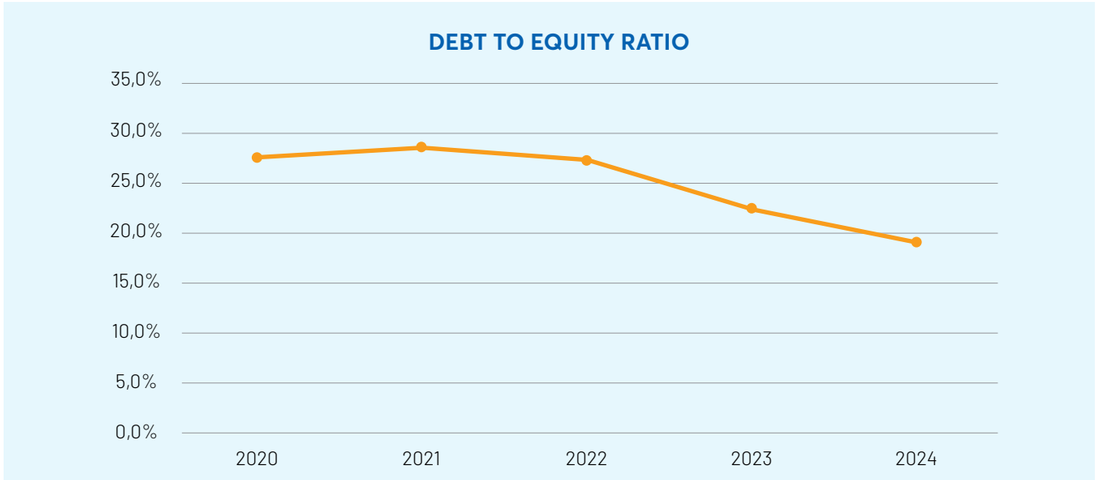
VND Bil.	2023	2024	Variance
Owners' contributed capital	5,563	5,563	-
Share premium	2,434	2,434	-
Treasury shares	(21)	(21)	-
Retained earning	694	1,022	328
Investment and development fund	3,784	4,012	228
Foreign exchange reserve	2,207	2,792	585
Non-controlling interests	237	250	13
Owners' equity	**14,898**	**16,052**	**1,154**

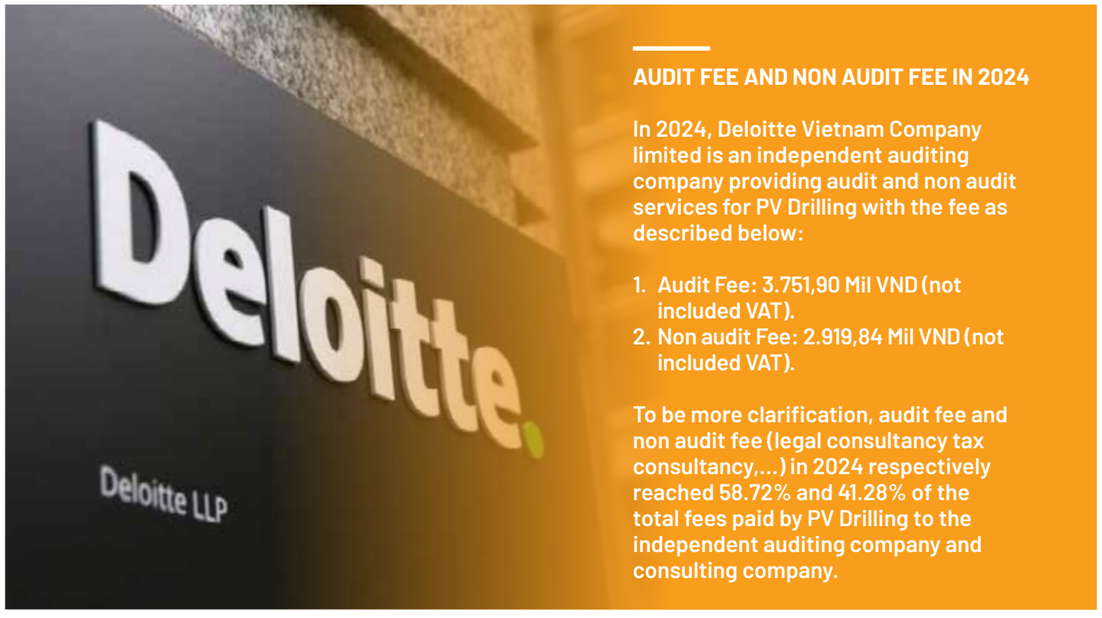
PV Drilling's owner equity at the end of 2024 increased due to strong contributions from profit after tax resulting from a highly effective year of operations and increasing of foreign exchange differences when converting financial statements from USD to VND.

The exchange rate recorded in PV Drilling's accounting books as of December 31, 2024 was 25,251 VND/USD, reflecting a 4.9% increase compared to 24,080 VND/USD in 2023.

I. CAPITAL MANAGEMENT – DEBT TO EQUITY STRUCTURE OF PV DRILLING IN 2024

The debt-to-equity ratio of PV Drilling in 2024 reached 19.0%, compared to 22.4% in 2023. This decline was due to PV Drilling continuing to make timely principal repayments on investment loans for the PV DRILLING V and PV DRILLING VI rigs as scheduled with banks. This capital structure demonstrates PV Drilling's low dependence on external borrowing, as well as proving the corporation's strong financial health with minimal risk.





AUDIT FEE AND NON AUDIT FEE IN 2024

In 2024, Deloitte Vietnam Company limited is an independent auditing company providing audit and non audit services for PV Drilling with the fee as described below:

1. **Audit Fee: 3.751,90 Mil VND (not included VAT).**
2. **Non audit Fee: 2.919,84 Mil VND (not included VAT).**

To be more clarification, audit fee and non audit fee (legal consultancy tax consultancy,...) in 2024 respectively reached 58.72% and 41.28% of the total fees paid by PV Drilling to the independent auditing company and consulting company.

SHARE CAPITAL AND SHAREHOLDER **STRUCTURE**

STOCK INFORMATION

Charter capital	5,562,960,060,000	VND
Number of common shares issued to public	556,296,006	shares
Type of share	Common	
Number of transferable common shares	498,460,899	
Number of restricted common shares (*)	54,835,107	
Par value (VND/share)	10,000 VND/shares	

(*): Including 54,832,000 shares owned by Petrovietnam, which has been restricted as pending transfer restriction removal procedures and 2,441,271 shares of employees and organizations that have not been adjusted due to updated identification cards.

TRADING STATISTICS ANS STOCK PRICE IN 2024

Highest price	34,9000	VND/shares
Lowest price	23,100	VND/shares
Trading volume/day	4,430,692	shares
Highest trading volume	22,282,100	shares
Lowest trading volume	1,257,800	shares

(From 01/01/2024 – 31/12/2024)

SHAREHOLDERS' STRUCTURE

(Updated list as of 19/3/2025, the most recent reporting date).

	Number of shares	Percentage
VIETNAM		
Petrovietnam (State shareholder)	280,496,572	50.42%
Other organizations	33,998,142	6.11%
Individuals	192,428,957	34.59%
FOREIGN		
Organizations	46,696,513	8.39%
Individuals	2,259,822	0.41%
TREASURY SHARES	416,000	0,07%
TOTAL	**556,296,006**	**100.0%**

CHANGE IN SHARE CAPITAL

Description		Date of Issuance	Number of Shares
Initial	IPO	28/11/2006	68,000,000
1	Dividend by stock and new common share issuance	11/7/2007	9,519,730
2	New common share issuance	7/8/2007	1,340,000
3	New common share issuance	22/8/2007	31,280,000
4	Dividend by stock with ratio 20% / par value	26/6/2008	22,027,774
5	Merge PVD Invest into PV Drilling	14/10/2009	25,716,285
6	Dividend by stock with ratio 33% / par value	8/01/2010	52,624,426
7	Private placement	13/8/2013	38,000,000
8	Issuance of shares by ESOP	15/11/2013	2,000,000
9	Dividend by stock with ratio 10% / par value	23/12/2013	25,020,480
10	Dividend by stock with ratio 10% / par value	18/9/2014	27,544,655
11	Dividend by stock with ratio 15% / par value	13/8/2015	45,392,909
12	Dividend by stock with ratio 10% / par value	7/12/2016	34,799,901
13	Dividend by stock with ratio 10% / par value	28/8/2019	38,279,629
14	Dividend by stock with ratio 20% / par value	02/6/2022	84,221,021
15	Dividend by stock with ratio 10% / par value	26/8/2022	50,529,196
Total			**556,296,006**

Please refer to charter Audited financial statements, section Equity for more details of Shareholders' structure, and change in share capital.

DIVIDEND PAID

In 2024, PV Drilling has not implemented any dividend distribution plan.

TREASURY SHARES

	Unit: shares
Number of treasury shares as of 01/01/2024	416,000
Number of treasury shares in period	-
Number of treasury shares as of 31/12/2024	416,000

HUMAN RESOURCES IN 2024



At PV Drilling, people are the most valuable asset and one of the three core values that shape the Corporation's strategies and operations. PV Drilling prioritizes building a safe working environment where employees receive comprehensive training, professional development, and the assurance of long-term commitment. Therefore, PV Drilling continuously enhances the compensation policies, working conditions, occupational safety, and overall quality of life for PV Drilling's workforce. In 2024, PV Drilling was honored to receive the "Best Companies to Work for in Asia" award from HR Asia. This recognition, based on direct surveys of internal employees and the comprehensive evaluation of relevant criteria by the organizing body, serves as strong evidence of employees' deep engagement and unwavering trust in the Corporation.

1. HUMAN RESOURCES OVERVIEW

Key workforce statistics in 2024
As of December 31, 2024, PV Drilling had a total of 2,425 employees, including 486 female employees (20%) and 141 foreign employees (5.8%).

PV Drilling had a total of

2,425 employees

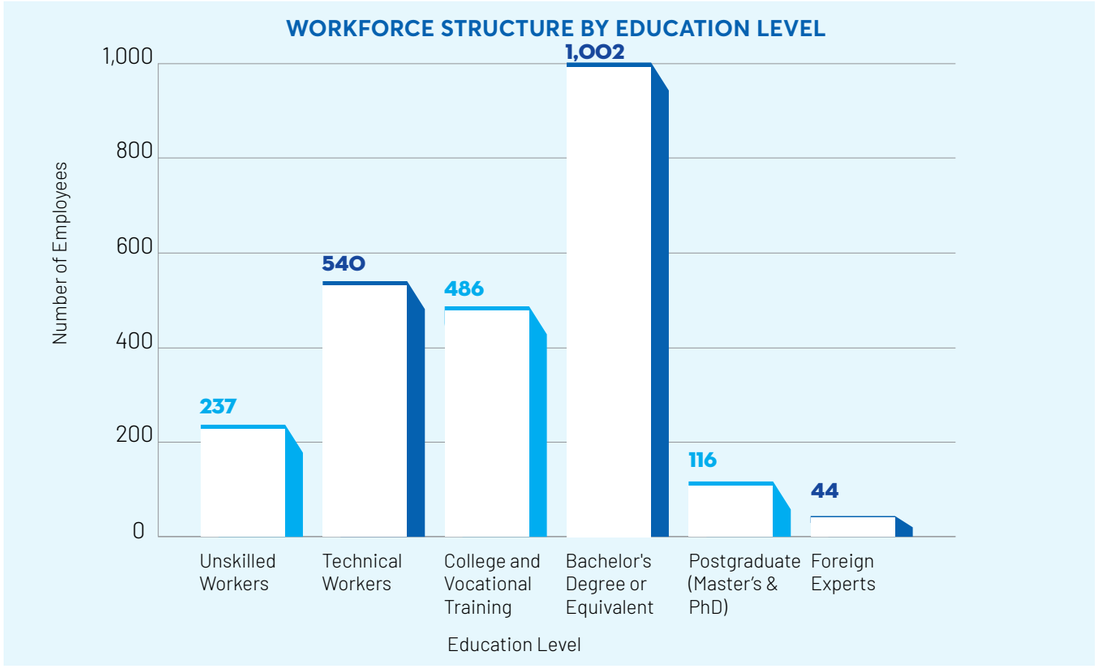
Average income

27.36 million dong/employes/month

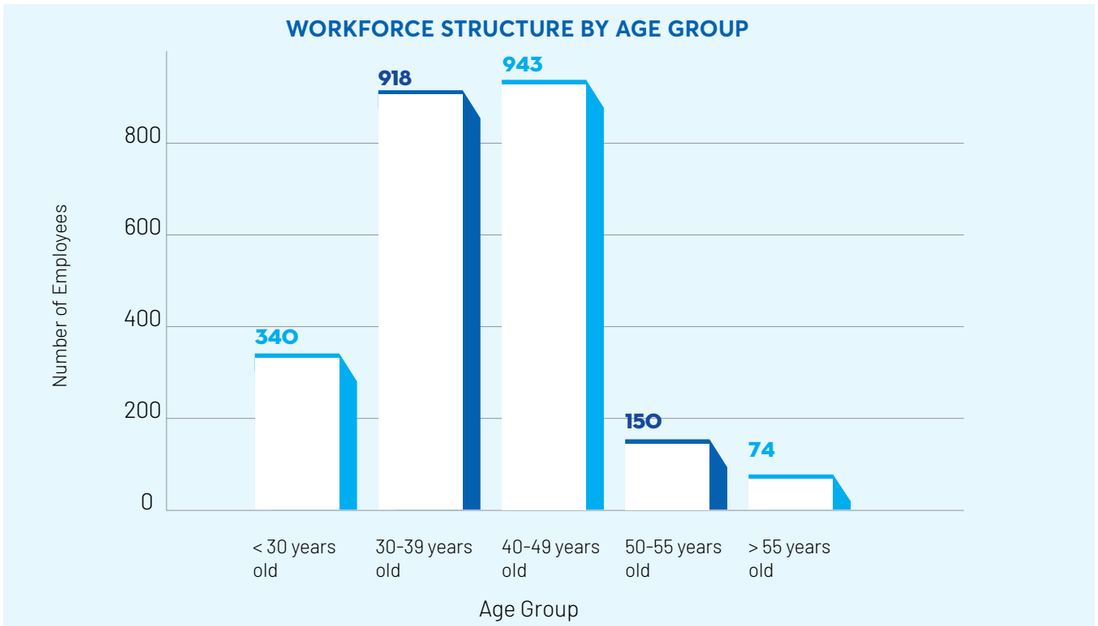
The average monthly income across PV Drilling in 2024 was VND 27.36 million per person, reflecting an 11% increase compared to 2023 and a 19% increase compared to the target.
PV Drilling hired 128 new employees, while the annual turnover rate remained low at only 2.4%.
The management-to-employee ratio stood at 6.8%.
Additionally, 100% of employees participated in the Collective Labor Agreement, and all employees returned to work after maternity leave.

1.1. Workforce structure:

Regarding employee qualifications, the group of foreign experts consists of 44 individuals (1.8%). Employees with postgraduate degrees number 116 (4.8%). The largest group comprises those with a university degree or equivalent, totaling 1,002 individuals (41.3%), followed by those with college and vocational training qualifications, accounting for 486 individuals (20%). Skilled workers make up 540 individuals (22.3%), while the lowest proportion belongs to unskilled labor, with only 237 individuals (9.8%).



The majority of PV Drilling's workforce falls within the 40-49 age group, accounting for 943 employees (38.9%). This is followed by 918 employees (37.9%) aged 30-39, while 340 employees (14%) are under 30 years old. Meanwhile, the number of employees aged 50-55 is 150 (6.2%), and those over 55 years old make up the smallest group, with 74 employees (3%).



HUMAN RESOURCES IN 2024 *(continued)*

1.2. Compensation and benefits policies

In 2024, PV Drilling continuously improved and enhanced benefits policies for full-time employees, ensuring fair compensation aligned with their capabilities and responsibilities. These efforts aimed to retain top talent and strengthen the Corporation's reputation in attracting potential candidates. Key components and highlights of the Salary and Bonus policy include position-based salary, performance-based salary, specialized job allowances, and salary adjustments linked to individual performance as well as the overall performance of the corporation.

PV Drilling provides a comprehensive benefits package to ensure employees' well-being and financial security, including premium health insurance covering treatment in Vietnam, ASEAN countries, and globally, global life and accident insurance, voluntary pension insurance, annual health check-ups at reputable medical institutions.

In 2024, the total annual health check-up cost amounted to VND 4,985,590,337, covering 1,126 employees, with an average cost of VND 4,427,700 per person.

PV Drilling also offers various allowances and incentives, such as lunch, uniform, transportation, and phone allowances; financial support for employees on special occasions; bonuses for outstanding technical innovations, workplace safety achievements, and operational efficiency improvements; recognition awards for exceptional performance and contributions to corporate initiatives.

Additionally, the Corporation implements holiday and special occasion bonuses, including New Year's Day, Lunar New Year, Reunification Day, and PV Drilling's anniversary, as a gesture of appreciation for employees' contributions.

PV Drilling actively supports employees' families by offering: gifts for employees' children on occasions such as International Children's Day, Mid-Autumn Festival, and Vietnam Family Day, educational support, and rewards for employees' children with excellent academic achievements.

Each year, PV Drilling allocates a portion of the Welfare Fund to organize vacation programs for employees, fostering solidarity, strengthening connections, and enhancing coordination across the workforce.

Moreover, the Corporation provides retirement allowances in accordance with the Collective Labor Agreement (granting one month's salary per year of service at PV Drilling and its subsidiaries). This policy underscores the Corporation's long-term commitment to ensuring sustainable employee welfare.

PV Drilling strictly complies with legal regulations on maternity benefits for female employees, ensuring that 100% of employees return to work after maternity leave. Some employees, after four months of childbirth and meeting health conditions with the approval of medical facilities, have returned to work earlier than the statutory period.

2. HARMONIOUS LABOR RELATIONS

PV Drilling strictly complies with the provisions of the Labor Law to fully protect the legitimate rights and interests of both employees and employers. The Corporation strives to balance the benefits of both parties, fostering stable, harmonious, and progressive labor relations that contribute to the sustainable development of the labor market in the context of international integration.

PV Drilling has signed a Collective Labor Agreement, which sets out specific provisions and agreements that offer more favorable terms than those stipulated by labor law. This serves as a foundation for maintaining a long-term and sustainable employer-employee relationship. Additionally, the Corporation collaborates with the Trade Union to organize annual employee conferences, facilitating direct dialogue to understand employees' aspirations and challenges. This enables timely policy adjustments and strengthens the bond between PV Drilling and its workforce.

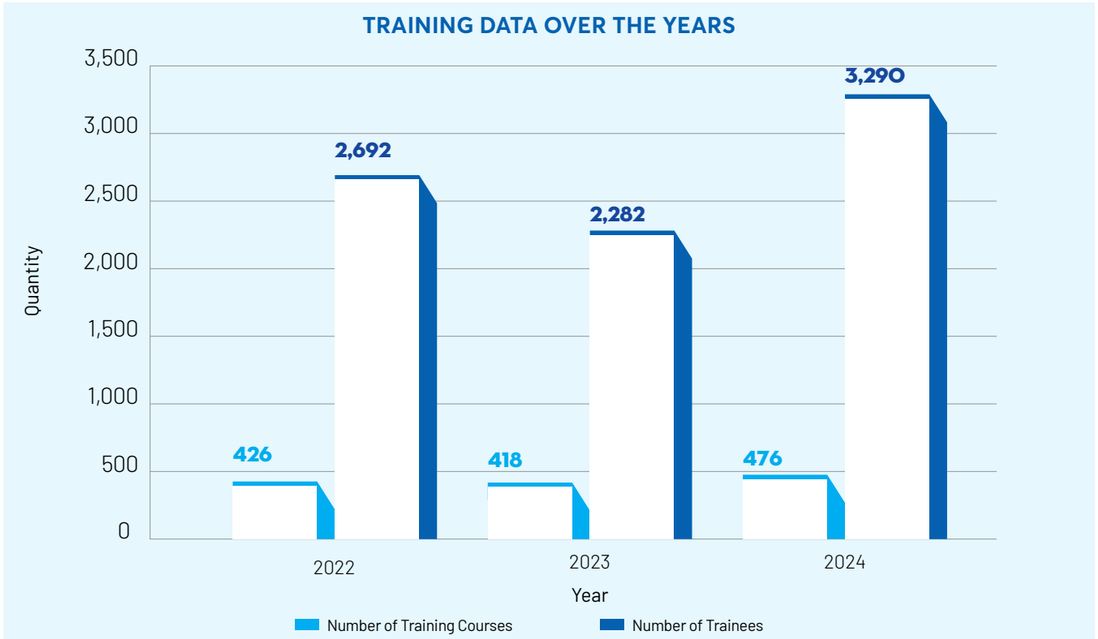
3. INFORMATION TRANSPARENCY

PV Drilling is committed to notifying employees in advance of any significant operational changes that may affect working conditions. A minimum notice period is ensured before such changes take effect, guaranteeing transparency, respecting employees' rights, and complying with applicable legal regulations. Additionally, PV Drilling maintains an open dialogue with the workforce and the trade union to ensure that all critical decisions are communicated promptly and comprehensively.

4. TRAINING AND DEVELOPMENT

The year 2024 marked significant progress in PV Drilling's training and human resource development efforts, reinforcing its pivotal role in the Corporation's sustainable development strategy. With over 10,000 training hours conducted, PV Drilling has demonstrated a strong commitment to continuously enhancing workforce quality, meeting the increasing demands of business operations, and contributing actively to the digital transformation of the oil and gas industry.

Training metrics	2022	2023	2024
Number of training courses conducted	426	418	476
Number of participants attending training programs	2,692	2,282	3,290



Average training hours	2022	2023	2024
Manager	23,1	21,4	26,8
Employee	37,9	35,3	40,1
Male	36,5	34,1	37,1
Female	21,2	20,9	21,7

HUMAN RESOURCES IN 2024 *(continued)*

In addition to maintaining fundamental and advanced professional training programs regularly, PV Drilling expanded its training portfolio in 2024 with a diverse range of practical and innovative courses to support the comprehensive development of the workforce. Specialized training programs in drilling technology, electrical engineering, mechanical engineering, rig automation, well control, occupational safety in the oil and gas industry, and maritime management for offshore drilling continued to receive significant attention and investment. These courses aim to enhance employees' technical expertise, ensuring compliance with stringent industry standards and strengthening PV Drilling's international reputation. With a highly trained workforce of engineers, technicians, and operational personnel capable of managing advanced drilling rigs, PV Drilling has reinforced its pioneering position in the regional market while making significant contributions to the success of global oil and gas drilling projects.

Following the success of corporate culture training programs launched in 2023 for managers and employees, PV Drilling continues to strengthen corporate culture development in 2024 by implementing eight specialized training courses. These courses have attracted the participation of 231 employees, providing opportunities for learning and growth while deepening their understanding of the Corporation's core values. As a result, employees enhance their commitment and sense of responsibility in their work.

Corporate culture serves as the bedrock of unity and resilience at PV Drilling. Acknowledging its pivotal role, the Corporation strengthened the Corporate Culture Steering Committee in 2024 to develop specialized training programs, ensuring that all employees internalize and uphold the Corporation's core values. These programs provided employees with a clearer understanding of PV Drilling's mission, vision, and strategic direction while fostering engagement and motivation toward common goals. Embedding PV Drilling's culture into all aspects of operations has played a crucial role in safeguarding its corporate identity and reinforcing its distinct position within the oil and gas industry.

The mid-level management team played a key role in effectively implementing corporate strategies and directives from the Board of Management to employees, contributing significantly to the Corporation's overall success. In 2024, PV Drilling conducted 07 training courses for mid-level managers, engaging 207 participants, including train the trainer, Artificial Intelligence applications in the oil and gas industry, management for middle managers, and HR for non-HR managers.

As digital transformation becomes an inevitable trend, PV Drilling has placed a strong emphasis on technology training, particularly in artificial intelligence (AI). Notably, the Corporation successfully conducted two AI application courses in oil and gas drilling, with 60 mid-level managers in attendance. These courses provided participants with fundamental knowledge and current AI trends while equipping them with practical skills to optimize operational processes, enhance efficiency, and support effective decision-making. This initiative represents a significant step toward strengthening technological capabilities and laying a solid foundation for digital transformation, aligning with the strategic direction of Vietnam Oil and Gas Group.

These specialized training programs not only reinforce PV Drilling's core competencies but also serve as a foundation for sustainable development. With a forward-looking vision and substantial investment, PV Drilling continues to cultivate a highly skilled workforce capable of meeting present demands while preparing for future challenges, further expanding its brand's reach in the global market.

5. PERIODIC EVALUATION AND CAREER DEVELOPMENT

In 2024, employees at PV Drilling underwent periodic evaluations to enhance their competencies and work efficiency. These assessments identified individual strengths to be leveraged and skills requiring improvement. By accurately assessing each employee's capabilities, PV Drilling was able to propose tailored training programs to strengthen professional skills and ensure employees met job requirements, thereby improving overall performance and fostering a high-quality workforce. Additionally, in 2024, the Corporation identified and planned for 381 outstanding individuals with notable achievements to be considered for management positions, promoting internal development.

6. COMPREHENSIVE HUMAN RESOURCE POLICIES

6.1. Respect for diversity and equal opportunities

PV Drilling is committed to promoting gender equality and ensuring that all employees, regardless of gender, have equal opportunities for development and contribution to the Corporation's success. Recruitment, training, promotion, and compensation decisions are based solely on competency and performance, without discrimination based on gender, race, skin color, ethnicity, religion, disability, or any other factor unrelated to work.

Female employees at PV Drilling are entitled to full maternity benefits as prescribed by regulations, ensuring a safe and supportive work environment for their overall development. The Women's Committee, under the Trade Union, was established to safeguard the rights and well-being of female employees. Annually, the Corporation organizes events on March 8 and October 20 to raise awareness of legal rights and reaffirm its commitment to protecting and honoring the role of female employees in PV Drilling's sustainable development.

6.2. Non-Discrimination policy

Operating in an international environment, PV Drilling strictly complies with international and national legal regulations, as reflected in the Code of Conduct (COC) and comprehensive HR policies. The Corporation upholds a zero-tolerance policy for discrimination in all employment aspects, including contract types, ensuring that every employee works under a clear and legally compliant contract. All policies emphasize fairness, ensuring that employees are hired for their respective job roles and receive compensation based on their achievements, regardless of gender, ethnicity, or nationality.

6.3. Respect for freedom of association, union participation, and collective bargaining

PV Drilling respects and upholds employees' rights to freedom of association, union participation, and collective bargaining. The Corporation actively facilitates open dialogue and engagement by organizing annual employee conferences and periodic discussions between Board of Management and employees to enhance transparency and communication. PV Drilling fosters an inclusive work environment where all employees are heard, respected, and provided with equal growth opportunities.

6.4. Prohibition of child labor

PV Drilling's recruitment policy mandates a minimum hiring age of 18. The Corporation strictly prohibits child labor in all service-related activities, extending this commitment to subcontractors. This policy is clearly communicated to all partners and suppliers, ensuring compliance with child protection principles in all business collaborations, thereby contributing to a responsible and sustainable work environment.

6.5. Prohibition of forced labor

PV Drilling adheres to the principle of "No Forced Labor" across all business operations. The Corporation does not tolerate any form of forced labor, including the withholding of personal documents, coercion, or exploitation. PV Drilling ensures that all employees work voluntarily in a fair environment that respects human rights and aligns with international labor standards.

7. ENGAGEMENT WITH LOCAL COMMUNITIES AND INTERNATIONAL WORKFORCE DEVELOPMENT

As PV Drilling expands its drilling services internationally, the Corporation rigorously adheres to local labor law, particularly localization requirements in highly protective markets such as Malaysia, Indonesia, and Brunei. In Brunei, PV Drilling has successfully fulfilled the contractual commitments with Brunei Shell Petroleum (BSP) by recruiting and training local personnel. Thanks to a structured development strategy, the TAD-PV DRILLING V rig currently boasts the highest percentage of local employees among offshore rigs in Brunei, reinforcing the Corporation's reputation for contributing to local sustainable development.

Furthermore, PV Drilling has invested in an On-the-Job Training (OJT) system for drilling personnel to ensure workforce stability and efficiency in international markets. To date, 70% of key personnel on PV Drilling's rigs are Vietnamese, forming a core team that upholds and extends the Corporation's corporate culture worldwide. These efforts not only fulfill client and government requirements but also strengthen PV Drilling's sustainable development strategy, fostering long-term partnerships with local communities where the Corporation operates.

PV DRILLING'S RESPONSIBILITIES FOR **ENVIRONMENTAL PROTECTION**



PV Drilling has always prioritized sustainable development and environmental protection in all operational activities since its establishment. PV Drilling operates under the principle of minimizing environmental impacts, promoting sustainable development, and complying with Vietnamese laws and international standards.

PV Drilling has implemented environmental management systematically in accordance with ISO 14001 Standard version 2004, achieving its first international certification in 2006.

PV Drilling's environmental protection policy, which is a part of the Safety - Health - Environment - Quality policy, was updated for the sixth time on October 1, 2024, as part of a continuous improvement plan for the environmental management system. The policy is designed to protect the environment, and it states that **any risk that could potentially harm it can either be prevented or minimized**. PV Drilling's President & CEO approved this policy which serves as a basis for PV Drilling to establish annual environmental protection objectives.

After being issued, PV Drilling's environmental protection policy was disseminated to PV Drilling's employees and related interested parties through various channels, including posting on PV Drilling's website, introducing at internal seminars, environmental campaigns, quarterly HSEQ newsletter and notice boards at rigs, offices and workshops... In addition, during internal audits and external audits conducted by the customers or DNV, the employees were interviewed to assess the level of awareness and implementation of environmental protection policy. The results showed that all staffs understood the policy well and PV Drilling had fully complied with the legal and customers' requirements regarding environmental protection and the ISO 14001-2015 standard.

The environmental management policy has been integrated into PV Drilling's operational processes, including equipment maintenance, waste management, assessment of suppliers and subcontractors, usage of materials, equipment and stationery, as well as monitoring energy and fuel consumption.

In order to put its commitment to environmental protection into practice within production and business, PV Drilling clearly defines the responsibilities and authorities of each member of the Board of Management of the Corporation in managing operational activities in general as well as in environmental protection in particular. Specifically, Mr. Dinh Quang Nhut, Vice President is assigned to oversee Health - Safety – Environment – Quality management. Accordingly, Mr. Dinh Quang Nhut is primarily responsible for implementing and maintaining environmental policies.



PV DRILLING'S ENVIRONMENTAL PROTECTION POLICY, WHICH IS A PART OF THE SAFETY - HEALTH - ENVIRONMENT - QUALITY POLICY, WAS UPDATED FOR THE SIXTH TIME ON OCTOBER 1, 2024, AS PART OF A CONTINUOUS IMPROVEMENT PLAN FOR THE ENVIRONMENTAL MANAGEMENT SYSTEM. THE POLICY IS DESIGNED TO PROTECT THE ENVIRONMENT, AND IT STATES THAT ANY RISK THAT COULD POTENTIALLY HARM IT CAN EITHER BE PREVENTED OR MINIMIZED.

PV Drilling's efforts to develop business activities related to environmental protection have led to several results, which are presented in the following table.

Table 1: Environmental performance indicators

Index	Unit	2023	2024
CO2e emission reduction rate	%	29,51	1,71
LED bulb replacement rate on PV Drilling rigs	%	69,00	80,00
Water recycling reuse rate	%	9,50	10,96
Number of trees planted	Trees	10.400	15.614

CONNECTING PV DRILLING'S BUSINESS OPERATION **WITH THE COMMUNITY AND SOCIETY**



Recognizing education as the foundation for societal development, PV Drilling invested in building Area A of Hai Anh Primary School in Hai Hau District, Nam Dinh Province, with nearly VND 5 billion of sponsorship.

Actively participating in charitable activities and joining hands with the community; selectively implementing internal social welfare and sponsorship for underprivileged localities have become a valuable tradition in PV Drilling's corporate culture. As a large-scale enterprise with a strong sense of responsibility, in 2024, PV Drilling has effectively fulfilled its commitments to environmental and social responsibilities, implementing the charity programs both within and outside the company. These include supporting underprivileged children, assisting families in difficult circumstances, aiding localities affected by natural disasters and storms, complying with environmental standards in emissions and waste management, participating in tree-planting program, charity run, and providing health insurance support for the underprivileged. These meaningful actions by the Corporation and its member units contribute to building a prosperous and happy society.

Overcoming the challenging period of the Covid-19 crisis, 2024 marked a remarkable recovery for PV Drilling with outstanding business result, achieving total revenue of VND 9,566 billion and profit after tax of VND 698 billion. The Corporation has allocated part of its resources to expand social welfare activities, prioritizing the implementation of more programs, significantly contributing to a prosperous and stable society. The Corporation's social welfare programs always closely align with the daily lives of the people, follow the directives of Vietnam Oil and Gas Group, and focus on meaningful humanitarian projects such as education and social development, ensuring the well-being and health of underprivileged people and those facing exceptional difficulties.

In 2024, PV Drilling implemented numerous practical and meaningful social welfare programs with a total budget exceeding VND 12 billion across various regions nationwide, demonstrating its strong commitment to social responsibility and sustainable development.

Educational Support – Nurturing the Future

Recognizing education as the foundation for societal development, PV Drilling invested in building Area A of Hai Anh Primary School in Hai Hau District, Nam Dinh Province, with nearly VND 5 billion of sponsorship. The project was completed and put into operation in December 2024, enhancing the educational and cultural quality for local students. Additionally, PV Drilling allocated VND 5 billion to construct new functional rooms, upgrade auxiliary facilities and technical infrastructure, and purchase equipment for Phu Duc A Primary School in Long Ho District, Vinh Long Province. These projects are not only merely constructions but also meaningful gifts for future generation, providing a better learning environment and fostering intellectual and skill development for pupils.

Disaster Relief – "The Good Leaves Protect Tattered Ones"

With the spirit of "mutual affection," PV Drilling consistently stands by those affected by natural disasters, helping them recover and stabilize their lives. In September 2024, when northern provinces were severely impacted by Typhoon No. 3 (Yagi), the Corporation donated over VND 1.2 billion to support affected residents in Son La and Hoa Binh provinces. Additionally, PV Drilling provided financial assistance to employees and retirees whose families were affected by storms and floods, ensuring timely support for home repairs and morale boosting, helping them overcome hardship.

Sharing Love – Bringing a Warm Tet to Every Home

Desiring to bring a warm and joyful Lunar New Year (Tet) to those in difficult circumstances, PV Drilling launched various gift-giving programs during the Giap Thin Lunar New Year in Dak Nong, Nga Thanh Commune (Nga Son District, Thanh Hoa Province), and Cuôr Đăng Commune (Cư M'Gar District, Dak Lak Province), distributing 200 gift packages in each location. Other meaningful charitable activities included supporting the Dak Nong Provincial Police with VND 50 million to assist people coming home for Tet, aiding underprivileged teenagers coming Quynh Trang Commune (Hoang Mai Town, Nghe An Province), donating gifts to orphans and disabled individuals in Rach Dua Ward (Vung Tau City), and sponsoring the "Walk for Victims of Agent Orange" program. Although the total budget of nearly VND 1 billion may not be significant, it carries great humanitarian value, demonstrating the commitment and kindness of PV Drilling employees toward the community and local residents.

Spreading Kindness – Towards a Green Future

The PVD Run, held in July 2024, was not just a sporting event but also a deeply meaningful humanitarian activity. On this occasion, PV Drilling allocated funds to build a charity house under the fundraising campaign of the Can Tho Military Command and provided financial assistance for health insurance cost for disadvantaged individuals in Cau Kho and Cau Ong Lanh Wards, amounting to hundreds of millions dong.

Responding to the tree-planting campaign initiated by Vietnam Oil and Gas Group, in 2024, PV Drilling funded the planting of 10,000 trees in Can Tho City, nearly 6,000 trees in Hau Giang Province, and 500 trees for the "Trade Union Garden" at Thai Binh 2 Thermal Power Plant. This initiative is not only a contribution to environmental protection but also a long-term investment for future generation, promoting a sustainable green future.

Active engagement in social welfare activities has become a cherished tradition in PV Drilling's corporate culture, contributing to the Corporation's sustainable development. Every employee of PV Drilling takes pride in their small contribution to charitable activities, and humanitarian sponsorship initiated by Vietnam Oil and Gas Group in general and PV Drilling in particular.

In 2024, PV Drilling funded the planting of 10,000 trees in Can Tho City, nearly 6,000 trees in Hau Giang Province, and 500 trees for the "Trade Union Garden" at Thai Binh 2 Thermal Power Plant.





LAW IMPLEMENTATION AND LEGAL AFFAIRS



MANAGEMENT FACTOR IN THE RELATIONSHIP WITH LOCAL COMMUNITIES; CONTRIBUTING TO POLICY CHANGES AND LOCALIZATION

As a pioneer in Vietnam oil and gas drilling sector and drilling technical industry, and now expanding into international markets, PV Drilling always prioritizes and emphasizes the law implementation and legal affairs in order to achieve our business objectives in accordance with the laws and by-laws in the regions where PV Drilling operates, as well as the localization policies of each country. Simultaneously, PV Drilling actively participates in the development, discussion, and contribution of feedbacks on draft laws, policies, and regulations concerning local content to contributorily create a transparent business environment based on the rule of law.

For many years, PV Drilling has been consistently maintaining and prioritizing the development of strong relationships with local communities in management practices. PV Drilling perceives clearly that building and maintaining these robust relationships with local communities not only benefits the company but also contributes to the overall development of society and the communities, especially those in the areas where PV Drilling runs business. In addition to general legal regulations, PV Drilling always actively develops and adapts internal policies to enhance the quality of its operations, while prioritizing workplace safety and environmental protection. These policies are designed to be as compatible as possible with the standards and criteria of each locality to foster positive and proactive relationships with local communities. Notably, PV Drilling's operations in various locations in Vietnam and overseas (Algeria, Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand, Brunei, etc.) have never encountered any violations or faced any legal issues related to by-laws or regulations concerning local content requirements of these countries. PV Drilling continuously ensures that all its actions and strategies are implemented in accordance with the laws, policies, and by-laws of each locality, country, and territorial water in which it operates.

PV Drilling conceives that operating in accordance with the laws, by-laws and relationships with local communities are crucial foundations for building the trust with the local communities, government authorities, and social organizations for a synchronous and positive development environment. More specifically, PV Drilling has implemented strict measures to ensure compliance with regulations related to oil and gas operations, environmental protection, labor rights, taxation, and other legal obligations in each of its operating locations. These efforts not only strengthen PV Drilling's connection with the communities but also contribute to the overall development of society, reinforcing PV Drilling's reputation and brand name before shareholders, strategic partners, and governmental and social bodies.

Beyond strict implementation, PV Drilling always values and meticulously executes the propaganda, dissemination, and education regarding laws, policies and by-laws in order to enhance the awareness and compliance of all employees, both at the parent company and its subsidiaries, relating thereto.

Through the publication of periodic and specialized Legal Newsletters to update information, laws, regulations, and policies in a synchronous, timely, and effective manner, integrating legal and internal regulations and by-laws in Legal Knowledge Competitions and other activities responding to Vietnam's Law Day, legal awareness and relationships with the local communities are increasingly strengthened through legal propaganda, dissemination, and education.

As a company specializing in the oil and gas industry with many years of practical experience, PV Drilling not only focuses on complying with the laws but also actively researches, evaluates, and contributes opinions on laws and by-laws in order to contributorily enhance the effectiveness, enforceability, and rationality thereof. In 2024, PV Drilling contributed numerous opinions to draft laws, decrees, and circulars, most notably the draft Law on Management and Investment of State Capital at Enterprises, the Law on Value Added Tax, etc.. These opinions were given based on the summary and evaluation of the implementation of laws, regulations, and policies in PV Drilling's production and business operations, the identification of unreasonable or inadequate points in the current legal provisions and the proposed documents therefrom, and consequently providing appropriate suggestions and recommendations.

PV Drilling also regularly reviews and updates its strategic goals, regulations, and policies to align with each context and each period of time. Specifically, in 2024, PV Drilling reviewed, evaluated, updated, amended and supplemented many documents and regulations at PV Drilling, such as the Charter, Internal Regulations on corporate governance, the Operating Regulations of the Board of Directors, and many other regulations, rules, and procedures to be as compatible as possible with the new context and situation.

As a positive result of the aforementioned efforts, coupled with the determination in management and direction that links PV Drilling's operations with local communities, PV Drilling encountered no legal disputes in 2024, affirming its vision and ability to resolve legal issues effectively. The legal team of PV Drilling is organized more and more professionally to contributorily ensure that PV Drilling's business activities are always in compliance with the laws, regulations, by-laws, and local content requirements.

Stepping into 2025 with numerous improved and innovative legal policies and regulations, as well as the expansion of operations into countries in the region and worldwide, the Leaders and the legal team of PV Drilling will continuously enhance the achievements and actively seek out opportunities, link effective business management with building close relationships with local communities, anticipate changes in legal regulations and policies, meanwhile actively contribute in changing policies and local content requirements in a more reasonable, sustainable, and transparent manner, leverage opportunities, and implement flexible and innovative adaptation strategies to help PV Drilling complete its plans and achieve the set goals.

INVESTOR RELATIONS ACTIVITIES



The Vietnamese stock market closed the year 2024 with notable developments. Throughout the year, the market exhibited a largely sideways trend, facing significant pressure from strong net foreign selling. Nevertheless, it still achieved approximately 12% growth compared to the beginning of the year, while average liquidity also improved relative to 2023.

Despite complex global economic and geopolitical developments, VN-Index recorded an encouraging growth of approximately 12% in 2024, with liquidity improving by 23% compared to 2023.

Market growth was primarily concentrated in the first quarter. For the remainder of the year, it moved sideways within a fluctuation range of approximately 100 points, with a resistance level at 1,300 points and a support level at 1,200 points. Throughout the year, the market made four attempts to surpass the 1,300-point threshold but did not succeed. The highest liquidity day occurred on March 18, 2024, with total trading value exceeding VND 43 trillion. Notably, in October 2024, the market officially surpassed 9.2 million securities accounts, achieving 2025 target of 9 million accounts ahead of schedule.

This year also saw significant volatility in the USD/VND exchange rate, an increase of approximately 5%, which prompted the State Bank of Vietnam (SBV) to intervene decisively. While these measures helped stabilize the exchange rate, they also exerted psychological pressure on the stock market, particularly on foreign investors. As a result, they engaged in substantial net selling, totaling over VND 92.4 trillion in 2024 - the highest level in the 24-year history of the stock market.

Significant changes in monetary policy and stock market management also took place, contributing to the development and enhancement of Vietnam's financial market. Notably, the Ministry of Finance issued Circular No. 68/2024/TT-BTC, requiring pre-trade margin deposits for foreign institutional investors and outlining a roadmap for mandatory English disclosures on listed companies. This marks a crucial step in addressing regulatory obstacles, enabling Vietnamese stock market to meet the upgrade criteria set by FTSE Russell and attracting greater interest from international investors.

Additionally, during its 8th session, the 15th National Assembly officially passed amendments to the Securities Law. This landmark legislation shall update key regulations on central clearing mechanisms, securities issuance processes, and enhanced investor protection measures. These adjustments not only improve market efficiency but also strengthen investor confidence.

Amidst the volatility of the Vietnamese stock market in 2024, PVD shares in particular, and PV Drilling as a whole, continued to attract growing interest from both domestic and international shareholders and investors. In order to affectively meet their needs, PV Drilling proactively arranged meetings in various formats, tailored to specific conditions and investor availability. These included in-person and online meetings, large-group and small-group discussions, as well as one-on-one sessions. Through these engagements, PV Drilling provided timely updates on key areas of interest, such as business performance, corporate strategy, progress in rig investment, and developments in the domestic and regional drilling markets.

Consequently, PV Drilling received over 100 visits and working sessions from both domestic and international investors and shareholders through asset management funds and securities companies. Additionally, PV Drilling proactively organized four quarterly Analyst Meetings at our head office to disclose periodic financial reports and provide updates on the Corporation's business operations. Recognizing the strong interest of Thai investors in PVD shares, PV Drilling had an investor meeting in Thailand in May 2024, attracting approximately 150 participants to share insights and updates on the Corporation's activities.

In 2024, thanks to the effective coordination and collaboration of PV Drilling's Investor Relations Team with securities companies and asset management funds, a total of 56 research reports were published, with assessments of PVD shares being categorized as 'positive' and 'optimistic.' These reports have helped shareholders and investors gain a deeper understanding of PV Drilling's operations and the overall outlook for the oil and gas drilling industry.

Additionally, PV Drilling strengthened its ESG initiatives by integrating Environmental, Social, and Governance (ESG) policies and criteria into its corporate strategy, with the dual objective of protecting shareholder interests and promoting sustainable development.

Accordingly, the Investor Relations team, through various engagement and dialogue activities with investors, has actively communicated PV Drilling's leadership vision and aligned its investor relations strategy with these principles. This approach has provided shareholders with a comprehensive understanding of PV Drilling's business operations and long-term sustainability strategy.

With its proactive efforts in investor relations, built on a foundation of professionalism, PV Drilling received high recognition in 2024 from key shareholders, including state management agencies and international financial institutions, for its investor relations practices.

As a result, PV Drilling was honored by HOSE with the Top 10 Best Corporate Governance Enterprises Award in the large-cap category and was ranked among the Top 20 Best Annual Reports in the non-financial sector.

OPERATIONAL PLAN FOR 2025

To enhance the effectiveness and professionalism of IR activities, PV Drilling has outlined the following investor relations plan:

- Proactively engage with shareholders and investors, promptly disclose and update information on business operations, business strategies, and investment plans to attract more investors, enhance stock liquidity, and strengthen information transparency;
- Participate in domestic and international investment conferences, as well as seminars on corporate governance, investor relations, and updates on prevailing legal regulations;
- Gain deeper insights into the information needs of stakeholders, including shareholders, investment funds, securities companies, the press, and media outlets, to develop a clear and transparent corporate data system;
- Improve disclosure materials related to ESG activities;
- Disclose external information in both English and Vietnamese;
- Comply with and implement the ASEAN Corporate Governance Scorecard and Vietnam's best practice corporate governance principles;
- Improve corporate governance through applying the VNGC50 Scorecard.

Investor Relations: Mr. Do Danh Rang
(CFO, in charge of IR)
Email: IR@pvdrilling.com.vn
Phone: + 84 - 28 - 39142 012

SUBSIDIARIES

	PVD DRILLING DIVISION	PVD OFFSHORE	PVD LOGGING	PVD WELL SERVICES	PVD DEEPWATER	PVD TECH	PVD TRAINING
ADDRESS	3rd Floor, Sailing Tower, 111A Pasteur Street, District 1, Ho Chi Minh City.	No. 61, Street 30/4, Thang Nhat Ward, Vung Tau City.	4th Floor, PVFCCo Tower, 43 Mac Dinh Chi Street, Da Kao Ward, District 1, Ho Chi Minh City.	4th Floor, Cantavil Premier Building, No. 1, Song Hanh Street, An Phu Ward, Thu Duc city, Ho Chi Minh City.	3rd Floor, Sailing Tower, 111A Pasteur Street, District 1, Ho Chi Minh City.	10th Floor, Phuoc Thanh Building, 199 Dien Bien Phu Street, Ward 15, Binh Thanh District, Ho Chi Minh City.	Road No.1, Dong Xuyen Industrial Zone, Rach Dua Ward, Vung Tau City.
CORE BUSINESS	Manage and operate the rig fleet of PV Drilling Corporation (PV DRILLING I, II, III, 11) and the leased rigs.	With these three core service lines including Supply drilling manpower service, Inspection, Maintenance, Repair, and Fabrication of Drilling Equipment Service, Oil spill response service, PVD Offshore has effectively leveraged its available resources to promptly meet the increasingly diverse demands of both domestic and international clients in the oil and gas sector.	Services of Slickline, Cased-hole Logging, Production Logging, Well Testing, Mud Logging and Provision of Geologist Consultants.	Drilling Tool Rental Services (DTRS), Casing and Tubular Running Services (CTRS), Managed Pressure Drilling Services (MPD), Expandable Liner Services, Well Bore Clean Up (WBCU), Solid control, SafeVision ® services, Casing Accessories...	(i) Support services for crude oil and natural gas extraction: Providing deep-water rigs for oil and gas research and exploration activities; providing material, equipment and machineries for oil and gas and elated industries; (ii) Research and experimental development in science and technology; (iii) Technical consultancy in oil and gas industry; (iv) Management consulting, investment consulting, and project management.	Drilling Equipment Set (DES) leasing; Oil and gas technical services, including well intervention, solid separation in drill cutting; Providing wellhead equipment leasing services, well abandonment, and field abandonment; Design, fabrication, and production of high-tech equipment services; Commercial services; Maintenance and repair services, supply of industrial equipment, and logistic services.	Training, certification for petroleum, manpower supply and other technical services.
CHARTERED CAPITAL	– billion VND	130 billion VND	80 billion VND	80 billion VND	764 billion VND	450 billion VND	28.9 billion VND
OWNERSHIP	100%	100%	100%	100%	100%	97%	52%

SUBSIDIARIES *(continued)*

	PVD BAKER HUGHES	PVD OVERSEAS	PVD TUBULARS MANAGEMENT	VIETUBES	PVD EXPRO	PVD OSI
ADDRESS	5th Floor, Cantavil Premier Building, No. 1, Song Hanh Street, An Phu Ward, Thu Duc city, Ho Chi Minh City.	No.75 High Street, Singapore 179435.	Phu My 1 Industrial Zone, Phu My Ward, Phu My Town, Ba Ria Vung Tau Province.	Street No.11, Dong Xuyen Industrial Zone, Rach Dua Ward, Vung Tau City.	65A Street 30/4, Thang Nhat Ward, Vung Tau City.	No.11 Road, Phu My 1 Industrial Zone, Phu My Ward, Phu My Town.
CORE BUSINESS	Supplying a wide range of services such as directional drilling and logging while drilling, drill bits, casing exit, line hanger, intelligent well completion, electric logging, liner core sampling, production enhancement service, cementing, well completion, well intervention, coil tubing services...	(i) Investment, operation, and management of jack-up drilling rigs and (ii) Provision of other supporting oil and gas services.	Providing drill pipes, casing, tubing, special connectors, casing accessories, and comprehensive packages of OCTG management.	Threading, manufacturing, and repair/ reconditioning of various types of casing, drill pipes, production tubings, pipelines, etc., for oil and gas exploration and production activities.	Providing exploration well testing services; exploration well flowback and clean-up services; subsea equipment supply services; surface and bottom hole sampling services; surface sand filters services; and early production services.	Production, fabrication, threading, and machining of various types of plain end casing and tubing, pipe connectors, components, and spare parts for oil and gas drilling exploration and production; Repair and maintenance services for various types of pipe connectors in oil and gas exploration and production.
CHARTERED CAPITAL	20 million US dollars	66.7 million US dollars	3.5 million US dollars	3.7 million US dollars	6.4 million US dollars	5 million US dollars
OWNERSHIP	51%	82%	51%	51%	51%	51%

SUBSIDIARIES *(continued)*

PVD DRILLING DIVISION

Established in 2007, with dynamic, enthusiastic, non-stop creative and full of experiencing workforce, PVD Drilling Division is completely condent to manage and operate the most modern drilling rig fleet in the world. PVD Drilling Division commits to clients about safety and efficiency of operating performance, thereby meeting the highest service quality and optimizing costs for our clients.

OWNERSHIP

100%

3rd Floor, 111A Pasteur Street, District 1, Ho Chi Minh City

Manage and operate the rig fleet of PV Drilling Corporation (PV DRILLING I, PV DRILLING II, PV DRILLING III, PV DRILLING 11) and the leased rigs.

In 2024, PVD Drilling Division continued its strong growth momentum, achieving impressive business results. Profit before corporate income tax in 2024 reached USD 31,35 million, marking an increase of USD 9,85 million (equivalent to 46%) compared to 2023, mainly due to higher drilling service revenue, and exceeded the target by USD 3,02 million (equivalent to 11%), mostly from cost savings in maintenance and repair work as well as optimizing current resources.

"Heavenly timing, earthly advantage, and people's harmony" are three essential factors forming the success of any business. Unquestionably, the price of oil has a significant impact on all decisions made in the oil and gas sector, but the key to each company's success is being ready to deploy both human and material resources at critical times. In addition to maintaining resources to meet each client's drilling plan, PV Drilling has also taken measures to optimize these resources during slowdown periods as well as vibrant markets. With flexibility in management control, PV Drilling Division has successfully exploited ancillary services together with its core business, such as providing human resources, accommodation, and catering services on the rig; the timely supply of drilling materials and equipment when required according to the terms of drilling contracts; etc. All these services have also contributed to enhancing the reputation and standing of PV Drilling in the international market. At the same time, revenue from acting as an agent for foreign rigs (Catarina, Thor, HaKuryu 11) contributed approximately 19% (equivalent to 44.26 million USD) of the total revenue of PVD Drilling Division in 2024. In particular, the 11 service package contract (bundle service) with PVEP-POC (Dai Hung development program in phase 3) has also been put into effect since the end of 2024. It has not only contributed to increasing the profit of the Drilling Division in 2025 but also opened up opportunities for long-term and sustainable partnerships with oil & gas operators, reaffirming the position of the PV Drilling in providing premium drilling services.

Entering 2025, with the objective assessment about the drilling market in Southeast Asia & oil price market all over the world, the management of PVD Drilling Division has determined the goal of maintaining the current profit margin and seeking opportunities to expand in scale in order to increase the market share of PV Drilling's Jack-up rigs in Southeast Asia. Following the achievements of 2024, the management of PVD Drilling Division has confidently proposed a profit plan for the year of 2025, which is to continue to grow in comparison to 2024. In particular, the total business results will also be greatly impacted by the new rig investment project (PV DRILLING VIII), which is anticipated to go into service in the fourth quarter of 2025.



Persisting with the goal of sustainable development, PVD Drilling Division has always focused on building a strong corporate culture and safe work environment. In 2024, PV DRILLING II reached the milestone of 15 years of continuously safe operation (Zero LTI); PV DRILLING III maintained the safety index (Zero LTI) and achieved many outstanding records when it was recognized by the Malaysia client as the rig that has successfully drilled the longest Extended Reach Drilling (ERD) well in Malaysia, setting consecutive records in 2023 and 2024.

In terms of financial management, PVD Drilling Division has likewise produced exceptional outcomes in 2024. Along with successfully reimbursing the withholding tax (10% of revenue) and settling the annual corporate income tax abroad, the Malaysian tax authority also agreed to refund the withholding tax on employees (3% of revenue) in 2024. This move was a major turning point in financial management. The outcome was a very positive signal for cash flow, reaffirming its correct approach in the Malaysian market.
With extensive experience in the oil and gas drilling industry, practical experience in foreign markets, and the scale of the Jack-up rig fleet as it stands today, besides the primary objective of profit and growth, PVD Drilling Division is also very confident in affirming its role in connecting the supply chain in the entire ecosystem of PV Drilling to move towards the shared goal of "Reach out to the ocean - sustain the future".

"Heavenly timing, earthly advantage, and people's harmony" are three essential factors forming the success of any business.

SUBSIDIARIES *(continued)*

PVD OFFSHORE

With these three core service lines including Supply drilling manpower service, Inspection, Maintenance, Repair, and Fabrication of Drilling Equipment Service, Oil spill response service, PVD Offshore has effectively leveraged its available resources to promptly meet the increasingly diverse demands of both domestic and international clients in the oil and gas sector.







CHARTERED CAPITAL

130 billion VND

OWNERSHIP

100%

No. 61, Street 30/4, Thang Nhat ward, Vung Tau City.

› Supply drilling manpower service;
› Inspection, Maintenance, Repair, and Fabrication of Drilling Equipment Service;
› Oil spill response service.

In 2024, Vietnam's economic landscape gradually stabilized after a period of crisis and supply chain disruption. Macroeconomic indicators showed significant improvement compared to previous years, with an estimated growth rate of 7.09%, a notable recovery from 2023. However, the domestic oil and gas industry continued to recover at a slower pace compared to neighboring countries and other manufacturing sectors. Exploration and production programs were implemented at a sluggish rate, with very few drilling wells executed. This slow progress directly impacted service providers like PVD Offshore. Despite these challenges, PVD Offshore successfully maintained stable operation across its three core service areas. The company also expanded its supply of drilling personnel for geothermal drilling projects abroad. As a result, PVD Offshore's total revenue for the year reached VND 465.64 billion, and post-tax profit reached VND 28.4 billion, up 33,9% and 42% budget plan.

Operational Highlights of PVD Offshore's Core Services in 2024:

Supply Drilling Manpower Service: The overall situation of the Vietnamese oil and gas industry remained largely unchanged in 2024 compared to the previous year. Domestic drilling activities remained limited, with an estimated 20 wells drilled throughout the year. Faced with this challenge, PVD Offshore maximized domestic opportunities while maintaining its personnel supply to PV Drilling's rigs operating overseas. The company successfully provided manpower for all five PV Drilling rigs operating abroad, while also collaborating with foreign drilling contractors on short-term drilling campaigns (3–6 months) within Vietnam. A key highlight of 2024 was PVD Offshore's significant expansion in Japan, where the number of deployed personnel grew by over 20% compared to 2023. This growth helped retain a highly skilled workforce, including senior professionals, ensuring job stability and competitive income level for employees.

Inspection, Maintenance, Repair, and Fabrication of Drilling Equipment Service: 2024 presented numerous challenges for this service segment due to the limited number of wells and rigs operating in Vietnam. The workload significantly declined compared to previous years, and competition on service pricing intensified. Despite these difficulties, PVD Offshore strategically restructured its workforce and optimized production shifts to enhance efficiency and minimize fixed costs. Throughout 2024, the company successfully secured and fulfilled most orders related to tubular inspection, repair, and maintenance for various drilling programs of clients. Additionally, PVD Offshore expanded its capabilities in equipment fabrication and repair, with a notable achievement being the successful manufacturing and export of mud tanks to the Japanese market.

Oil Spill Response Service: Throughout 2024, PVD Offshore maintained a stable customer base in this service segment. However, due to the lack of new Exploration & Production campaigns, there was no significant expansion of clients. Therefore, the company diversified its service offerings by providing additional support services, such as vessel rental and logistics,... to enhance revenue for this service segment.

Reflecting on 2024, PVD Offshore demonstrated resilience by maintaining operational stability despite industry challenges. With a more optimistic outlook for the oil and gas sector in 2025, the company remains committed to driving growth and sustainable development.

In the coming year, PVD Offshore aims to maintain its growth momentum by expanding its services beyond the oil and gas industry and increasing its presence in international markets. The company also seeks to explore opportunities in emerging sectors such as solar energy, wind energy, and other renewable energy solutions, leveraging its strong workforce and technical capabilities

SUBSIDIARIES *(continued)*

PVD LOGGING

Petroleum Well Logging Company Limited (PVD Logging), an independent accounting Subsidiary with 100% equity owned by Petrovietnam Drilling & Well Service Corporation (PVD Drilling).

CHARTERED CAPITAL

80

billion VND

OWNERSHIP

100%

4th Floor, PVFCCo Tower, 43 Mac Dinh Chi Street, Da Kao Ward, District 1, Ho Chi Minh City.

Services of Slickline, Cased-hole Logging, Production Logging, Well Testing, Mud Logging and Provision of Geologist Consultants.

2024 PERFORMANCE HIGHLIGHTS

Despite global uncertainties, the economic landscape in 2024 has shown signs of improvement compared to previous years. The oil and gas industry continued its growth momentum, supported by stable oil prices and strong demand from the Asian market. Against this backdrop, PVD Logging has achieved remarkable milestones: Revenue: VND 452.43 billion, exceeding the plan by 51,2% and increasing by 42% compared to 2023. Net profit after tax: VND 76.38 billion, surpassing the plan by 98% and growing 71% compared to 2023.

Key Business Segments:

- *Mud Logging Services: Building on our contract with Northern Gulf Petroleum in Thailand in late 2023, PVD Logging successfully extended its international reach by securing a contract with Petronas in Malaysia from October 2024. By the end of 2024, this segment generated VND 46 billion in revenue, exceeding the plan by 52% and growing 34% compared to 2023.*
- *Slickline & Cased-hole Logging Services: Continued to dominate the domestic market, leading revenue and profit growth in 2024, with VND 279 billion in revenue and VND 67 billion in net profit, accounting for 88% of the company's total profit.*
- *Well Testing Services: In partnership with the PVD-Expro joint venture, this segment sustained last year's growth momentum, achieving nearly VND 11 billion in net profit.*

2025 STRATEGY - EXPANDING HORIZONS, ENSURING SUSTAINABLE GROWTH

In 2025, PVD Logging will focus on strategic goals to expand its market presence, enhance service quality, and ensure long-term sustainability:

1. Strengthening International Expansion

- Expanding operations in key markets across Southeast Asia and the Middle East, targeting major clients such as Petronas (Malaysia), Pertamina (Indonesia), Brunei Shell Petroleum (Brunei), Northern Gulf Petroleum (Thailand), and Kuwait Oil Company (Kuwait).
- Continuing to supply personnel for Mud Logging and Slickline Services in the Japanese market.

2. Advancing Technology and Innovation

Investing in modern equipment and upgrading the WITSML-compliant data transmission system to meet stringent market demands. Aiming to bridge the technology gap with global service providers while developing breakthrough innovation in the market.





3. Developing a strong Workforce

Implementing specialized training programs to enhance employees' technical expertise. Attracting and retaining top talent through competitive compensation and a professional working environment.

4. Expanding Value-Added Services

Researching and developing new technical solutions to diversify and innovate service offerings to meet evolving customer needs.

5. Promoting to Sustainable Growth

Launching initiatives to reduce environmental impact, ensure workplace safety, and contribute positively to the community.

PVD Logging remains committed to delivering superior service quality, reinforcing its leadership position in the oil and gas sector while fostering sustainable and prosperous growth.

NEW SERVICE DEVELOPMENT

Achievements in 2024

Company's Core Services – Slickline and Cased-hole Logging:

- Strengthened collaboration with international technology partners (TGT, Welltec, etc.) to enhance customer value and solidify our leading position in the domestic market.
- Proactively expanded into new service areas such as Coil Tubing and Downhole Tools to diversify offerings and create new growth opportunities.
- Notably, successfully completed eight well intervention campaigns in 2024 for Bien Dong POC at the Hai Thach – Moc Tinh gas field, which operates under high-temperature and high-pressure condition, generating significant revenue for the company.

Company's Pride – Mud Logging Service

- Leveraging the synergy with PV Drilling's rigs and strategic partnership with Baker Hughes, the company has expanded mud logging services across the region, from a short-term contract with Northern Gulf Petroleum in Thailand (2023) to a mid-term contract with Petronas in Malaysia (2024).
- Achieved success in research and development collaboration with reputable domestic institution. Key achievements include: Advanced gas analysis system (C1-C8), Constant-volume and temperature gas separator, WITSML-compliant data transmission system,... These innovations have met the high technical standards of international clients and have been successfully deployed in 2024-2025 drilling campaigns in Malaysia.

Focus Areas for the Coming Years

- Strengthening training programs and standardizing workforce qualifications to meet international standards (IWCF Level 4 certified). Continuing collaboration with PVD Tech to execute the well abandonment project for the Song Doc field.
- In 2025, as PV Drilling's Hydraulic Workover Unit becomes operational, PVD Logging is fully equipped with personnel and technology to support the Corporation in expanding well plugging and abandonment services across Southeast Asia.
- Actively pursuing long-term contracts for mud logging services with key potential clients such as Pertamina in Indonesia and Brunei Shell Petroleum in Brunei,...
- Boldly investing in R&D and market exploration for breakthrough scientific and technological projects, aiming to lead industry trends and strengthen brand positioning in the global market.
- Continuing collaboration with PVD Offshore to supply mud logging, slickline, and cased-hole logging personnel to the Japanese market, while seeking opportunities to expand service offerings in this region.

SUBSIDIARIES *(continued)*

PVD WELL SERVICES

PVD Well Services Company Limited officially established in 2007, has specialized in providing well technical services to clients such as Drilling Tool Rental Services (DTRS), Casing and Tubular Running Services (CTRS), Managed Pressure Drilling Services (MPD), Expandable Liner Services, Well Bore Clean Up (WBCU), SafeVision ® services, Casing Accessories, Solid Control,…

CHARTERED CAPITAL

80
billion VND

OWNERSHIP

100%

4th Floor, Cantavil Premier Building, No. 1, Song Hanh Street, An Phu Ward, Thu Duc city, Ho Chi Minh City.

Drilling Tool Rental Services (DTRS), Casing and Tubular Running Services (CTRS), Managed Pressure Drilling Services (MPD), Expandable Liner Services, Well Bore Clean Up (WBCU), Solid control, SafeVision ® services, Casing Accessories…

Despite a challenging global oil and gas landscape in 2024, characterized by fluctuation in market demand, intense competition from both international and domestic private firms, and limited domestic workload, PVD Well Services leveraged its expertise and long-standing reputation to maintain its market-leading position in well technical services and achieve impressive financial results: Total revenue reached VND 404.34 billion, exceeding the annual plan by 51% and increasing by 56% compared to 2023; Net profit after tax amounted to VND 36.68 billion, surpassing the target by 83% and growing 65% compared to 2023.

These achievements were driven by persistent market expansion effort, technological innovation, service diversification, and strategic client acquisition. PVD Well Services has reinforced its leadership in traditional service sectors, advanced new service development, and recorded notable operational highlights, including:

- Successful execution of all signed contracts with high service quality and customer satisfaction, new services expansion;
- Maintaining a 100% domestic market share in CTRS services, sustaining a leading position in DTRS services, supplying equipments of CTRS/DTRS service in key target markets;
- Providing MPD services to several key clients;
- Reintroducing Solid Control Services in 2024, securing new contracts through competitive bidding.
- Actively bidding for new services, such as oil & gas equipment supply, accessory provision, offering anti-fouling jacket cleaning services, etc., to increase revenue and create jobs.
- Expanding CTRS service tenders in regional markets such as Malaysia, Indonesia, and Myanmar.
- Continuing to lease casing running tools and other minor equipment in Malaysia.
- Investing in key equipment to anticipate future drilling campaigns, reducing dependency on external suppliers, and enhancing competitiveness in tenders.



PVD Well services researches and develops scientific and technological equipment, as well as technical innovation initiatives for implementation in 2025, including Tong Manipulating System and Casing Alignment System. In addition to business operations, PVD Well Services has continued to uphold and achieve outstanding accomplishments in Health, Safety, Environment, and Quality (HSEQ) in 2024. The company has maintained a Zero LTI record with over 4.1 million continuous hours without any lost-time incidents since 2007. It has also sustained its HSEQ management system certifications under international standards ISO 9001, ISO 14001, and ISO 45001, and notably, successfully renewed its API Q2 quality management system certification—one of the most prestigious standards in the oil and gas industry. Beyond recognition from regulatory authorities, the company has received commendation letters from major clients such as PVEP-POC and Idemitsu, along with 22 awards from client safety observation card programs in Vietnam. PVD Well Services employees have also actively participated in and won numerous top HSEQ awards organized by the Corporation and the Corporation's Trade Union.

PVD Well Services continues to affirm its pioneering role in the oil and gas well services sector in Vietnam through a comprehensive and effective human resource development strategy. The company focuses on building a high-quality workforce that meets international standards, maintaining its competitive advantage, and staying prepared for emerging market opportunities. In terms of training, PVD Well Services has sent 100 employees to participate in over 27 specialized and managerial skill enhancement courses. Additionally, the company regularly organizes internal training programs, coaching sessions, and on-the-job training for technical specialists while conducting evaluation and promotion for casing running technicians. Notably, training courses on the application of new technologies in the oil and gas industry and digital transformation trends have been emphasized, enabling employees to quickly adapt to Industry 4.0 advancement. Furthermore, PVD Well Services has implemented various employee benefits policies, team-building programs to strengthen workplace connections, and transparent career development pathway to retain talent. These efforts not only enhance workforce quality but also play a crucial role in the sustainable growth of PVD Well Services in the future.

PVD Well Services leveraged its expertise and long-standing reputation to maintain its market-leading position in well technical services and achieve impressive financial results: Total revenue reached VND 404.34 billion, exceeding the annual plan by 51,2% and increasing by 56% compared to 2023.

Despite operating in a challenging environment, thanks to the efforts of the leadership team and all employees, PVD Well Services achieved strong business performance in 2024. This is an encouraging achievement, motivating the company to strive even harder in the coming years.

The year 2025 is expected to face further market challenges due to escalating military conflicts between nations and regions, ongoing civil wars, the risk of a global trade war, slow global economic growth, and an unsteady global supply chain. Additionally, the domestic workload remains low, oil and gas contractors may continue to postpone or cancel drilling programs. Moreover, fierce competition from well-funded foreign competitors willing to cut prices to gain market share, new entrants forced to explore this market due to restrictions or sanctions in other regions, and flexible pricing strategies from local private companies further intensify market pressure. Expanding into international markets also presents difficulties due to high protectionist policies in regional countries, limited understanding of new market, and a lack of practical experience, making it a high-risk endeavor.

Therefore, in 2025, PVD Well Services will continue to make efforts to maintain its market share in service provision and achieve the planned business objectives by committing to providing the best possible services for signed contracts, making the most of the company's workforce and equipment in service delivery; acquiring and investing in key equipment for CTRS and DTRS services; enhancing the introduction and development of Solid Control, MPD, and other new services; actively and flexibly participating in bidding and pricing strategies to increase job opportunities and expand services to foreign markets; investing in truly essential equipment to anticipate customers' drilling programs; and implementing cost-saving policies across all business activities.

SUBSIDIARIES *(continued)*

PVD DEEPWATER

PVD Deepwater was established in July, 2010 with the mission to provide deep-water rigs for oil and gas research, exploration and production activities; providing materials, equipment and machineries for oil and gas and relevant industry; research and experimental development in science and technology; technical consultancy in oil and gas industry.

CHARTERED CAPITAL

764

billion VND

OWNERSHIP

100%

3rd Floor, Sailing Tower, 111A Pasteur Street, District 1, Ho Chi Minh City.

(i) Support services for crude oil and natural gas extraction: Providing deep-water rigs for oil and gas research and exploration activities; providing material, equipment and machineries for oil and gas and elated industries;
(ii) Research and experimental development in science and technology;
(iii) Technical consultancy in oil and gas industry;
(iv) Management consulting, investment consulting, and project management.

2024 BUSINESS AND OPERATIONAL RESULTS

Since resuming operations (January 2022), the TAD - PV DRILLING V rig has consistently maintained high operational efficiency, achieving 98.17% in 2022, 99.87% in 2023, and 97.87% in 2024. The rig has been highly praised by its client, Brunei Shell Petroleum (BSP), for its outstanding safety performance. To date, the TAD - PV DRILLING V rig has reached the milestone of over 12 consecutive years of Zero Lost Time Incidents (Zero LTI).

Over the years, the rig's employees have implemented innovative technical improvements in rig operation, earning recognition and awards from PV Drilling Corporation, Vietnam Oil and Gas Group (Petrovietnam), the Ministry of Industry and Trade, the Vietnam General Confederation of Labor, and the Vietnamese Government. Notable achievement mentioned "Design and fabrication of the force oil feed lubrication system for fairleaders of the TAD - PV DRILLING V of Anchor Mooring system", which received the National Outstanding Achievement Award presented by the Vietnam General Confederation of Labor.

Some of the achievements of the TAD-PV DRILLING V rig in 2024 are as follows:

- Successfully completed the LBD target (local Business development) for the first two years of the contract. LBD is a strict requirement in the contract, as stipulated by the Ministry of Energy (ME) of Brunei and the customer BSP, with the aim of developing the local workforce in Brunei and contributing to the social welfare of the host country. 2024 is also the year PV Drilling successfully negotiated an amendment to the contract for the annual LBD targets, to align with the local workforce situation and ensure that PV DRILLING V maintains a core workforce with experience and operational competence on the rig.
- 12 years of continuous operation without any Lost Time Incident (LTI-free).
- Successfully upgraded the DES tie-down system and the blowout preventer (BOP) hoisting system, which was highly praised by the customer BSP. They agreed to transfer all necessary repair costs for the tubular from PV Drilling's budget to BSP's budget. This upgrade not only represents a significant improvement for the rig (by reducing installation time when relocating the rig and enhancing automation) but also optimizes the rig's operational cost.

As the owner of the TAD - PV DRILLING V rig, PVD Deepwater has always provided PV Drilling with technical support related to the management, operation, and exploitation of the rig, as well as maintenance and servicing of the rig in accordance with the drilling rig leasing contract signed with PV Drilling.

In addition, in 2024, the leadership of PVD Deepwater, together with the entire employees, made efforts to implement necessary solutions to complete the key tasks for business production in 2024. Specifically, in the financial sector, with the support of the parent company, PVD Deepwater successfully settled overdue loans with Military Commercial Joint Stock Bank (MB Bank) and Vietnam Foreign Trade Joint Stock Bank (Vietcombank), significantly reducing interest expenses for the company in 2024. The revenue for 2024 reached VND 131.42 billion, exceeding the annual plan by 9%.

2025 DEVELOPMENT ORIENTATION

In 2025, PVD Deepwater will continue to cooperate with PV Drilling in managing, operating, and maintaining the materials and equipment of the drilling rig, ensuring that the rig operates with high performance, safety, quality, and efficiency.

For financial operation: (i) Continue to strengthen financial management, control the budget, monitor expenses within the approved budget limit, and optimize resources to reduce costs; (ii) Manage cash flow effectively and arrange for debt repayment to banks as per the plan; (iii) Closely monitor the approved business production targets and regularly evaluate the implementation of the planned targets.

For the old Drilling Equipment Set (DES) of the TAD - PV DRILLING V rig, PVD Deepwater will cooperate with PV Drilling's major department to research and forecast market information, explore the demand for using the TAD rig both domestically and internationally to find a feasible solution for utilizing and exploiting the old DES of PV DRILLING V. At the same time, PVD Deepwater will develop maintenance, servicing, storage, and safety plan for this DES set.

PVD Deepwater will continue to make efforts in business production activities with the goal of further improving business performance in the coming period, contributing to the overall success of the Corporation in the new growth cycle.



SUBSIDIARIES *(continued)*

PVD TECH

PVD Tech is a member of PV Drilling Corporation, established in 2006 with a current total charter capital of VND 450 billion. The business scopes are mainly included at the following areas: Drilling Equipment Set (DES) leasing; Oil and gas technical services, including well intervention, solid separation in drill cutting; Providing wellhead equipment leasing services, well abandonment, and field abandonment; Design, fabrication, and production of high-tech equipment services; Commercial services; Maintenance and repair services, supply of industrial equipment, and logistic services.

CHARTERED CAPITAL

450

billion VND

OWNERSHIP

97%

10th Floor, Phuoc Thanh Building,
199 Dien Bien Phu Street, Ward 15,
Binh Thanh District, Ho Chi Minh City.

Drilling Equipment Set (DES) leasing; Oil and gas technical services, including well intervention, solid separation in drill cutting; Providing wellhead equipment leasing services, well abandonment, and field abandonment; Design, fabrication, and production of high-tech equipment services; Commercial services; Maintenance and repair services, supply of industrial equipment, and logistic services.



In 2024, the global and Vietnamese economy showed signs of recovery with many positive points, but the global situation remained complex (with escalating conflicts in Ukraine, the Middle East, the Red Sea, and rising tensions on the Korean Peninsula), causing partial disruption in global supply chain, high logistics cost, and business production interruption. Although the U.S. interest rates were cut three times in 2024, they remained high due to the prolonged tightening monetary policy since 2022. The USD/VND exchange rate increased sharply, causing higher financial and input material cost, along with fierce competition. Overcoming many challenges and pressures, PVD Tech had a successful year in business production, developing most of its core services, effectively executing large contracts, handling significant workload with high service quality. Revenue and post-tax profit reached VND 1,648.52 billion and VND 53.8 billion, respectively, showing impressive growth 177% and 92% compared to 2023.

Some outstanding achievements include:

i. Ensure safe production operation at facilities of PVD Tech and customers;
ii. The Drilling Equipment Set (DES) for the TAD - PV DRILLING V rig continued to operate safely, effectively, and at high efficiency in Brunei; closely followed the delivery schedule of the important contract to supply Flexible Flowlines for PVEP POC, completed in 2024; executed contracts for ENI, Cuu Long JOC, Vietsovpetro, Idemitsu, PVEP POC for Conductors, Wellheads, and Running Services; carried out several projects for Ca Mau Fertilizer Plant, Phu My Fertilizer Plant, and expanded services for Dung Quat Oil Refinery;
iii. Oil and gas technical and commercial services confirmed service quality, continued to maintain the Wellhead and Connector markets with traditional oil and gas customers; notably, PVD Tech, along with the parent company, signed a major contract to provide Well P&A services for the Song Doc field for PVEP-POC as the main contractor for the project; continued participating with the parent company in the HWU rig project to develop well plugging and abandonment services in the future;
iv. Design and fabrication services completed contracts for Vietsovpetro, export production for TNS, BH, Slatland; continued signing contracts to supply TEG, CIS, and Pressure vessels for domestic oil and gas projects, while expanding into international market, securing a major contract to supply Chemical Pumping Units for the RUYA BATCH 1 Project (Qatar), opening future opportunities for PVD Tech in the Middle East and Europe;
v. Equipment maintenance service continued to assert service quality and maintain offshore crane maintenance service, performed maintenance service for companies in the gas – electricity - fertilizer sector, and continued services for wind power; won major contracts to supply cranes for the LDV-Murphy Project and ZaruBezhneft; completed the official operation of The Electric Motor & Rotating Equipment Repair and Maintenance Workshop project;
vi. Continued to strengthen cooperation and successfully partnered with many new potential partners with high technological content and strong competition;
vii. Optimized resources, operational costs, and interest expenses.

In 2025, following the direction of "Reach out to the ocean – Sustain the future" PVD Tech will continue its strategy of developing core technical services with high technical expertise and fostering partnerships that align with the company's strength, the corporation's development strategy, the oil and gas industry, and the trend in energy transition and digital transformation, in order to drive growth and ensure sustainable development in the coming years, specifically focus on:

- Developing a highly skilled, dedicated, and long-term technical workforce, streamlining its organizational structure, and further promoting the corporate culture of both the company and PV Drilling;
- Ensuring the continued safe and efficient operation of DES while negotiating for lower loan interest rate;
- Maintaining market share in petroleum technical services and trading, effectively executing signed contracts related to Wellhead, Connector, and well abandonment services; continuing to collaborate with PV Drilling to invest in a lightweight HWU rig for well plugging and abandonment services; closely monitoring development in field development projects throughout the year to expand the scope of work;
- The Mechanical Fabrication service is evolving towards high-tech solution, ensuring high-quality execution of contracts for the LDV Murphy Project, Block B, and large-scale export production for the Ruya Project (Qatar), TNS, BH, and Slatland. The goal is to expand manufacturing and export capabilities for the oil and gas industry as well as other industrial sectors globally;
- The Maintenance service continues to sustain and expand offshore crane services while effectively utilizing the Electric Motor & Rotating Equipment Repair and Maintenance Workshop (servicing turbine, compressor, pump, etc.). It is also developing professional maintenance services both within and beyond the oil and gas sector, gradually integrating into the renewable energy supply chain;
- Strengthening and expanding cooperation with new potential partners that offer high-tech and highly competitive solutions. Implementing an effective marketing strategy that aligns with the company's strength and expanding market reach from upstream to midstream, downstream, and non-oil and gas sectors, as well as international market.

With its strong workforce, existing infrastructure, and reputation for high-quality services, combined with the strategic vision of its leadership, PVD Tech is confident in its sustainable growth path. The company aims to solidify the PVD Tech brand while contributing to the international recognition of PV Drilling.

INVESTMENT AND NEW SERVICE DEVELOPMENT

In 2025, PVD Tech will continue collaborating with the Corporation to complete the investment project for the HWU light rig, supporting well plugging and abandonment services. Additionally, PVD Tech is executing a major contract for the well plug & abandonment (Well P&A) service at Sông Đốc field for PVEP POC. This is Vietnam's first offshore well abandonment project outside of Vietsovpetro. Successfully delivering this project promises new opportunities for service expansion in the coming years. PVD Tech has also secured large-scale contracts for the design, fabrication, and export of equipment modules to international market. The company has demonstrated its capability, built a strong reputation, and established its brand, laying a solid foundation for future growth. Furthermore, the company will focus on maximizing the efficiency of its Electric Motor & Rotating Equipment Repair and Maintenance Workshop and expanding high-tech service offerings for refinery, fertilizer plants, and heavy industries. These include repair, upgrade, and maintenance of rotating equipment such as turbine, compressor, and pump. PVD Tech is also executing major overhauls for key clients such as Binh Son Refining and Petrochemical Joint Stock Company (BSR), Long Son Petrochemicals Company Limited (LSP), Dam Ca Mau, Dam Phu My, Dam Ha Bac, etc. while actively integrating into the renewable energy supply chain.

PVD Tech has signed multiple cooperation agreements with globally renowned partners in its core services and has already secured initial service contracts with clients, marking a significant step forward in its business expansion.

SUBSIDIARIES *(continued)*

PVD TRAINING

Established in 2007, PVD Technical Training and Certification JSC (PVD Training) is a reliable service provider specializing in providing three core services: Training & certification, Man power supply and Technical services.

CHARTERED CAPITAL

28.9
billion VND

OWNERSHIP

52%

Road No.1, Dong Xuyen Industrial Zone, Rach Dua Ward, Vung Tau City.

Training, certification for petroleum, manpower supply and other technical services.

2024 continued to be a year of fluctuation, yet full of opportunities for PVD Training to strengthen its position and enhance its competitive edge. Embracing the spirit of "Trusted Partner – Sustain the future," PVD Training has made relentless effort to meet customer demand.

BUSINESS PERFORMANCE AND KEY HIGHLIGHTS IN 2024

- Successfully completed the annual evaluation by prestigious organizations such as IWCF, GWO, and OPITO, while adding the IRAT – Rope Access training certification. These achievements further reinforce trust and affirm PVD Training's capability in the safety and technical training market;
- Maintained its role as a pioneer in delivering internationally certified technical training programs, integrating technology to address the critical demand for skilled safety and technical personnel in the oil & gas sector and beyond;
- Took over, sustained, and further developed all resources and specialized services from PVD Invest in alignment with PV Drilling Corporation's strategic direction.

2024 was a challenging journey for PVD Training. However, with determination, solidarity, and relentless efforts from all employees, PVD Training successfully overcame difficulties and achieved remarkable accomplishments. The company ensured job stability for its workforce and recorded a revenue of VND 570.97 billion,





surpassing the plan by 257% compared to the annual target; profit after tax reached VND 9.98 billion, growing 82% compared to the plan.

DEVELOPMENT ORIENTATION FOR 2025

- Developing Clean Energy Training Programs (LNG, LPG, Nuclear Energy): PVD Training is actively researching and collaborating with international organizations and training centers to design safety and technical training programs for LNG and LPG. Additionally, it aims to expand certification offerings and explore safety practices for personnel working in nuclear power plant;
- Maintaining high-quality manpower supply and technical services to support drilling and oil & gas exploration activities;
- Strengthen training and development of lecturers and experts, ensuring the capacity to implement a variety of modern training programs, keeping up with the latest international standards;
- Encouraging research and innovation in teaching, implementing advanced instructional methodologies to help trainees effectively acquire practical knowledge and skills.

COMMITMENT TO SUSTAINABLE VALUE

PVD Training is committed to sustainable development, integrating training activities with safety, efficiency, and social responsibility goals.

- Safety and Quality: Ensuring all training programs meet stringent standards, with regular assessment and continuous improvement;
- Community Responsibility: Contributing to the development of a high-quality workforce for the oil & gas and energy sectors while actively supporting social activities;
- Environmental Protection: Implementing energy-efficient training practices aligned with Net-Zero goal, minimizing emission, and incorporating sustainability into all operations.

SUBSIDIARIES *(continued)*

PVD BAKER HUGHES

Established in 2011 with the total chartered capital of USD 20 million, PVD Baker Hughes is a Joint venture between PV Drilling and Baker Hughes, in which PV Drilling contributed 51% of chartered capital.

CHARTERED CAPITAL

20

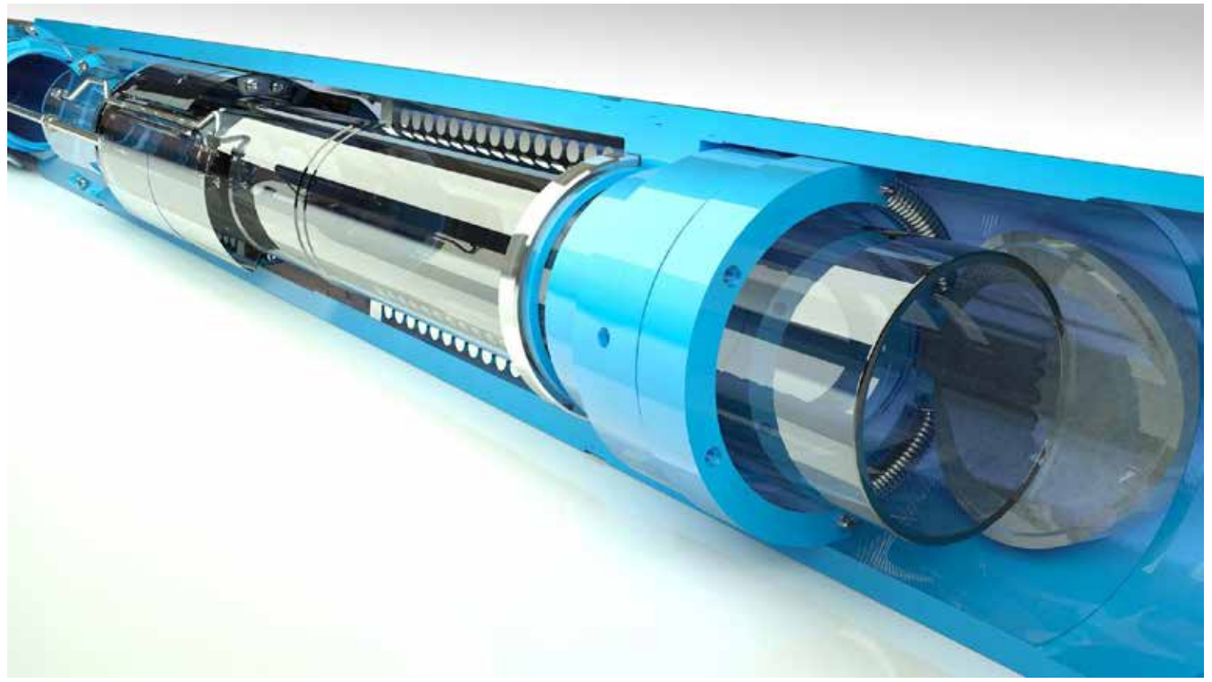
million US dollars

OWNERSHIP

51%

5th Floor, Cantavil Premier Building, No. 1, Song Hanh Street, An Phu Ward, Thu Duc city, Ho Chi Minh City.

Supplying a wide range of services such as directional drilling and logging while drilling, drill bits, casing exit, line hanger, intelligent well completion, electric logging, liner core sampling, production enhancement service, cementing, well completion, well intervention, coil tubing services...



The year 2024 continued to be a challenging year for PVD Baker Hughes. The Russia-Ukraine war and the turmoil in the Middle East continued to have a significant impact on the global economy, leading to high logistics and transportation costs. The scarcity of drilling rigs persisted in 2024, along with high rig rental prices, which altered the drilling plans of domestic oil companies.

Despite the challenging market conditions and high input costs, in 2024, PVD Baker Hughes achieved revenue of VND 903.3 billion, an increase of 6% compared to 2023 and 11% higher than the plan. PVD Baker Hughes continued to affirm its position as a leading provider of high-tech oil and gas services in Vietnam and a reliable choice for customers.

In 2024, with the support of PV Drilling Corporation, PVD Baker Hughes coordinated with PV Drilling member companies to provide comprehensive solutions for customers in several important projects. This collaboration aimed to offer integrated solutions to customers while leveraging the synergies of PV Drilling Corporation, marking a highlight in the business activities of 2024.

In 2024, PVD Baker Hughes capitalized on its technological strengths to successfully implement several high-tech projects for customers in Vietnam. Notable projects include the "Tele-Coil Tubing Perforation" project for Idemitsu and the "Multi Stage Fracturing" project for Vietsovpetro. Additionally, safe production activities remained a top priority for PVD Baker Hughes. The company consistently oriented its development based on core values with integrity, protection of people and the environment, and cooperation as the foundation for its market leadership and development.

In 2025, building on the successes of 2024, the company will focus on maintaining and improving service quality, continuing to restructure its organization to enhance its adaptability to domestic and global market trends.



SUBSIDIARIES *(continued)*

PVD OVERSEAS

PV Drilling Overseas Company Private Limited is a Joint Venture Company between PV Drilling and foreign partners, established and registered to operate in Singapore in 2013 as a Private Limited Company (hereinafter referred to as "PVD Overseas") with the core mission of investing, exploiting, and operating new generation, modern offshore drilling rigs, developing PV Drilling's high-quality drilling services to potential regional and global markets. The charter capital is USD 66.7 million.

CHARTERED CAPITAL

66.7

million US dollars

OWNERSHIP

82%

No.75 High Street, Singapore 179435

(i) Investment, operation, and management of jack-up drilling rigs and (ii) Provision of other supporting oil and gas services.

PVD Overseas is proud to own the PV DRILLING VI jack-up rig, one of the most modern new-generation drilling rigs in Vietnam, designed to the KFELS MOD V Enhanced Class B standard by Keppel FELS. Officially put into operation in March 2015, the PV DRILLING VI rig has continuously affirmed its position with impressive operating efficiency, achieving over 98% annually. In particular, the achievement of 10 consecutive years of Zero LTI (zero lost time incidents) recognized by the International Association of Drilling Contractors (IADC) has demonstrated PVD Overseas' highest commitment to occupational safety.

With outstanding advantages in the rig's technical characteristics during operation, its level of safe and stable performance in harsh weather conditions, along with a highly experienced operator, the PV DRILLING VI rig has been entrusted with the mission to venture into the ocean, joining PV Drilling's rig fleet to deliver increasingly greater achievements, contributing to creating sustainable value for PV Drilling in general and PVD Overseas in particular. Therefore, as the youngest rig among PV Drilling's generations of rigs, coupled with its inherent advantages, the PV DRILLING VI rig consistently receives significant attention from major oil and gas companies in Vietnam and the Southeast Asian region.

2024 marks a period of both challenges and opportunities for the global and Vietnamese oil and gas industry. The global economic landscape, with geopolitical fluctuations, rising inflation and high interbank overnight rates, military conflicts, slow and unsteady recovery of global economic growth, investment, and consumer demand, along with the global energy transition trend, creates significant pressures for the oil and gas industry in general. However, after years of facing difficulties due to the decline of the oil and gas industry, the market is now recovering with crude oil prices continuing to maintain at a positive level, high demand for drilling rigs, and improved drilling rig rental rates. In this context, PVD Overseas has sought solutions, leveraging existing advantages and potential to enhance the operational efficiency of the PV DRILLING VI rig, while also promoting research and application of new technologies in operation to strengthen competitiveness, alongside reducing operating and management costs. Accordingly, the PV DRILLING VI rig has operated safely, continuously, and achieved high efficiency in 2024 with an average operating efficiency of over 98% and a rig utilization rate nearly reaching an absolute 100% while executing a single drilling program for Petronas Carigali



Sdn Bhd (PCSB) in Malaysia under a firm 2-year drilling contract with a 3-year extension option from December 2023. Specifically, during the year, the rig completed drilling 12 wells, including successfully completing 8 wells in the Bokor E, Sarawak area from December 2023 to June 2024, followed by wells in the Peninsula area. Notably, the Amaryllis-1 well was recognized and honored as the lowest-cost drilling well of 2024 by the Malaysia Petroleum Management (MPM). The MPM's recognition of the Amaryllis-1 well's lowest-cost achievement, in which the PV DRILLING VI rig made a significant contribution, demonstrates the professionalism, exceptional capabilities of PV Drilling's rig management and operations team in general, and the contribution efforts of the PV DRILLING VI rig in particular, in the journey to establish a presence the Malaysian market, PVD Overseas continues building a solid reputation and brand value in the domestic and Southeast Asian drilling market, gradually reaching and expanding to other markets in the region and the world, creating encouraging achievements to move towards sustainable development.

In line with the growth momentum of the oil and gas industry, 2024 was a promising year for PVD Overseas as the company strived to exceed its planned targets and achieved significant accomplishments, contributing to the overall production and business results of PV Drilling Corporation, with revenue reaching VND 545.10 billion, an increase of 6% budget plan.

As we move into 2025, the oil and gas industry will continue to face many unpredictable factors with intertwined multidimensional impacts. According to the U.S. Energy Information Administration (EIA), the average Brent crude oil price is likely to fluctuate around $76 – $80 per barrel. This price level would still bring positive profits for exploration companies and partially supports the overall recovery of the oil and gas industry. The number of drilling programs as well as the rental rates for jack-up drilling rigs in the Southeast Asian region are also being maintained at a relatively positive level.

In addition to executing the drilling program for PCSB in Malaysia, which is expected to continue until the end of 2025, the PV DRILLING VI rig is also participating in marketing and bidding activities to seek new opportunities with potential clients such as Cuu Long JOC, Hoang Long - Hoan Vu JOC, Murphy Oil, Vietsovpetro, and Phu Quoc POC in Vietnam and other clients in the Southeast Asian region.

Accordingly, PVD Overseas sets the following key tasks for 2025:

- Collaborate with PV Drilling to secure work for the PV DRILLING VI rig, ensuring continuous employment for the rig.
- Ensure safe and efficient rig operations, optimize management, and comply with operational safety standards
- Continue to inspect and monitor financial governance, tightly control costs and cash flow, and strengthen internal resources to anticipate the recovery and development of the oil and gas market, towards sustainable development.

PVD Overseas believes that the company will achieve many new successes in expanding its market and securing long-term contracts for its drilling rigs. Flexibility in business strategy and the ability to adapt to market fluctuations will be decisive factors for the company's success in the coming time.

SUBSIDIARIES *(continued)*

PVD TUBULARS MANAGEMENT

PVD Tubulars Management (PVD Tubulars) is the joint venture between PV Drilling (51%) and Marubeni-Itochu Tubulars Asia Pte. Ltd. (49%), supplying Total Tubular Management Service (TTM Service), tubulars, drilling pipes, line pipes.

CHARTERED CAPITAL

3.5
million US dollars

OWNERSHIP

51%

Phu My 1 Industrial Zone, Phu My Ward, Phu My Town, Ba Ria Vung Tau Province.

Providing drill pipes, casing, tubing, special connectors, casing accessories, and comprehensive packages of OCTG management.





Looking back on the past year, PVD Tubulars is proud of its achievements amidst the recovery of Vietnam's economy in general and the oil and gas industry in particular. In addition to growth in both revenue and profit, the company also ensured the allocation of necessary resources to fulfill its commitments to sustainable development.

At the end of 2024, PVD Tubulars recorded total revenue of VND 411.47 billion, an increase of VND 283 billion compared 2023. After-tax profit reached VND 2.16 billion, an increase of VND 3.14 billion compared to the same period due to effective management of production and business operating costs.

PVD Tubulars consistently adheres to the development strategies of the domestic oil and gas industry, continuously expanding its product and service portfolio, from basic to high-end solutions, to rapidly meet the needs of the market and domestic oil and gas contractors. Simultaneously, the company actively seeks opportunities to collaborate with new oil and gas contractors, expanding its product and service offerings to non-oil and gas sectors, contributing to the diversification of business operations.

TOTAL REVENUE REACHED

411.47
billion VND

However, PVD Tubulars is also facing numerous challenges from economic volatility, unstable political situations, persistently high inflation, rising interest rates, the risk of global recession, and supply shortages. In this context, the company has strived to implement new projects, generate stable cash flow, ensure pre-tax profits, and, most importantly, maintain stable income and livelihoods for its workforce.

Entering 2025, PVD Tubulars remains steadfast with the Corporation's motto of "Reach out to the ocean – Sustain the future" by focusing on maintaining and expanding its market share in the oil and gas industry towards sustainable development. The company proactively restructures its product and service portfolio based on long-term brand orientation, optimizes operational capabilities, and expands services to better meet market demands. Additionally, PVD Tubulars emphasizes building strategic partnerships with potential partners to explore market expansion opportunities, while also promoting optimal business operation strategies to increase resources for production and business activities.

With the goal of achieving profits in the 2025 fiscal year, PVD Tubulars is implementing a flexible business strategy, focusing resources on short and medium-term projects, while ensuring liquidity even in the most unfavorable situations. PVD Tubulars also proactively restructures its operating model towards streamlined, versatile, and improved operational efficiency. The company continuously seeks and expands new markets, diversifies its product and service portfolio, and strengthens sales activities and the development of new clients in the oil and gas industry. Close monitoring of market changes and developments helps the company to have flexible and effective business plans, ensuring profit optimization while complying with the general business policies and strategies of investment partners.

Strict adherence to the operational criteria set by PV Drilling Corporation has helped PVD Tubulars maintain and expand its business operations, gradually overcome existing challenges, and affirm and consolidate its firm position in Vietnam's oil and gas industry.

SUBSIDIARIES *(continued)*

VIETUBES

Vietubes Corp. Ltd. (Vietubes) was established in February 1995. In 2012, PV Drilling officially invested in Vietubes with 51% of capital contribution. Vietubes is currently a joint venture company between Petrovietnam Drilling and Well Services Corporation (PV Drilling) and the multinational company Citra Sumit Valind Investments (CSV), with a 49% capital contribution including Sumitomo Corporation, Nippon Steel Corporation (Japan), PT Citra Tubindo Tbk (Indonesia), Vallourec (France), Marubeni-Itochu (Japan), operating in the field of new thread processing, repair and restoration of casing, tubing, drill pipe threads, manufacturing connectors and threaded accessories for drilling, oil and gas production, and marine mechanics, etc.

CHARTERED CAPITAL

3.7

million US dollars

OWNERSHIP

51%

Street No.11, Dong Xuyen Industrial Zone, Rach Dua Ward, Vung Tau City.

Threading, manufacturing, and repair/ reconditioning of various types of casing, drill pipes, production tubings, pipelines, etc., for oil and gas exploration and production activities.





Over 30 years of establishment and development, Vietubes proudly stands as the only high-tech Oil Country Tubular Goods (OCTG) threading plant in Vietnam with full licenses to thread various common connectors such as API (API 5CT, API Spec. 7.1) and premium connectors from major global licensors like VAM, JFE, Hunting, DP MASTER, etc., ISO - 9001 quality management certification, ISO - 14001 environmental management certification, ISO - 45001 occupational health and safety management certification, fully capable of meeting domestic market demands with a capacity of 25,000 - 30,000 tons of pipes of various diameters from 2-3/8" to 20".

Overcoming initial subjective and objective difficulties such as a shortage of skilled personnel and new technology updates, etc. Vietubes has continuously strived to learn, determined to meet and provide the highest quality services and products at competitive prices, and gradually earned the trust of domestic and international clients, along with the maximum support of investors.

2024 remained a challenging year with a shortage of work as the threading market lacked capacity and faced fierce competition from direct importers. The Vietubes workforce united, strived to overcome difficulties, implemented operational cost savings, and actively sought revenue from repair and threading services outside the oil and gas industry to partially offset the lack of work. These efforts by the Vietubes workforce yielded encouraging results, with 2024 revenue reaching VND 78.50 billion, an increase of 50% compared to 2023, compared to a loss in the same period last year. This result is a clear testament to the aspirations and determination to rise, maintain business operations, ensure employment for workers, and be ready to seize opportunities when the oil and gas drilling and exploration market rebounds.

2025 is forecast to be a more promising year for oil and gas activities as contractors have started previously delayed drilling campaigns. With the motto of providing quality services, meeting the best project timelines, and offering competitive prices to clients, Vietubes expects to achieve a production of 10,500 MT of new threads, revenue of USD 4.7 million, and profit of USD 307 thousand. Vietubes sees this as an opportunity to "Reach out to the ocean – Sustain the future". 2025 marks the company's 30th anniversary, and the Vietubes workforce strives to continue saving costs, increasing production efficiency, actively seeking service expansion, and commits to strive to exceed the set targets and plans, contributing to the overall success of PV Drilling.

Vietubes proudly stands as the only high-tech Oil Country Tubular Goods (OCTG) threading plant in Vietnam with full licenses to thread various common connectors such as API (API 5CT, API Spec. 7.1) and premium connectors from major global licensors like VAM, JFE, Hunting, DP MASTER, etc.,

SUBSIDIARIES *(continued)*

PVD EXPRO

Established in April 2008 and was officially put into operation in August 2008, PVD-Expro is a joint venture between PVD Logging (a subsidiary of PV Drilling) and Expro International B.V, in which PV Drilling contributed 51% of equity.

CHARTERED CAPITAL

6.4
million US dollars

OWNERSHIP

51%

65A Street 30/4, Thang Nhat Ward, Vung Tau City.

Providing exploration well testing services; exploration well flowback and clean-up services; subsea equipment supply services; surface and bottom hole sampling services; surface sand filters services; and early production services.

PVD-Expro International Company Limited is the pioneering unit to provide the first professional well testing and flowback services in the Vietnamese market, with 100% local engineers and experts, including experienced individuals who have worked for multinational oil and gas service corporations. Over 16 years of operation since its establishment in 2008, PVD-Expro has provided safe and reliable well testing, surface sand filtration, and well clean-up/flowback services to Oil and Gas Companies operating in Vietnam, such as PVEP, JVPC, Bien Dong POC, Hoang Long - Hoan Vu JOC, Cuu Long JOC, Idemitsu, Premier Oil, Rosneft, Thang Long JOC, VietGazprom, Lukoil, Murphy Oil, Vietsovpetro, SKEO, and Zarubezneft.

Complementing the collective efforts of the staff and employees is the support from the Board of Management of PVD Logging and PV Drilling, Currently, PVD-Expro is providing well testing services to most major clients in the Vietnamese market, thereby gaining the trust of major contractors in the quality of its services.

In 2024, PVD-Expro successfully and safely secured contracts to provide well testing - flowback services for:

- Well testing and flowback services for the first 3 wells out of 12 wells in the Dai Hung phase 3 project, a project owned by PVEP-POC, lasting 18 months from September 2024.
- Well clean-up and flowback services for Idemitsu at the Sao Vang field.
- Supply of high-pressure pipes for Cuu Long JOC's gas lift project.
- Notably, the company successfully conducted well testing for the HMV-1X exploratory well, with flow rates exceeding expectations for client Murphy in December 2024.

WELL TESTING AND FLOWBACK SERVICES FOR THE FIRST 3 WELLS OUT OF 12 WELLS IN THE DAI HUNG PHASE 3 PROJECT, A PROJECT OWNED BY PVEP-POC, LASTING 18 MONTHS FROM SEPTEMBER 2024.

Business results

Revenue in 2024 reaches VND 53.91 billion, an increase of 107% compared to the same period of 2023. Profit after tax reaches VND 21.39 billion, an increase of 171% compared to the same period of 2023.

To meet the production and business tasks amidst the rapid increase in contracts during the 2024 - 2026 period, PVD-Expro implemented a plan for the recruitment and thorough training of technical personnel from the beginning of 2024. Additionally, the company conducted comprehensive inspections, certifications, maintenance, and trial runs to ensure that the four sets of surface equipment owned by the company are always in a ready-to-serve condition upon client request. These measures, along with the efforts of all employees, resulted in revenue and profits exceeding planned targets in 2024. With this spirit and the existing workload, 2025 is projected to be even more successful.

2025 Business Operations Direction

Entering the new year with the expectation of higher revenue presents a significant challenge for the Company. To gradually achieve this goal, PVD-Expro has been bidding for exploration and production projects of SKEO, Zarubezhneft, and JVPC in 2025. With its existing capability and a 16-year track record of Zero LTI, the Company is confident in continuing to deliver safe and high-quality surface well testing and flowback services to its clients.

The company has proactively planned to balance resources with work progress to ensure the quality of provided services as well as the most reasonable costs. The company understands that maintaining the trust of existing clients and building credibility with new clients is of utmost importance. This is also an effective competitive strategy against domestic and international service companies to achieve higher revenue and profits than 2024.

Building on the achievements of 2024 and implementing the Corporation's motto of "Reach out to the ocean – Sustain the future" in the new growth cycle, the PVD-Expro team of staff and experts are committed to maintaining the spirit of solidarity and working together to promote safe, efficient, and economical production to better fulfill the assigned tasks for 2025, contributing to the overall success of PV Drilling.

Representatives from PVEP and the PVD-Expro expert team on the Shelf Drilling rig express their shared joy at the successful flowback of the production well in block 05-1(a), October 2024.



SUBSIDIARIES *(continued)*

PVD OSI

Established in 2011, PVD Tech – Oil States Industries J.V Co. Ltd. (PVD-OSI) is a joint venture between PVD Tech (51%) and Oil States Industries Asia Pte., Ltd. (49%), with a total charter capital of USD 5 million.

CHARTERED CAPITAL

5

million US dollars

OWNERSHIP

51%

No.11 Road, Phu My 1 Industrial Zone, Phu My Ward, Phu My Town.

Production, fabrication, threading, and machining of various types of plain end casing and tubing, pipe connectors, components, and spare parts for oil and gas drilling exploration and production; Repair and maintenance services for various types of pipe connectors in oil and gas exploration and production.

In 2024, the global situation continued to unfold in a complex and unpredictable manner with numerous interacting factors. Strategic competition between nations intensified, leading to the escalation of military conflicts in Ukraine, the Middle East, the Red Sea, and increased tensions on the Korean Peninsula and the Taiwan Strait.

In addition, the trade war between major powers has led to serious disruptions in the global supply chain, increasing transportation costs and raw material prices. These fluctuations not only directly affect domestic production and business activities but also profoundly impact the lives of workers, causing concerns about social security. Amidst this context, PVD – OSI Company, a unit specializing in processing connectors for oil and gas exploration and production activities, is also caught in the vortex of these fluctuations. The company is facing numerous challenges, from maintaining stable production to ensuring the livelihoods of its staff, while still seeking opportunities for sustainable development in a volatile business environment.

Also in 2024, the PVD – OSI Company's Leadership continued to implement cost reduction and savings policies at the lowest possible level, while optimizing all costs and resources. The company also focused on strengthening internal solidarity and actively seeking new work, to maintain safe business operations with the goal of zero lost time incidents (Zero LTI).

Despite implementing cost reductions, PVD – OSI remains committed to ensuring work productivity and maintaining high product quality through the renewal of API Q1 and ISO 9001:2015 certifications. The company's API Q1 standard quality management system has been consistently applied and certified compliant since its establishment, demonstrating PVD – OSI's strong commitment to quality.

This is an opportunity for PVD – OSI to enhance its competitiveness not only with domestic partners and contractors but also with the partners in the international market. The company not only is focusing on the production of pipe connectors but also is expanding into all other products in the oil and gas industry, contributing to the sustainable development of the industry as a whole.

With the efforts, solidarity, and collaborative contributions of 18 PVD – OSI staff members, along with the valuable support from the parent company PVD Tech, Oil States, and PV Drilling Corporation, in 2024, the PVD – OSI exceeded its planned targets, achieving revenue of VND 20.46 billion, equivalent to 2023, and after-tax profit of VND 6.28 billion, an increase 3% compared to 2023.

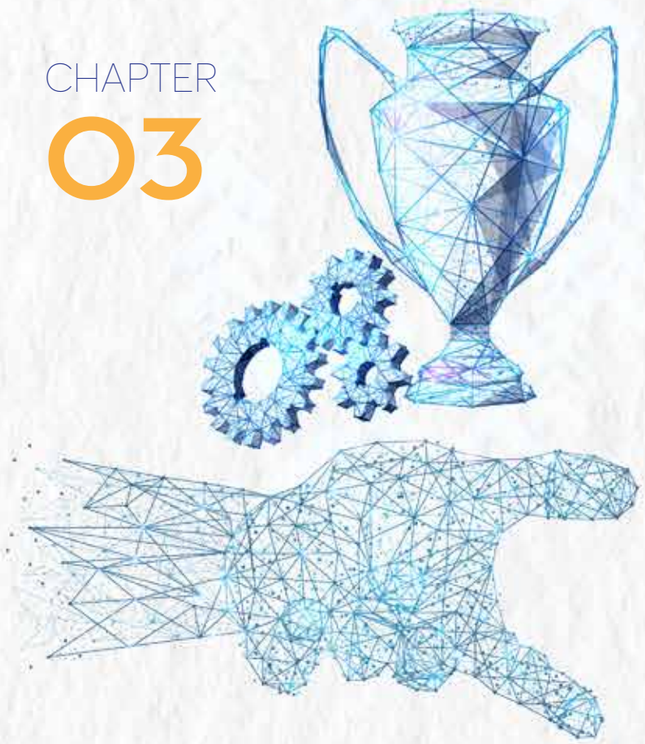


Entering 2025, the company will continue to leverage its internal strengths, enhance governance, reduce costs, and optimize resources to increase workforce productivity and business efficiency. Simultaneously, the company will also focus on practicing thrift and combating waste in accordance with the directives and plans of the Corporation as well as the parent company PVD Tech.

The PVD – OSI's Board of Management is committed, along with all employees, to strive to excellently complete assigned tasks, achieve the best revenue and profits, and ensure stable income for employees. The company aims to fulfil the 2025 business plan and subsequent years with the motto "Reach out to the ocean – Sustain the future". We will maintain client trust, contributing to the overall success of PV Drilling Corporation, towards sustainable development and prosperity.



CHAPTER
03



ENHANCING POSITION

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CORPORATE GOVERNANCE MODEL AT PV DRILLING

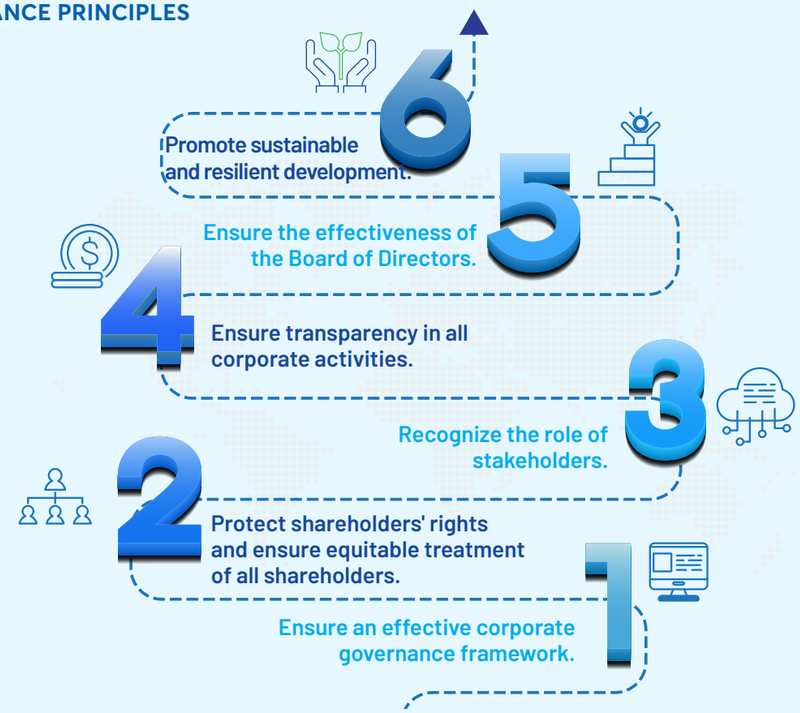
CORPORATE GOVERNANCE MODEL

PV Drilling maintains a two-tier board governance model, consisting of the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the President and CEO, in accordance with Point a, Clause 1, Article 137 of the 2020 Enterprise Law.



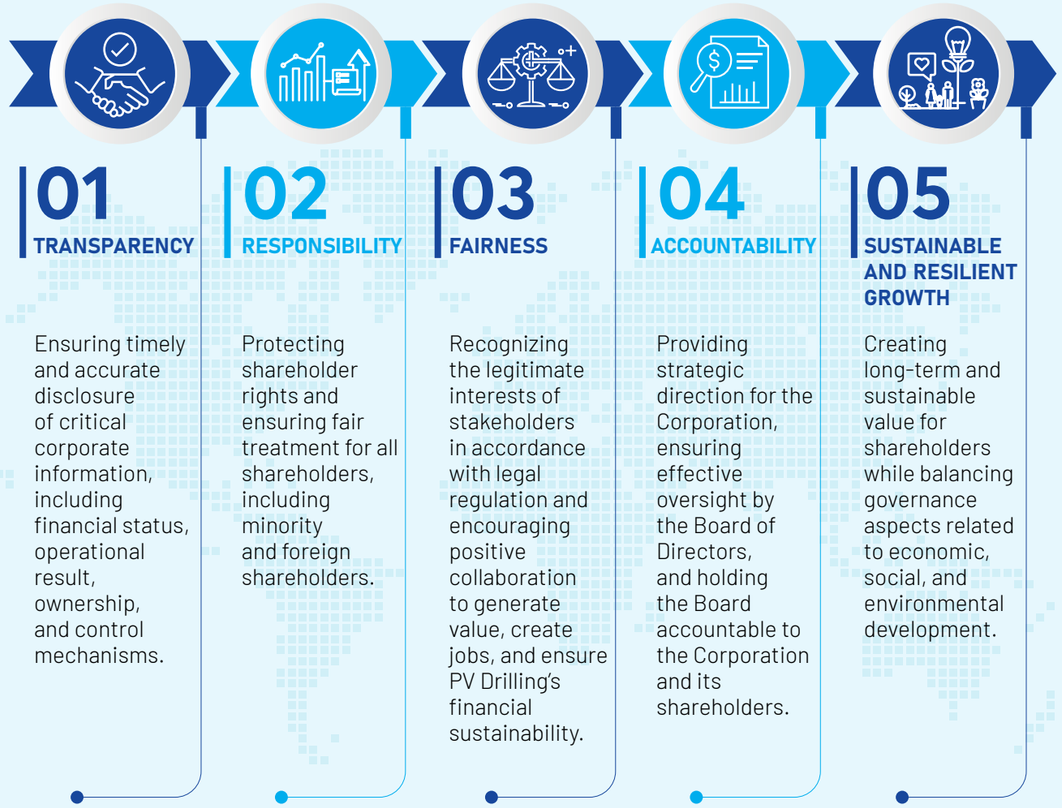
PV DRILLING'S GOVERNANCE PRINCIPLES

PV Drilling recognizes that a sustainable corporate governance framework is built upon key factors such as a stable and efficient ownership structure and a governance framework that complies with legal regulations and best practice. Therefore, in recent years, PV Drilling has remained consistently committed to implementing corporate governance practices based on the following core principles and values:



CORE VALUES

PV Drilling's governance model is built upon five core values:



CORPORATE GOVERNANCE MODEL AT PV DRILLING *(continued)*

CORPORATE GOVERNANCE FRAMEWORK

PV Drilling fully recognizes that effective corporate governance is a key factor and a fundamental foundation for enhancing brand reputation, competitive capability, and building trust with shareholders and stakeholders. It also ensures the Corporation's sustainable and resilient development. Accordingly, PV Drilling is committed to implementing and applying good corporate governance practices in alignment with international standards. The Corporation continuously strives to improve the effectiveness of its two-tier governance model (General Meeting of Shareholders, Board of Directors, Supervisory Board, President and CEO), with a particular focus on enhancing the performance of the Board of Directors—especially its oversight and supervisory functions—while also strengthening the role and capacity of the Supervisory Board. Notably, since 2021, PV Drilling has maintained a high proportion of independent Board members (3 independent members out of a total of 7, exceeding the legal requirement of a minimum of one-third), and has established an Internal Audit Subcommittee under the Board of Directors to support its supervisory responsibilities.

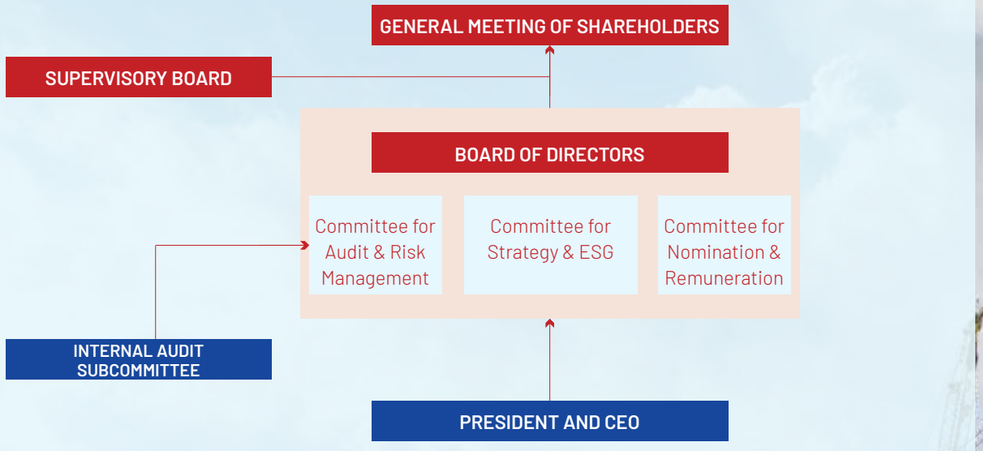
In addition, at the regular meeting in the fourth quarter of 2024, PV Drilling approved the establishment of three additional specialized committees within the Board of Directors, including the Committee for Strategy & ESG, the Committee for Audit & Risk Management, and the Committee for Nomination & Remuneration. Each committee comprises at least three members of the Board of Directors, with a majority being independent and non-executive members.

ROLES OF THE COMMITTEES WITHIN THE BOD

- Enhance the Board's effectiveness by addressing a broader range of issues more efficiently, allowing subject-matter experts to focus on specific areas and provide informed recommendations to the Board of Directors.
- Develop specialized expertise in key operational areas of the Corporation, such as financial reporting, risk management, and internal controls.
- Improve objectivity and independence in the Board's evaluations by insulating the Board from potential undue influence by executive management and controlling shareholders—particularly in critical matters such as remuneration, Board appointments, and oversight of key control mechanisms.

These newly established Committees have been operational since the beginning of 2025 and are expected to effectively support the Board of Directors in monitoring and overseeing specialized areas. Their contribution will enhance the Board's overall effectiveness, strengthen corporate governance practices, and help elevate PV Drilling's brand value and corporate image—ultimately driving the Corporation toward sustainable and resilient growth.

PV DRILLING'S CORPORATE GOVERNANCE FRAMEWORK WITH COMMITTEES WITHIN THE BOD



BOARD OF DIRECTORS' ASSESSMENT OF **ALL ASPECTS OF THE CORPORATION'S OPERATIONS**



1. MARKET OVERVIEW IN 2024

The global economy remains volatile and unpredictable, shaped by rising risks and uncertainties. Geopolitical tensions continue to escalate, driven by strategic competition among major powers. Meanwhile, public debt and fiscal deficits are increasing, prompting many nations to reinforce trade protectionist measures, further straining the global economy. Additionally, economic downturns and unforeseen supply chain disruptions have adversely affected global stability and growth. However, signs of recovery are emerging, supported by a rebound in global trade, easing inflationary pressures, looser financial conditions, and improving labor market dynamics.

In 2024, global oil demand saw a modest increase of approximately 0.9 million barrels per day (bpd) compared to 2023, reaching 102.8 million bpd. However, this figure fell short of the International Energy Agency (IEA)'s early 2024 forecast by 0.4 million bpd, contributing to heightened volatility in global crude prices. The primary factor behind this shortfall was the sharp slowdown in China's oil consumption.

Drilling services in many Southeast Asian countries are expected to remain relatively stable in the medium term. However, competition among regional drilling contractors remains intense, driven by the limited duration of many drilling campaigns and protectionist measures.

The domestic drilling market remains modest, characterized by short-term and fragmented drilling programs.

2. DIFFICULTIES AND CHALLENGES IN 2024

Apart from the influence of the market conditions, PV Drilling also faces the following difficulties and challenges:

- Except for the PV DRILLING VI, other jack-up fleets are reaching 15 years of service. As a result, PV Drilling is urged to invest in upgrading these fleets to meet customer requirements and enhance competitiveness against the newer-generation.
- Drilling programs in the domestic market remain modest, making it challenging for PV Drilling and its subsidiaries to optimize the fleet and equipment plans. This results in high transportation costs between each campaign, impacting the revenue and profit of PV Drilling's subsidiaries and associates.
- The lack of supportive mechanisms from the government poses a challenge for PV Drilling, as the Corporation faces fierce competition from both domestic and international oilfield service companies.
- The expansion into the global market faces multiple barriers, including the intense competition from other drilling contractors in the region, local protectionist mechanisms, tariff barriers, etc.
- The costs of rig operation and well technical services are rising due to various adverse factors, such as the Russia-Ukraine conflict, high oil prices, inflation, and logistics costs, etc.
- Interest expenses are rising as USD interest rates remain high, increasing the debt repayment pressure on outstanding investment loans with banks.

3. ROLE OF THE BOD IN IMPLEMENTING THE PLAN IN 2024

Under these circumstances, the BOD has directed the President & CEO, as well as PV Drilling's capital representatives at its subsidiaries, to oversee the implementation of the following strategic tasks and solutions, based on the business targets approved by the General Meeting of Shareholders ("GMS") under Resolution No. 01/2024/NQ-ĐHĐCĐ dated April 24th, 2024:

- Focus on researching and implementing solutions to further enhance corporate internal governance and risk management, with particular emphasis on monitoring and supervising the implementation of business targets; overseeing the performance of the President & CEO, the Board of Management (BOM), investment activities, capital mobilization and utilization, as well as the operations of subsidiaries. These efforts aim to proactively address outstanding issues from previous years and improve the Corporation's overall operational efficiency.
- Execute corporate restructuring and performance enhancement initiatives in accordance with the approved plans, with a strong focus on resource reallocation. This includes restructuring and streamlining personnel, investing in new assets and equipment, and expanding business operations.
- Accelerate investments in assets and equipment, prioritizing key projects such as the purchase of a new Hydraulic Workover Unit (HWU), the investment in a three-legged multi-purpose jack-up rig with cantilever, and the establishment of a joint venture in Indonesia.
- Maintain the operational efficiency of the rig fleet by ensuring strict compliance with safety standards and preventing Lost Time Incidents (LTI). Optimize operations, maintenance, and human resource management to minimize costs and enhance performance.
- Develop a high-performing workforce with strong expertise, technical skills, and management capabilities. Implement training programs for Vietnamese personnel to gradually replace foreign employees in key offshore positions.
- Strengthen marketing strategies aimed at market expansion, with a focus on well technical services and drilling services. Actively seek joint venture and partnership opportunities with reputable partners to invest in and enhance the rig fleet and equipment.
- Exercise strict control over cash flow to ensure the Corporation's and its subsidiaries' debt obligations to financial institutions are met, while maintaining sufficient liquidity for ongoing operations.
- Direct the review, amendment, and replacement of internal regulations and the Charter of PV Drilling to ensure full compliance with applicable laws and to meet the evolving needs of the Corporation and its subsidiaries.

4. REVIEW OF THE BOD ON PV DRILLING'S BUSINESS PERFORMANCE IN 2024

With a strong focus on the implementation of the following strategic tasks and solutions, PV Drilling has achieved the following results in 2024:

- **Corporate Governance:** Apart from maintaining an effective governance system across the Corporation in 2024, the BOD continued to review, amend, and supplement the Charter of PV Drilling, the Regulations of PV Drilling, the Working Regulations of the BOD, the Regulations of the Corporation's subsidiaries, the Regulations of the PV Drilling's Representatives, as well as several other internal governance regulations to ensure compliance with the applicable laws and alignment with the Corporation's operational requirements.

- **Risk Management:** In 2024, PV Drilling continued to maintain and enhance its Risk Management System (RMS) to proactively address potential risks and support the Corporation in achieving its business objectives. With advisory support from E&Y, PV Drilling reviewed and updated its RMS in accordance with the COSO ERM 2017 framework -

BOARD OF DIRECTORS' ASSESSMENT OF **ALL ASPECTS OF THE CORPORATION'S OPERATIONS**

(continued)

PV Drilling's offshore fleets maintained services through 2024 with the total utilization rate of over 98%. Notably, PV DRILLING III and PV DRILLING VI delivered an outstanding performance with the utilization rate reaching 99.66% and 99.85%, respectively.

the latest version - ensuring a seamless integration of risk management with strategy and operational performance. This effort enabled the company to propose improvements that enhance RMS effectiveness, strengthen adaptability to changes in the business environment, and optimize decision-making processes to ensure sustainable growth. Additionally, PV Drilling accelerated the digital transformation of risk management reporting to improve monitoring capabilities, automate processes, enhance transparency, and strengthen risk management effectiveness.

- **Supervision:** the BOD continued to implement internal audit and financial controlling for the Mother Company and its subsidiaries in coordination with PV Drilling's specialized departments. The scope and content of audit and financial controlling were expanded compared to 2023 to cover various aspects, including business plan implementation, financial and accounting controlling, human resources, HSEQ, risk management, and corporate internal governance. The audit and financial controlling delegation provided independent and objective recommendations, helping the subsidiaries enhance the effectiveness of their internal governance, governance processes, and risk management. These efforts have contributed to improving business efficiency while ensuring compliance with the subsidiaries' regulations and the applicable laws.

- **Sustainable Growth:** PV Drilling has consistently aligned its business operation with the social responsibilities through the Corporation's development. At Q4 2024 regular meeting, the BOD formally approved the PV Drilling's Environmental, Social, and Governance ("ESG") Objectives. This commitment underscores PV Drilling's dedication to environmental protection, economic growth, and community value creation while reinforcing its competitiveness. By implementing these actions, the corporation aims to embed sustainability into its core strategy, ensuring long-term resilience and industry leadership.

- **Corporate Restructuring:** In 2024, PV Drilling successfully completed the termination of PVD Invest as part of its restructuring effort. The Corporation has actively implemented its Restructuring plan to adapt to market conditions and internal business dynamics. Concurrently, PV Drilling has conducted a comprehensive review and adjustment of its long-term development strategy, ensuring alignment with its vision. A key focus has been strengthening human resources, including reviewing and establishing leadership succession plans. These efforts are aimed at securing an outstanding human resources to drive the company's sustainable growth.

- **Drilling Services:** PV Drilling's offshore fleets maintained services throughout 2024 with the total utilization rate of over 98%. Notably, PV DRILLING III and PV DRILLING VI delivered an outstanding performance with the utilization rate reaching 99.66% and 99.85%, respectively. The average dayrate saw a 15% increase compared to 2023, contributing significantly to the Corporation's business performance.

- **Well Technical Services and Other Services:** Despite facing fierce competition from private and multinational corporations, PV Drilling's well technical services experienced a year of notable growth in 2024. Subsidiaries continued to dominate the domestic market with their core services while marking a significant milestone in expanding PV Drilling's portfolio. The Corporation successfully secured a bundled service contract for the Dai Hung Field Development – Phase 3 Project and the well plugging and abandonment of Song Doc field, Song Doc field decommissioning project - the first decommissioning project in Vietnam where PV Drilling held as the lead contractor in a consortium with an industry partner. Furthermore, several well technical services made significant strides in expanding their footprint in international markets, reinforcing PV Drilling's presence. This expansion contributed positively to both revenue and profit, strengthening the Corporation's position in the regional and global energy sector..

- **Health, Safety and Environment:** PV Drilling places great emphasis on health, safety, environmental protection, energy conservation, and emissions reduction, aiming for sustainable development while ensuring compliance with relevant regulations in Vietnam and other countries where PV Drilling operates. In 2024, PV Drilling achieved remarkable safety milestones, with multiple owned drilling rigs operating safely without any LTI or environmental incidents. Maintaining this exceptional safety record while delivering services in strictly regulated markets such as Malaysia, Brunei, and Indonesia underscores the professionalism and strong commitment of PV Drilling's management and drilling operations team. Additionally, the implementation of three fuel consumption reduction projects on the drilling rigs contributed to a total emissions reduction of nearly 7,000 tons of CO2e in 2024.

- **Investment:** In 2024, PV Drilling successfully completed the acquisition of a three-legged, self-elevating jack-up rig with a sliding beam and is currently expediting its reactivation process, with operations expected to commence in Q3 2025. Additionally, PV Drilling is actively implementing the Hydraulic Workover Unit (HWU) investment project, which is expected to be completed by Q4 2025. Furthermore, PV Drilling is in the process of obtaining regulatory approvals for overseas investment in a joint venture project in Indonesia and is also investing in equipment procurement for well technical services, including CRTi equipment, DTRS devices, and perforation drilling systems, among others. As a result, the disbursed investment value of the Parent Company in 2024 reached approximately VND 1,098 billion, sourced from equity capital. This strategic investment push underscores PV Drilling's bold yet well-grounded approach to expanding its service portfolio, particularly in drilling-related services, creating new momentum for the company's sustainable growth in the coming years.

- **Financial Controlling:** PV Drilling maintained strong financial controlling in 2024, focusing on key areas such as budget control, cost optimization, cash flow management, and receivables/payables governance. The Corporation continuously monitored macroeconomic conditions, including interest rate fluctuations, exchange rate movements, inflation trends, and financial policies,



BOARD OF DIRECTORS' ASSESSMENT OF **ALL ASPECTS OF THE CORPORATION'S OPERATIONS**

(continued)

ensuring timely and effective risk management strategies. A key financial achievement was PV Drilling's ability to strategically allocate financial resources, increasing the equity ratio in the jack-up rig investment project to minimize future financing costs. As of December 31st, 2024, PV Drilling reported: (i) Total equity of VND 16,052 billion; (ii) Total debt of VND 3,049 billion; and (iii) Capital preservation ratio of 1.08x, indicating sustained and growing shareholder value. The BOD assessed that PV Drilling's capital and debt structure align well with the Corporation's targets and risk appetite, ensuring long-term financial stability and resilience.

› **Human Resources:** Recognizing that human resources are the key to PV Drilling's business success, the Corporation has consistently prioritized human resource development across itself and its subsidiaries. Succession planning remains a structured, strategic initiative, ensuring leadership continuity through systematic training and development aligned with the Corporation's growth strategies. In 2024, PV Drilling conducted a comprehensive review and update of its succession planning framework, focusing on internal talent pipelines for key management positions. The plan covers short-term (until 2025) and long-term (2026–2031) leadership development. Key personnel changes in 2024 included: Appointment of one new member of the BOD and one new Vice President; Appointment of a new Head of The Board of Supervisors; Reappointment of the President & CEO; Rotation and reappointment of key positions across the Corporation and subsidiaries. Additionally, PV Drilling remains committed to developing Vietnamese technical personnel, equipping them into offshore key positions.

› **Corporate Communications and Business Culture:** PV Drilling remains dedicated to strengthening corporate communications and fostering a strong business culture. In 2024, the Corporation restructured its communications team to allocate resources effectively aiming to drive internal communication efforts while optimizing costs and improving overall information flow. PV Drilling's communications initiatives were executed seamlessly with a strategic and integrated approach across multiple channels. The Corporation expanded collaboration with the media and the press, ensuring that PV Drilling's brand and corporate message are conveyed accurately, professionally, and consistently.

The development of corporate culture continues to be implemented in a methodical, professional and scientific manner, firmly shaping PV Drilling's core values. This approach ensures a common understanding across the Corporation, enabling each individual to fully understand the corporate culture. Beyond refining corporate cultural assets, the Corporation integrates these values into daily operations, fostering standardized behaviors and professional conduct among all employees. As a result, this approach strengthens internal solidarity and collaboration, enhances workplace cohesion, and motivates each individual to maximize their potential, successfully fulfill the key performance targets, and contribute to the Corporation's sustainable growth.

› **Key Business Targets:** With a spirit of unity and responsibility, PV Drilling successfully surpassed its 2024 performance targets set by the GMS through the common efforts of the BOD, the BOM and the employees. The Consolidated Business Performance Results for 2024 are as follows:
  › Total revenue in 2024 reached VND 9,566 billion, exceeding the target by 54%;
  › Total profit before tax reached to VND 937 billion, exceeding the target by 113%;
  › Total profit after tax reached VND 698 billion, exceeding the target by 84%;
  › Total tax contributions to the state budget reached approximately VND 892 billion, exceeding the target by 132%.

› **Shareholder and Stakeholders Relations:** PV Drilling remains dedicated to support shareholder rights, with a strong focus on protecting minority shareholders and stakeholders. The Corporation ensures that shareholders and stakeholders can attend, vote, and raise questions at the annual GMS while maintaining full access to PV Drilling's news and other related information. In 2024, PV Drilling successfully conducted its Annual GMS via online meeting and electronic voting, allowing all shareholders and stakeholders to participate, engage, and vote regardless of their geographical distance. Investor, shareholder and stakeholders relations also remained a top priority. PV Drilling welcomed over 100 investor, shareholder and stakeholders visits from both domestic and international markets in 2024. Additionally, the Corporation organized 4 quarterly Analyst Meetings at its headquarters to announce financial reports and provide business updates. Furthermore, PV Drilling held an investor roadshow in Thailand in May 2024, hosting around 150 investors and stakeholders to share insights and updates on the Corpration's operation.

› **Corporate Social Responsibility:** PV Drilling aligns its business operation with social responsibility, demonstrating a strong commitment to sustainable growth. In 2024, the Corporation continued to implement programs and regulations aimed at improving the well-being of the employees, especially to the disadvantaged families within PV Drilling. Besides, PV Drilling also contributed to the nationwide communities, including school construction, education support, "Gratitude and Remembrance" program, disaster relief, humanitarian aid and poverty reduction. Additionally, the Corporation reinforced its commitment to environmental protection through tree-planting campaigns to enhance ecosystems and raise the public awareness of sustainable growth. The total budget allocated for CSR activities in 2024 exceeded VND 11 billion, reaffirming PV Drilling's dedication not only to its business growth but also to the social value.



INTRODUCTION OF **THE BOARD OF DIRECTORS**

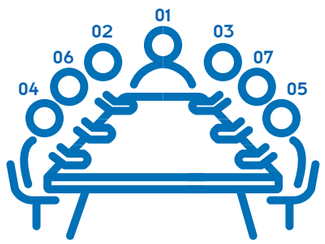


PV Drilling's Board of Directors for the term of 2021 – 2025 are those who possess professional education and invaluable experiences in managing positions in the oil and gas industry, forming a united team to ensure the orientation of implementing PV Drilling's sustainable growth strategy.

PV Drilling's Board of Directors consists of 3 members who are capital representatives of Vietnam Oil and Gas Group at the Corporation, currently hold the position of Chairman, President & CEO, BOD member; 4 others in charge of specialized fields including 3 independent members.

CHANGES IN THE BOARD OF DIRECTORS IN 2024:

- 01/01/2024 - 24/4/2024: PV Drilling Board of Directors operated with 7 members, including: Mai The Toan, Do Duc Chien, Nguyen Xuan Cuong, Vu Thuy Tuong, Van Duc Tong, Nguyen Van Toan, Hoang Xuan Quoc.
- 24/4/2024 – 31/12/2024: PV Drilling's Board of Directors continued to operate with 7 members, after Mr. Nguyen The Son was elected as a member of the Board of Directors, and Mr. Do Duc Chien was dismissed from the position of Member of PV Drilling's Board of Directors due to retirement age.



01 MR. MAI THE TOAN
Chairman, PV Drilling's Board of Directors

02 MR. NGUYEN XUAN CUONG
Member, PV Drilling's Board of Directors

03 MR. NGUYEN THE SON
Member, PV Drilling's Board of Directors

04 MR. VU THUY TUONG
Member, PV Drilling's Board of Directors

05 MR. VAN DUC TONG
Independent Member,
PV Drilling's Board of Directors

06 MR. NGUYEN VAN TOAN
Independent Member,
PV Drilling's Board of Directors

07 MR. HOANG XUAN QUOC
Independent Member,
PV Drilling's Board of Directors

INTRODUCTION OF **THE BOARD OF DIRECTORS** *(continued)*

01

MR. MAI THE TOAN

Chairman, PV Drilling's Board of Directors



Date of first appointment: 04/8/2021
Gender: Male, **Year of birth:** 1968
Education:
› Master of Mechanical Engineering;
› Marine Engineer.
Experience: 34 years of experience in the transportation, oil and gas field.

Field of charge:
Perform the functions, duties, and authorities of the Chairman of the Board of Directors of the Corporation as stipulated in the Charter, Internal Regulations on Corporate Governance, and the Operating Regulations of the PV Drilling BOD; be responsible for the overall management of the BOD's operations; direct and oversee the implementation of assigned tasks of BOD members; directly oversee the development and implementation of the Corporation's Strategies, Restructuring, 5-Year Plans, and Human Resources tasks; oversee the Corporation's corporate governance and the BOD's supervisory tasks; carry out other tasks not assigned to other Board members; manage the Corporate Governance Officer and the Corporation's Secretary; provide general supervision over the entire Corporation.

Employment History:

8/2021 – present	Chairman of PV Drilling's Board of Directors;
7/2021 - 8/2021	Vice President of PVTrans;
9/2020 - 6/2021	Acting Chairman of the BOD, Vice President of PVTrans;
11/2011 - 9/2020	BOD member, Vice President of PVTrans;
5/2011 - 11/2011	Vice President of PVTrans;
5/2006 - 5/2011	Deputy Director of PTSC Production Services Enterprise;
	Deputy Director of PTSC Production Services Company;
2003 - 4/2006	Technical Supervisor, Team leader,
	Deputy Head of Technical Department of PTSC Production Services Enterprise;
6/1991 - 02/2003	Crew member of Thanh Hoa Shipping Company;
	Crew member of Vietnam Ocean Shipping Company; Crew member of PTSC Marine Enterprise.

Past titles during period of 2006 – 8/2021:
Chairman of Gas Shipping JSC; Director of PSM Company, a branch of PVTrans; Chairman of PVTrans Pacific JSC; Chairman of PTSC Production Services JSC; Chairman of Southern Petro Trans JSC.

Position at other companies: none.

02

MR. NGUYEN XUAN CUONG

Member, PV Drilling's Board of Directors



Date of first appointment: 26/4/2019
Gender: Male, **Year of birth:** 1968
Education:
› Bachelor of Science (Drilling Engineering);
› Master of Business Administration.
Experience: 32 years of experience in the oil and gas field.

Field of charge:
Perform the functions and duties of a BOD member/CEO of the Corporation in accordance with the Corporation's Charter, Internal Governance Regulations, Board of Directors' Operating Regulations, and relevant legal provisions; responsible for sustainable development, brand development, corporate culture, modernization, digital transformation, and ERP implementation; oversee shareholder and investor relations, as well as information disclosure in compliance with legal requirements; supervise the operations of the Parent Company – PV Drilling, PVD Overseas, PVD Deepwater, and PVD Baker Hughes.

Employment History:

4/2019 – present	President & CEO, Member of the Board of Directors, PV Drilling;
9/2010 – 4/2019	Vice President of PV Drilling, Director of PVD Drilling Division;
6/2008 – 9/2010	Vice President of PVEP;
2005 – 2008	Director/Deputy Director, PVEP - Algeria;
2003 – 2005	Deputy Manager/Manager of Drilling Operation Department, PIDC;
2001 – 2003	Manager of Hanoi Basin Project/Amara Project, PIDC;
1999 – 2001	Drilling Engineer, Unocal;
1996 – 1999	Drilling Engineer, PVSC;
1993 – 1996	Working at PTSC.

Concurrent positions: No

Position at other companies: none.

INTRODUCTION OF **THE BOARD OF DIRECTORS** *(continued)*

03

MR. NGUYEN THE SON

Member, PV Drilling's Board of Directors



Date of first appointment: 24/4/2024
Gender: Male, **Year of birth:** 1979
Education:
› Bachelor of International Economics.
Experience: 23 years of experience in the oil and gas field.

Field of charge:
Responsible for developing and issuing regulations and policies on the corporation's internal governance, overseeing the corporate governance system and strategic supervision; in charge of asset and equipment investment, capital construction investment, business of drilling rig service, well technical services, and other technical services of the corporation; responsible for assessing market expansion and business diversification; overseeing salary and bonus policies, participating in the corporation's Emulation and Reward Council and Salary Council; supervising the operation of Drilling Division, PVD Tech, PVD Well Services, and PVD Logging.

Employment History:

4/2024 – present	Member of the Board of Directors, PV Drilling;
02/2022 – 4/2024	Vice President of PV Drilling;
2011 – 02/2022	Manager of Business Development and Operation Support Division, PV Drilling;
2010 – 2011	Deputy Manager of Investment – Commercial Division, PV Drilling;
2007 – 2010	Manager of Commercial Department, PVD Drilling Division;
2006 – 2007	Manager of Commercial Contract Department, Drilling Operation Enterprise, PV Drilling;
2004 – 2006	Deputy Manager of Commercial Contract Department, Drilling Services Enterprise, PV Drilling;
5/2002 – 2004	Commercial & Contract Executive, Drilling Services Enterprise, PV Drilling.

Position at other companies:
Chairman of PVD Overseas;
Vice Chairman of Vietubes.

04

MR. VU THUY TUONG

Member, PV Drilling's Board of Directors



Date of first appointment: 04/8/2021
Gender: Male, **Year of birth:** 1977
Education:
› Bachelor of Economics (Corporate Finance).
Experience: 23 years of experience in the finance and accounting field.

Field of charge:
Oversee the Corporation's accounting, finance, and auditing functions, the financial arrangements, capital financing, and credit mortgage guarantees; responsible for directing and supervising Internal Control, Audit, Internal Inspection, and Risk Management activities of the Corporation; oversee taxation, tax policies, and related tax matters; supervise the Corporation's transactions with its subsidiaries; monitor and oversee the operations of PVD Offshore, Vietubes, PVD Training, and PVD Tubulars; directly supervise and lead the activities of the Internal Audit Subcommittee; carry out other tasks as assigned by the Chairman of the Board of Directors.

Employment History:

8/2021 – present	Member of the Board of Directors, PV Drilling;
10/2017 - 8/2021	Chief of Supervisory Board, PV Drilling;
01/2017 - 8/2017	Deputy Manager of Finance Department, Petrovietnam;
02/2016 - 12/2016	Deputy Manager, Finance Accounting and Auditing Department, Petrovietnam;
6/2015 - 01/2016	Chief Accountant – Manager of Finance Accounting and Auditing Department, Petrovietnam Camau Fertilizer Joint Stock Company;
9/2013 - 5/2015	Deputy Manager of Floating Vehicles Construction Department, Petrovietnam Transportation Corporation;
6/2009 - 9/2013	Chief Accountant – Manager of Finance Accounting and Auditing Department, Petrovietnam EIC Corporation;
11/2007 - 6/2009	Deputy Manager of General Accounting Division, Petrovietnam Oil Corporation;
4/2007 - 11/2007	General Accountant, Petrovietnam Fertilizer and Chemicals Corporation;
2004 - 4/2007	General Accountant, Binh Tan Consumer Goods Production Company and Oil and Gas Trading Company;
2002 – 2003	Accountant, Thai Hoa Textile Company Limited.

Concurrent positions: No

Position at other companies: none.

INTRODUCTION OF **THE BOARD OF DIRECTORS** *(continued)*

05

MR. VAN DUC TONG

Independent Member, PV Drilling's Board of Directors



Date of first appointment: 27/4/2018
Gender: Male, **Year of birth:** 1953
Education:
› PhD of Petroleum Machine & Equipment at Petroleum University of Romania.
Experience: 44 years of experience in the oil and gas field.

Field of charge:
Provide independent assessment for HSEQ activities and rig technology of PV Drilling; perform supervisory duties in accordance with the responsibilities of an independent member of the Board of Directors and carry out other tasks as assigned by the Chairman of the Board of Directors.

Employment History:

4/2018 – present	Independent member of the Board of Directors, PV Drilling;
8/2007 - 10/2014	Vice President of PV Drilling cum Chairman of PVD Offshore;
01/2006 - 7/2007	Deputy Director of PV Drilling;
11/2002 - 12/2005	Deputy Director of PV Drilling;
01/2001 - 10/2002	Manager of Engineering, Energy, Automation Division, Vietsovpetro;
01/1994 - 12/2000	Chief Engineer of Offshore Drilling Division, Vietsovpetro;
01/1991 - 12/1993	Deputy Engineer Manager of Offshore Division, Vietsovpetro;
11/1988 - 12/1990	Deputy rig manager (in charge Engineering & Electricity), Rig No.3, Vietsovpetro;
11/1984 - 10/1988	Engineer Manager of Rig No.3, Vietsovpetro;
11/1983 - 10/1984	Staff at Training Center, Vietsovpetro;
6/1981 - 10/1983	Electrical Engineer, Thai Binh I oil & gas company.

Concurrent positions: No

Position at other companies: none.

06

MR. NGUYEN VAN TOAN

Independent Member, PV Drilling's Board of Directors



Date of first appointment: 26/4/2019
Gender: Male, **Year of birth:** 1953
Education:
› Bachelor of Engineering (Drilling and Production) at Ploiesti University (UPG), Romania.
Experience: 47 years of experience in the oil and gas field.

Field of charge:
Provide independent assessment of scientific research and IT application, international relationships; perform supervisory duties in accordance with the responsibilities of an independent member of the Board of Directors and carry out other tasks as assigned by the Chairman of the Board of Directors.

Employment History:

4/2019 – present	Independent member of the Board of Directors, PV Drilling;
2013 - 4/2019	Member of Executive Board of Vietnam Petroleum Association;
2009 – 2013	Director of Production Division, Petrovietnam;
2002 – 2009	Executive, Deputy Director of Production Division, Petrovietnam;
1994 – 2002	Drilling executive, Exploration and Production Division, Petrovietnam;
1989 – 1994	Drilling engineer, Manager of Drilling Supervision Department of Petrovietnam 1;
1982 – 1989	Exploration engineer, Deputy Director of Tien Hai Gas Division, Petrovietnam 1 in Thai Binh;
1978 – 1982	Exploration engineer, Petrovietnam; participated "on the job training" program for Drilling at AGIP Company Office (Italy) in Vung Tau; supervised drilling operation for Bow Valley, Agip, and Deminex.

Concurrent positions: No

Position at other companies: none.

INTRODUCTION OF **THE BOARD OF DIRECTORS** *(continued)*

07

MR. HOANG XUAN QUOC

Independent Member, PV Drilling's Board of Directors



Date of first appointment: 18/6/2020
Gender: Male, **Year of birth:** 1957
Education:
› Ph.D in Mechanical Engineering Combustion & Heat Transfer, France 1991
› Bachelor of Economics.
Experience: 30 years of experience in the oil and gas field.

Field of charge:
Provide independent assessment of the technical norms and internal management norms of the Corporation; perform supervisory duties in accordance with the responsibilities of an independent member of the Board of Directors and carry out other tasks as assigned by the Chairman of the Board of Directors.

Employment History:

6/2020 – present	Independent member of the Board of Directors, PV Drilling; Independent member of the Board of Directors, PTSC (28/4/2024 – present); Director of Energy of VinaCapital;
6/2019 - 6/2020	Director of Energy of VinaCapital;
3/2018 - 5/2019	Deputy Country Director, Gulf Energy Development Company Ltd (Thailand);
6/2007 - 12/2017	Member of the Board of Directors, CEO of PV Power Nhon Trach 2 Joint Stock Company;
11/2004 - 5/2007	Deputy Director of Gas and Power Division, Petrovietnam;
10/2001 - 11/2004	Deputy Director of General of Ca Mau Gas - Power - Fertilizer Project Management Board, Petrovietnam;
6/1995 - 9/2001	Senior executive, Gas transportation, Processing and Distribution Department, Petrovietnam;
12/1982 - 5/1995	Lecturer, Hanoi University of Science and Technology.

Concurrent positions: No

Position at other companies: Director of Energy, VinaCapital; Independent member of PTSC's Board of Directors.

REPORT OF THE BOARD **OF DIRECTORS**



1. REVIEW ON THE OPERATION OF THE BOD

1.1. Review on the structure of the BOD

The BOD plays a pivotal role in strategic planning, governance oversight, and risk management. According to recommendations from the OECD, IFC, and the Vietnam Corporate Governance Code of Best Practices, an effective BOD should ensure diversity and balance across key dimensions, including the number of independent directors, the proportion of non-executive members, and diversity in terms of age, gender, educational background, professional expertise, and experience. Currently, PV Drilling's BOD comprises seven members (fully in accordance with the Corporation's Charter), structured as follows:

- **Independent members:** PV Drilling's BOD currently comprises 3 independent members out of 7 (42.86%), aligning with the Law on Securities and Vietnam Corporate Governance Code of Best Practices. According to guidelines for large publicly listed companies and recommendations from OECD and IFC, independent members should constitute at least 1/3 of the BOD to ensure objectivity in oversight and decision-making. PV Drilling fully meets this standard.
- **Non-Executive members:** PV Drilling's BOD currently includes 3 non-executive members (42.86%), with a combined 85.72% (6 out of 7) being either independent or non-executive members. There is only one executive member, who concurrently serves as the President & CEO (14.28%). Additionally, no former President & CEO serves as a BOD member within three years of their tenure. This structure aligns with the international corporate governance of best practices, minimizing potential conflicts of interest and strengthening the principle of reducing the influence of the BOM.
- **Age Structure and Generational Diversity:** The average age of PV Drilling's BOD members is 59 years, which may be considered relatively high compared to dynamic corporations. However, this composition ensures continuity and extensive experience within the BOD, including: Baby Boomer Generation (1950-1959): 3 members (42.86%); Generation X (1960-1969): 2 members (28.57%); Generation X/Y Crossover (1970-1979): 2 members (28.57%). In comparison with Vietnam Corporate Governance Code of Best Practices, this generational balance creates an ideal blend of experience and innovation, fostering strategic stability while incorporating fresh perspectives to drive corporate growth and transformation.
- **Educational Background:** The academic qualifications of PV Drilling's BOD members are as follows: Doctorate (Ph.D.): 2 members (28.57%); Master's Degree: 2 members (28.57%); Bachelor's Degree/Engineering: 3 members (42.86%). With 57.14% of the BOD members holding a Master's degree or higher, PV Drilling demonstrates a high level of academic expertise, ensuring a strong foundation in technical knowledge, strategic management, and corporate governance. This proportion aligns with global oil and gas corporations, where Ph.D. holders typically constitute 20-30% of the BOD, particularly in research, technology, and strategic planning.
- **Expertises:** The rate of PV Drilling's BOD members by expertise is as follows: Petroleum & Mechanical Engineering: 4 members (57.14%); Economics & Finance: 3 members (42.86%); Compared to international oil and gas corporations, where the BOD typically consists of 50-60% technical experts and 40-50% financial/management professionals, PV Drilling still maintains a well-balanced structure. This ensures comprehensive decision-making by integrating legal, financial, and the Corporation's business expertise.
- **Years of Experience:** The average experience in oil and gas industry of PV Drilling's BOD members is 30 years, with several members exceeding this threshold. This extensive expertise lays a strong foundation for the BOD to effectively fulfill its governance responsibilities.

In general, PV Drilling is guided by a well-structured BOD, ensuring a diverse and balanced mix of expertise, experience. This structure allows the BOD to efficiently develop strategic directions, supervise operations, and manage risks across all aspects of the Corporation's business operation. The BOD remains committed to further enhancing the diversity and performance for sustained growth in the coming years by continuously improve its governance structure.

1.2. Meetings of the BOD in 2024

The BOD operates based on the principle of collective decision-making, with resolutions passed by majority vote. All decisions are made in strict accordance with the Working Regulations of the BOD, PV Drilling's internal regulations on corporate governance, its Charter, and the Law on Enterprises.

Meeting invitations and related documents are distributed to all BOD members in advance, enabling them to arrange their schedules and exercise their voting rights. In accordance with the Charter of PV Drilling, BOD members may participate in meetings via telephone or other online platforms.

BOD members have strictly attended meetings and provided timely guidance on the Corporation's business operations, ensuring effective governance and alignment with strategic objectives:

No.	Full Name	Title	Number of Meetings Attended	Rate	Notes
1	**Mr. Mai The Toan**	Chairman	6/6	100%	
2	**Mr. Do Duc Chien**	Vice Chairman	1/6	17%	Resigned from 24/04/2024
3	**Mr. Nguyen Xuan Cuong**	Member, President & CEO	6/6	100%	
4	**Mr. Nguyen The Son**	Member	6/6	100%	Appointed from 24/4/2024, attended as Vice President
5	**Mr. Vu Thuy Tuong**	Member	6/6	100%	
6	**Mr. Van Duc Tong**	Independent member	6/6	100%	
7	**Mr. Nguyen Van Toan**	Independent member	6/6	100%	
8	**Mr. Hoang Xuan Quoc**	Independent member	6/6	100%	

REPORT OF THE BOARD OF DIRECTORS *(continued)*

THE CONTENT AND THE RESULTS OF THE MEETINGS ARE AS BELLOWS:

Number	Detail	Result
The 1Q2024 Meeting	(i) Approved the PV Drilling's Business Performance in 1Q2024; (ii) Approved the PV Drilling's Business Plan in 2Q2024 and the implementation of solutions; (iii) The result on the implementation of the Resolutions/ Decisions of the BOD on the previous meetings; (iv) The result on the internal audit for certain subsidiaries and the Internal audit plan for 2Q2024; (v) Discussed and approved proposals from the President & CEO (including the issuance of the Regulations on Investment Delegation and Supervision; Procurement Processes for Materials, Equipment, Spare Parts, and Services Essential to Drilling Operations; The Termination of PVD Invest; Amendments to PV Drilling's Restructuring plan up to 2025, particularly regarding PVD Invest, as outlined in Resolution No. 01/05/2023/NQ-HĐQT dated May 16th, 2023; Approved the final payroll settlement for 2023 and the planned salary budget for 2024 for the Mother Company); (vi) Approved the Organizational matters related to the 2024 AGM of Shareholder including the approval of reports and the establishment of the Committee of checking Shareholders' eligibility.	All members of the BOD approved the proposed agenda matters with a 100% affirmative vote.
The 2Q2024 Meeting	(i) Approved the PV Drilling's Business Performance in 2Q2024 and in the first half of 2024; (ii) Approved the PV Drilling's Business Plan in 3Q2024, the full-year 2024 and the implementation of solutions; (iii) The result on the implementation of the Resolutions/ Decisions of the BOD on the previous meetings; (iv) The result on the internal audit for certain subsidiaries and the audit plan for 3Q2024; (v) Approved to halt the consideration for the purchase/investment in the rig West Prospero to seek for alternative options; (vi) Discussed and approved the proposals from the President & CEO (including the Approval on the Tripartite Agreement between PV Drilling, MITA, and PVD Tubulars for a "back-to-back" guarantee with MITA on a credit facility secured for PVD Tubulars; the Approval on the Purchase Order No. 01/PVDO/PVDDD/24 between the Drilling Division and PVD Offshore); and (vii) PV Drilling's human resources.	All members of the BOD approved the proposed agenda matters with a 100% affirmative vote.
The August 1st, 2024 Meeting	Discussed and approved proposals from the President & CEO, including: (i) Approved on 15 subcontractor agreements for manpower supply between PV Drilling and PVD Training; (ii) Approved on 13 subcontractor agreements for other related services between PV Drilling and PVD Training; (iii) BJ - PV Drilling's human resources.	All members of the BOD approved the proposed agenda matters with a 100% affirmative vote.
The 3Q2024 Meeting	(i) Approved the PV Drilling's Business Performance in 3Q2024 and in the first 9 months of 2024; (ii) Approved the PV Drilling's Business Plan in 4Q2024, the full-year 2024 and the implementation of solutions; (iii) The result on the implementation of the Resolutions/ Decisions of the BOD on the previous meetings; (iv) The result on the internal audit for certain subsidiaries and the Internal audit plan for 4Q2024; (vi) Discussed and approved the proposals from the President & CEO (including the Investment and Selection for the "Casing Running Tool (CRT)" project; the "Cash Flow Support Agreement" between the Mother Company and PVD Deepwater, aimed at facilitating PVD Deepwater's full repayment of its outstanding loan at MB Bank (including interest and penalties)).	All members of the BOD approved the proposed agenda matters with a 100% affirmative vote.
The November 15th, 2024 Meeting	Considered to approve the Investment and Selection for the "Purchasing of A Three-Legged Multi-Purpose Jack-Up Rig with Cantilever".	All members of the BOD approved the the Investment and Selection for the "Purchasing of A Three-Legged Multi-Purpose Jack-Up Rig with Cantilever" with a 100% affirmative vote.
The 4Q2024 Meeting	(i) Approved the PV Drilling's Business Performance in 4Q2024 and in full-year 2024; (ii) Approved the PV Drilling's Business Plan in 2025 and the implementation of solutions; (iii) The result on the implementation of the Resolutions/ Decisions of the BOD on the previous meetings; (iv) The result on the Internal audit in 4Q2024 and in 2024 of the Internal Audit Subcommitee and the Internal Audit Plan for 2025; (v) Discussed and approved the proposals from the President & CEO (including the Provision of the 2024 Science and Technology Development Fund; the Provision of the 2024 Development Investment Fund, the Provision of the 2024 Salary and Remuneration Fund; the issuance of the Regulations on PV Drilling's capital representatives and executives at the subsidiaries); (vi) The establishment of the Committees under the BOD, including: the Committee for Strategy and ESG; the Committees for Audit and Risk Management; the Committee for Nomination and Remuneration; (vii) The nomination for the Committee's members; (viii) The issuance of the Code of Conduct for Member of the BOD; (ix) The issuance of the PV Drilling's ESG objectives in 2025; and (x) Discussed and approved the BOD's Implementation plan in 2025; and (xi) The Organization of the PV Drilling 's 2025 Annual General Meeting of Shareholders.	All members of the BOD approved the proposed agenda matters with a 100% affirmative vote.

In addition to the aforementioned meetings, the BOD has also conducted multiple rounds of written consultations with its members to provide timely direction on critical matters. These matters include investment planning, human resource planning, restructuring initiatives, the appointment and assignment of key management personnel, as well as the amendment and issuance of internal regulations, in accordance with its delegated authority.

REPORT OF THE BOARD OF DIRECTORS *(continued)*



1.3 Resolutions/ Decisions of the BOD in 2024

In 2024, the BOD approved and issued a total of 118 Resolutions/Decisions. All Resolutions/Decisions were made in strict compliance with the Regulations of PV Drilling and the applicable laws, reflecting a high level of unanimity among all BOD members. These decisions were made with the primary objective of maintaining the best interests of the shareholders and ensuring the sustainable development of PV Drilling. The list of Resolutions/Decisions issued by the BOD in 2024 is specified in the Attachment No.1 of this Report.

2. Results of each BOD member

In addition to the BOD's scope of work, each member is assigned to govern specific areas of the Corporation's business operation based on their expertise and experience following these principles:

- **Compliance:** BOD members strictly comply with the applicable laws, the Charter of PV Drilling, the Regulations of PV Drilling and Resolutions of the GMS.
- **Accountability:** BOD members take full responsibility for their opinions and actions in alignment with the Corporation's targets and interests.
- **Integrity and Ethics:** BOD members act with honesty, fairness following the highest ethical standards in all decisions.
- **Transparency:** BOD members ensure transparency in their actions, providing complete and relevant information to stakeholders in compliance with the applicable laws and the Corporation's requirements.
- **Independence:** BOD members perform their duties free from undue influence or conflicts of interest following the Corporation's best interests.
- **Professionalism:** BOD members demonstrate competence, dedication, and a commitment to continuous improvement.
- **Cooperation and respect:** BOD members cooperative in a supportive manner, respecting the opinions and contributions of other members based on mutual respect.
- **Sustainable Growth:** BOD members discuss and vote on matters based on prioritizing the sustainable growth of PV Drilling and its stakeholders in the long term.

In 2024, due to adjustments in BOD personnel, the BOD reallocated the responsibilities of each member according to their expertise, experience following PV Drilling's business operation as below:

No.	Full name	Title	Field of charge
1	**Mr. Mai The Toan**	Chairman	Responsible for execution and general governance within the Chairman of the BOD's scope of work in compliance with the Charter of PV Drilling, the Regulations of PV Drilling and the Working Regulations of the BOD; Responsible for execution of each BOD member's assigned tasks; Responsible for the restructuring plans, the 5-year development plan, human resource plan; Responsible for the direction of corporate governance, the supervision of the BOD; Responsible for the execution of other tasks not specifically assigned to the BOD members; Responsible for the management of the Person in charge of the Corporate Governance, and the Corporate Secretary; Responsible for the overall corporate governance.
2	**Mr. Nguyen The Son**	member of the BOD	Responsible for governance of the Regulations of PV Drilling, directing the supervision of the Corporation's governance system and strategy; Responsible for the Corporation investment of assets, equipment, capital constructions, drilling services, well technical services and other related services; Responsible for the market expansion and the service portfolio expansion; Responsible for the salary and remuneration, the Corporation's Salary and Remuneration Council; Responsible for the supervision on the operations of the PVD Drilling Division, PVD Tech, and PVD Well Services.
3	**Mr. Nguyen Xuan Cuong**	member of the BOD cum President & CEO	Responsible for execution and governance within a BOD member/ President & CEO's scope of work in compliance with the Charter of PV Drilling, the Regulations of PV Drilling, the Working Regulations of the BOD and the applicable laws; Responsible for the sustainable growth, brand management, corporate culture, modernization, digital transformation and ERP; Responsible for shareholder relations, investor relations and information disclosure in compliance with the applicable laws; Responsible for the supervision on the operations of the Mother Company, PVD Overseas, PVD Deepwater, and PVD Baker Hughes.
4	**Mr. Vu Thuy Tuong**	member of the BOD	Responsible for audit, finance and accounting of the Corporation, including capital management, mortgage collateralization; Responsible for the Internal Supervision, Internal Audit, Internal Inspection, Risk Management; Responsible for the tax obligation and tax related matters; Responsible for the governance of the Corporation's transactions with the subsidiaries; Responsible for supervision on the operations of PVD Offshore, Vietubes, PVD Training, PVD Tubulars and the governance of the Internal Audit Sub-committee.
5	**Mr. Van Duc Tong**	independent member of the BOD	Responsible for HSEQ and technical matters of the Corporation's fleets; Responsible for the execution and the general governance within an independent member of the BOD's scope of work and other tasks assigned by the Chairman.
6	**Mr. Nguyen Van Toan**	independent member of the BOD	Responsible for technology development and foreign affairs; Responsible for the execution and the general governance within an independent member of the BOD's scope of work and other tasks assigned by the Chairman.
7	**Mr. Hoang Xuan Quoc**	independent member of the BOD	Responsible for governance of the technical standards and internal governance standards of the Corporation; Responsible for the execution and the general governance within an independent member of the BOD's scope of work and other tasks assigned by the Chairman.

Accordingly, the members of the BOD actively planned their schedule and regularly governed and urged the BOM to implement the BOD's Resolutions/ Decisions. The members of the BOD also engaged in discussions to promptly determine the Corporation's business directions.

In 2024, the BOD members attended all the Meetings of the BOD and provided written opinions on matters within the BOD's authority in an objective approach, prioritizing the common interests of shareholders and the sustainable growth of PV Drilling. In cases a BOD member faced an actual or potential conflict of interest, they voluntarily recused themselves or abstained from voting on the relevant matter.

Apart from fulfilling their mutual responsibilities within the BOD, the members successfully governed and urged the BOM to implement the BOD's Resolutions/Decisions according to their assigned areas. As a result, PV Drilling's Business performance in 2024 significantly exceeded the planned targets.

RESULTS OF THE INDEPENDENT BOD MEMBERS AND THEIR REVIEW ON RESULTS OF THE BOD

1. RESULTS OF THE INDEPENDENT BOD MEMBERS

The BOD includes three independent members. Beyond their assigned areas and BOD's scope of work, these independent members have successfully executed their roles in governing PV Drilling's business operation, enhancing corporate governance efficiency in accordance with the Charter of PV Drilling and the applicable laws. The independent members have also fulfilled their scope of work and duties, prioritizing the common interests of shareholders.

The independent members of the BOD have assisted the BOD in making decisions on the Corporation's matters through their insights and provided objective inputs on the BOM's operation (including preventing conflicts of interest and neutralizing the Corporation's competing demands). The Corporation's contracts and transactions with related parties were evaluated and voted on by the independent members in accordance with the Charter of PV Drilling and the applicable laws. The voting opinions of the independent members serve as the primary basis for the BOD to issue Resolutions approving contracts and transactions with related parties in 2024. This further highlights the role and importance of independent members of the BOD at PV Drilling.

2. REVIEW OF THE INDEPENDENT MEMBERS ON THE OPERATIONAL RESULTS OF THE BOD

In their governance and based on their independence, the independent members of the BOD have assessed the BOD's performance in 2024 as below:

- The BOD's organizational structure complies with the Charter of PV Drilling and the applicable laws regarding of the number, qualifications, and conditions of members and the specialized legal regulations on the structure of independent members. The BOD maintains a ratio of independent (42.86%) and non-executive (42.86%) members, which aligns with the international corporate governance of best practices. The BOD members demonstrated a strong responsibility as well as extensive management experience and expertise across diverse fields. They also exhibited high academic qualifications, with a significant proportion holding doctoral and master's degrees. Both executive and non-executive members have a deep understanding of PV Drilling's operations and bring many years of experience in the oil and gas sector, which ensure strategic insights and a long-term vision.
- No BOD members had a domestic relationship with the President & CEO, Vice Presidents, Member of the Board of Supervisors, or other management personnel, as stipulated in Article 155(1)(d) of the Law on Enterprise. The BOD and the President & CEO maintain a clear division of responsibilities and power boundaries in various matters as documented. No member held unrestricted decision-making authority. This ensures a balanced power dynamic within the Corporation, while enhancing the BOD's accountability and independent decision-making capabilities.
- The BOD assigned specific tasks and areas to each member. The BOD has established an annual operational plan and implemented corporate governance plan in compliance with the Charter of PV Drilling, the Regulations of PV Drilling, the Working Regulations of the BOD, and the applicable laws. The BOD also reviewed and considered adopting or planning to implement the Corporate Governance Code of Best Practices.
- In 2024, the BOD held 6 offline meetings and numerous written consultations. Meetings and consultations were conducted following the required procedures. The BOD members received essential information and documents prior to each meeting and had the right to request additional information to ensure a thorough understanding of the discussed/ approved matters. In 2024, the BOD issued 118 Resolutions/Decisions, all in compliance with regulations and within the scope of authority. The President & CEO was in charge of the implementation of these resolutions/ decisions. As reported at the 4Q2024 quarterly meeting on December 30th, 2024, there were 5 Resolutions left related to the investment and asset liquidation of the Corporation.
- The BOD remains dedicated to prioritize strategic governance and risk management through the Audit Committee by regular participation in the President & CEO's meetings, and the Corporation's periodic reporting system.
- The BOD has provided full access and transparent information to the Board of Supervisors and relevant stakeholders. The Corporation's information disclosure consistently complies with the applicable laws and regular monitor process.



- At the 4Q2024 quarterly meeting, the BOD approved the Code of Conduct for Member of the BOD based on business ethics standards and the Corporate Governance Code of Best Practices. The Code of Conduct was aimed to promote professionalism, integrity, transparency, and accountability in governance and in all actions, which demonstrated a commitment to continuously adopting best practices in corporate governance, delivering long-term value to the Corporation and shareholders.
- The BOD integrates community and social responsibility into the Corporation's business strategy, emphasizing sustainable growth. In 2024, the BOD approved on increasing the fund for social welfare, improving the well-being of employees. The BOD also approved on the ESG targets, demonstrating the Corporation's strong commitment to responsible business practices. These efforts not only creates value for stakeholders but also strengthens PV Drilling's position.
- In 2024, the BOD and the BOM collaborated effectively to ensure optimal business performance and fulfill obligations to the state, community, shareholders, and employees.

3. EXISTING SHORTCOMINGS, CAUSES, AND SOLUTIONS

Despite the joint efforts of the BOD and the BOM to utilize the resources and market opportunities while addressing the existing obstacles, PV Drilling still faced several shortcomings in 2024 as below:

- Slow progress in overdue debt collection;
- Falling short of investment and disbursement implementation targets;
- Restructuring efforts lagging behind schedule.

Main causes of the existing shortcomings:

- Overdue debt collection faces difficulties due to contractors facing financial constraints and complicated payment procedure.
- Investment was slower than planned due to the volatile nature of the oil and gas industry, which required careful research and evaluation to align with market demands and ensure efficiency. Furthermore, compliance with current investment procedures also disrupted PV Drilling's investment progress and disbursement.
- Due to changes in market conditions, joint venture partners have not yet reached a consensus on the restructuring of the joint ventures.

Solutions:

- Continue to strengthen overdue debt collection solutions and effectively control costs and cash flow;
- Direct the BOM to govern the implementation of key projects assigned by the Vietnam Oil and Gas Group as well as domestic and regional Oil and Gas Contractors to timely meet the service demands;
- The BOD will regularly conduct supervision and evaluate the performance of PV Drilling's invested subsidiaries. The BOD also continues to review the organizational structure to implement appropriate solutions, ensuring the overall business efficiency.

ASSESSMENT ON OPERATION OF THE PRESIDENT & CEO AND BOM'S MEMBERS

1. STRUCTURE OF THE BOM

The PV Drilling's BOM consists of 6 members including 1 President & CEO serving as the legal representative and 5 Vice Presidents. In 2024, there was one change in the BOM's structure: Mr. Nguyen The Son – Vice President was nominated as the member of the BOD by the GMS from April 24th 2024. Accordingly, the GMS nominated Mr. Nguyen Dinh Duong as the substitution for Mr. Nguyen The Son as the Vice President.

The President & CEO as well as other BOM members have been committed to the Corporation for years, bringing extensive expertise and strong leadership. They are highly qualified, gain deep industry knowledge and have undergone training through various roles within both the Corporation and the oil and gas industry. With years of hand-on experience, they possess a clear understanding of the Corporation's business operation and have a virtual awareness of the Corporation's advantages and challenges.

The Vice Presidents are assigned by the President & CEO based on their expertise and experience in compliance with the Charter of PV Drilling and applicable laws. Within their assigned areas, the Vice Presidents have actively managed business operation while issuing internal management regulations within their authority to govern and direct the Corporation and its subsidiaries.

The President & CEO, with the support of the Vice Presidents/ Departments/ Offices/ Subsidiaries, proposes strategic initiatives to the BOD and implements the BOD's resolutions/decisions. Additionally, the President & CEO governs the execution of the Corporation's business plan and business operation on a daily basis.

2. THE RESULTS

The relationship, delegation and authority between the BOD and the President & CEO are clearly defined in compliance with PV Drilling's business operation based on applicable laws and as stated in the Charter and the Working Regulations of the BOD. Accordingly, the BOD provides the necessary autonomy to the President & CEO to manage the Corporation's daily business operation while maintaining its governance role to support and provide timely decisions within its authority.

Through quarterly BOD's meetings and so on, the BOD has actively engaged in discussions and constructive debates with the President & CEO and the BOM regarding the execution of business plans, as well as the targets approved by the GMS. Furthermore, the President & CEO regularly reports to the BOD on the status of the Corporation's ongoing projects, as well as any challenges encountered to facilitate timely discussions and seek the BOD's recommendations.

The BOM maintains a cohesive relationship to ensure no disputes or conflicts of authority or interest arise. In 2024, the President & CEO and the Vice Presidents diligently implemented production and business operation by leveraging all the Corporation's resources adhering closely to the vision of the GMS and the BOD, resulting in the following achievements:

- Fulfill the roles and responsibilities in compliance with the Charter of PV Drilling, the Regulations of PV Drilling and applicable laws in the management of the Corporation;
- Implement transparent regulations with clear assignment and delegation within the BOM; utilize the Corporation's resources; control risks from the BOM and other middle management levels;
- Seek for opportunities and promote the expansion of drilling and well technical services into the global market;
- Capture the market landscape to develop plans for the investment in new fleets and specialized equipment to meet the current demands;
- Maintain the efficiency of the Corporation's business operation, exceeding the revenue and profit targets set by the GMS;
- Fulfill all obligations to the Government, ensure employee well-being, and develop an outstanding human resource as the foundation for sustainable growth;

The total remuneration, salary, bonus and allowances received by the BOM in 2024 were VND 9,140,805,026 (excluding salaries, bonuses and allowances of members of the BOM cum President & CEO).

With such results and achievements, the BOD decided that the President and CEO, together with the BOM, successfully completed their tasks in fiscal year 2024.



REPORT ON CORPORATE GOVERNANCE OF **PV DRILLING**

In recent years, PV Drilling has been committed to the research and implementation of Vietnam Corporate Governance Code of Best Practices for public companies, as well as the ASEAN Corporate Governance Scorecard. This dedication is reflected in the comprehensive legal framework established for corporate governance, encompassing the Charter, Internal Regulations on Corporate Governance, the Working Regulations of the BOD, the Working Regulations of the BOS, the Regulations of the Internal Audit Sub-committee, and other relevant regulations. These regulations are regularly reviewed and amended to ensure the compliance with the applicable laws and the Corporation's business operation.

PV Drilling consistently complies with the applicable laws on corporate governance for publicly listed companies including the Law on Enterprises, the Law on Securities, Circular 116/2020/TT-BTC on corporate governance for public companies, Circular 96/2020 / TT-BTC on information disclosure, and other relevant regulations. Periodic governance reports, financial statements, and annual reports for 2024, as well as other legally required documents, are submitted promptly to the State Securities Commission and the Ho Chi Minh City Stock Exchange. The Corporation is continuously refining its internal and public reporting framework to enhance information disclosure for shareholders and investors through new technologies. The BOD regularly governs the Corporation's information disclosure activities through the Person in charge of the Corporate Governance and aims to ensure transparent and timely disclosures for shareholders and stakeholders.

In 2024, PV Drilling was honored in the Top 10 Best Corporate Governance - Large Cap Enterprise and Top 20 Best Annual Reports - Non-Financial Sector (1st place) at the 17th Listed Company Awards (VLCA) ceremony. The VLCA awards not only recognize listed companies with outstanding efforts in reporting and information disclosure, implementing best practices in governance, and ESG, but also promote advanced governance standards, information transparency, and sustainable growth. Additionally, PV Drilling was recognized as a pioneer in enhancing Vietnamese corporate governance - VNCG50 at the Annual Corporate Governance Forum - AF7 organized by VIOD. This demonstrates PV Drilling's tireless efforts in information transparency towards best practices in corporate governance.

Based on these achievements, the BOD assesses that PV Drilling's corporate governance has complied with all key aspects of the best practices outlined in the Corporate Governance Principles for Public Companies in Vietnam, the ASEAN Corporate Governance Scorecard, the VNCG 50 Governance Scorecard, and relevant applicable laws on corporate governance.

In recent years, PV Drilling has been committed to the research and implementation of Vietnam Corporate Governance Code of Best Practices for public companies, as well as the ASEAN Corporate Governance Scorecard.



THE BOD'S REMUNERATION, SHARE OWNERSHIP **AND OPERATING EXPENSES**

1. THE BOD'S REMUNERATION, SHARE OWNERSHIP

Remuneration and allowances for members of the BOD in 2024 have been paid in accordance with the approval of the General Meeting of Shareholders, namely as follows:

- For members of the PV Drilling's BOD who concurrently hold executive/specialized positions or be assigned other management positions at PV Drilling: remuneration (including of wages, bonus, allowance etc.) will be paid based on PV Drilling's current salary policy.
- For independent members or members who do not hold executive/specialized positions at PV Drilling: the remuneration was VND 15 million/person/month.

All remuneration paid to the BOD in 2024 is VND 6,235,104,762 (before tax) namely as follow:

No.	Full Name	Title	Remuneration (Unit: VND)	Notes	Stock owned (Unit: share)
1	**Mr. Mai The Toan**	Chairman	1,422,584,240		-
2	**Mr. Do Duc Chien**	Vice Chairman (resigned from 24/4/2024)	779,258,480		600
3	**Mr. Nguyen The Son**	BOD member (appointed from 24/4/2024)	474,177,710	Salaried as BOD member from 01/7/2024	22,000
4	**Mr. Nguyen Xuan Cuong**	BOD member, President & CEO	1,433,672,240		105
5	**Mr. Vu Thuy Tuong**	BOD member	1,642,003,000		-
6	**Mr. Van Duc Tong**	Independent member	161,136,364		10,081
7	**Mr. Nguyen Van Toan**	Independent member	161,136,364		-
8	**Mr. Hoang Xuan Quoc**	Independent member	161,136,364		-
		TOTAL	**6,235,104,762**		

2. OPERATING EXPENSES OF THE BOD

In compliance with the Working regulations of the BOD and the internal expenses regulations of PV Drilling, the operating costs of PV Drilling's BOD in 2024 are 3.09 billion VND (including expenses for air tickets, hotel, and travel expenses, expenses for customers, stationery, and other expenses) and are included in PV Drilling's general and administration expenses.

3. OPERATION OF THE SUBCOMMITTEES WITHIN THE BOD

The Internal Audit Sub-committee was established under Decision No. 01/4/2021/QĐ-HĐQT dated April 2nd, 2021, of the PV Drilling's BOD. In 2024, the Internal Audit Subcommittee successfully completed all internal audits and financial controlling activities in accordance with the Internal Audit Plan approved by the BOD under Resolution No. 02/12/2023/NQ-HĐQT dated December 5th, 2023. The internal audit and financial controlling carried out during the year are as below:

- For affiliated enterprises, wholly-owned subsidiaries, and joint-stock companies, the Internal Audit Sub-committee conducted supervision and internal audit under 7 Decisions approved by the BOD. The scope of work covered multiple areas including Business plan implementation, Financial and Accounting management, Human Resources, HSEQ and Risk management, and corporate governance.
- For the joint ventures, the Audit Committee conducted supervision and internal audit under 4 Decisions approved by the BOD. The scope of work covered multiple areas including: Assessment of the management on the capital, finance and accounting, assets and other related matters based on the Financial Statement and Representative Statement; The implementation of the charters and regulations.
- Through internal audits and financial controlling, the Internal Audit Subcommittee has provided independent and objective recommendations. These insights have assisted subsidiaries in enhancing the efficiency of their corporate governance and risk management, following the applicable laws. In general, most subsidiaries are willing to adopt the recommendations outlined in the audit reports. Furthermore, the subsidiaries have also implemented solutions to optimize their operation, thereby enhancing internal control and risk management in their daily activities, aiming to meet their business targets.
- The Internal Audit Subcommittee has provided support and input to Specialized Departments in updating the Corporation's Charters and Procedures.
- The Internal Audit Subcommittee participated in training sessions on internal audit and risk management following international standards (IIA and COSO) to enhance their expertise.
- The Internal Audit Subcommittee complies with the Internal Audit Regulations No. 01/11/2022/NQ-HĐQT dated November 17th, 2022; The Government Decree No. 05/2019/ND-CP dated January 22nd, 2019, on internal auditing; Ministry of Finance Circular No. 08/2021/TT-BTC dated January 25th, 2021, on Vietnamese Internal Audit Standards, codes of conduct, and other relevant regulations.

The Internal Audit Subcommittee has completed audits and financial controlling at the subsidiaries according to the 2024 Internal Audit Plan approved by the BOD. Based on the results, the PV Drilling's Leadership has issued timely directions for the corporate governance and operation efficiency.

THE 2025 **IMPLEMENTATION PLAN**



PV Drilling has strengthened its regional presence, driven by the Corporation's service efficiency in Malaysia, Indonesia, Brunei, and Thailand.

1. DIFFICULTIES AND ADVANTAGES IN 2025

1.1 Difficulties

In the domestic market, the projected workload for 2025 is expected to remain low, primarily comprising short-term and fragmented drilling programs that lack continuity. This situation presents challenges for PV Drilling in resource planning, leads to increased transportation costs, and negatively impacts the revenue and profitability of its subsidiaries.

Intense competition from private companies also poses significant challenges for PV Drilling. Furthermore, the lack of government support and absence of protective mechanisms for the oil and gas industry have increased competitive pressure, as access to the domestic drilling market has become easier. Multinational corporations, backed by strong financial resources, are willing to lower prices to gain market share in Vietnam while simultaneously safeguarding their global dominance.

Geopolitical conflicts have severely disrupted supply chains for goods and equipment, resulting in higher material costs.

The workload for PV Drilling's well technical services and other related services remains low and has yet to show signs of recovery.

1.2 Advantages

PV Drilling has strengthened its regional presence, driven by the Corporation's service efficiency in Malaysia, Indonesia, Brunei, and Thailand.

Except for PV DRILLING VIII, which is currently undergoing reactivation, all other rigs have remained operational throughout 2025 in the regional market.

Domestic demand is expected to increase in the near future, supported by the implementation of long-term drilling programs for field development projects such as Dai Hung Phase 3, Su Tu Trang – Phase 2B, Kinh Ngu Trang – Kinh Ngu Trang Nam, Thien Nga – Hai Au, Lac Da Vang, Block B – O Mon, among others.

2. OPERATION ORIENTATION OF THE BOD

Being fully aware of both the advantages and challenges, the BOD - while continuing to strengthen governance, enhance leadership, and ensure regular supervision in accordance with their responsibilities - will focus on directing the implementation of the following key tasks:

- ***Corporate governance:*** (i) Continue implementing corporate restructuring to align with PV Drilling's business operations; (ii) Enhance the effectiveness of internal audit and risk management, while strengthening governance and risk oversight of PV Drilling's subsidiaries; (iii) Adopt corporate governance best practices, with a focus on the roles and diversity of the Committees under the BOD; (iv) Accelerate digital transformation, internal communication, and the promotion of a cohesive corporate culture across the Corporation; (v) Continue executing the sustainable growth strategy in alignment with ESG objectives.
- ***Market development:*** (i) Seek drilling and well-related service campaigns in global markets; (ii) Develop integrated technical services and bundled offerings along the value chain of the PVN and the Corporation to optimize resource utilization and improve operational efficiency; (iii) Focus on identifying investment opportunities for new rigs and equipment to ensure investment effectiveness.
- ***Financial Controlling:*** (i) Strengthen financial management by rigorously implementing cost-reduction measures and effectively managing cash flow, interest expenses, and foreign exchange differences; (ii) Enhance debt collection efforts; (iii) Monitor key economic and financial indicators in accordance with the plan approved by the General Meeting of Shareholders and the PVN, and regularly assess performance against these indicators to provide timely guidance for achieving set objectives.
- ***Investment and Technology:*** (i) Continue implementing investment projects as scheduled; (ii) Promote research and the application of advanced science and technology, while enhancing the capacity to receive technology transfer from foreign partners; (iii) Research and deploy new services in alignment with the energy transition trend.

3. BUSINESS TARGETS IN 2025

In 2025, taking into account both challenges and opportunities, the BOD will strengthen its collaboration with the BOM to remain aligned with the Corporation's strategic direction and strive to achieve the following business objectives:

- Consolidated revenue target: VND 7,200 billion;
- Profit before tax: VND 790 billion;
- Profit after tax: VND 530 billion.

Above is the Report of BOD on the Operational activities in 2024 and the Implementation Plan for 2025, kindly submitted to the General Meeting of Shareholders for approval.

LIST OF EXECUTIVES WHO HAVE PARTICIPATED IN CORPORATE GOVERNANCE TRAINING COURSES

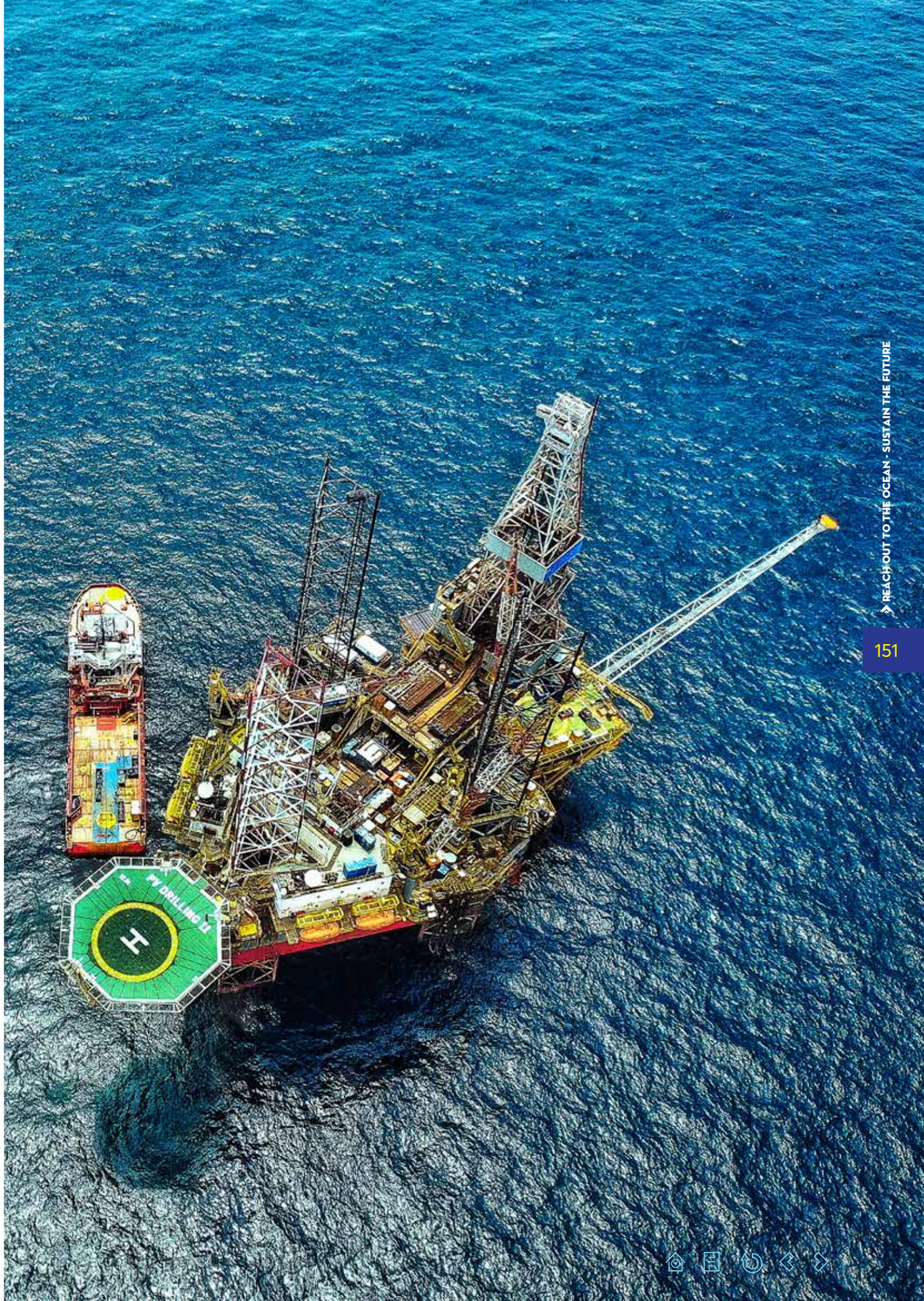
No.	Name	Position	Corporate Governance Training Course		
			Course name	Certification	Organizing Unit
1	**Mai The Toan**	Chairman of the BOD	Board of Directors Certification Program - DCP 16	x	VIOD
			Enhancing BOD Member Capacity	x	VIOD
2	**Nguyen Xuan Cuong**	BOD Member, President & CEO	Advanced Training on Audit Committee	x	VIOD
			Integrated ESG (iESG) Board of Directors Certification Program – DCP 24	x	VIOD
3	**Nguyen The Son**	BOD Member	Board of Directors Certification Program - DCP 27	x	VIOD
4	**Vu Thuy Tuong**	BOD Member	Board of Directors Certification Program - DCP 23	x	VIOD
5	**Do Danh Rang**	Vice President, Authorized Information Disclosure Officer	Board of Directors Certification Program - DCP 27	x	VIOD
			Enhancing BOD Member Capacity	x	VIOD
6	**Nguyen Ngoc Truong**	Chief Accountant	Board of Directors Certification Program - DCP 27	x	VIOD
7	**Nguyen Van Tu**	Head of Internal Audit Subcommittee	Advanced Corporate Secretary Program Integrating Governance, Environmental, and Social Factors (CSMP2)	x	VIOD
8	**Nguyen Phuong Linh**	Secretary to the Chairman of the BOD	Advanced Corporate Secretary Program Integrating Governance, Environmental, and Social Factors (CSMP2)	x	VIOD

LIST OF EXECUTIVES PARTICIPATING IN CAPACITY-BUILDING TRAINING COURSES

No.	Name	Position	Capacity-Building Training Courses		
			Course Name	Certification	Organizing Unit
1	**Mai The Toan**	Chairman of the BOD	Leadership	x	ILA Vietnam
			Training on Equitization of State-Owned Enterprises	x	Institute for Strategic and Industrial Policy Research
			Financial Management for Non-Financial Managers	x	Faculty of Business Administration, Vietnam National University, Hanoi
			Negotiation Skill in Business for Senior Leader in the New Era	x	ICG Research and Training Cooperation Center
			Leadership and Management Skills – Strengthening Leader-Employee Relation	x	Brainwork
			Digital Transformation in the Oil & Gas Industry	x	ICL
			Leading in a Changeable World	x	Fulbright
			Overview of ESG and Its Implication for PVN and Its Subsidiaries	x	Petroleum College
2	**Do Duc Chien**	Vice Chairman of the BOD	Corporate Governance Enhancement	x	Vietnam Petroleum Institute
3	**Nguyen Xuan Cuong**	BOD Member, President & CEO	Corporate Governance Enhancement	x	Vietnam Petroleum Institute
4	**Nguyen The Son**	BOD Member	Corporate Governance Enhancement – Leadership in a D-VUCAD World	x	Vietstar
			Leadership Development Program (LDP)	x	PVN
5	**Vu Thuy Tuong**	BOD Member	Corporate Governance Enhancement	x	Vietnam Petroleum Institute
			Certified Internal Auditor Training Course	x	Smart Train
			Overview of ESG and Its Implication for PVN and Its Subsidiaries	x	Petroleum College

LIST OF EXECUTIVES PARTICIPATING IN CAPACITY-BUILDING TRAINING COURSES

No.	Name	Position	Capacity-Building Training Courses		
			Course Name	Certification	Organizing Unit
6	**Do Danh Rang**	Vice President, Authorized Information Disclosure Officer	Corporate Governance Enhancement – Leadership in a D-VUCAD World	x	Vietstar
			Leadership Development Program (LDP)	x	PVN
7	**Ho Vu Hai**	Vice President	Corporate Governance Enhancement – Leadership in a D-VUCAD World	x	Vietstar
			Leadership Development Program (LDP)	x	PVN
8	**Nguyen Dinh Duong**	Vice President	Management Development Program (MDP)	x	PVN
9	**Nguyen Ngoc Truong**	Chief Accountant	Management Development Program (MDP)	x	PVN
10	**Nguyen Van Tai**	Member of the Supervisory Board	Leadership Development Program (LDP)	x	PVN
11	**Hoang Phuc Khang**	The Person in charge of Corporate Governance cum Secretary	Legal Profession Training	x	Judicial Academy
			Lawyer Apprenticeship		Ho Chi Minh City Bar Association
			Human Resources Director	x	PACE
			Overview of ESG and Its Implication for PVN and Its Subsidiaries	x	Petroleum College
			Investment Portfolio Management for Managers	x	PVN
			Middle Management Capacity-Building	x	PVD Training



ATTACHMENT 1
LIST OF RESOLUTIONS/DECISIONS OF THE BOARD OF DIRECTORS IN 2024

No.	Resolution/Decision No.	Date	Content	Approval Rate
1	01/01/2024/QĐ-HĐQT	03/01/2024	Approve the establishment of the Appraisal Team for the Investment Project and the Implementation Plan for the project "Purchase a three-legged multi-purpose jack-up rig with cantilever"	100%
2	02/01/2024/QĐ-HĐQT	08/01/2024	The dismissal of PV Drilling's Board Secretary	100%
3	03/01/2024/QĐ-HĐQT	08/01/2024	Appoint new Company Secretary	100%
4	01/01/2024/NQ-HĐQT	08/01/2024	Allocation of the 2023 Reward and Welfare Fund of the Parent Company	100%
5	02/01/2024/NQ-HĐQT	08/01/2024	Approve the operation plan of the BOD in 2024	100%
6	03/01/2024/NQ-HĐQT	12/01/2024	Personnel appointment of PVD Training	100%
7	04/01/2024/NQ-HĐQT	22/01/2024	Personnel appointment of PVD Baker Hughes	100%
8	04/01/2024/QĐ-HĐQT	22/01/2024	Personnel appointment of PVD Baker Hughes	100%
9	05/01/2024/NQ-HĐQT	24/01/2024	Approve Contract No. DD24-10046	100%
10	06/01/2024/NQ-HĐQT	30/01/2024	Salary arrangement for Vice President	100%
11	05/01/2024/QĐ-HĐQT	30/01/2024	Salary arrangement for Vice President	100%
12	01/02/2024/NQ-HĐQT	01/02/2024	Personnel appointment of PVD Training	100%
13	02/02/2024/NQ-HĐQT	05/02/2024	Bonus for Vietubes' employees allocated from the undistributed profit after tax of Vietubes	100%
14	03/02/2024/NQ-HĐQT	15/02/2024	Approve the Amendment No.1 to the Rig Lease Contract No. 02 PVD-PVD Overseas - PVD VI	100%
15	01/02/2024/QĐ-HĐQT	21/02/2024	Closing the list of shareholders entitled to attend the General Meeting Shareholders and the Organization Plan of the Annual General Meeting of Shareholders 2024	100%
16	01/03/2024/NQ-HĐQT	05/3/2024	Approve the Training Contract for the provision of training services	100%
17	02/03/2024/NQ-HĐQT	08/3/2024	Managerial personnel appointment of PVD Tech	100%
18	03/03/2024/NQ-HĐQT	26/3/2024	Address the overdue receivables with no recovery capability from Kris Energy (Apsara) Company Limited	71%
19	04/03/2024/NQ-HĐQT	27/3/2024	Amend the Project/ Plan for the restructuring of PV Drilling until 2025	100%
20	01/03/2024/QĐ-HĐQT	27/3/2024	Cease business operation of PVD Invest	100%
21	05/03/2024/NQ-HĐQT	27/3/2024	Approve the determination and finalization of the 2023 salary fund and approval of the 2024 planned salary fund of the Parent Company – PV Drilling	100%
22	01/04/2024/NQ-HĐQT	02/4/2024	Promulgate the Regulation on monitoring decentralized investment of PV Drilling	100%
23	02/04/2024/NQ-HĐQT	02/4/2024	Promulgate the Regulation on procurement of goods and services related to the drilling rigs' operation.	100%
24	03/04/2024/NQ-HĐQT	04/4/2024	Personnel appointment of PVD Tech	100%
25	04/04/2024/NQ-HĐQT	10/4/2024	Approve the Contract for the procurement of goods for the drilling rigs' operation.	100%
26	05/04/2024/NQ-HĐQT	10/4/2024	Personnel appointment of PVD Training	100%
27	06/04/2024/NQ-HĐQT	17/4/2024	Terminate the Regulation on bidder selection for provision of insurance to maintain the business operation of PV Drilling	100%
28	01/04/2024/QĐ-HĐQT	19/4/2024	Establish the Shareholder's Eligibility Verification Committee for the Annual General Meeting of Shareholders 2024	100%
29	07/04/2024/NQ-HĐQT	19/4/2024	Approve the meeting agenda and full documentation of the Annual General Meeting of Shareholders 2024	100%
30	02/04/2024/QĐ-HĐQT	22/4/2024	Reappointment of the Vice President of PV Drilling	100%
31	08/04/2024/NQ-HĐQT	25/4/2024	Personnel appointment of PVD Training	100%
32	01/05/2024/NQ-HĐQT	03/5/2024	Approve Contract with the related person No. PVD-PVD Training-PL 04 HD 54/2022/HD-PVDTr/Thanh	100%
33	01/05/2024/QĐ-HĐQT	04/5/2024	Personnel appointment of PV Drilling	100%
34	02/05/2024/NQ-HĐQT	04/5/2024	Personnel appointment	100%
35	02/05/2024/QĐ-HĐQT	04/5/2024	Personnel appointment	100%
36	03/05/2024/QĐ-HĐQT	04/5/2024	Appointment of Corporate Secretary/ Person in charge of corporate governance	100%
37	03/05/2024/NQ-HĐQT	07/5/2024	Task Allocation to BOD Members of PV Drilling	100%
38	04/05/2024/NQ-HĐQT	13/5/2024	Approve Contract No. PVN/PRO/2024/026 and Contract No. PO4100000184	100%
39	04/05/2024/QĐ-HĐQT	16/5/2024	Approve the Internal audit plan of PVD Drilling Division	100%
40	05/05/2024/NQ-HĐQT	22/5/2024	Approve Amendment No.01 to Contract No. PQ-CTR-DEV-2020-106C and Assignment Agreements of Contract No. PVEP POC-DEV3-PRJ-2022-002A	100%
41	06/05/2024/NQ-HĐQT	30/5/2024	Salary arrangement of managerial personnel of PV Drilling	100%
42	05/05/2024/QĐ-HĐQT	30/5/2024	Salary arrangement of Head of BOS	100%
43	06/05/2024/QĐ-HĐQT	30/5/2024	Salary arrangement of Company Secretary cum Person in charge of corporate governance of Company	100%
44	07/05/2024/QĐ-HĐQT	30/5/2024	Salary arrangement of the Head of Internal Audit Subcommittee	100%
45	07/05/2024/NQ-HĐQT	31/5/2024	Personnel appointment of PVD Training	100%

ATTACHMENT 1
LIST OF RESOLUTIONS/DECISIONS OF THE BOARD OF DIRECTORS IN 2024 *(continued)*

No.	Resolution/Decision No.	Date	Content	Approval Rate
46	01/06/2024/NQ-HĐQT	04/6/2024	Approve the Amendment No.1 of Contract No. 3100000070 and Amendment No.1 of Contract No. 3100000086	100%
47	02/06/2024/NQ-HĐQT	04/6/2024	Approve Contract No. SO.3324010/DD-PVD Tech	100%
48	03/06/2024/NQ-HĐQT	12/6/2024	Approve Contract No. PVEPPOC-DRL-2024-039	100%
49	04/06/2024/NQ-HĐQT	13/6/2024	Approve Contract No. PVEP-POC-DRL-2024-015	100%
50	05/06/2024/NQ-HĐQT	13/6/2024	Approve the Amendment No. 01/PVN01&02-PVD of Contract No. PVN/PRO/2024/003	100%
51	06/06/2024/NQ-HĐQT	13/6/2024	Approve Contract No. 01-2024/PVDDD-PVDWS/CATARINA	100%
52	07/06/2024/NQ-HĐQT	14/6/2024	Profit distribution in 2023 of PVD Tech	100%
53	01/06/2024/QĐ-HĐQT	17/6/2024	Approve the Internal audit plan of PVD Well Services	100%
54	08/06/2024/NQ-HĐQT	17/6/2024	Personnel appointment of PV Drilling	100%
55	02/06/2024/QĐ-HĐQT	17/6/2024	The appointment of Vice President of PV Drilling	100%
56	03/06/2024/QĐ-HĐQT	17/6/2024	Personnel appointment	100%
57	09/06/2024/NQ-HĐQT	19/6/2024	Profit distribution of PVD Tubulars	100%
58	10/06/2024/NQ-HĐQT	19/6/2024	Profit distribution in 2023 of PVD Training	100%
59	11/06/2024/NQ-HĐQT	20/6/2024	Approve short-term credit limit guarantee for PVD Tubular in 2024-2025	100%
60	12/06/2024/NQ-HĐQT	20/6/2024	Approve the transation with the related person – Order No.01-PVDO-PVDDD-24	100%
61	13/06/2024/NQ-HĐQT	25/6/2024	Selecting Deloitte Vietnam to perform semi-annual financial statements review and audit the financial statements FY2024	100%
62	04/06/2024/QĐ-HĐQT	28/6/2024	Approve the Internal audit plan of PVD Tech	100%
63	05/06/2024/QĐ-HĐQT	28/6/2024	Approve the Internal audit plan of PVD Logging	100%
64	06/06/2024/QĐ-HĐQT	28/6/2024	Approve the Internal audit plan of PVD Offshore	100%
65	01/07/2024/QĐ-HĐQT	01/7/2024	Approve the Internal audit plan of PVD Deepwater	100%
66	02/07/2024/QĐ-HĐQT	01/7/2024	Approve the Internal audit plan of PVD Training	100%
67	01/07/2024/NQ-HĐQT	09/7/2024	Approve the Partial Assignment Agreement of Contract No. PVEPPOC - DRL - 2024 - 039 and its related Addendums	100%
68	02/07/2024/NQ-HĐQT	10/7/2024	Approval for Upgrading the Hydraulic Pulling/Pushing System under the HWU Investment Project	100%
69	03/07/2024/NQ-HĐQT	18/7/2024	Approve Contract for provision of administration services	100%
70	04/07/2024/NQ-HĐQT	25/7/2024	Personnel appointment of PVD Tech	100%
71	05/07/2024/NQ-HĐQT	25/7/2024	Approve Contract No. PVEP-POC-DRL-2023-036	100%
72	06/07/2024/NQ-HĐQT	30/7/2024	Salary arrangement of managerial personnel of PV Drilling	100%
73	03/07/2024/QĐ-HĐQT	30/7/2024	Salary arrangement of Members of the BOD of PV Drilling	100%
74	04/07/2024/QĐ-HĐQT	30/7/2024	Salary arrangement of Vice President of PV Drilling	100%
75	05/07/2024/QĐ-HĐQT	30/7/2024	Salary arrangement of managerial personnel of PV Drilling	100%
76	06/07/2024/QĐ-HĐQT	30/7/2024	Salary arrangement of managerial personnel of PV Drilling	100%
77	07/07/2024/NQ-HĐQT	31/7/2024	Personnel appointment of PVD Overseas	100%
78	01/08/2024/NQ-HĐQT	01/8/2024	Personnel appointment of BJ-PV Drilling	100%
79	02/08/2024/NQ-HĐQT	05/8/2024	Approve Subcontracts for personnel supply with PVD Training (15 Subcontracts)	100%
80	03/08/2024/NQ-HĐQT	05/8/2024	Approve Subcontracts for personnel supply with PVD Training (13 Subcontracts)	100%
81	04/08/2024/NQ-HĐQT	08/8/2024	Approve the Training Contract for the provision of traning services	100%
82	05/08/2024/NQ-HĐQT	08/8/2024	Approve Amendment No.2 of Contract No. PVN/PRO/2024/003	100%
83	06/08/2024/NQ-HĐQT	19/8/2024	Personnel appointment of PVD Logging	100%
84	01/09/2024/NQ-HĐQT	06/9/2024	Approve the Contract No. PVEP-POC-DRL-2023-054A-PV Drilling	100%
85	02/09/2024/NQ-HĐQT	06/9/2024	Approve Subcontracts for provision of personnels and technical services with PVD Training	100%
86	03/09/2024/NQ-HĐQT	12/9/2024	Approve Subcontracts for labor subleasing with PVD Training	100%
87	04/09/2024/NQ-HĐQT	17/9/2024	Approve the Addendum No.1 for the Service Package No.4 of Contract No. PVEPPOC-DRL-2024-039	100%
88	01/09/2024/QĐ-HĐQT	17/9/2024	Establish the Appraisal Team for the Investment project and Bidder selection plan of "Purchase of the Casing Running Tool - internal gripping mechanisms (CRT)"	100%
89	05/09/2024/NQ-HĐQT	18/9/2024	Approve the Contract for training personnel to participate in the 8th Oil and Gas Skills Competition in 2024	100%
90	02/09/2024/QĐ-HĐQT	27/9/2024	Cease business operation of PVD Invest	100%
91	06/09/2024/NQ-HĐQT	30/9/2024	Approve PV Drilling's financial support for the loan settlement of PVD Deepwater at MB Bank	100%
92	01/10/2024/NQ-HĐQT	03/10/2024	Approve Investment project and Bidder selection plan of "Purchase of the Casing Running Tool - internal gripping mechanisms (CRT)"	100%
93	02/10/2024/NQ-HĐQT	08/10/2024	Approve the Subcontract for provision of Mud Cooling service with PVD Training	100%
94	03/10/2024/NQ-HĐQT	08/10/2024	Approve Amendments to Subcontract for provision of services with PVD Training	100%
95	01/10/2024/QĐ-HĐQT	09/10/2024	Approve financial supervisory plan of PVD Overseas	100%
96	02/10/2024/QĐ-HĐQT	09/10/2024	Approve financial supervisory plan of PVD Baker Hughes	100%
97	03/10/2024/QĐ-HĐQT	09/10/2024	Approve financial supervisory plan of Vietubes	100%

ATTACHMENT 1
LIST OF RESOLUTIONS/DECISIONS OF THE BOARD OF DIRECTORS IN 2024 *(continued)*

No.	Resolution/Decision No.	Date	Content	Approval Rate
98	04/10/2024/QĐ-HĐQT	09/10/2024	Approve financial supervisory plan of PVD Tubulars	100%
99	04/10/2024/NQ-HĐQT	14/10/2024	Approve the organizational restructure of PVD Drilling Division	100%
100	05/10/2024/QĐ-HĐQT	17/10/2024	Establish an Appraisal Team for the Investment project "Purchase of a multi-legged Jackup drilling rig with caltilever" and its Implementation plan	100%
101	05/10/2024/NQ-HĐQT	21/10/2024	Approve the Amendments of the Subcontract for the provision of personnel with PVD Training	100%
102	01/11/2024/NQ-HĐQT	05/11/2024	Approve the liquidation of the land rig PV DRILLING 11	86%
103	02/11/2024/NQ-HĐQT	07/11/2024	Approve to furnish the Repayment Guarantee concerning the liquidation of the land rig PV DRILLING 11	86%
104	03/11/2024/NQ-HĐQT	11/11/2024	Approve the Amendment No.1 of Subcontract No. 01-2024/PVD-PVDTr/MSAC-CW2273307 for the provision of personnel with PVD Training	100%
105	04/11/2024/NQ-HĐQT	11/11/2024	Approve Assignment Agrement No. 01-NA/PVEP-POC_PVD_PM of the Contract No. PVEPPOC-OPE-2024-029 for rental of patrol vessel	100%
106	05/11/2024/NQ-HĐQT	13/11/2024	Approve the amendment of the Charter of PV Drilling Division	100%
107	06/11/2024/NQ-HĐQT	15/11/2024	Approve the Investment project and Bidder selection plan for the project "Purchase a three-legged multi-purpose jack-up rig with cantilever"	100%
108	07/11/2024/NQ-HĐQT	15/11/2024	Approve the policy for the purchase of the Jackup drilling rig West Prospero	100%
109	08/11/2024/NQ-HĐQT	18/11/2024	Approve the plan for establishment of a joint venture company in Indonesia	100%
110	09/11/2024/NQ-HĐQT	19/11/2024	Approve the Contract Amendment No.02 to the Rig Leasing Contract No. 02 PVD-PVD OVERSEAS - PVD VI	100%
111	10/11/2024/NQ-HĐQT	19/11/2024	Approve the Contract for the bidding package "Provision of design and construction services for the well plugging and abandonment of Song Doc field, Song Doc field decommissioning project, offshore Vietnam"	100%
112	01/11/2024/QĐ-HĐQT	26/11/2024	Complete the Competion – Reward – Discipline Council of PV Drilling	100%
113	01/12/2024/NQ-HĐQT	09/12/2024	Approve the Subcontract No. PVD-SONGDOC-2024-001 and Subcontract No. PVD-SONGDOC-2024-003	100%
114	02/12/2024/NQ-HĐQT	12/12/2024	Personnel appointment of PVD Well Services	100%
115	03/12/2024/NQ-HĐQT	17/12/2024	Approve the Assignment Agreement of the personnel supply service contract for Su Tu Trang Phase 2 project (Contract No. CLJOC-2020-DEV-2029)	100%
116	04/12/2024/NQ-HĐQT	20/12/2024	Approve bank deposit to open the performance guarantee for the Contract with Pertamina in Indonesia	100%
117	05/12/2024/NQ-HĐQT	23/12/2024	Approve the Contract Amendment and Subcontract Amendment for the provision of drilling consultancy service with affiliated person	100%
118	06/12/2024/NQ-HĐQT	23/12/2024	Approve Addendums to Contract for labor subleasing with PVD Training	100%

INTRODUCTION OF THE PERSON IN CHARGE OF CORPORATE GOVERNANCE



MR. HOANG PHUC KHANG

Person in Charge of Corporate Governance

Concurrent Position: Corporate Secretary

First appointment as The Person in charge of Corporate Governance: 24/5/2024

Gender: Male, **Year of birth:** 1986.

Professional qualification:

- Bachelor's degree in Business Administration;
- Bachelor's degree in Law.

Work Experience at PV Drilling:

5/2024 - present	The Person in charge of Corporate Governance cum Corporate Secretary;
01/2024 - 5/2024	Deputy Manager of Human Resources & Training Department, PV Drilling;
6/2023 - 12/2023	Deputy Manager of Human Resources & Training Department cum Corporate Secretary, PV Drilling;
7/20222 - 6/2023	Deputy Chief of the Party Committee Office cum Corporate Secretary, PV Drilling;
4/2021 - 6/2022	Corporate Secretary, PV Drilling;
01/2020 – 4/2021	Deputy Manager of Administration & Human Resources Department, PVD Logging;
6/2018 – 12/2019	Senior Specialist, Human Resources & Training Department, PV Drilling;
4/2012 – 5/2018	BOD Secretary, PV Drilling.

Mr. Hoang Phuc Khang graduated from the University of Economics Ho Chi Minh City with dual degrees in Business Administration and Economic Law. He joined PV Drilling in April 2012 as the BOD Secretary. Over the past 12 years at PV Drilling, Mr. Khang has held various key positions in corporate secretarial, administrative, governance, and human resources management across different departments, and subsidiaries of the Corporation.

In April 2021, he was appointed as the Corporate Secretary and has held this position to present. In July 2022, he was additionally assigned as Deputy Chief of the Party Committee Office. By June 2023, he was transferred and appointed as Deputy Manager of the Human Resources & Training Department, overseeing personnel affairs, labor relation, commendation and reward program, and HR information system management. Since May 2024, he was appointed by the Board of Directors of PV Drilling to serve as The Person in charge of Corporate Governance cum Corporate Secretary.

REPORT ON THE INTERNAL AUDIT **SUBCOMMITTEE'S PERFORMANCE**

The 2024 Internal Audit Plan was approved by the Board of Directors ("BOD") under Resolution No. 02/12/2023/NQ-HĐQT dated December 5, 2023. The preparation, submission, and approval of the Annual Audit Plan are carried out in accordance with the Internal Audit Charter of PV Drilling Corporation. Accordingly, the Internal Audit Subcommittee ("IAS") formulated detailed audit programs for each internal audit and financial monitoring, which has been approved by the BOD. In 2024, the IAS implemented 11 internal audit and financial monitoring engagements across all subsidiaries of PV Drilling. These included directly affiliated divisions, single-member limited liability companies, joint-stock companies, and joint ventures. All internal audit and financial monitoring were conducted in compliance with the Internal Audit Procedure established by the IAS under Decision No. 04/11/2022/QĐ-HĐQT, dated November 17, 2022, of the BOD.

The internal Audits were conducted in various aspects, including business operation plan implementation; financial and accounting management; human resource organization and training; HSEQ and risk management; and Internal management. Financial monitoring encompassed several key areas: evaluating financial and accounting management, capital utilization, physical count/asset inventory, and other related matters based on financial reports and representative reports; and implementing internal regulations and governance. Overall, internal audits and financial monitoring aimed to evaluate the effectiveness and efficiency of the internal control system, corporate governance processes, risk management, and the management of financial reporting indicators.
The results of internal audits have helped both PV Drilling and its subsidiaries to improve corporate governance, enhance operational efficiency, and achieve their revenue and profit targets as planned.

In 2024, the Internal Audit Subcommittee organized multiple meetings to implement internal audit and financial monitoring, as well as to evaluate the results, including internal meetings within the IAS and meetings with the audited subsidiaries and those under financial monitoring:

- The IAS held 22 internal meetings, including 11 meetings to plan and define key focus areas for each internal audit and financial monitoring, and 11 post-audit meetings to summarize results and assess internal audit performance to maintain effectiveness and improve work quality.
- The IAS conducted 17 meetings with audited subsidiaries and those under financial monitoring to discuss the progress of audits, coordination efforts, and the findings of each internal audit and financial monitoring. Through these meetings, heads of subsidiaries agreed with the Internal Audit Team on the recorded findings and directed instructions to functional departments to promptly address and implement the recommendations and advice from the internal audit.

Through internal audits and financial monitoring, the Internal Audit Subcommittee provided independent and objective recommendations. These recommendations were practical, aligned with the operational practices of the subsidiaries, and were highly valued by the Heads of PV Drilling and the audited subsidiaries. Key aspects of the advice and recommendations included:

- To strengthen the internal control and risk management system in business operations, the Internal Audit Subcommittee provided advice and recommendations for subsidiaries to update, supplement, or issue new regulations, guidelines, and operational procedures. These efforts aimed to improve the internal regulatory documents, ensuring alignment with operational practices with business practices to support the achievement of PV Drilling's strategic objectives, while also complying with changes in legal regulations.
- To ensure that assets and capital are managed effectively and safely, and presented accurately and true and fair view in the financial statements, the Internal Audit Subcommittee provided advice and recommendations to support subsidiaries in making timely adjustments through the examination and evaluation of management and control of the indicators in the financial statement, ensuring compliance with internal regulations, governance practices, and legal requirements.
- The IAS provided advice to the subsidiaries on fully and appropriately completing procedures related to contracts and transactions with related parties, asset liquidation documentation, inventory impairment provisions, and the write-off bad debt,.... These recommendations were aimed at ensuring compliance with internal regulations, governance practices, and legal requirements.

These advice and recommendations were seriously considered by the subsidiaries, which took specific actions to improve and strengthen their internal control and risk management processes. As a result, these efforts enhanced the effectiveness of management operations and contributed to achieving the business objectives and targets.

The IAS has successfully completed all internal audits and financial monitoring as the annual audit plan 2024 approved by the Board of Directors. Throughout its operations, the IAS has strictly adhered to Decree No. 05/2019/NĐ-CP dated January 22, 2019, by the Government on internal audits, Circular No. 08/2021/TT-BTC dated January 25, 2021, by the Ministry of Finance on the issuance of Vietnam's internal audit standards, professional ethical principles, and other related regulations. In addition, the IAS participated in training programs to update its knowledge and expertise in internal auditing and risk management based on international practices such as IIA and COSO,... This helped enhance the professional skills to serve internal auditing within PV Drilling, increasing the efficiency of production and business activities, contributing to the successful implementation of the motto "New driving force for growth" in 2024; striving to achieve PV Drilling's goals of strategy, operation, compliance, and finance, strengthening the trust and protecting the interests of shareholders,... effectively conducting the motto in 2025 "Reach out to the ocean – Sustain the future".



In 2024, the IAS implemented 11 internal audit and financial monitoring engagements across all subsidiaries of PV Drilling.

INTRODUCTION OF **THE SUPERVISORY BOARD**



INTRODUCTION OF **THE SUPERVISORY BOARD** *(continued)*

01

MR. LE HONG PHUONG

Head of the Supervisory Board of PV Drilling



Appointment Date: 24/4/2024
Gender: Male, **Year of Birth:** 1979
Professional Qualification:
› Bachelor of Accounting and Auditing.
Experience: 23 years of experience in accounting and auditing.

Work History:

24/4/2024 to present	Head of the Supervisory Board of PV Drilling;
4/2021 - 24/4/2024	Head of the Internal Audit Committee of PV Drilling;
02/2009 - 3/2021	Senior Specialist/ Audit Team Leader/ Deputy Head of Internal Audit – PV Drilling Corporation;
7/2006 - 01/2009	Senior Auditor – PwC Vietnam;
01/2003 - 6/2006	Principal Auditor – A&C Auditing and Consulting Co., Ltd.

The Supervisory Board of PV Drilling consists of three members with extensive knowledge and practical experience, having worked with the Corporation for many years. With a solid professional background in accounting, auditing, finance, and law, the members of the Supervisory Board have carried out their roles with high responsibility, adhering to the principles of independence, prudence, compliance with the Enterprise Law, the Corporation's Charter, and current legal regulations, helping ensure the lawful interests of shareholders and the Corporation. Besides professional competence, the Supervisory Board members possess good ethics, honesty, dedication, and responsibility in their work, accompanying PV Drilling on its sustainable development journey.

CHANGES IN 2024:
The 2024 Annual General Meeting of Shareholders of PV Drilling on 24/4/2024 approved the election of Mr. Le Hong Phuong as the Head of the Supervisory Board of PV Drilling, replacing Mr. Luong Thanh Tinh, who had completed his term. Before his appointment, Mr. Le Hong Phuong held the position of Head of the Internal Audit Committee of PV Drilling.

INTRODUCTION OF **THE SUPERVISORY BOARD** *(continued)*

02

MR. NGUYEN VAN TAI

Member of the Supervisory Board of PV Drilling (concurrent)



Appointment Date: 4/8/2021
Gender: Male, **Year of Birth:** 1978
Professional Qualification:
› Bachelor of Finance;
› Bachelor of Law.
Experience: 24 years of experience in accounting and auditing.

Work History:

5/2024 to present	Member of the Supervisory Board of PV Drilling; Chief Accountant of PVD Technical Training Joint Stock Company;
4/2019 - 5/2024	Member of the Supervisory Board of PV Drilling;
5/2018 - 4/2019	Head of General Accounting Department, Vietravel;
5/2010 - 4/2018	Senior Specialist, Internal Audit Department, PV Drilling and Audit Controller of PV Drilling's subsidiaries; Deputy Head of Accounting Department, PVD Tubulars Joint Venture Company; Member of the Supervisory Board of PVD Technical Training Joint Stock Company;
10/2007 - 5/2010	Auditor; Audit Team Leader, PwC Vietnam;
9/2004 - 9/2007	Auditor, Audit Team Leader, A&C Auditing and Consulting Co., Ltd;
6/2003 - 8/2004	Deputy Head of Accounting Department cum General Accountant, Southern Electric Appliance Joint Stock Company;
4/2001 - 5/2003	In charge of accounting at Tan Tien Thinh Co., Ltd;
8/2000 - 3/2001	Assistant Production Director at Saigon Composite Co., Ltd.

03

MR. NGUYEN BINH HOP

Member of the Supervisory Board of PV Drilling (concurrent)



Appointment Date: 4/8/2021
Gender: Male, **Year of Birth:** 1973
Professional Qualification:
› Bachelor of Economics.
Experience: 25 years of experience in accounting.

Work History:

8/2021 to present	Member of the Supervisory Board of PV Drilling, Deputy Head of Finance and Accounting Department at PVD Logging;
8/2007 - 8/2021	Deputy Head of Finance and Accounting Department, PVD Logging;
4/2006 - 7/2007	Deputy Head of Finance and Accounting Department, Well Logging and Testing Enterprise (under PV Drilling);
1/2005 - 3/2006	Accountant, Well Logging and Testing Enterprise (under PV Drilling);
4/2002 - 12/2004	Accountant, Oil Spill Response Enterprise (under PV Drilling);
12/2000 - 3/2002	Accountant, Sapa Trading Co., Ltd.

REPORT OF THE SUPERVISORY BOARD

I. ACTIVITIES OF THE SUPERVISORY BOARD IN 2024

The Supervisory Board elected by the General Meeting of Shareholders, performs the duties stipulated in the Enterprises Law to ensure the interests of shareholders. In 2024, the Supervisory Board completed its inspection and supervision tasks at PV Drilling according to the 2024 plan approved by the General Meeting of Shareholders in Resolution No. 01/2024/NQ-ĐHĐCĐ dated 24 April 2024, complying with the provisions of the Enterprises Law and the Charter of PV Drilling Corporation, as follows:

Supervising the Board of Directors and the General Director in managing and operating the Corporation:

The Supervisory Board received regular, timely, and complete information from the Board of Directors and the General Director to consider and have a basis to agree that the Board of Directors and the General Director managed and operated business activities in strict compliance with the law, the Charter of the Corporation, and the resolutions of the General Meeting of Shareholders, performing roles according to the division of responsibilities between the Board of Directors and the General Director. The Board of Directors promptly directed, supported, and closely supervised the operations of the General Director.

In 2024, the Board of Directors organized 6 direct meetings and many times sought the opinions of Board members in writing, issuing 118 Resolutions/Decisions on strategies, business activities, investment, organizational structure, personnel organization, etc. All Resolutions/Decisions were strictly implemented according to regulations.
The activities of the General Director in managing and operating business activities at PV Drilling complied with the law and internal regulations of the Corporation. The General Director directed the Deputy General Directors, relevant Departments/Offices/Units of the parent company and subsidiaries to seriously and effectively implement the Resolutions/Decisions of the Board of Directors.

The General Director and the executive team always worked with high responsibility, timely identifying opportunities and challenges, focusing on decisively and flexibly managing the Corporation's activities; Mobilizing and enhancing the efficiency of resource utilization, optimizing business operation processes to improve the effectiveness and efficiency of the management system, and saving costs; Leading the Corporation to achieve business results in 2024 that exceeded the plan approved by the General Meeting of Shareholders.

Examining the reasonableness, legality, honesty, and caution in managing and operating business activities; the systematic, consistent, and appropriate nature of accounting, statistics, and financial reporting preparation:

- Resolutions and Decisions of the Board of Directors are honest, legal, comply with the provisions of the law and internal regulations of the Corporation, and are carefully considered from various perspectives by the Board Members suitable to the actual situation of PV Drilling in each period.
- The General Director and the executive team performed the role of managing the Corporation's business activities through briefing meetings and direct meetings with relevant Units. Issuing internal processes and regulations to improve management work and systematize operations in the Corporation's business activities. Decisions before being issued, depending on the authority, are carefully considered from various perspectives by members of the executive team and the Corporation's specialized Departments/Offices.
- The accounting, statistics, and financial reporting work at PV Drilling complies with and aligns with Vietnamese accounting standards and relevant current regulations. The semi-annual and annual financial statements of the parent company, the consolidated financial statements of the Corporation, and the financial statements of the Subsidiaries are reviewed and audited by Deloitte Vietnam Co., Ltd.

The appraisal of the completeness, legality, and honesty of the Corporation's annual and semi-annual business reports, financial statements, and the Board of Directors' activity reports:

- **Appraisal of audited financial statements:**
  Deloitte Vietnam Co., Ltd. audited the financial statements of PV Drilling for 2023 and 2024, and these financial statements were prepared in accordance with the provisions of current Accounting Standards and Audit Standards. Members of the Supervisory Board received the documents and audit reports on time. The Supervisory Board held meetings to review documents and discuss the financial statements for 2023 at the Supervisory Board meeting held on April 1, 2024, and appraised the semi-annual financial statements for 2024 on September 10, 2024. After review, the Supervisory Board agreed with the audit results presented by the independent auditor. In general, the Corporation's financial statements faithfully and reasonably reflect the business activities, accounting, recording, and presentation in accordance with Vietnamese accounting standards and relevant current regulations.

- **Appraisal of the Board of Directors' Activity Report.**
  The Supervisory Board regularly supervises the activities of the Board of Directors in accordance with the law, the Charter of the Corporation, and the Supervisory Board's operating regulations. The Supervisory Board has received information and content about the meetings of the Board of Directors, carefully reviewed the reports of the Board of Directors, and confidently affirmed the legality and correctness of the Resolutions and Decisions of the Board of Directors. The Board of Directors' activity report for 2024 has fully and reasonably reflected the activities of the Board of Directors throughout the year.

- **Appraisal of the Business Results Report of the Executive Board.**
  The business results report and management and operational work for 2024 of the Executive Board have been reviewed, analyzed, and appraised by the members of the Supervisory Board. The members of the Supervisory Board unanimously agreed that the business results report and the management and operational work for 2024 of the Executive Board were consistent with the actual operations of the Corporation and the revenue and profit targets in the report were reflected and recorded in the 2024 financial statements audited by Deloitte Vietnam Co., Ltd. The activity reports of the Board of Directors and the General Director on the management and operation of the Corporation in 2024 are consistent with the actual situation, authority, and obligations of the Board of Directors and the General Director as stipulated in the Enterprises Law, the Charter of the Corporation, and current legal regulations.



REPORT OF THE SUPERVISORY BOARD *(continued)*

Reviewing contracts and transactions with related parties within the approval authority of the Board of Directors or the General Meeting of Shareholders.

In 2024, the Board of Directors approved 94 Resolutions/Decisions regarding transactions between PV Drilling and related parties. Based on these Resolutions/Decisions, the General Director signed contracts/amendments to contracts between PV Drilling and related parties to execute these transactions in accordance with regulations. Basically, the transactions were carried out in compliance with current legal regulations, with parties involved in transactions based on equality, voluntariness, and suitability with the capabilities of the parties involved, and the purpose and content of the transactions were not contrary to social ethics. All contracts and transactions with related parties were reviewed and approved by the independent Board members.

Transactions between the Corporation and related parties, major shareholders, insiders, and related persons of insiders were fully disclosed in accordance with the disclosure regulations in Circular No. 96/2020/TT-BTC dated November 16, 2020, and Decree No. 155/2020/ND-CP dated December 31, 2020, guiding information disclosure in the securities market.

Reviewing, checking, and evaluating the effectiveness and efficiency of the internal control system, internal audit, risk management, and early warning of the Corporation:

› The internal control system at PV Drilling is established by the executive team according to good governance practices, including 5 main elements: Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring, to be applied at the Corporation in line with business practices and current legal regulations. The internal control system is being implemented relatively effectively, helping PV Drilling optimize internal resources in business activities, ensuring that reports are made with honesty, reasonableness, reliability, and ensuring compliance with legal regulations in PV Drilling's business activities.

› Internal audit is the main task of the internal audit subcommittee under the Board of Directors. Internal audit activities in the year were carried out according to the 2024 audit plan approved by the Board of Directors. Through the results of internal audits, the Board of Directors and the Executive Board gave timely directives for management and business activities of the Corporation and its Subsidiaries, helping to improve the effectiveness, efficiency, and practicality of the internal control system within the Corporation.

In 2024, the Supervisory Board coordinated with the internal audit teams of the Board of Directors to inspect and supervise the management and business activities at the Corporation and its Subsidiaries.

› The risk management system was built by the Corporation through the issuance of processes such as: Corporate Risk Management Process; Risk Management Report Process; KRI Construction and Monitoring Process, etc., to guide the method and sequence of performing risk management work in the Corporation to ensure risk management is carried out consistently, timely, and effectively. The risk management system has supported the Corporation's Departments/Subsidiaries in identifying comprehensive and key risk portfolios, thereby developing specific controls and action plans to ensure the completion of set goals. Risk management increasingly becomes an effective tool, actively supporting PV Drilling's leadership in management and operations.

In addition to the main tasks mentioned above, the Supervisory Board performed other tasks as prescribed by law and the Corporation's Charter, such as: Supervising and evaluating the issuance and implementation of internal regulations and rules; Participating in the Board of Directors' meetings and contributing opinions and recommendations within the scope of its responsibilities and authorities; Supervising the implementation and handling of recommendations from inspection teams at the Corporation; Supervising the year-end inventory and assets stock count at PV Drilling, etc. All these activities comply with current legal regulations and the business context of the Corporation.

II. SUMMARY OF THE SUPERVISORY BOARD'S MEETINGS IN 2024

1. Number of Supervisory Board meetings

No.	Supervisory Board Member	Position	Meetings Attended	Attendance Rate	Voting Rate	Reason for Not Attending
1	**Mr. Le Hong Phuong**	Head of Supervisory Board	5/8	63%	100%	Appointed from 24/4/2024
2	**Mr. Luong Thanh Tinh**	Head of Supervisory Board	3/8	37%	100%	Dismissed from 24/4/2024
3	**Mr. Nguyen Van Tai**	Member	8/8	100%	100%	
4	**Mr. Nguyen Binh Hop**	Member	8/8	100%	100%	

In 2024, the BOS held a total of eight meetings with full attendance of all members in order to implement 2024's plan approved by the AGM.

2. Content and results of the meetings

No.	Meeting Date	Content	Voting Rate
1	11/3/2024	› Reviewing and evaluating the activities of the Supervisory Board in 2023 and the 2024 activity plan to be presented to the General Meeting of Shareholders. › Reviewing, evaluating, and selecting the list of audit firms to conduct the semi-annual and annual financial statement audits for 2024 to be presented to the General Meeting of Shareholders.	100%
2	25/3/2024	Appraising the plan for determining the salary fund for 2023 of the parent company - PV Drilling.	100%
3	1/4/2024	Appraising the 2023 audited financial statements of the parent company and the consolidated report.	100%
4	24/4/2024	Electing the Head of the Supervisory Board for the 2024 - 2026 period.	100%
5	9/5/2024	Discussing and assigning tasks to the members of the Supervisory Board for the 2024 - 2026 period.	100%
6	22/5/2024	Appraising the Q1/2024 financial statements of the parent company and the Corporation's consolidated report.	100%
7	10/9/2024	Appraising the audited semi-annual financial statements for 2024 of the parent company and the consolidated report of the Corporation.	100%
8	4/11/2024	Appraising the Q3/2024 financial statements of the parent company and the Corporation's consolidated report.	100%

III. SALARIES, BONUSES, REMUNERATIONS, OTHER BENEFITS, AND EXPENSES FOR EACH MEMBER OF THE SUPERVISORY BOARD

Salaries, bonuses, remunerations and other benefits of the Supervisory Board are implemented according to the Resolution of the General Meeting of Shareholders and in compliance with Circular No. 28/2016/TT-BLĐTBXH which guides the implementation of regulations on labor, salaries, remunerations, and bonuses for companies with state-owned controlling shares or capital contributions. The number of shares, salaries, remunerations, and other benefits of each member of the Supervisory Board as of December 31, 2024, is as follows:

REPORT OF THE SUPERVISORY BOARD *(continued)*

No.	Name	Position	Salary, Allowance, Bonus (VND)	Remuneration (VND)	Owned Shares (shares)	Notes
1	**Mr. Le Hong Phuong**	Head of Supervisory Board	706,533,482	-	0	Appointed from 24/4/2024
2	**Mr. Luong Thanh Tinh**	Head of Supervisory Board	713,090,250	-	0	Dismissed from 24/4/2024
3	**Mr. Nguyen Van Tai**	Member	309,837,761	55,045,455	0	
4	**Mr. Nguyen Binh Hop**	Member	-	84,000,000	0	
	Total		**1,729,461,493**	**139,045,455**		

IV. RESULTS OF COORDINATION ACTIVITIES BETWEEN THE SUPERVISORY BOARD AND THE BOARD OF DIRECTORS, THE EXECUTIVE BOARD AND SHAREHOLDERS

The coordination activities between the Supervisory Board and the Board of Directors, the Executive Board and shareholders are based on the principle of ensuring the legitimate interests of shareholders and the stable and sustainable development of the Corporation, in compliance with the Corporation's Charter and legal regulations.

The Supervisory Board has closely coordinated with the Board of Directors and the Executive Board in performing the assigned functions and tasks. The Board of Directors and the Executive Board have facilitated and provided the Supervisory Board with complete information and documents related to the Corporation's activities, inviting the Supervisory Board to fully participate in the Board of Directors' meetings and other important meetings of the Corporation. The Head of the Supervisory Board has fully participated in the Board of Directors' meetings, contributing opinions and recommendations within the scope of the board responsibilities and authorities. The recommendations have been considered and implemented by the Board of Directors and the Executive Board, ensuring the interests of the Corporation and complying with legal regulations and the Corporation's internal regulations.

The Board of Directors has directed and closely supervised the business operations of the entire Corporation. The Executive Board has managed the business operations of the Corporation in accordance with its functions and tasks in line with the Enterprise Law and the current Charter. The Executive Board has promptly implemented the resolutions and decisions of the General Meeting of Shareholders and the Board of Directors, regularly reporting to the Board of Directors to timely seek directives as prescribed.

The Supervisory Board has appraised quarterly financial reports and annual reports, supervising and effectively coordinating with the Executive Board in providing information, ensuring that information on business activities and financial information of the Corporation is promptly disclosed to shareholders in accordance with the regulations of the State Securities Commission and the Stock Exchange, ensuring the legitimate rights of shareholders according to the law.

V. ASSESSMENT OF THE INDEPENDENCE OF INDEPENDENT AUDITORS

Independent auditors conduct audits of financial statements to provide an independent and objective opinion on the truthfulness and reasonableness of the indicators presented in the financial statements. The Supervisory Board has carefully reviewed and assessed the independence of the independent auditors during the audit of the Corporation's financial statements based on factors such as credibility, the number of practicing auditors, auditors not signing audit reports for more than three consecutive years as required, experience, independence, and professionalism of the practicing auditors.



REPORT OF THE SUPERVISORY BOARD *(continued)*

VI. SUPERVISORY BOARD'S ACTIVITY PLAN FOR 2025

No.	Content	Expected Timeframe
I	**Regular Tasks**	
1	Checking/supervising the implementation and compliance with the unit's Charter, the Law on Enterprises and state laws.	Regularly
2	Checking/supervising and evaluating the implementation of the 2025 Annual General Meeting of Shareholders' Resolution; financial situation, capital balance, and cash flow management; operational efficiency and debt repayment capacity; management and use of capital; preservation and development of capital; implementation of quarterly business plans; checking/supervising the implementation, progress, and effectiveness of investment projects.	Regularly
3	Coordinating with state agencies, inspection, and audit agencies in checking and supervising the management and business activities at the Corporation.	Regularly
4	Coordinating with the Board of Directors in managing the shareholders' investment capital in other enterprises.	Regularly
5	Reviewing contracts and transactions with related parties within the approval authority of the Board of Directors or the General Meeting of Shareholders and making recommendations as necessary.	Regularly
6	Performing other tasks of the Supervisory Board as required by shareholders or groups of shareholders in accordance with the Corporation's Charter and current regulations; Proposing the General Meeting of Shareholders to select an independent audit firm.	Regularly/as required
II	**Periodic Tasks**	
1	Preparing the 2024 activity report and the 2025 activity plan of the Supervisory Board for submission to the General Meeting of Shareholders for approval and organization of implementation.	Q1
2	Appraising the reports: › 2024 financial statements; › Annual business operation report and 2024 management evaluation report of the Executive Board; › 2024 activity report of the Board of Directors; › Evaluating, appraising, and selecting the audit firm for the Corporation's financial statement audit.	Q1
3	Checking the reasonableness, legality, honesty, and caution in managing and operating business activities; the systematic, consistent, and appropriate nature of accounting, statistics, and	Quarterly
4	Reviewing accounting books, records, and other documents of the company, and the management and operation activities of the unit when necessary.	As needed
5	Checking/supervising the implementation of restructuring and enterprise renewal according to approved Decisions/Directives/Resolutions.	As required
6	Reviewing, checking, and evaluating the effectiveness and efficiency of the internal control system, internal audit, risk management, and early warning of the Corporation; making recommendations and proposals to improve the effectiveness of the internal control system.	Quarterly
7	Appraising the quarterly; semi-annual/annual financial statements for 2025.	May, August, November
8	Appraising the 2024 salary fund for employees and managers.	April
9	Checking/supervising the implementation and handling of recommendations from state agencies' inspection teams at the unit.	Quarterly
10	Supervising the year-end inventory and assets stock count at the Corporation.	December
III	**Specialized Inspections, Projects, Subsidiaries, Affiliates, etc.**	
1	Supervising the financial situation, capital balance, and cash flow management; operational efficiency and debt repayment capacity; management and use of capital; preservation and development of capital; implementation of quarterly business plans; implementation progress and effectiveness of investment projects of branches, subsidiaries, and joint ventures through the reports of PV Drilling's representatives at the units and financial reports of the units.	Quarterly
2	Supervising financial inspections of the Corporation for branches, subsidiaries and joint ventures.	According to the BOD's plan
3	Checking/supervising the management and use of capital; preservation and development of capital; implementation of business plans; implementation progress and effectiveness of investment projects of branches, subsidiaries, and joint ventures when necessary. Inspection method: actual inspection at the unit, including reviewing accounting books, records, accounting documents, and other materials.	As needed

STOCK TRANSACTIONS OF INTERNAL SHAREHOLDERS AND AFFILIATED PERSONS

Internal shareholders and affiliated persons of the Corporation have consistently complied with the applicable laws regarding stock transactions, as stipulated in Clause 5, Article 30 of the Charter of PV Drilling: "No member of the BOD, the President & CEO, Supervisor, any management personnel, or their affiliated persons shall disclose information, buy, sell, or trade in any form the Corporation's or its subsidiaries' shares at a time when they possess any information that could affect the price of those shares and which is unavailable to other Shareholders."

Stock transactions by internal shareholders and their affiliated persons in 2024 are summarized in the **Attachment No.2**. All transactions have fully complied with the information disclosure requirements of the Law on Securities.

In 2024, PV Drilling had no affiliated persons of the Corporation violating the information disclosure regulations regarding the Corporation's stock transactions.



ATTACHMENT 2
TRANSACTION OF INTERNAL PERSONS AND AFFILIATED PERSONS WITH SHARES OF PV DRILLING IN 2024

No.	Transaction executor	Relationship with internal persons	Number of shares owned at the beginning of the period (31/12/2023)		Number of shares owned at the end of the period (31/12/2024)		Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Number of shares	Percentage (%)	Number of shares	Percentage (%)	
1	Nguyen The Son	Internal person	12,000	0%	22,000	0%	Buying/Selling
2	Nguyen Phuong Thao	Related Person with Nguyen The Son - BOD Member	16,500	0%	20,000	0%	Buying/Selling
3	Vu Thi Viet Van	Related Person with Mr Nguyen Cong Doan - BOD Member	17,503	0%	49,823	0%	Buying/Selling
4	Van Duc Tong	Internal person	10,581	0%	10,081	0%	Buying/Selling
5	Van Duc Ba	Related Person with Mr Van Duc Tong - Independent BOD Member	5,000	0%	8,900	0%	Buying/Selling
6	Le Thi Thuy	Related Person with Mr Van Duc Tong - Independent BOD Member	-	0%	14,000	0%	Buying/Selling
7	Dam Minh Thuy	Related person with Mr Le Hong Phuong - Head of Board of Supervisors	6,130	0%	10,630	0%	Buying/Selling
8	Ho Vu Hai	Internal person	-	0%	4,900	0%	Buying/Selling
9	Tran Thai Thanh	Related person with Mr Do Danh Rang - Vice President	7,000	0%	12,000	0%	Buying/Selling
10	Hoang Phuc Khang	Internal person	2,010	0%	10,010	0%	Buying/Selling
11	Ngo Minh Khoi	Related person with Mr Hoang Phuc Khang - Person in charge of corporate governance cum Corporate Secretary	1,000	0%	1,000	0%	Buying/Selling
12	Chu Thuy Ngoc	Internal person	2,006	0%	2,006	0%	Buying/Selling
13	Nguyen Van Tu	Internal person	29,515	0%	31,515	0%	Buying/Selling
14	Do Thi Mai	Related person with Mr Nguyen Van Tai - Member of BOS	-	0%	4,000	0%	Buying/Selling

REPORT ON TRANSACTIONS BETWEEN PV DRILLING WITH RELATED PARTIES





All contracts or transactions with related parties are approved by the resolution of the Board of Directors (BOD) in accordance with PV Drilling's Charter and applicable laws, based on written agreements following the principles of equality and voluntariness. Additionally, all such contracts and transactions are assessed by PV Drilling's three Independent BOD Members to ensure their alignment with the best interests of the Corporation and its shareholders before they cast their votes.

In 2024, the Corporation engaged in contracts and transactions with related parties, with key details provided in **Attachment No.3** attached. During the year, the Corporation did not incur the following transactions: (i) Transactions between insiders or their related persons and subsidiaries or entities under the Corporation's control; (ii) Transactions between the Corporation and companies where members of the BOD, BOD, Chief Executive Officer (CEO), or other key executives have been or are currently founding members, BOD members, or executive directors (CEO) within the past three (03) years; (iii) Transactions between the Corporation and companies where related persons of BOD members, BOS members, the CEO, or other key executives hold positions as BOD members or executive directors (CEO); and (iv) Transactions that may provide material or non-material benefits to BOD members, BOS members, the CEO, or other key executives.All contracts or transactions with related parties are approved by the resolution of the Board of Directors (BOD) in accordance with PV Drilling's Charter and applicable laws, based on written agreements following the principles of equality and voluntariness. Additionally, all such contracts and transactions are assessed by PV Drilling's three Independent BOD Members to ensure their alignment with the best interests of the Corporation and its shareholders before they cast their votes. BOD members are not allowed to vote on contracts, transactions, or proposals in which they or their related parties have an interest that conflict or may conflict with PV Drilling's interests. This is specifically stipulated in Clause 14.5, Article 14 of the BOD's Operational Regulation. BOD members are always required to fully disclose any relevant interest in compliance with legal regulations and the Corporation's internal policies, serving as a basis for implementing this requirement.

All Resolutions of the BOD approving contracts and transactions with related parties are disclosed by PV Drilling within 24 hours from the time of issuance, in full compliance with securities regulations on information disclosure.

Additionally, to protect shareholder rights and interests, Clause 3, Article 30 of PV Drilling's Charter stipulates that the Corporation shall not provide loans or guarantees to BOD members, the CEO, BOS members, or other management personnel who are not shareholders, as well as to their related persons or any legal entity in which they have a financial interest, unless approved by the GMS.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
1	PVD DEEPWATER DRILLING COMPANY LIMITED (PVD Deepwater)	Subsidiary	0310139354	3rd Floor, Sailing Tower, 111A Pasteur Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	03 Jan, 2024	05/01/2024/ NQ-HDQT Dated 24 Jan, 2024	Contract No. DD24-10046 on the rental of a set of equipment for unscrewing a drill rod (Hawkjaw), The total transaction value in 2024 is VND 1,248,470,820.
2	PV DRILLING OVERSEAS COMPANY PRIVATE LIMITED (PVD Overseas)	Subsidiary	201308977C	75 High Street, The Co Building, Singapore (179435)	21 Feb, 2024	03/02/2024/ NQ-HDQT Dated 15 Feb, 2024	Amendment No. 01 of Rig Lease Contract No. 02 PVD-PVD OVERSEAS - PVD VI on payment of expenses related to the mobilization of PV DRILLING VI drilling rig under the drilling campaign. The total transaction value is 200,000 USD.
3	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	12 Mar, 2024	01/03/2024/ NQ-HDQT Dated 05 Mar, 2024	Training contract No. 72/2024/HD-PVDTr on the provision of training services. The total transaction value incurred in 2024 is VND 2,072,947,840.
4	PVD DEEPWATER DRILLING COMPANY LIMITED (PVD DEEPWATER)	Subsidiary	0310139354	3rd Floor, Sailing Tower, 111A Pasteur Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	23 Apr, 2024	04/04/2024/ NQ-HDQT Dated 10 Apr, 2024	Contract No. 0104-2024/HDNT/DW-DD on purchase and sale of supplies and spare parts for drilling rig operations. The total transaction value is estimated at VND 3,000,000,000.
5	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 May, 2024	01/05/2024/ NQ-HDQT Dated 03 May, 2024	Appendix No. 04 of Contract No. 54/2022/ HD-PVDTr/Adjustment to increase the service fee. The total transaction value in 2024 is VND 154,404,032.
6	PROJECT MANAGEMENT BOARD BLOCK 01&02 - VIETNAM OIL AND GAS GROUP (PVN Blocks 01&02)	Organization related to major Shareholder	3502347392	18 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi	4 Oct, 2024	04/05/2024/ NQ-HDQT Dated 13 May, 2024	Contract No. PVN/ PRO/2024/026 on the supply of manpower, tools, equipment and consumables for on-demand operation and maintenance services. The total estimated transaction value is 8,537,588,870 VND.
7	PHU QUOC PETROLEUM OPERATING COMPANY (PQPOC)	Organization related to major Shareholder	0100681592-033	25th Floor, Vietcombank Building, No. 5 Me Linh Square, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	13 May, 2024	04/05/2024/ NQ-HDQT Dated 13 May, 2024	Contract No. PO4100000184 for the provision of Notification and Compensation services for fishing activities for the 3D seismic survey campaign. The total transaction value is VND 775,000,000.
8	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	22 May, 2024	05/05/2024/ NQ-HDQT Dated 22 May, 2024	Agreement on the Assignment of Contract No. PVEP POC-DEV3-PRJ-2022-002A between the parties. Total transaction value: 15,900,000,000 VND.
9	PHU QUOC PETROLEUM OPERATING COMPANY (PQPOC)	Organization related to major Shareholder	0100681592-033	25th Floor, Vietcombank Building, No. 5 Me Linh Square, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	22 May, 2024	05/05/2024/ NQ-HDQT Dated 22 May, 2024	Amendment No. 01 of Contract No. PC-CTR-DEV-2020-106C on the transfer of rights and obligations of PVD Invest. Total transaction value: 153,000,000,000 VND.
10	PHU QUOC PETROLEUM OPERATING COMPANY (PQPOC)	Organization related to major Shareholder	0100681592-033	25th Floor, Vietcombank Building, No. 5 Me Linh Square, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	04 Jun, 2024	01/06/2024/ NQ-HDQT Dated 04 Jun, 2024	Amendment No. 01 of Contract No. 3100000070 on the transfer of rights and obligations of PVD Invest to PV Drilling. Total value of amendment No. 01: 15,300,000,000 VND.
11	PHU QUOC PETROLEUM OPERATING COMPANY (PQPOC)	Organization related to major Shareholder	0100681592-033	25th Floor, Vietcombank Building, No. 5 Me Linh Square, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	04 Jun, 2024	01/06/2024/ NQ-HDQT Dated 04 Jun, 2024	Amendment No. 01 of Contract 3100000086 on the transfer of rights and obligations of PVD Invest to PV Drilling. Total value of Amendment No. 01: 306,000,000 VND.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
12	PVD TRADING AND TECHNICAL SERVICES JOINT STOCK COMPANY (PVD Tech)	Subsidiary	0305124602	10th Floor, Phuoc Thanh Building, No. 199 Dien Bien Phu, Ward 15, Binh Thanh District, Ho Chi Minh City, Vietnam	02 May, 2024	02/06/2024/ NQ-HDQT Dated 04 Jun, 2024	Contract No. S0.3324010/DD-PVDTech for the provision of Float rental services for anchor wires, construction chambers for equipment on drilling rigs and High Pressure Ball Valves for HST-6P wells. The total transaction value in 2024 is VND 2,137,549,369.
13	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	12 Jun, 2024	03/06/2024/ NQ-HDQT Dated Jun 12, 2024	Contract No. PVEPPOC-DRL-2024-039 on the supply of equipment and Bundled Services for the drilling and completion program of wells at Dai Hung Field Development, Phase 3, Block 05-1(a), off the coast of Vietnam. The total transaction value was USD 1,993,680.
14	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	13 Jun, 2024	04/06/2024/ NQ-HDQT Dated 13 Jun, 2024	Contract No. PVEPPOC-DRL-2024-015 on the provision of Risk Assessment services. The total transaction value is 1,285,872,500 VND.
15	PROJECT MANAGEMENT BOARD BLOCK 01&02 - VIETNAM OIL AND GAS GROUP (PVN Blocks 01&02)	Organization related to major Shareholder	3502347392	18 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi	14 Jun, 2024	05/06/2024/ NQ-HDQT Dated 13 Jun, 2024	Amendment No. 01/PVN01&02-PVD Contract No. PVN/ PRO/2024/003 on the transfer of rights and obligations of PVD Invest in Contract No. PVN/PRO/2024/003 to PV Drilling. Total transaction value: not incurred.
16	PVD WELL SERVICES COMPANY LIMITED	Subsidiary	0305123077	Commercial area at 4th Floor, Cantavil Premier, No. 01 Song Hanh Street, An Phu Ward, Thu Duc City, Ho Chi Minh City, Vietnam	17 May, 2024	06/06/2024/ NQ-HDQT Dated 13 Jun, 2024	Contract No. 01-2024/ PVDDD-PVDWS/ CATARINA on the supply of pipe equipment to serve the customer's drilling campaign. The total transaction value in 2024 is VND 395,348,376.
17	PETROVIETNAM DRILLING TUBULARS MANAGEMENT COMPANY LIMITED (PVD Tubulars)	Subsidiary	3500912779	Phu My I Industrial Park, Phu My Ward, Phu My Town, Ba Ria - Vung Tau Province	28 Jun, 2024	11/06/2024/ NQ-HDQT Dated 20 Jun, 2024	Short-term credit line guarantee for the period of 2024-2025 for PVD Tubulars. Total transaction value: not incurred.
18	PVD OFFSHORE SERVICES COMPANY LIMITED (PVD OFFSHORE)	Subsidiary	3500803145	No. 43A 30/4 Street, Ward 9, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	25 Jun, 2024	12/06/2024/ NQ-HDQT Dated 20 Jun, 2024	Order No. 01/PVDO/ PVDDD/24 on hiring personnel to work on the drilling rig. The total transaction value in 2024 is VND 12,143,713,144.
19	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	10 Jul, 2024	01/07/2024/ NQ-HDQT Dated 09 Jul, 2024	Agreement on partial transfer of Contract No. 01-2024/PVEPPOC-PVD-PVDL between PVEP-POC Branch, PV Drilling and PVD Logging. The total value of the transaction is estimated at USD 12,687,913.
	PETROLEUM WELL LOGGING COMPANY LIMITED (PVD Logging)	Subsidiary	0305148138	4th Floor, PVFCCo Building, No. 43 Mac Dinh Chi, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam			

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
20	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	10 Jul, 2024	01/07/2024/ NQ-HDQT Dated 09 Jul, 2024	Agreement on the partial transfer of Contract 02-2024/ PVEPPOC-PVD-PVDBH between PVEP-POC Branch, PV Drilling and PVD Baker Hughes. The total value of the transaction is estimated to be USD 9,904,500.
	PV DRILLING – BAKER HUGHES WELL TECHNICAL SERVICES JOINT VENTURE COMPANY LIMITED (PVD Baker Hughes)	Subsidiary	0310655599	5th Floor, An Phu Cantavil Complex, No. 1 Song Hanh Street, An Phu Ward, Thu Duc City, Ho Chi Minh City, Vietnam			
21	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	10 Jul, 2024	01/07/2024/ NQ-HDQT Dated 09 Jul, 2024	Agreement on the partial transfer of Contract 02.1-2024/ PVEPPOC-PVD-BHAPPL between PVEP-POC Branch, PV Drilling and Baker Hughes Asia Pacific Pte. Ltd on the supply of explosives under service No. 7 - supply of equipment and well geophysical measurement services. Estimated total transaction value: US$202,500.
22	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	10 Jul, 2024	01/07/2024/ NQ-HDQT Dated 09 Jul, 2024	Agreement on the partial transfer of Contract 03-2024/ PVEPPOC-PVD-PVDWS between PVEP-POC Branch, PV Drilling and PVD Well Services on the transfer of rights and obligations of PV Drilling in Contract No. PVEPPOC-DRL-2024-039 to PVD Well Services for a number of services. Estimated total transaction value: US$5,238,748.
	PVD WELL SERVICES COMPANY LIMITED (PVD Well Services)	Subsidiary	0305123077	Commercial area at 4th Floor, Cantavil Premier, No. 01 Song Hanh Street, An Phu Ward, Thu Duc City, Ho Chi Minh City, Vietnam			
23	PETROLEUM WELL LOGGING COMPANY LIMITED (PVD Logging)	Subsidiary	0305148138	4th Floor, PVFCCo Building, 43 Mac Dinh Chi Street, Da Kao Ward, District 1, Ho Chi Minh City	10 Jul, 2024	01/07/2024/ NQ-HDQT Dated 09 Jul, 2024	Additional agreement on the partial transfer agreement of Contract No. 01-2024/ PVEPPOC-PVD-PVDL between PV Drilling and PVD Logging. Total transaction value: not incurred.
24	PV DRILLING – BAKER HUGHES WELL TECHNICAL SERVICES JOINT VENTURE COMPANY LIMITED (PVD Baker Hughes)	Subsidiary	0310655599	5th Floor, Cantavil An Phu Complex, No. 1 Song Hanh Street, An Phu Ward, Thu Duc City, Ho Chi Minh City	10 Jul, 2024	01/07/2024/ NQ-HDQT Dated 09 Jul, 2024	Additional Agreement on the Partial Transfer Agreement of Contract 02-2024/PVEPPOC-PVD-PVDBH between PV Drilling and PVD Baker Hughes. Total transaction value: not incurred.
25	PVD WELL SERVICES COMPANY LIMITED (PVD Well Services)	Subsidiary	0305123077	Commercial Area at 4th Floor, Cantavil Premiere, No. 01 Song Hanh Street, An Phu Ward, Thu Duc City, Ho Chi Minh City	10 Jul, 2024	01/07/2024/ NQ-HDQT Dated 09 Jul, 2024	Additional Agreement to the Partial Transfer Agreement of Contract 03-2024/PVEPPOC-PVD-PVDWS between PV Drilling and PVD Well Services. Total transaction value: not incurred.
26	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	31 May, 2024	03/07/2024/ NQ-HDQT Dated 18 Jul,2024	General office administrative service contract, total transaction value is 129,059,000 VND.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
27	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	25 Jul 2024	05/07/2024/ NQ-HDQT Dated 25 Jul, 2024	Contract No. PVEP-POC-DRL-2023-036 on the supply of ROV equipment and Services. The total value of the contract is VND 3,000,000,000.
28	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 01-2024/ PVD-PVDTr/MSAC-CW2273307 (Murphy customer) on the provision of human resources services for Murphy customers. Total transaction value: 32,000,000,000 VND.
29	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 01-2024/ PVD-PVDTr/2011/ IDM-PVDI (Idemitsu customer) on the provision of human resources services for drilling activities of Idemitsu customer. Total transaction value: 17,800,000,000 VND.
30	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 01-2024/ PVD-PVDTr/PQ-CTR-DEV-2020-106C (Phu Quoc POC customer) on the provision of human resource services for Phu Quoc POC customer. Total transaction value: 152,000,000,000 VND.
31	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 03-2024/PVD-PVDTr/3100000070 (Phu Quoc POC Customer) on the provision of Chief Geoscientist services to Phu Quoc POC customers. Total transaction value: 15,200,000,000 VND.
32	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 04-2024/PVD-PVDTr/3100000086 (Phu Quoc POC Customer) on the provision of reception staff services for Phu Quoc POC customers. Total transaction value: 304,000,000 VND.
33	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 01-2024/ PVD-PVDTr/PVEP POC-DEV3-PRJ-2022-002A (PVEP-POC Customer) on the provision of human resource services for PVEP-POC customers. Total transaction value: 15,800,000,000 VND.
34	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 02-2024/PVD-PVDTr/4123004 (Thang Long JOC Customer) on the provision of well intervention supervision personnel services for Thang Long JOC Customer. Total transaction value: 255,000,000 VND.
35	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 03-2024/ PVD-PVDTr/9324001 (Thang Long JOC customer) on the provision of accounting assistant personnel services for Thang Long JOC customers. Total transaction value: 98,000,000 VND.
36	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 04-2024/ PVD-PVDTr/3124001 (Thang Long JOC customer) on the provision of Mine Engineer human resources services for Thang Long JOC customers. Total transaction value: 165,000,000 VND.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
37	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 05-2024/ PVD-PVDTr/3323034 (Thang Long JOC Customer) on the provision of Accounting Assistant HR services for Thang Long JOC customers. Total transaction value in 2024: Not-incurred.
38	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 06-2024/PVD-PVDTr/3324004 (Thang Long JOC Customer) on the provision of Procurement Assistant HR services for Thang Long JOC customers. Total transaction value: 150,000,000 VND.
39	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 07-2024/ PVD-PVDTr/3324005 (Thang Long JOC Customer) on Providing Senior Drilling Engineer HR Services to Thang Long JOC Customer. Total transaction value: 288,000,000 VND.
40	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 08-2024/ PVD-PVDTr/9324002 (Thang Long JOC Customer) on Providing Senior Tax Accountant HR Services for Thang Long JOC Customer. Total transaction value: 310,000,000 VND.
41	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 09-2024/ PVD-PVDTr/3324008 (Thang Long JOC customer) on the provision of Senior Completion Engineer human resources services for Thang Long JOC customers. Total transaction value: 3,800,000,000 VND.
42	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	02/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 10-2024/ PVD-PVDTr/3324021 (Thang Long JOC Customer) on the provision of Wellsite Geologist human resources services for Thang Long JOC customers. Total transaction value: 1,600,000,000 VND.
43	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	05 Aug, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 01-2024/PVD-PVDTr/ PVN/PRO/2024/026 (PVN Block 01&02 Customer) on the supply of manpower, tools, equipment and consumables for operation and maintenance services at Blocks 01&02 for PVN Blocks 01&02 customer. Total transaction value: 8,400,000,000 VND.
44	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 02-2024/ PVD-PVDTr/01/PVDI-IDM/RS (Idemitsu Customer) on providing personnel hunting services for Idemitsu customers. Total transaction value in 2024: Not-incurred.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
45	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 03-2024/PVD-PVDTr/ VN-05_1DEV-HCM-B-PD-198 (Idemitsu Customer) on the provision of onshore repair services to Idemitsu Customer. Total transaction value in 2024: non-incurred.
46	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 04-2024/PVD-PVDTr/ VN-05_1DEV-HCM-B-PD-228 (Idemitsu Customer) to provide valve grease services to Idemitsu customers. Total transaction value in 2024: Not-incurred.
47	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 05-2024/ PVD-PVDTr/VN-5_1SVS-HCM-B-PD-039 (Idemitsu Customer) on the provision of field drilling survey quality management services for Idemitsu customers. Total transaction value in 2024: Not-incurred.
48	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 06-2024/PVD-PVDTr/ VN-05_1SVS-HCM-B-PD-016 (Idemitsu Customer) on the provision of rig positioning services for Idemitsu Customer. Total transaction value in 2024: Not-incurred.
49	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 07-2024/PVD-PVDTr/ VN-05_1SVS-HCM-B-PD-008 (Idemitsu Customer) on the provision of Mud Cooling services to Idemitsu customers. Total transaction value in 2024: Not-incurred.
50	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	01 Sep, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 08-2024/PVD-PVDTr/ VN-05_1SVS-HCM-B-PD-020 (Idemitsu Customer) on the provision of Solid Control services to Idemitsu customers. Total transaction value: 4,000,000,000 VND.
51	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	05 Aug, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 02-2024/ PVD-PVDTr/4100000184 (Phu Quoc POC Customer) on the provision of services to notify agencies about seismic surveys for Phu Quoc POC Customers. Total transaction value: 767,000,000 VND.
52	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	05 Aug, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 02-2024/ PVD-PVDTr/PVEP-POC-DRL-2024-015 (PVEP-POC Customer) on the provision of borehole risk assessment services for PVEP-POC customers. Total transaction value: 1,273,000,000 VND.
53	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	05 Aug, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 01-2024/ PVD-PVDTr/CN4123006 (Thang Long JOC customer) on the provision of services, leasing equipment and consumables for operation in Block 15-02/1 of Thang Long JOC customer. Total transaction value: 198,000 USD.
54	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	05 Aug, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 11-2024/PVD-PVDTr/ CN3324018 (Thang Long JOC Customer) on Providing Centrifuge Services to Thang Long JOC Customer. Total transaction value: 105,000 USD.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
55	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	05 Aug, 2024	03/08/2024/ NQ-HDQT Dated 05 Aug, 2024	Subcontract with PVD Training No. 12-2024/PVD-PVDTr/ CN3324020 (Thang Long JOC Customer) on the provision of Cutting Dryer services for Thang Long JOC customers. Total transaction value: 199,000 USD.
56	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	13 Aug, 2024	04/08/2024/ NQ-HDQT Dated 08 Aug, 2024	Training contract on the provision of training services No. 221A/2024/HD-PVDTr. Total transaction value: 640,000,000 VND.
57	PROJECT MANAGEMENT BOARD BLOCK 01&02 - VIETNAM OIL AND GAS GROUP (PVN Blocks 01&02)	Organization related to major Shareholder	3502347392	18 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi	08 Aug, 2024	05/08/2024/ NQ-HDQT Dated 08 Aug, 2024	Amending and supplementing No. 2 of Contract No. PVN/ PRO/2024/003 to increase the estimated value of Contract No. PVN/PRO/2024/003. Total transaction value: 2,170,850,000 VND.
58	DOMESTIC PETROLEUM OPERATING BRANCH - PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	06 Sep, 2024	01/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Contract No. PVEP-POC-DRL-2023-054A-PV Drilling, on the provision of consultancy services for the drilling and completion program of the development wells of Dai Hung field, Phase 3, Block 05-1A, offshore Vietnam. The estimated contract value is 40,400,000,000 VND.
59	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 02-2024/PVD-PVDTr/PVN/ PRO/2024/003 (PVN Block01&02 customer) on leasing mobile generators in Block 01&02 to PVN Blocks 01&02 customer. The total transaction value is 2,100,000,000 VND.
60	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 03-2024/PVD-PVDTr/PVEP-POC-DRL-2023-036 (PVEP-POC customer) on the provision of ROV services for Dai Hung mine, phase 3, Lot 05-1(a) for PVEP-POC customers. The total transaction value is 1,660,000 USD.
61	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 04-2024/PVD-PVDTr/PVEPPOC-DRL-2024-039 (PVEP-POC customer) on the provision of Shaker Screen, filtration services and maintenance and operation services of Solid Control equipment for Dai Hung mine, phase 3, Lot 05-1(a) for PVEP-POC customer. The total transaction value is 19,600,000,000 VND.
62	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 05-2024/PVEP-POC-DRL-2023-054A-PV Drilling (PVEP-POC Customer) on the supply of experts for the drilling campaign at Dai Hung field, phase 3, Lot 05-1(a) for PVEP-POC customer. The total transaction value is 40,200,000,000 VND.
63	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 13-2024/PVD-PVDTr/3324016 (Thang Long JOC customer) on the provision of Drilling Superintendent personnel services for Thang Long JOC customer. The total transaction value is 4,100,000,000 VND.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
64	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 14-2024/PVD-PVDTr/3324017 (Thang Long JOC Customer) on the provision of Day Drilling Supervisor personnel services for Thang Long JOC customers. The total transaction value is VND 3,200,000,000.
65	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 15-2024/PVD-PVDTr/3324018 (Thang Long JOC Customer) on the provision of Night Drilling Supervisor personnel services for Thang Long JOC customers. The total transaction value is VND 4,280,000,000.
66	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 16-2024/PVD-PVDTr/3324019 (Thang Long JOC Customer) on the provision of Completion Supervisor HR services for Thang Long JOC customers. The total transaction value is VND 2,700,000,000.
67	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 01-2024/PVD-PVDTr/ CLJOC-2020-DEV-2029 (Cuu Long JOC customer) on the provision of human resources services for Cuu Long JOC customer. The total transaction value is 15,900,000,000 VND.
68	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 02-2024/PVD-PVDTr/ CLJOC-2023-OPE-2307 (Cuu Long JOC Customer) on the provision of quality management experts for Cuu Long JOC Customer. The total transaction value is VND 1,200,000,000.
69	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 03-2024/PVD-PVDTr/ CLJOC-2023-OPE-2297 (Cuu Long JOC customer) on the provision of human resources services for Cuu Long JOC customer. Total transaction value in 2024: Not-incurred.
70	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 04-2024/PVD-PVDTr/24736 (Cuu Long JOC Customer) on the provision of ISO-14001:2015 certified consulting services for Cuu Long JOC customers. Total transaction value: 851,000,000 VND.
71	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 01-2024/PVD-PVDTr/ HL-DRL-24-012 (Hoang Long JOC customer) on the provision of shaker screen and maintenance and operation services of Solid control equipment for Hoang Long JOC customer. Total transaction value: USD 486,000.
72	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	06 Sep, 2024	02/09/2024/ NQ-HDQT Dated 06 Sep, 2024	Subcontract No. 02-2024/PVD-PVDTr/ HL-DRL-24-010 (Hoang Long JOC customer) on the provision of personnel for Hoang Long JOC customer. Total transaction value: 1,050,000 USD.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

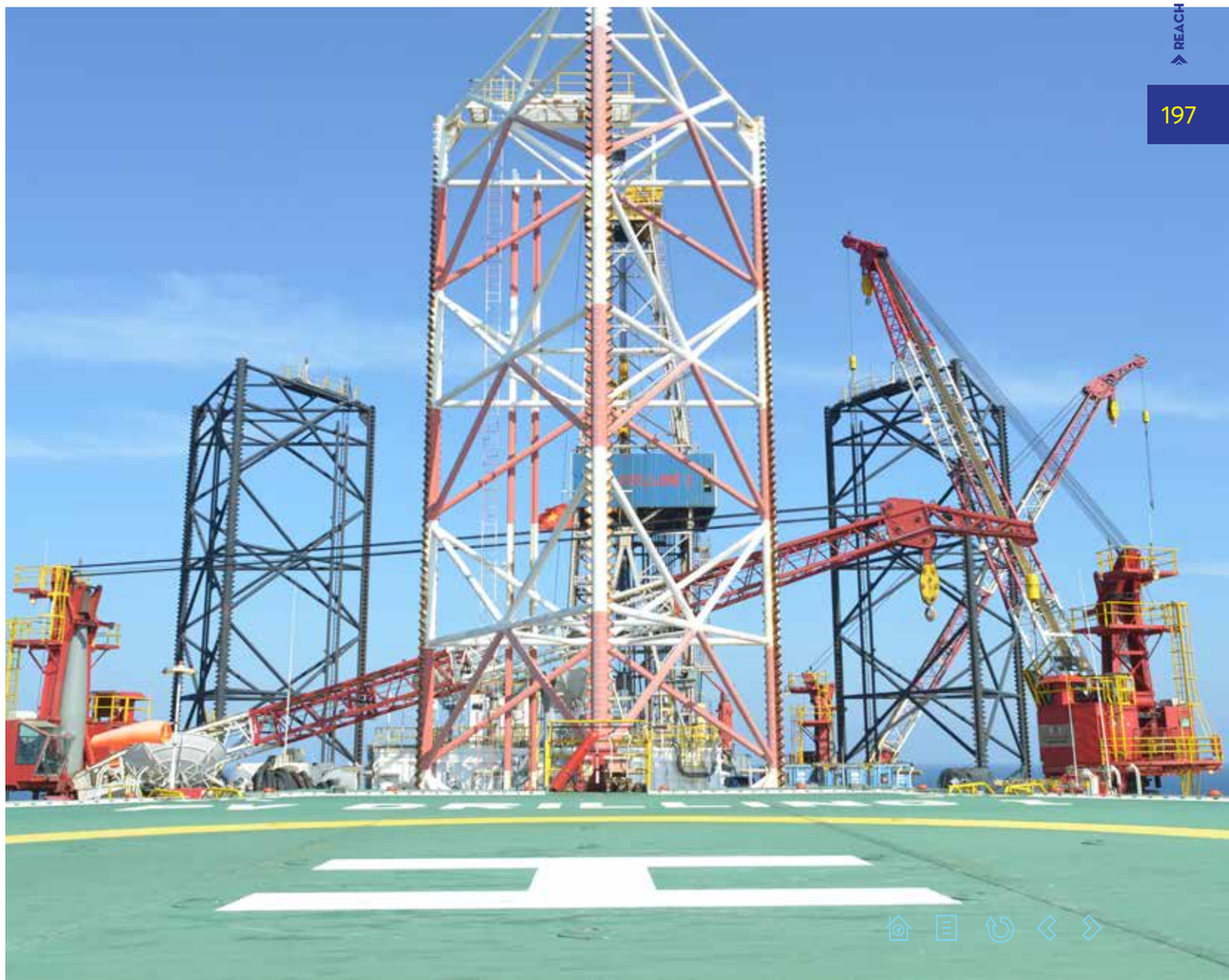
No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
73	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	12 Sep, 2024	03/09/2024/ NQ-HDQT Dated 12 Sep, 2024	Appendix No. 05 of Contract No. 54/2022/ HD-PVDTr/Thanh on rewarding employees on the occasion of National Day, with a total value of VND 6,000,000.
74	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	12 Sep, 2024	03/09/2024/ NQ-HDQT Dated 12 Sep, 2024	Appendix No. 03 of Contract No. 368/2022/ PVD-Tr/Thuy, on the bonus of employees on the occasion of the National Day, the total value is 5,000,000 VND.
75	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	12 Sep, 2024	03/09/2024/ NQ-HDQT Dated 12 Sep, 2024	Appendix No. 01 of Contract No. 151A/2024/PVD-Tr/ REC, on the bonus of employees on the occasion of the National Day holiday, the total value is 1,200,000 VND.
76	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	17 Sep, 2024	04/09/2024/ NQ-HDQT Dated 17 Sep, 2024	Appendix No. 1 to Service Package No. 4 of Contract No. PVEPPOC-DRL-2024-039 on the provision of personnel, equipment and installation services of Offline Centrifuge Pump equipment for the drilling and completion program of wells for the development of Dai Hung field, Phase 3, Block 05-1(a), offshore Vietnam. Estimated transaction value: US$84,131.
77	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	12 Sep, 2024	05/09/2024/ NQ-HDQT Dated 18 Sep, 2024	Contract on organizing training for PV Drilling personnel to participate in the VIII Petroleum Skills Contest in 2024 No. 248B/HD-PVDTr. Transaction value is VND 995,847,840.
78	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	08 Oct,2024	02/10/2024/ NQ-HDQT Dated 08 Oct 2024	Subcontract No. 02-2024/PVD-PVDTr/ CW2293681 is adjacent to the main contract No. CW2293681 on the provision of Mud Cooling services. Total transaction value: 6,200,000,000 VND.
79	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	08 Oct, 2024	03/10/2024/ NQ-HDQT Dated 08 Oct 2024	Amendment No. 01 of the subcontract No. 11-2024/PVD-PVDTr/ CN3324018 to add tank equipment and mono pumps, together with the corresponding unit prices of the equipment, to Appendix 1 of this subcontract. Total transaction value: not incurred.
80	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	08 Oct, 2024	03/10/2024/ NQ-HDQT Dated 08 Oct 2024	Amendment No. 01 of Subcontract No. 12-2024/PVD-PVDTr/ CN3324020 to replace the appendix to the Price List and unit price related to the centrifugal separation system with pump supplied to the drilling humus dryer, equal to the Appendix to the Price List and unit price updated in this Amendment and Supplement. Total transaction value: not incurred.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
81	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	21 Oct, 2024	05/10/2024/ NQ-HDQT Dated 21 Oct 2024	Amendment No. 01 of the subcontracting contract No. 10-2024/ PVD-PVDTr/332402 on replacing expert Chu The Phong with expert Tran Ba Hung at constant prices. Total transaction value: not incurred.
82	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	21 Oct, 2024	05/10/2024/ NQ-HDQT Dated 21 Oct 2024	Amendment No. 01 of Subcontracting Contract No. 06-2024/ PVD-PVDTr/3324004 on the adjustment of the increase in package costs for PVI insurance premiums. Total transaction value: not incurred.
83	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	11 Nov, 2024	03/11/2024/ NQ-HDQT Dated 11 Nov 2024	Amendment No. 01 of the Manpower Supply Subcontracting Contract 01-2024/ PVD-PVDTr/MSAC-CW2273307 on the addition of purchase orders to the Subcontracting Contract to become an integral part of the main contract (attached). Total transaction value: not incurred.
84	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, 12 Tan Thao Street, Tan Phu Ward, District 7, Ho Chi Minh City, Vietnam	14 Nov, 2024	04/11/2024/ NQ-HDQT Dated 11 Nov 2024	Assignment Agreement No. 01-NA/PVEP-POC_PVD_PM for Mine Duty Charterer No. PVEPPOC-OPE-2024-029 to transfer the rights and obligations in the Contract related to one (1) mine crane from PVEP-POC Branch to PV Drilling. The total transaction value is estimated at VND 8,910,000,000.
	BRANCH OF PETROVIETNAM TECHNICAL SERVICES CORPORATION – PTSC MARINE (PTSC MARINE)	Organization related to major Shareholder	0100150577-034	No. 73 30/4 Street, Thang Nhat Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam			
85	PV DRILLING OVERSEAS COMPANY PRIVATE LIMITED (PVD Overseas)	Subsidiary	201308977C	75 High Street, The Co Building, Singapore (179435)	28 Nov, 2024	09/11/2024/ NQ-HDQT Dated 19 Nov 2024	Amendment No. 02 of the Rig Lease Contract No. 02/PVD-PVD OVERSEAS - PVD VI extends the validity of the Rig Lease Contract. Total value of first-year renewal transactions: USD 20,749,710.
86	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	26 Nov, 2024	10/11/2024/NQ-HDQT Dated 19 Nov 2024	The service contract "provides the design and construction of the well destruction and dismantling and relocation of the Song Doc rig, the Song Doc mine demolition project, off the coast of Vietnam". The package value of Package 1 in charge of PV Drilling is USD 22,567,000 (excluding VAT).
	PTSC OFFSHORE SERVICES JOINT STOCK COMPANY (POS)	Organization related to major Shareholder	3500818790	PTSC Downstream Port, 65A 30/4 Street, Thang Nhat Ward, Vung Tau City			
87	PVD PETROLEUM DRILLING TECHNICAL SERVICES AND TRADING JOINT STOCK COMPANY (PVD TECH)	Subsidiary	0305124602	10th Floor, Phuoc Thanh Building, No. 199 Dien Bien Phu, Ward 15, Binh Thanh District, Ho Chi Minh City, Vietnam	10 Dec, 2024	01/12/2024/ NQ-HDQT Dated 09 Dec 2024	Subcontract No. PVD-SONGDOC-2024-001 for the provision of services such as Project Engineering and preparation, Hydraulic P&A Unit (HPAU) and services, P&A Superintendent services, etc. The total value of transactions incurred in 2024 is: USD 12,669,950.
88	PETROLEUM WELL LOGGING COMPANY LIMITED (PVD Logging)	Subsidiary	0305148138	4th Floor, PVFCCo Building, 43 Mac Dinh Chi Street, Da Kao Ward, District 1, Ho Chi Minh City	10 Dec, 2024	01/12/2024/ NQ-HDQT Dated 09 Dec 2024	Subcontract No. PVD-SONGDOC-2024-003 for the provision of services such as Wireline Service (including explosive and hardware required), Well testing, Mud logging, etc. The total value of transactions incurred in 2024 is: USD 2,905,000.

ATTACHMENT 3
TRANSACTIONS BETWEEN THE CORPORATION AND RELATED PARTIES IN 2024 *(continued)*

No.	Name of organization/ individual	Relationship with the company	NSH No.*, date of issue, place of issue	Head office/ Contact address	Time of transactions	Resolution No. or Decision No. approved by Shareholders/ BOD (if any)	Content, quantity, total value of transaction
89	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	17 Dec, 2024	03/12/2024/ NQ-HDQT Dated 17 Dec 2024	Agreement on the transfer of the Contract for the provision of human resources services for the White Lion project phase 2 (Contract No. CLJOC-2020-DEV-2029) to transfer all rights and obligations in the Contract to PVD Training. Total transaction value: not incurred.
90	DOMESTIC PETROLEUM OPERATING BRANCH – PETROVIETNAM EXPLORATION PRODUCTION CORPORATION LIMITED (PVEP-POC BRANCH)	Organization related to major Shareholder	0100150908-008	15th Floor, Victory Building, No. 12 Tan Thao Street, District 7, Ho Chi Minh City	23 Dec, 2024	05/12/2024/ NQ-HDQT Dated 23 Dec 2024	Amendment No. 01 (Addendum No. 01) Contract No. PVEP-POC-DRL-2023-054A-PV Drilling to add 4 personnel with the titles of Night Drilling Supervisor, Completion Supervisor, Mud Consultant, Wellsite Geologist. Total transaction value: not incurred.
91	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	23 Dec, 2024	05/12/2024/ NQ-HDQT Dated 23 Dec 2024	Amendment No. 01 (Addendum No. 01) of Subcontracting Contract No. 05-2024/ PVD-PVDTr/PVEP-POC-DRL-2023-054A-PV Drilling to supplement Amendment No. 01 of Contract No. PVEP-POC-DRL-2023-054A-PV Drilling to become an integral part of the attached main contract. Total transaction value: not incurred.
92	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	Not signed	06/12/2024/ NQ-HDQT Dated 23 Dec 2024	Appendix No. 06 of Contract No. 54/2022/ HD-PVDTr/Thanh supplements the bonus budget and supports costs with a maximum budget of VND 28,500,000.
93	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	Not signed	06/12/2024/ NQ-HDQT Dated 23 Dec 2024	Appendix No. 04 of Contract No. 368/2022/PVD-Tr/ Thuy supplements the bonus budget and supports costs with a maximum budget of VND 28,500,000.
94	PVD TECHNICAL TRAINING AND CERTIFICATION JOINT STOCK COMPANY (PVD Training)	Subsidiary	3500677518	Dong Xuyen Industrial Park, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	Not signed	06/12/2024/ NQ-HDQT Dated 23 Dec 2024	Appendix No. 02 of Contract No. 151A/2024/PVD-Tr/ REC supplementing the bonus budget and supporting costs with a maximum budget of VND 28,500,000.





STRENGTHENING **RISK MANAGEMENT**

As a pioneer in establishing and operating an Enterprise Risk Management (ERM) system in Vietnam, particularly in the oil and gas sector, PV Drilling has continuously strived to align with and adopt international standards. The ERM system is not merely a management support tool but has become a crucial foundation for sustainable development. By identifying a comprehensive and critical risk portfolio, PV Drilling has implemented specific controls and action plans to ensure the effective execution of strategic objectives. This approach not only mitigates risks but also enhances governance capabilities, providing strong support for the Board of Management in decision-making.

PV Drilling's Risk Management Model: PV Drilling's risk management model is built upon the "Three Lines of Defense" framework, one of the most advanced models that ensures consistency in governance from the corporation level to its subsidiaries, thereby fostering continuity and seamless operations.
1. First Line of Defense: Business units that directly execute tasks and are responsible for managing risks in daily operations.
2. Second Line of Defense: Specialized risk management and compliance functions that ensure independence and objectivity in overseeing and supporting the first line of defense.
3. Third Line of Defense: The Internal Audit Subcommittee, which provides an independent assessment of the overall effectiveness of the risk management system.

Through this model, PV Drilling not only maintains governance consistency but also ensures that risks are identified, assessed, and managed comprehensively.

PV Drilling's risk management model is built upon the "Three Lines of Defense" framework, one of the most advanced models that ensures consistency in governance from the corporation level to its subsidiaries, thereby fostering continuity and seamless operations.

The year 2024 was also marked by prestigious awards that recognized PV Drilling's outstanding achievements. One of the most notable accolades was the Corporate Excellence Award at the Asia Pacific Enterprise Awards (APEA) 2024.



Modern risk management policies and tools: To operate a professional and consistent enterprise risk management system, PV Drilling continuously updates and enhances its risk management policies and tools. Some key highlights include:

- **ERM Handbook:** This document serves not only as a guideline but also as a compass for risk management activities. Developed based on international best practices and tailored to PV Drilling's operational reality, the handbook provides knowledge, concepts, and techniques to help employees across the corporation understand and apply risk management effectively.
- **Risk parameter:** Regularly reviewed to ensure it accurately reflects business operations and the specific characteristics of each unit.
- **Reporting System:** Provides in-depth insights, enabling the Board of Management to make quick and informed decisions.
- **Risk Map:** A visual tool that helps the Board of Management gain an overview of risk levels and probabilities, allowing for prioritization in risk handling.
- **Risk Management Newsletter:** With diverse content and periodic updates, the bulletin serves as both an information channel and a tool to promote a risk management culture across the corporation.

Outstanding achievements amid challenges in 2024: The year 2024 has been marked by uncertainties with pressures arising from multiple factors: slowing global economic growth, prolonged inflation in various regions, escalating geopolitical conflicts, tightening monetary policies, and the increasingly evident impacts of climate change. These challenges have severely affected businesses worldwide, including in Vietnam. Despite these adversities, PV Drilling has successfully navigated through obstacles, reaffirming its pioneering position in the oil and gas drilling industry. Through resilient efforts and excellent governance, PV Drilling has achieved significant milestones, laying a solid foundation for sustainable development in the future.

- **Impressive Business Performance:** Despite economic challenges, PV Drilling has successfully achieved its 2024 business targets with remarkable results. The company recorded a consolidated revenue of VND 9,566 billion, exceeding the target by 54%. Its consolidated pre-tax profit reached VND 937 billion, more than doubling the initial goal (+ 113%), while consolidated after-tax profit stood at VND 698 billion, surpassing the plan by 84%. This marks the highest profit level in nine years, since 2016 - an outstanding achievement amid a highly volatile market. This marks the highest profit level in nine years, since 2016 - an outstanding achievement amid a highly volatile market. These impressive figures are not only the outcome of strict management and operational efficiency but also a testament to customer trust in PV Drilling's high-quality services.
- **Maintaining High Rig Operational Efficiency:** One of PV Drilling's key achievements in 2024 was ensuring continuous, stable, and high-performance operations across its entire owned rig fleet. All of PV Drilling's jack-up rigs maintained an exceptionally high operational efficiency, reaching nearly 100%, effectively meeting the growing demand in the oil and gas market, particularly in Southeast Asia. This outstanding performance has played a crucial role in strengthening PV Drilling's competitive position in both the domestic and regional markets.
- **Well-Deserved Awards and Recognition:** The year 2024 was also marked by prestigious awards that recognized PV Drilling's outstanding achievements. One of the most notable accolades was the Corporate Excellence Award at the Asia Pacific Enterprise Awards (APEA) 2024. This award honors companies with strong financial performance, effective governance, and a firm commitment to sustainability values. PV Drilling was highly regarded for its stable growth strategy, adherence to international governance standards, and continuous innovation, reinforcing its position as a leading enterprise in the industry.

Winning this award is not only a great source of pride for PV Drilling but also a strong affirmation of the company's position in the regional oil and gas industry. Moreover, it reinforces the trust and confidence of shareholders, partners, and customers in the corporation's long-term development vision.

KEY RISKS AT PV DRILLING

In the context of a highly volatile global oil and gas market and economy, PV Drilling has identified and prioritized the key risks affecting its business operations. Consequently, specific action plans have been implemented to mitigate these impacts and ensure the stability and sustainable growth of the corporation.



STRATEGIC RISKS

The drilling rig supply and well engineering services market is facing significant challenges, including oil price volatility, intense competition from foreign contractors, and global geopolitical instability. To address these risks, PV Drilling has implemented key strategic initiatives, including:

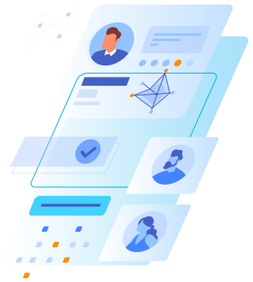
- Focusing all resources on core business areas, strengthening rig supply and well technical services.
- Enhancing PV Drilling's brand presence in both domestic and regional markets to boost reputation and professional image.
- Expanding service offerings to international markets, targeting high-potential countries and regions.
- Implementing modern governance principles and aligning with international best practices to improve management efficiency.
- Maintaining a professional work environment and corporate culture, fostering sustainable growth and employee motivation.



FINANCIAL RISKS

The complex operational model of PV Drilling, which includes subsidiaries, joint ventures, and affiliates, presents challenges in financial management, especially amid inflation and interest rate fluctuations. To address these risks, the corporation has implemented several financial management measures, including:

- Centralized financial governance and control, with strict financial indicators and limits in place.
- Utilizing the ERP Oracle EBMS-based management accounting reporting system to enhance budget planning and efficiency.
- Optimizing cost and cash flow management, leveraging financial derivatives to mitigate foreign exchange risks and secure foreign currency reserves.



HUMAN RESOURCE MANAGEMENT RISKS

A highly skilled workforce is a critical success factor for PV Drilling. In response to human resource challenges, the corporation has implemented effective solutions, including:

- Implementing policies to attract and retain talent, particularly highly skilled technical personnel.
- Enhancing the competency framework for all levels and developing clear career progression plans for the succession pipeline.
- Establishing nomination and incentive mechanisms, offering competitive salary and benefits packages to foster long-term employee commitment.
- Developing a highly capable Vietnamese expert workforce, thereby reducing dependence on foreign specialists.

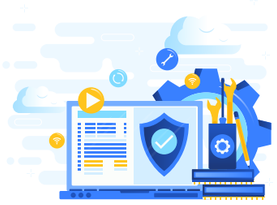


COMPLIANCE RISKS

With its broad operational scope, PV Drilling is subject to both Vietnamese and international regulations. To mitigate compliance risks, the corporation has implemented the following measures:

- Regularly updating relevant policies and regulations, conducting training sessions, and providing legal advisory support for employees.
- Assessing legal risks in business operations, finance, and taxation, and proposing preventive measures.
- Conducting periodic compliance audits and assessments across all units to ensure operational efficiency and regulatory adherence.

KEY RISKS AT PV DRILLING *(continued)*



HEALTH, SAFETY, ENVIRONMENT, AND QUALITY RISKS

Oil and gas drilling operations inherently involve environmental, equipment, and occupational safety risks. To ensure safe and efficient operations, PV Drilling has implemented the following measures:

- Adopting international HSEQ standards, including ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018.
- Managing materials and rig maintenance through the Maximo software, ensuring continuous and stable operations.
- Optimizing asset management with a Reliability-Centered Maintenance (RCM) system to enhance equipment performance and longevity.



CLIMATE CHANGE RISKS

Climate change is no longer merely an environmental issue but has evolved into a global challenge with far-reaching impacts on the economy, politics, diplomacy, and security. According to the International Energy Agency (IEA), the global oil and gas industry accounts for approximately 45% of human-induced greenhouse gas (GHG) emissions. This places increasing pressure on the industry to reduce emissions and transition toward sustainable business models. For PV Drilling, this evolving landscape presents significant challenges and a rapidly shifting risk environment, with several potential impacts, including:

- **Risks from Extreme Environmental Conditions:** Climate change has led to an increase in extreme weather events, such as rising temperatures, sea levels, and abnormal storms and floods. These factors pose direct threats to offshore working environments and significantly increase investment costs. PV Drilling may need to upgrade or procure additional equipment to enhance the resilience of its rigs against severe weather conditions. Operational costs are also expected to rise due to: Higher maintenance and insurance expenses for drilling rigs; Increased costs for emergency response measures to ensure safety and risk mitigation. Furthermore, extreme weather events such as floods, cyclones, and droughts can disrupt the supply chain, leading to: Transportation disruptions, causing delays in offshore operations; Higher logistics costs due to increased uncertainties; Limited access to critical materials and equipment, affecting PV Drilling's operational efficiency.
- **Risks from Legal and Policy Changes:** The growing number of greenhouse gas (GHG) emission reduction regulations and policies at both national and international levels including carbon taxes and emission fees imposed on high-emission industries poses significant challenges. Mandatory emission reduction requirements, stricter environmental standards, and enhanced ESG (Environmental, Social, and Governance) reporting obligations are increasing compliance costs. Additionally, these policies could restrict certain business activities, directly impacting PV Drilling's financial performance and competitiveness.
- **Risks from the Energy Transition:** Customers and partners are increasingly prioritizing low-carbon solutions and technologies. This requires PV Drilling to invest in technology innovation, upgrade equipment, and implement modern management and operational software to meet stricter customer requirements. These adjustments lead to higher initial investment costs, creating greater pressure on business profitability. Furthermore, the transition from fossil fuels to renewable energy and a low-carbon economy may reduce demand for crude oil and natural gas, leading to: A decline in demand for drilling and well engineering services, directly impacting PV Drilling's revenue and workload; Greater fossil fuel price volatility, increasing uncertainty in the oil and gas services market.



CLIMATE CHANGE RISKS

Climate change is not only a risk but also a catalyst for sustainable transformation in the oil and gas industry. With the global goal of achieving net-zero emissions by 2050, the Vietnamese government has also committed to this transition through energy transformation and emission reduction initiatives. This presents PV Drilling with the challenge of not only mitigating risks but also seizing opportunities for innovation and enhancing its competitive capabilities.

KEY RISKS AT PV DRILLING *(continued)*



PV DRILLING'S STRATEGY AND ACTION PLAN

- **Strong Commitment to Sustainable Development:** PV Drilling's Board of Directors has demonstrated its long-term vision and commitment to Environmental, Social, and Governance (ESG) initiatives through: Resolution No. 09/01/2025/NQ-HĐQT, which establishes PV Drilling's ESG objectives. Decision No. 02/01/2025/QĐ-HĐQT, which governs the personnel structure of the ESG Strategy and Sustainable Development Committee. For PV Drilling, ESG is not just a responsibility—it is an opportunity to drive innovation, enhance competitiveness, and ensure sustainable growth. As a pioneering Vietnamese drilling contractor in the oil and gas industry, PV Drilling is committed to setting new standards in environmental protection, social responsibility, and strong corporate governance.
- **Enhancing a Flexible Supply Chain:** Diversifying material and equipment sources to reduce dependence on a limited number of suppliers; Implementing multiple transportation methods to minimize the impact of supply chain disruptions; Closely monitoring supply chain fluctuations to proactively adjust business and production plans.
- **Strengthening Risk Prevention and Adaptability:** Maintaining and expanding insurance policies for rigs, machinery, equipment, and personnel to protect assets and ensure operational safety; Investing in energy-efficient technologies and implementing improvements to optimize energy consumption in operations and production.
- **Building a Green Corporate Culture:** Raising environmental awareness through training programs and workshops on sustainability for employees; Organizing awareness campaigns and activities, such as tree planting, reducing plastic waste, and promoting sustainable resource use.
- **Innovating Technology to Align with a Low-Carbon Economy:** Setting greenhouse gas (GHG) emission reduction targets and developing detailed action plans to comply with national and international standards; Collaborating with international organizations and seeking funding for research and adoption of new drilling technologies that reduce fuel consumption while maintaining performance and safety.
- **Implementing Environmentally Friendly Projects:** Replacing conventional lighting with LED lights on rigs to conserve energy and reduce carbon emissions; Deploying MAESTRO software on rigs, optimizing power consumption and reducing GHG emissions; Executing a five-year reforestation project in support of the Vietnamese Government's "1 Billion Trees" initiative, creating long-term environmental value.

The actions and strategies implemented by PV Drilling not only aim to mitigate the impacts of climate change but also demonstrate a strong commitment to sustainable development.
These efforts reinforce PV Drilling's position as a Vietnamese pioneering drilling contractor in oil and gas industry while enhancing its competitiveness in the international market. Climate change is an inevitable challenge, but with an innovative mindset, a strong sense of responsibility, and a long-term strategy, PV Drilling is turning challenges into opportunities, striving toward a safer and more sustainable future for the oil and gas industry.

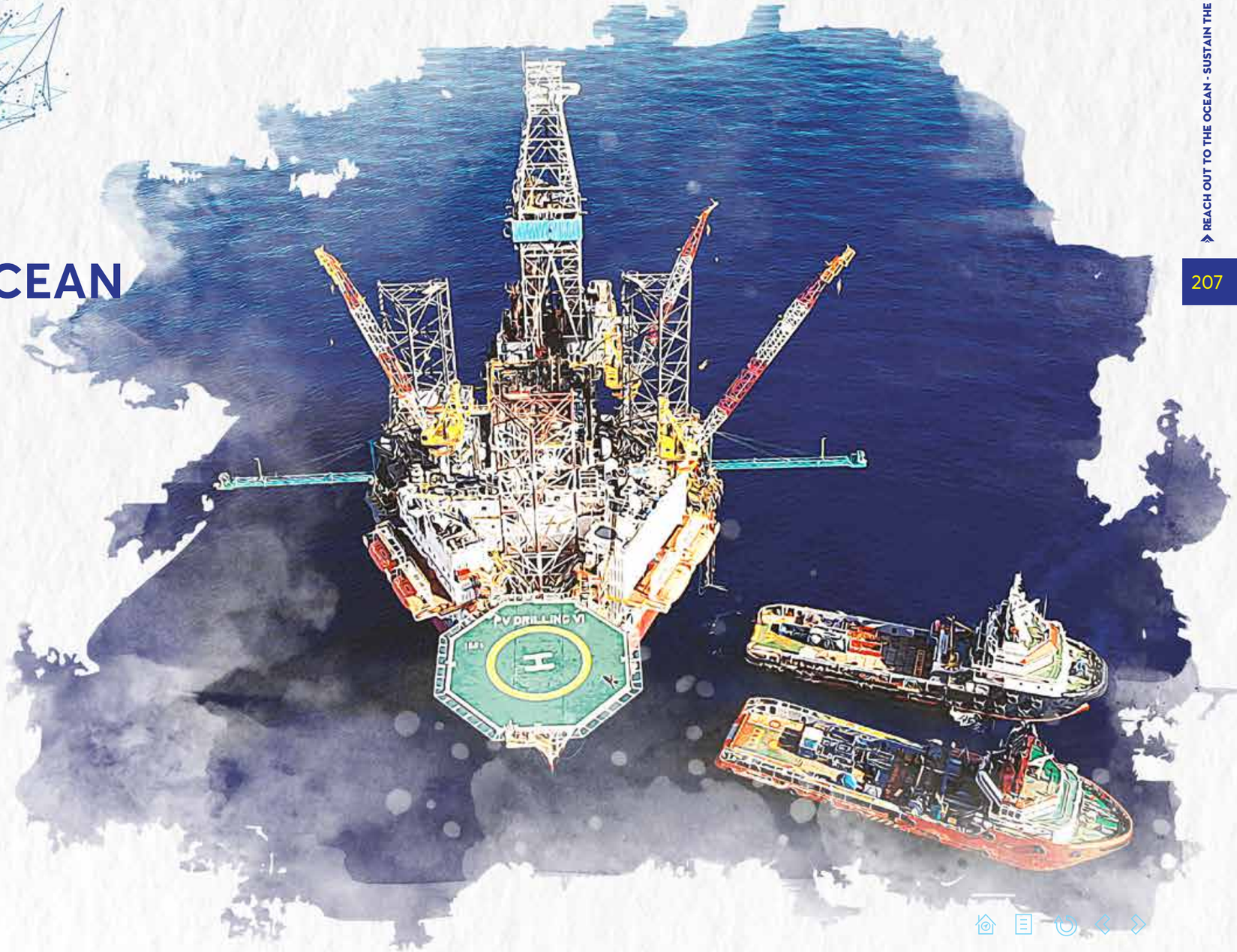


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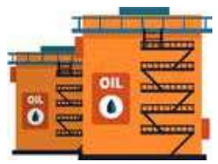
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2025 OIL MARKET **OUTLOOK**





IN THE OIL AND GAS INDUSTRY, BRENT CRUDE OIL PRICE REMAINED POSITIVE IN 2024, AVERAGING AROUND US$80/ BBL. DESPITE CALLS FOR DE-CARBONIZATION, CRUDE OIL REMAINS VITAL TO THE ENERGY SECTOR AND A MAJOR DRIVER OF THE GLOBAL ECONOMY.

By the end of 2024, the world economy maintained a growth rate at 2.7%, according to statistics from World Bank despite numerous events affecting global trade, such as the Russo-Ukrainian war, escalating conflict in the Middle East, and the tightened monetary policies against inflation and rising public debt. Following the course of events in late 2024 and early 2025, major economic organizations and financial institutions have presented a positive outlook for global growth in 2025 – reflecting the confidence in the economic recovery. The Organisation for Economic Co-operation and Development (OECD) projected global economic growth for 2025 to be 3.3% while the International Monetary Fund (IMF) forecasted the growth rate at 3.2%. One key highlight in the global economic context is the expectation of flexibility and adaptability in response to geopolitical challenges and fiscal policies.

Particularly, the shifts in global trade and tariffs following the 2024 US Presidential Election is now perceived as an opportunity to lay the foundation for a more transparent and sustainable trade environment. However, experts cautioned that economic stability is still susceptible to fiscal policy uncertainty and requires effective management of inflation and public debt. Overall, 2025 is anticipated to bring steady growth, fostering a more robust and sustainable global economy.

In the oil and gas industry, Brent crude oil price remained positive in 2024, averaging around US$80/ bbl. Despite calls for de-carbonization, crude oil remains vital to the energy sector and a major driver of the global economy. Various reports provide an optimistic outlook for the crude oil market in 2025 driven by stable global growth rate, particularly in emerging markets like India and China. In addition, OPEC's recent production restrictions have also helped stabilize the oil market. Goldman Sachs, the International Energy Agency (IEA) and the US Energy Information Administration (EIA) forecast that Brent crude oil price would range between US$70 – US$80 per barrel in 2025. Regarding worldwide oil consumption, OPEC reported global demand in 2024 at 103.75 million barrels per day and projected an increase of 1.4 million barrels per day for 2025 (Source: OPEC Monthly Oil Market Report – January 2025).

With respect to the global rig market, 2024 experienced optimistic growth compared to 2023, creating favorable dynamics for oil operators and drilling contractors. Marketed utilization in 2024 reached 84.85% (Source: S&P Petrodata), indicating strong demand for drilling rigs across many regions worldwide - most notably demand for jack-up rigs in the Middle East, Southeast Asia, India and for floating rigs in the Gulf of Mexico, West Africa and South America.

The past year also saw a significant suspension of jack-up contracts by Saudi Aramco starting from April 2024. The number of jack-up rigs affected by this event has reached 33 units (Source: Westwood - Saudi Aramco Contract Suspensions & Terminations, Week 3/2025). However, the global demand for jack-up rigs remains stable in the face of such suspensions. S&P Petrodata projects that jack-up demand in Southeast Asia will average 38.3 units in 2025 and continue to increase to 40.4 units in 2026. The most attractive markets in the region in 2025 and 2026 would be Indonesia, Malaysia, Thailand and Vietnam. Of which, Malaysian demand is expected to be around 10 to 12 units. In Vietnam, jack-up demand is anticipated to average from 9 to 11 units while Thailand and Indonesia would possibly need around 9 to 10 rigs. Rising demand, combined with the scarcity of new builds, has kept demand as well as day rates at a positive level. Day rates for 360 – 400ft jack-up in Southeast Asia now stands around 94,000 – 135,000 USD/day (Source: S&P Global – Rig Day Rates – Jan 2025) and would likely head southward a little in 2025.

In Vietnam, oil companies are actively deploying exploration and production (E&P) projects in 2025. In the oil and gas production plan for 2025, Petrovietnam maintained similar production quotas from its previous plan for 2024, at 13.31 million tons of oil equivalent. As existing production fields are coming to the mature stage, Petrovietnam has been focusing its resources in major E&P projects, namely Block B – O Mon, Kinh Ngu Trang/Kinh Ngu Trang Nam fields, Lac Da Vang field, Su Tu Trang Phase 2, Ca Voi Xanh, etc. These projects are a top priority in Petrovietnam's strategy to maintain the security for national energy supply.

For PV Drilling, its current rig fleet has secured drilling contracts throughout 2025. Besides, the Company also continues to bolster cooperation with its partners to supply drilling rigs for domestic market together with implementing investment projects to procure new assets, such as Hydraulic Workover Unit (HWU) and other advanced equipment/machineries. This aligns with PV Drilling's strategy to increase its international market share, especially in Southeast Asia. With such accomplishments in 2024 combined with the optimistic outlook for 2025, PV Drilling aims to achieve positive business performance in 2025 and the years to come.

PV DRILLING'S **2025 BUSINESS STRATEGY**

PV Drilling anticipates there would still be challenges for 2025, yet it would also be an opportunity to prove its internal strength and to achieve significant growth. In terms of overall strategy for 2025 and further, PV Drilling continues to focus on the safe and efficient operations of the drilling rig fleet with the aim to maintain cash flow and fiscal security in a global economic context riddled with uncertainties, as well as actively seeking more opportunities to provide well services to the international market.

Regarding the offshore drilling rig fleet, PV Drilling has secured firm contracts for all its jack-ups and TAD rig, for year 2025. Specifically, the jackup rigs PV DRILLING I and PV DRILLING VI continue to operate for Petronas Carigali Sdn Bhd (PCSB) under a framework contract which will last tentatively until the end of 2025. PV Drilling currently operates the rig PV DRILLING II in Indonesia for Pertamina ONWJ under a 6-year contract, amended in late November 2024. Another jackup rig, PV DRILLING III, will begin work for Pertamina ONWJ and Pertamina OSES after completing its current campaign for SEA Hibiscus in Malaysia, tentatively in end of March 2025. For the Semi-Submersible TAD Rig PV DRILLING V, the rig is currently commissioned by Brunei Shell Petroleum. The drilling contract with Brunei Shell Petroleum has 6-year firm duration and another (2+2) optional years, which would last until after 2030.

In 2024, PV Drilling also collaborated with international partners in providing drilling rigs for the Vietnamese market. In particular, PV Drilling and its partner JDC had participated in the provision of the jack-up Hakuryu-11 for clients in Vietnam, beginning with the contract with Idemitsu in April 2024. PV Drilling also engaged in another fruitful collaboration with Borr Drilling for the provision of jack-up rig Thor for Hoang Long JOC's drilling campaign from August 2024 to November 2024. After successfully completed the campaign for Hoang Long JOC, the rig has been awarded a contract by Zarubezhneft EP Vietnam, starting in May 2025. Additionally, in 2025 and 2026 there are also numerous drilling campaign in Vietnam currently in planning phase and operators have been in search for suitable candidates. Notable clients including: (i) Hoang Long JOC with Te Giac Trang field drilling campaign; (ii) Ca Ngu Vang field drilling campaign for Hoan Vu JOC; (iii) Phu Quoc POC's Block B –O Mon development drilling program, along with

PV DRILLING ANTICIPATES THERE WOULD STILL BE CHALLENGES FOR 2025, YET IT WOULD ALSO BE AN OPPORTUNITY TO PROVE ITS INTERNAL STRENGTH AND TO ACHIEVE SIGNIFICANT GROWTH.

PV DRILLING'S **2025 BUSINESS STRATEGY** *(continued)*

PV DRILLING HAS OFFICIALLY RECEIVED OWNERSHIP OF A JACK-UP UNIT, RENAMED AS PV DRILLING VIII, IN DECEMBER 26, 2024.

other campaigns from KNOC/Zarubezhneft, PVEP, ENI, SOCO, BIEN DONG POC, etc. In order to meet the increasing demand in Vietnam, PV Drilling has been cooperating with its partners in acquiring timely information and provide suitable rig options to clients, ensuring the negotiation and agreement of commercial and technical terms in goodwill, bringing the best values to all parties.

Further, PV Drilling has officially received ownership of a jack-up unit, renamed as PV DRILLING VIII, in December 26, 2024. This event marked a major advance for PV Drilling in improving its ability to provide rig services for not just the Vietnamese market but also in the region. PV Drilling is actively seeking opportunities for the new drilling works with the expectation that the Rig PV DRILLING VIII would be able to commence operations at soonest in 2025. Besides investing in the new drilling unit, PV Drilling also inked a deal for a Hydraulic Workover Unit (HWU) in July 24, 2024. The newly acquired unit would contribute to increasing the market share in the plug and abandonment service sector, which holds great potential as many oil and gas fields in Vietnam and in other Southeast Asian countries are reaching the end of their production cycle.

In 2025, PV Drilling will continue to promote the provision of bundled services. Since its first inception in 2010, PV Drilling has successfully provided bundled services to numerous clients, including Hoang Long – Hoan Vu JOC, Thang Long JOC, BHP Billiton, ENI, and Premier Oil. Most recently, Consortium PVD – POS had signed the contract for the provision of bundled services for Song Doc field P&A program in late November, 2024. This is the first ever P&A campaign conducted in Vietnam, with the scope of work including the plugging and abandonment of wells and decommissioning the wellhead platform at Song Doc field. The project saw the engagement of PV Drilling's subsidiaries such as PVD Logging, PVD Tech, PVD Baker Hughes, bringing increased values to PV Drilling's chain of services and confidence in exploring opportunities to expand bundled services to other potential clients in Vietnam and in Southeast Asia.

Finally yet importantly, it is worth mentioning the consolidated efforts of PV Drilling and its subsidiaries in implementing core services and experimenting novel initiatives to maximize the capabilities of the whole Corporation. Prominent projects including the signing of major contracts for the provision of core services, such as Well Testing, Eline, Slickline with clients in Vietnam such as BIENDONG POC, Cuu Long JOC, POVO, JVPC, etc., and the contract for provision of Mudlogging services to Petronas in September 2024. With the successes in the Indonesian market, PV Drilling is currently underway to establish a joint venture at this largest market in the region. This would be the foundation to promote PV Drilling's well services as well as a preparation move for the Corporation to increase market share and competitiveness at a regional level.

Given the positive outlook for the 2025 market, PV Drilling will continue to pursue ambitious business strategy. These include enhancing its drilling and well services capabilities, strengthening its competitiveness, and reinforcing its internal strengths to effectively capitalize on opportunities in the oil and gas industry. These efforts will help solidify PV Drilling's position and capabilities both regionally and internationally.

TRAINING AND HUMAN **RESOURCE DEVELOPMENT**



In 2024, PV Drilling reaffirmed the commitment to developing a high-quality workforce by organizing 476 training courses, totaling 10,000 training hours, with 3,290 participants and a total investment of VND 24.695 billion. Workforce training serves is a solid foundation and plays a key role in the sustainable development strategy, enhancing professional expertise and ensuring compliance with international operational standards.

PV Drilling has established a training system, including a Training Matrix and specialized Training Modules for rig personnel, that is aligned with the stringent standards of major clients such as BSP, Petronas, and Pertamina. The workforce development program is uniformly applied to all rig personnel, regardless of nationality or religion, ensuring equal career opportunities for all employees. With five offshore rigs operating across Southeast Asia, PV Drilling currently employs nearly 400 local workers, accounting for approximately 65% of the total rig workforce.

In 2024, PV Drilling made significant progress in implementing corporate culture training programs to embed core values in all employees. Corporate culture is regarded as a fundamental pillar in strengthening workforce cohesion and driving sustainable growth. To ensure consistency in corporate culture initiatives, the Corporate Culture Steering Committee was strengthened, assuming a leading role in proposing and implementing practical training activities. Over the course of the year, various training sessions were conducted, focusing on conveying core values, reinforcing team spirit, and cultivating a strong commitment to the Corporation's mission.

Alongside corporate culture training, PV Drilling also prioritized digital transformation as a strategic focus. In particular, in 2024, training programs on Artificial Intelligence (AI) were introduced to enhance employees' awareness and skills in the digital transformation era. These AI training courses provided in-depth knowledge and enabled employees to integrate AI technologies into daily operations, optimizing processes and improving work efficiency. These initiatives underscore the strong commitment to workforce development and the creation of a modern and sustainable working environment.

Looking forward to 2025, PV Drilling will continue prioritizing the enhancement of technical expertise and management skills for the workforce. This includes specialized training programs on safety and technical proficiency for rig personnel, ensuring adherence to international standards. Additionally, cross-cultural integration training programs will be implemented to equip employees with the knowledge and skills needed to work effectively in an international environment, helping them adapt to cultural differences and local workforce dynamics in operating countries. Furthermore, leadership development programs, human resource management training, and strategic decision-making courses will be expanded for mid-level managers and non-specialist personnel. Training on emerging technologies such as AI and digital transformation in management and operations will also be further developed, preparing the workforce to navigate new challenges in the oil and gas industry.

With a structured, comprehensive training strategy and a long-term vision, PV Drilling remains committed to building a highly skilled workforce that excels in both technical expertise and managerial capabilities and is ready to accompany the Corporation in the next growth phase.

With 5 offshore rigs operating across Southeast Asia, PV Drilling employs nearly 400 local workers, accounting for approximately 65% of the total rig workforce.

INVESTMENT **ACTIVITY**

The year 2024 marks a revival in investment activity. Accordingly, the Corporation has invested in two major projects: the three-legged multi-purpose jack-up rig with cantilever PV DRILLING VIII and the HWU well plugging and abandonment unit. Additionally, subsidiaries such as PVD Logging, PVD Well Services, and PVD Tech have made significant investments in CRTi equipment, production logging tools, and the expansion of workshop to meet market demand in this new growth cycle.

I. RECEPTION, UPGRADE, AND REACTIVATION OF THE PV DRILLING VIII RIG: THE CHALLENGE MAKES A "DIAMOND"

After a period of inoperativeness, the West Prospero rig was transferred from Seadrill to PV Drilling Corporation on December 26, 2024, and was renamed PV DRILLING VIII, and immediately began the initial steps of the project to resume operations in the context of Vietnam's oil and gas industry recovering and developing, which is presenting many new market opportunities. Facing numerous challenges, PV DRILLING VIII has become part of the strategy for sustainable development, reaffirming PV Drilling's capabilities and ambition for expansion. The task of repair, upgrade, and reactivation was assigned by the Corporation to the PV Drilling - Drilling Division for execution.

Transforming from "Cold Stack" to the Goal of Expanding International Market Share

The PV DRILLING VIII rig, built in 2007 based on the independent leg cantilever jack-up Mod V-B, was constructed at the Keppel Fels shipyard in Singapore. Previously, the rig had operated in Northeast Africa and Southeast Asia, including Vietnam. Since 2016 it has been in a "cold stack" status in Labuan, Malaysia.

The project to receive, repair, upgrade, and reactivate the drilling rig consists of two main phases. Phase 1 involves partial repair and reactivation in Labuan starting from late December 2024, followed by towing the rig to Vietnam in February 2025. Phase 2 focuses on full upgrade and reactivation in Vung Tau, including commissioning, inspection, and readiness for operation, with the goal of completion by August 2025. This project will not only expand the fleet of owned rigs but also drive new growth, contributing to the fulfillment of PV Drilling's domestic and international drilling campaigns.

Technical Challenges – Overcoming Difficulties

The PV DRILLING VIII rig is designed to operate at a maximum water depth of 400 feet and a maximum drilling depth of 30,000 feet, which is equivalent to the height of Mount Everest (29,032 feet - 8,848 meters). To bring the rig into operation, PVD – Drilling Division has to face challenges such as addressing complex technical requirements within a tight timeline, managing a workforce that had to focus both on the new rig project and ensure the ongoing operations of existing rigs, controlling the budget within the investment limits, dealing with equipment delivery delays due to a reduction in specialized manufacturers for the industry, complicated export/import procedures at the Malaysia/Vietnam borders, and the loss of many documents and rig records.

Above all, facing technical challenges is the most difficult problem that the personnel team of the PVD – Drilling Division must work together to solve. This is also the first time PV Drilling has independently carried out the reception and reactivation of an offshore rig abroad, with its own specific difficulties, limited and passive support resources.

After a long period of inoperativeness, the rig's electrical, mechanical, hydraulic, and control systems have become outdated or degraded. The diesel engines, electric motors, lifting systems, and key mechanical components have all worn out over time, requiring repairs or full replacements. This creates pressure on both the investment costs and the project timelines.

To implement this project, the PVD – Drilling Division has formed a project team with clearly defined tasks, selecting dedicated, capable, and experienced personnel with strong determination from various departments. The project also requires participation and cooperation from other PV Drilling's subsidiaries, as well as external service companies, to ensure the requirements regarding cost, timeline, and efficiency are met.

The first task that needs to be completed is the partial reactivation of the rig's lifting and hoisting system, with the purpose of lifting heavy equipment and necessary large tools onto the rig to serve for the project's next steps. A piece of good news for the project team is that, in the afternoon of the final days of 2024, one of the three onboard cranes was successfully reactivated after the urgent efforts by technical team right after the reception of the rig.



INVESTMENT **ACTIVITY** *(continued)*

In addition, the jacking system had become rusted, and the most important component of the structure, the rig legs, had sunk deep into the seabed for a long period, which could cause many difficulties and risks when pulling the legs, potentially exceeding the original design capacity. To address this issue, experts had to consider multiple contingency solutions, as well as conduct detailed risk assessments, which were successfully implemented in the early February 2025.

The electronics and control systems, which are the "nervous system" of the rig's operation, also faced significant challenges. The electrical cables, sensors, and control software had become outdated and degraded, increasing the risk of safety hazards during the reactivation. Synchronizing the entire system to ensure smooth operation required not only advanced technology, modern equipment, and support from manufacturers/ suppliers but also the involvement of the experienced team of experts from the PVD – Drilling Division.

An important aspect that cannot be overlooked is ensuring international standards in terms of engineering, safety, and the environment. From the fire protection system to rescue equipment, everything needs to be checked and upgraded to meet the strict requirements set by the Panama Maritime Authority, ensuring MWS maritime safety and DNV registration. This is a crucial step for the rig to meet the conditions for an Extended Wet Tow from Malaysia to Vietnam, which is rarely carried out for "cold stack" rigs, showcasing the resilience of PV Drilling's team and the strength of the Vietnamese people.

PV DRILLING VIII is equipped with advanced cutting-edge technologies, including the Amphion Drilling Control System, the Top Drive TDS-8SA system, the National Drawwork 3000 HP, and 3x Lewco/W2215 Mudpumps, which deliver outstanding drilling performance and reliable operational capabilities. These systems have not undergone technological changes and are similar to those on existing rigs, making it very advantageous for PV Drilling in managing operations. They will also help optimize maintenance costs, spare parts, and contribute to business production efficiency. Alongside the reactivation process, PV Drilling will also implement a plan to upgrade the PV DRILLING VIII rig to be equivalent to the generation of new-build Jack-up rigs from 2016, aiming to incorporate the latest drilling technologies. Specifically, the accommodation area will be upgraded to 150 persons, and the rig will be equipped with offline capabilities. This upgrade will fully meet the requirements of both domestic and regional clients, enhance competitiveness, and open up more business opportunities for the rig.

PV DRILLING VIII IS EQUIPPED WITH ADVANCED CUTTING-EDGE TECHNOLOGIES, INCLUDING THE AMPHION DRILLING CONTROL SYSTEM, THE TOP DRIVE TDS-8SA SYSTEM, THE NATIONAL DRAWWORK 3000 HP, AND 3X LEWCO/W2215 MUDPUMPS, WHICH DELIVER OUTSTANDING DRILLING PERFORMANCE AND RELIABLE OPERATIONAL CAPABILITIES.

With vast experience in managing, supervising, and implementing new-build projects; practical insights gained from reactivating the PV DRILLING V rig in 2020-2021; and extensive experience in maintenance, overhauls, and major repairs; as well as managing and operating rigs, executing contracts for drilling campaigns both domestically and internationally over nearly 20 years, PV Drilling, with the motto "One team, one goal," affirms and is confident that this is a project the PV Drilling has fully mastered in terms of technical expertise, overall project management processes, and the supply chain from both internal and external resources. PV Drilling is completely confident in controlling costs and ensuring progress aligns with the planned schedule.

A launch pad for a new growth cycle

The revival journey of the PV DRILLING VIII rig is more than just a technical challenge, it present a story of resilience, determination, and the spirit of PV Drilling's team, where even the smallest details are restored with the greatest sense of responsibility. The PV DRILLING VIII rig not only showcases the superior technical capabilities of PV Drilling's personnel but also symbolizes the spirit of creativity, resilience, and the ambition to "Reach out to the ocean". It reflects PV Drilling's ongoing journey to enhance the position of Vietnam on the global energy industry map.

In the context of the positive trend in the Jack-up rig rental market, PV DRILLING VIII will become a key factor, unlocking strong growth opportunities for PV Drilling. It will not only contribute to increasing revenue and profits from drilling services but also create opportunities to provide other related services to PV Drilling's subsidiaries, expanding market share in both regional and international markets.



INVESTMENT ACTIVITY *(continued)*

II. PV DRILLING SIGNED CONTRACT TO PURCHASE NEW HYDRAULIC WORKOVER UNIT



Mr. Nguyen Xuan Cuong, Member of the Board of Directors, President & CEO of PV Drilling, and Mr. Giuseppe Falbo, Sales Director of Drillmec S.p.A. signed contract to purchase new Hydraulic Workover Unit on July 24, 2024 in HCMC

On July 24, 2024, in Ho Chi Minh City, PetroVietnam Drilling & Well Service Corporation (PV Drilling) hosted a contract signing ceremony for the provision of a Hydraulic Workover Unit (HWU) and a contract kick-off meeting with Drillmec S.p.A. (Italy).

The HWU procurement project by PV Drilling aims to offer Workover and Plug & Abandon (P&A) services to clients in Vietnam and Southeast Asia. This service segment holds significant potential for development as mature oil and gas fields in the region are gradually reaching the end of their lifespan. In recent years, PVD Tech, a subsidiary of PV Drilling, has successfully provided workover services for domestic clients such as Vietsovpetro and Cuu Long JOC, accumulating extensive experience in this field.

In his speech at the contract signing ceremony, Mr. Nguyen Xuan Cuong, President & CEO of PV Drilling, emphasized the critical role of the HWU procurement project in PV Drilling's upcoming investment and business development strategy. By acquiring the HWU, PV Drilling aims to utilize the equipment for Workover and P&A projects in Vietnam and to increase its market share in Southeast Asia. Mr. Cuong expressed confidence in the successful provision of these services with the new HWU built in Drillmac, Italy and hoped that the signing ceremony would mark the beginning of further cooperation opportunities between the two companies.

In its new growth cycle, PV Drilling is expanding its provision of jack-up drilling rigs in Southeast Asia while simultaneously promoting drilling-related services, including the Bundled services. Concurrently, PV Drilling will increase its investment in new rigs and equipment to meet growing demand in both domestic and regional markets, particularly the provision of HWU in Malaysia and Indonesia as early as 2026.

On behalf of Drillmec, Mr. Giuseppe Falbo expressed his gratitude to PV Drilling for entrusting Drillmec with the construction of its first HWU. He emphasized Drillmec's commitment to active cooperation with PV Drilling throughout the project and committed to delivering the HWU on schedule and with guaranteed quality.

According to the signed contract, the HWU will employ hydraulic technology for well intervention operations, with the delivery term set for 10 months from the signing date. Drillmec, headquartered in Italy, boasts over 30 years of experience in designing, fabricating, and distributing drilling and workover units. Besides its main office in Italy, Drillmec also operates design and manufacturing facilities in Houston (USA) and Hyderabad (India).

The acquisition of the new HWU holds great significance for PV Drilling's business activities in 2024 and beyond. Engaging in workover and P&A programs will bring along opportunities for PV Drilling to integrate other additional services, such as Wireline services from PVD Logging, Casing/Tubing Running services from PVD Well Services, and Coil Tubing services from PVD Baker Hughes, etc. contributing to enhancing its value chain and deliver superior value to clients through high-quality services and competitive pricing.

The contract signing ceremony was followed by a contract kick-off meeting, during which both parties expressed their commitment to the project's success. Drillmec assured the timely construction of the HWU with guaranteed quality, enabling PV Drilling to soon provide the equipment to clients in Vietnam such as Vietsovpetro, Cuu Long JOC, and PVEP, etc. as well as in the region.

INVESTMENT **ACTIVITY** *(continued)*

III. INVESTMENT IN NEW EQUIPMENT AND FACTORY EXPANSION



The ribbon-cutting ceremony for the new Electric Motor & Rotating Equipment Repair and Maintenance Workshop was conducted by Mr. Nguyen Xuan Cuong - Secretary of the Party Committee and President & CEO of PV Drilling, in collaboration with Mr. Mai The Toan - Deputy Secretary of the Party Committee and Chairman of the Board of Directors of PV Drilling, and PVD Tech's Board of Management.

1. PVD Tech: In July 2024, PVD Tech inaugurated and put into operation the Electric Motor and Rotating Equipment Repair Workshop, covering a usable area of 836 m^2, with a comprehensive system of specialized equipment, providing advanced maintenance and repair services for motors and rotating equipment used in drilling rigs, offshore oil and gas production platforms, refineries, and gas-power-fertilizer plants.

The commissioning of the Electric Motor & Rotating Equipment Repair Workshop marks a significant milestone in the development of PVD Tech's service offerings, aligning with its strategic growth direction. More importantly, PVD Tech will gain greater control over technology, workforce, and equipment in this service segment. These are critical service areas where customers have exceptionally high standards for safety, quality, and reliability. Concurrently, this result also demonstrates the PVD Tech's agility as well as flexibility in enhancing service capabilities, expanding production capacity, and developing new service offerings. This initiative not only addresses the increasingly expanding needs of our customers but also creates the new opportunities for PVD Tech to pioneer service sectors both within and beyond the industry, thereby creating more jobs for our workforce.

In addition to its traditional services, including drilling equipment rental (DES), drilling technical services, high-tech equipment design and manufacturing, commercial and logistics services, crane maintenance and repair, and turbine and compressor servicing, the recent inauguration of the Electric Motor and Rotating Equipment Repair Workshop is counted on driving momentous accomplishment in PVD Tech's sustainable development.

2. PVD Logging: Simultaneously with expanding its services into the regional market, PVD Logging continues to invest heavily in equipment, machinery, technology, and human resources to enhance its competitive advantage and solidify its brand reputation as a leading oil and gas well services provider in Vietnam.
In terms of investment, after a period of cost-cutting to optimize profits during the double crisis, PVD Logging has boldly invested in new technological equipment to meet the demands of a rapidly growing market. This includes the purchase of a new PCE 4.0 set, cased-hole logging equipment, and upgrades to mud logging stations. Concurrently, the company has intensified its R&D efforts to narrow the technological gap with multinational companies; collaborated on the research and development of an advanced C1-C8 natural gas analysis system, then C1-C10 system from the standard C1-C5 system; developing a new generation CVT (Contain Volume & Temperature) gas separator, compared to the current CVD (Contain Volume Degaser) standard; and collaborating to upgrade real-time data transmission standards from WITS0 to WITSML – offering enhanced capabilities, increased data, and higher security.

With a long-term vision and supported by the "ONE PVD" strategy of the parent company, PVD Logging is rapidly expanding, aiming to become a leading well services provider in Southeast Asia.

3. PVD Well Services is currently implementing the project "Procurement of Casing Running Tool – Internal Gripping Mechanism (CRT)" to meet the increasing safety and technical requirements of the casing running service market, including casing rotation and casing drilling. This initiative aims to enhance the company's competitiveness, reliability, and reputation in the domestic market while reducing dependence on external partners and gradually expanding services to regional markets such as Malaysia, Brunei, and Myanmar. This service not only provides practical benefit for both customers and the company but also improves service quality to meet the increasingly stringent requirements of clients. The CRT equipment, together with the existing tools owned by the company, reinforces PVD Well Services' capabilities and brand value at the regional level, driving to sustainable development. Additionally, the project contributes to strengthening management and service execution capability in the CRT sector for PVD Well Services.



INVESTMENT **ACTIVITY** *(continued)*

III. PV DRILLING IMPLEMENTS PROCEDURES TO ESTABLISH A JOINT VENTURE IN INDONESIA

PV Drilling is in the process of completing procedures for oversea investment in the form of capital contribution to establish a joint venture company in Indonesia, in which PV Drilling contributes 40% of the total charter capital of 700,000 USD.

The proposed joint venture company will be named PT PetroVietnam Drilling Indonesia (abbreviated as PT PVD Indo) and will be organized as a limited liability company. The joint venture's operational term is 10 years and can be extended based on mutual agreement between the parties. The primary objective of this joint venture is to provide jack-up drilling rig rental services and well services to support exploration and exploitation activities in the Indonesian oil and gas market.

Indonesia is one of the markets with the highest demand for drilling rigs in Southeast Asia. This demand remains stable and is expected to increase in the coming years, with an average annual requirement of 14-16 jack-up rigs, often for long-term drilling programs. Establishing a joint venture in this market provides a solid foundation for PV Drilling to maintain a stable and long-term workload for its existing rig fleet, while simultaneously executing a growth strategy through additional rig investments in the future.

Two years ago, from December 2022, PV Drilling began providing drilling services in Indonesia after a decade of efforts to penetrate this largest and most demanding market in the region. The company also has a project management office in Jakarta. PV Drilling's largest client in Indonesia is PT Pertamina Hulu Energi Offshore Northwest Java (PHE ONWJ).



MARKET DEVELOPMENT AND NEW SERVICE IN 2024, ORIENTATION FOR 2025

Building on the successes in Myanmar, Thailand, Malaysia, Cambodia, Brunei, and Indonesia, PV Drilling has continuously expanded its operations, strengthening its presence in each market while driving innovation and service development. These relentless efforts have yielded impressive results, reinforcing PV Drilling's reputation as a leading drilling contractor on the regional oil and gas market.



HAVING COMMENCED OPERATIONS IN INDONESIA IN DECEMBER 2022, PV DRILLING II HAS EARNED SOLID TRUST AND RECOGNITION FROM PERTAMINA. AS A RESULT, IN NOVEMBER 2024, THE CONTRACT WAS SUCCESSFULLY EXTENDED THROUGH 2028.

MARKET DEVELOPMENT IN 2024

Indonesia is one of the largest oil and gas markets in Southeast Asia with consistently high demand for jack-up rig. The country annually requires from 10 to 12 jack-up rigs on average to serve their long-term drilling campaigns. Regarding this opportunity, PV Drilling has continuously promoted its operations in Indonesia and has achieved significant milestones, which lay a foundation for strengthening its market position. Currently, PV DRILLING II is operating under a long-term drilling contract for Pertamina Hulu Energi ONWJ (PHE ONWJ) in Northwest Java.

Having commenced operations in Indonesia in December 2022, PV DRILLING II has earned solid trust and recognition from Pertamina. As a result, in November 2024, the contract was successfully extended through 2028. Besides, in the same year 2024, PV Drilling also secured a firmed three-year drilling contract with a two-year extension option from Pertamina to supply the rig PV DRILLING III. With the simultaneous operation of both PV DRILLING II and PV DRILLING III in Indonesia, PV Drilling would be considered as one of the largest drilling contractors in Indonesia from 2025 onward. Thanks to the long-term drilling contracts and the strong presence in Indonesia, PV Drilling took a bold step forward by the establishment of a joint venture in the country. Such joint venture would pave a way to deliver integrated services encompassing both drilling rigs and well services such as Mud Logging, Casing Running, Tubular Inspection & Repair, MPD... in the years to come.

Since signing its first drilling service contract in Malaysia in 2017, PV Drilling has achieved significant milestones by successfully executing drilling programs for various clients such as Sapura, Hibiscus, IPC, Hibiscus, Repsol, and Petronas Carigali. Presently, PV Drilling operates three jack-up in Malaysia: PV DRILLING I, PV DRILLING III, and PV DRILLING VI. Malaysia is recognized as one of the most stable-growing economies in Southeast Asia. With a strong macroeconomic foundation and effective investment-supportive policies, Malaysia is steadily recovering with GDP growth projections remaining positive for 2025. Oil & gas industry still plays a major role in Malaysia's economic structure and development strategy. The Malaysian government has been adjusting fiscal policies in the industry to attract further investment, enhance the competiveness and maintain a stable production output.
Malaysia's annual exploration and development plans in the oil and gas industry are meticulously structured, which require an average of 10 jack-up rigs per year with 7 – 8 of those will serve under long-term contracts. With a clear development strategy and promising market prospects, PV Drilling actively collaborates with prominent partners and maintains close communication with clients to deliver integrated services encompassing both drilling rigs and well services. This strategic approach provides opportunities for PV Drilling to expand its service portfolio in Malaysia's highly competitive and tightly regulated market.

Beyond its strong presence in Southeast Asia, PV Drilling is actively seeking to expansion into the Middle East market, one of the regions with most abundant oil and gas resource accounting for about 48.4% of global oil reserves and over 38.5% of the world's crude oil exports. As a key player in the global energy security, the Middle East is a potential market for qualified drilling contractors to provide services in this region. To tap into the market for jack-up drilling and well technical services, PV Drilling considers to establish a regional office or forms partnerships with local entities. Entering the Middle East will not only diversify PV Drilling's service portfolio but also create long-term and sustainable growth.

Meanwhile in the domestic drilling market, major field development projects such as Dai Hung Phase 3, Su Tu Trang – Phase 2B, Kinh Ngu Trang – Kinh Ngu Trang Nam, Lac Da Vang, and Block B - O Mon are expected to be actively implemented from 2025 onward. To meet the increasing demand for jack up in these key projects, PV Drilling continues its partnership with Borr Drilling to offer rigs to clients while simultaneously expanding its fleet with the acquisition of the rig PV DRILLING VIII in 2024. PV DRILLING VIII is expected to commence operations in 4Q 2025.

MARKET DEVELOPMENT AND NEW SERVICE IN 2024, ORIENTATION FOR 2025 *(continued)*

NEW SERVICE DEVELOPMENT

Furthermore, recognizing the rising demand in Vietnam and across South East Asia, PV Drilling is poised to invest in strengthening its capability in well workover, plug and abandonment services. In 2024, PV Drilling, in collaboration with PTSC-POS, successfully secured a lump sum contract for the project of plugging, abandoning and decommissioning of Song Doc field. Further reinforcing its capabilities in this sector, PV Drilling has also invested in a Hydraulic Workover Unit (HWU), which is expected to be delivered by the end of 2025. The HWU is aimed to expand PV Drilling's presence in Plug and Abandonment (P&A) services in the coming years.

With this bold investment strategy and the expertise of PV Drilling's subsidiaries and joint ventures, PV Drilling is well-positioned to provide a comprehensive suite of services for drilling programs. Over the years, PV Drilling has accumulated experience by successfully executing bundled service projects for major clients such as Hoang Long - Hoan Vu JOC, Thang Long JOC, BHP Billiton, ENI, Premier Oil, and recently the Dai Hung Phase 3 Development Project for PVEP-POC. In this project, PV Drilling will deliver an integrated service package covering 11 different well technical services. The Bundled Services model is becoming a key advantage of PV Drilling, which allows clients to execute projects seamlessly, mitigate operational risks, and eliminate cost overruns.



PV Drilling not only strengthens its position as a pioneer in drilling services but also proactively adapts to the ongoing energy transition. Recognizing the essential role of clean and renewable energy, PV Drilling has outlined ambitious investment plans in research and development of new services, with a particular focus on onshore and offshore wind energy projects. With extensive experience, state-of-the-art infrastructure, and a highly skilled workforce, combined with a strategy of service diversification and an adaptive, forward-thinking mindset, PV Drilling is poised to develop a comprehensive service ecosystem that serves the entire energy value chain in Vietnam and across Southeast Asia.

In 2024, PV Drilling, in collaboration with PTSC-POS, successfully secured a lump sum contract for the project of plugging, abandoning and decommissioning of Song Doc field. Further reinforcing its capabilities in this sector, PV Drilling has also invested in a Hydraulic Workover Unit (HWU), which is expected to be delivered by the end of 2025. The HWU is aimed to expand PV Drilling's presence in Plug and Abandonment (P&A) services in the coming years.



CLIENT RIGHTS **PROTECTION POLICY**



PV DRILLING II rig achieved 15 years of Zero Lost Time Incidents (LTI) on September 15th 2024 as certified by the International Association of Drilling Contractors (IADC).

Throughout 23 years of establishment and development, PV Drilling has dedicated to its strategy and the core values "People – Integrity – Professionalism" along with a breakthrough mindset, effective risk management, and the enthusiasm of its employees. Thanks to these elements, PV Drilling has remained steadfast to its mission "to provide premium drilling and drilling-related services in the regional market and create value added for clients by delivering services with high quality at competitive prices."

To fulfill this mission, throughout its operations, PV Drilling has identified one of its top priorities as building, successfully implementing, and maintaining an effective Health, Safety, Environment, and Quality (HSEQ) management system according to international standards. Currently, PV Drilling's HSEQ management system is integrated with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards, which significantly contributes to the successful execution of drilling programs both domestically and internationally. Moreover, the operational efficiency of jack-ups has consistently reached nearly 100%, contributing to optimizing operating costs and ensuring client benefits while enhancing PV Drilling's service quality.

Due to the high-risk nature of the oil and gas industry, each client must comply with relevant legal regulations regarding safety management in oil and gas activities both onshore and offshore, and develop and implement their own HSEQ system. Therefore, during the provision of drilling rig and well technical services, PV Drilling commits to adhering to and implementing clients' HSEQ systems, as well as relevant legal regulations, to protect clients' interests by preventing incidents, accidents, and ensuring the safety of personnel, assets, and the environment at the clients' oilfields, offshore areas, and oil and gas facilities.

In 2024, the domestic and regional market experienced a significant recovery compared to the post-COVID-19 crisis period, which was reflected in the rebound in demand and dayrates at a reasonable level. In response to this situation, PV Drilling implemented policies to expand its jack up fleets to match the increasing demand regarding the internal resource, empathy, flexibly coping with the potential risks. Besides, PV Drilling has invested in a Hydraulic Workover Unit (HWU), which is aimed to expand PV Drilling's presence in Plug and Abandonment (P&A) services in the coming years.

The effective implementation of the HSEQ management system in 2024 has brought significant benefits to clients. As of December 31st, 2024, PV Drilling achieved remarkable accomplishments, including no occurrence of any serious environmental incidents. Particularly, PV DRILLING II rig achieved 15 years of Zero Lost Time Incidents (LTI) on September 15th 2024 as certified by the International Association of Drilling Contractors (IADC). Recently, the TAD rig PV DRILLING V also celebrated 12 years of Zero LTI on December 3rd, 2024. In the same year 2024, PV DRILLING III successfully completed the final meters of the BOC-28 well at a depth of 6.970, setting a new record for the longest well drilled in Malaysia. The BOC-28 well is part of the Bunga Orkid - C Development Project in Block PM3 CAA, a Malaysia-Vietnam overlapping area. The Block is currently being operated by Hibiscus Oil & Gas Malaysia Limited. Additionally, PV DRILLING VI made a significant contribution to the success of the Amaryllis-1 well, which achieved the lowest cost in Malaysia for 2024, a milestone officially recognized and honored by Malaysia Petroleum Management (MPM).

To achieve these proud accomplishments, from the Company's Leadership to all employees of PV Drilling, continuous efforts have been made since the early days of establishment, collaborating with the principle always focusing on clients to deliver the best value to their clients. With the importance in PV Drilling's sustainable development, client protection policies, quality management, health, safety, environment management, etc., will continue to be strongly implemented by PV Drilling to maintain continuous awareness within the workforce, ensuring that every drilling campaign for clients is carried out safely, efficiently, and brings tangible value to both clients and PV Drilling, as well as to all stakeholders involved.



CORPORATE CULTURE AT PV DRILLING
AFFIRMING IDENTITY, ELEVATING BRAND VALUE





PV Drilling's reputation is increasingly recognized internationally through major awards such as the Corporate Excellence Award, the Master Entrepreneur Award (for the Corporation's Leader) by APEA in 2024, and was named one of the Best Companies to Work for in Asia in 2024 by HR Asia magazine.

In the context of globalization and fierce competition, corporate culture is not only a distinguishing factor but also a solid foundation for the sustainable development of any organization. At PV Drilling, corporate culture has always been valued and considered an indispensable part of the company's long-term development strategy. The year 2024 marks a significant milestone in PV Drilling's journey of building and fostering its corporate culture, contributing to the realization of the company's vision: "Reach out to the Ocean - Sustain the Future."

Recognizing the Importance of Corporate Culture from the Beginning

Corporate culture at PV Drilling is not just a set of values and standards documented in policies; it is the soul and the connective thread that unites all members of the organization. Recognizing its critical role, PV Drilling has identified corporate culture as a key factor in building a cohesive, professional, and responsible workforce. It serves as the foundation for the Corporation to overcome challenges, enhance competitiveness, and assert its position as a leading drilling contractor in the international market. With a sustainable development strategy, PV Drilling consistently focuses on creating a fair, transparent, and humane working environment. Corporate culture not only helps attract and retain talent but also motivates individuals to maximize their potential, thereby contributing to the overall growth of the Corporation.

PV Drilling embarked on the journey of building its corporate culture early on, formulating its vision and mission based on three core values: People – Professionalism – Integrity. These values are not mere slogans but have been concretized through policies, operational procedures, and code of conduct across the Corporation's activities. The Code of Conduct, first issued in 2016, marked a significant step in systematizing cultural standards. By August 2023, this code had been updated to align with the evolving business landscape, reflecting the Corporation's adaptability and progressiveness. Additionally, in January 2022, PV Drilling officially published the PV Drilling Culture Handbook, an essential tool for spreading and instilling core values in every employee.

PV Drilling's core values are reflected in various aspects of its operations. Regarding People, the Corporation fosters positive workplace relationships, encourages knowledge-sharing, and creates an environment where individuals can learn, contribute, and excel alongside PV Drilling's growth while ensuring safety for people and the environment. Integrity is demonstrated through compliance with laws and the Code of Conduct, voicing concerns about inappropriate practices, safeguarding company and client assets, acting for the collective good, and upholding accountability to oneself, the organization, the community, and colleagues. Professionalism is expressed through continuous learning, innovation, and creativity; honoring commitments and striving for optimal results using cost-effective methods; acting in PV Drilling's highest legal interests while prioritizing the long-term benefits of clients and investors.

PV Drilling's Cultural Milestones in 2024

The year 2024 is considered a breakthrough year for PV Drilling, not only in business operation but also in systematically and professionally expanding its corporate culture initiatives. Upholding the motto "People are the most valuable asset," PV Drilling continues to modernize and sustain its work environment, integrating an advanced human resource management system with competency-based job models, establishing a competitive and attractive reward mechanism, and attracting young talent. The "Best Companies to Work for in Asia 2024" award serves as compelling evidence of PV Drilling's efforts in fostering a multigenerational workplace culture that embraces diversity.

Training and development remain a key focus, with hundreds of courses conducted across the Corporation, including eight specialized courses on corporate culture, engaging 231 employees. These courses not only provide learning and growth opportunities but also deepen employees' understanding of the company's core values, thereby reinforcing commitment and responsibility in their roles.

Furthermore, numerous meaningful cultural activities and events have been organized throughout the year to promote corporate pride. Sporting events, team-building programs, celebrations of national and company anniversaries, and traditional corporate milestones are regularly held with consistent themes that convey PV Drilling's core cultural messages and values.

In 2024, the Corporation has also expanded its corporate social responsibility (CSR) efforts in collaboration with unions and social organizations, implementing diverse and impactful activities. Demonstrating strong commitment and dedication,



CORPORATE CULTURE AT PV DRILLING
AFFIRMING IDENTITY, ELEVATING BRAND VALUE
(continued)

PV Drilling has worked with various localities across Vietnam to facilitate the construction of solidarity houses, schools, healthcare stations, and more. Thousands of gifts, scholarships, health insurance packages, and financial aid have been distributed to disadvantaged individuals, victims of Agent Orange, and underprivileged students in remote areas. Additionally, the Corporation has actively pursued tree-planting program in the Mekong Delta region, with 16,500 trees planted and handed over to local authorities for care, contributing to Vietnam's commitment to achieving net-zero emissions by 2050. These dynamic and creative initiatives continue to spread the message "For a Green Vietnam" to every PV Drilling employee.

All these efforts have strengthened and extended the unique cultural values of petroleum workers in general and PV Drilling employees in particular to the broader community.

Applying Core Values in Business Operation

PV Drilling's corporate culture is deeply rooted in the high-quality petroleum engineering sector, and its core values "People – Professionalism – Integrity" have guided the Corporation in training and developing a workforce that meets international competency standards. The management consistently emphasizes reinforcing these core values among employees to enhance service quality, strengthen collective unity, and increase competitiveness in the international drilling market.

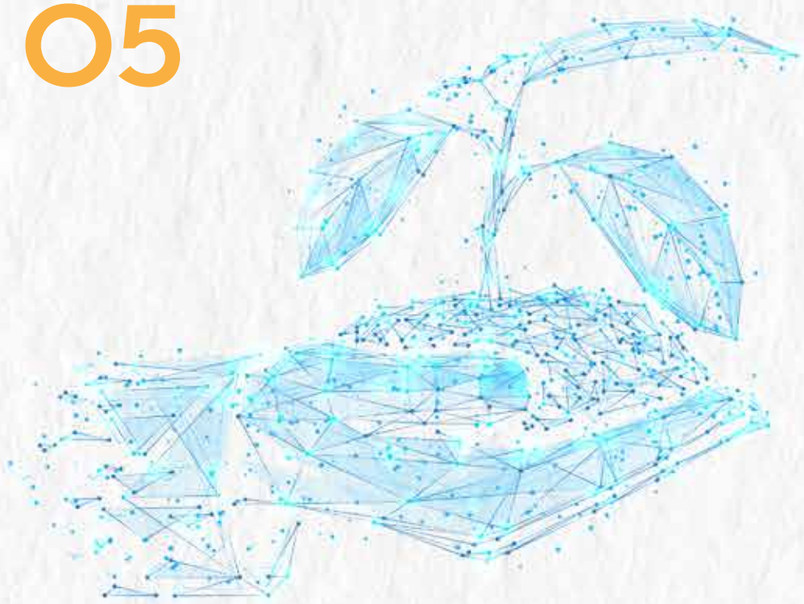
Operating across Vietnam, ASEAN countries, Algeria, the Middle East, and Japan, PV Drilling continuously researches and updates local policies and cultural norms to adapt its business culture flexibly, ensuring alignment with the unique characteristics of each nation and community where its rigs operate. As a result, PV Drilling's reputation as "Vietnam's pioneering drilling contractor in the petroleum industry" continues to gain recognition in the global market.

Perseverance and Development

Over 23 years of establishment and development, PV Drilling has steadfastly upheld its core values, building a strong and human-centric corporate culture. The year 2024 marks a crucial milestone in this journey, reaffirming the Corporation's commitment to sustainable growth. With a robust cultural foundation, PV Drilling is not only leveraging its strengths in the domestic market but also expanding its reach internationally, bringing its vision "Reach out to the Ocean – Sustain the Future" closer to reality.



CHAPTER
05



SUSTAIN THE FUTURE

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Developing a Sustainable Relationship With The State



PV DRILLING'S DEVELOPMENT STRATEGY IN 2025 WITH A VISION TO 2030



Continue to promote strengths, take more domestic market share, which is aiming to 70 -80% drilling market share in Vietnam; expand market share of well-technical services and drilling-related services in regional and global markets, aiming to become a reliable and reputable oil and gas drilling contractor in the world, and creating added values for clients by delivering premium services at competitive prices. Reaffirm our position as the top leading drilling contractor in Vietnam, striving to dominate the domestic service market by securing 70% - 80% of the jack-up rig supply market.

In addition, PV Drilling also seeks opportunities to expand its services to new areas following the energy transition trend of the Vietnam Oil and Gas Group. PV Drilling believes that with the efforts of all staff and the cooperation of stakeholders, PV Drilling will succeed in implementing its development strategy and increasing its position in the oil and gas market.

Continue to promote strengths, take more domestic market share, which is aiming to 70 -80% drilling market share in Vietnam

MESSAGE FROM THE PRESIDENT & CEO
ON THE SUSTAINABLE DEVELOPMENT STRATEGY

PV Drilling has demonstrated a year of exemplary performance, marked by dynamic and highly effective operations, achieving exceptional business results in 2024 and making a profound contribution to the overarching success of Vietnam's oil and gas industry.

TOTAL REVENUE REACHED
9,566
billion VND

NET PROFIT ATTRIBUTABLE TO THE PARENT COMPANY'S SHAREHOLDERS AMOUNTED TO
698
billion VND

WHILE CONTRIBUTIONS TO THE STATE BUDGET TOTALED
892
billion VND



In particular, total revenue reached VND 9,566 billion, net profit attributable to the parent company's shareholders amounted to VND 698 billion, while contributions to the state budget totaled VND 892 billion. This remarkable achievement is the culmination of a year of unwavering dedication and tireless efforts, ensuring 100% utilization of all owned offshore rigs while strategically collaborating with partners to lease an additional two rigs, thereby promptly addressing domestic market demands. Simultaneously, PV Drilling has successfully expanded its drilling and well technical services to international markets, upheld the highest standards of operational safety and efficiency, and consistently delivered premium service quality to its valued clients. The Corporation has also reached significant milestones, established outstanding benchmarks, and been honored with prestigious awards in its pursuit of excellence in oil and gas drilling. These accomplishments further reinforce PV Drilling's competitive position in the global drilling industry.

In order to firmly integrate into the era of national rise in 2025 as well as be well-prepared to enter into Petrovietnam's sustainable green growth strategy, PV Drilling is committed to advancing its ESG initiatives. This aligns with the call to action from the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29), with its motto 'In solidarity for a green world,' which focuses on driving climate action through emissions reduction and mitigating global warming. Towards a sustainable development journey, PV Drilling remains steadfast in ensuring stable business growth while harmonizing operations with environmental protection, mitigating the impacts of climate change, and driving digital transformation. The Corporation is committed to implementing energy and resource efficiency measures, actively adopting renewable energy alternatives, and enhancing labor productivity through comprehensive human capital development strategies and succession planning. This approach endeavors to achieve an optimal equilibrium between human necessities and the protection of planetary well-being, cultivating a world in which prosperity and human fulfillment coexist harmoniously with principled environmental stewardship. Moreover, PV Drilling remains unwavering in its commitment to fortifying strategic alliances, expanding its sphere of influence, and fostering enduring collaborations toward sustainable development alongside its esteemed stakeholders, including shareholders, investors, clients, partners, and suppliers.

The journey toward sustainable development is a long and arduous one, requiring substantial effort in both

MESSAGE FROM THE PRESIDENT & CEO
ON THE SUSTAINABLE DEVELOPMENT STRATEGY

(tiếp theo)

material resources and time. However, I firmly believe that with the unity and unwavering determination of all leaders and employees, PV Drilling will effectively implement ESG initiatives not only in compliance with Vietnamese standards but also in alignment with the Southeast Asian and international benchmarks. From the very first days of our establishment, we have been committed to laying a strong foundation for an advanced corporate governance framework, coupled with stringent environmental protection policies that apply to all employees, while consistently upholding excellence in CSR activity. Over the journey of more than 23 years of establishment and development, PV Drilling takes pride in being one of the pioneering enterprises within Petrovietnam and Vietnam at large, steadfastly integrating ESG principles into its annual operations with remarkable effectiveness.

PV Drilling's sustainable development strategy is closely aligned with the 17 United Nations Sustainable Development Goals (SDGs), which are being applied by governments, organizations, and corporations worldwide. PV Drilling firmly believes that sustainable development is the key to the long-term success of businesses. We are committed to continuing our efforts to effectively achieve these sustainable development goals, contributing to environmental protection, improving quality of life, and fostering community development.

Below is some of PV Drilling's sustainability goals:

- Contributing to the overall development of the nation;
- Ensuring national energy security;
- Upholding environmental protection across all business and production activities, strictly complying with legal requirements and client expectations regarding hazardous waste management;
- Actively participating in social welfare initiatives and supporting education;
- Raising awareness of public health;
- Enhancing awareness of climate change among PV Drilling employees.

Outlined below are the key priorities of PV Drilling's sustainable development strategy for 2025:

 **ENVIRONMENT (E)**	› A steadfast commitment to executing a comprehensive carbon emissions reduction roadmap throughout PV Drilling's entire service supply chain, in alignment with Vietnam's Net Zero objective by 2050;
	› A steadfast commitment to strengthening energy management practices, minimizing reliance on non-sustainable energy sources, and advancing the transition toward renewable, low-carbon, and clean energy solutions.
	› Fostering initiatives dedicated to environmental stewardship and fortifying resilience against climate change.
 **SOCIETY (S)**	› Ensuring national energy security while contributing substantively to the broader advancement of society;
	› Elevating societal well-being and cultivating heightened awareness of public health;
	› Enhancing the execution of comprehensive employee welfare policies, upholding equity in employment opportunities and professional advancement, investing in training and capacity-building initiatives, and cultivating a workforce of exceptional talent.
	› Relentlessly advancing operational excellence, elevating service quality, and innovating new service offerings to address evolving demands and maximize values added for clients.
 **GOVERNANCE (G)**	› Elevating the effectiveness of corporate governance practices;
	› Fully compliance with applicable laws and applicant of PV Drilling's Business Code of Conduct;
	› A steadfast commitment to mandating that all partners and suppliers across the supply chain comply with ESG standards, uphold human rights principles, and adhere to the highest standards of business ethics.



SUSTAINABILITY REPORT FRAMEWORK

PV Drilling's Sustainability Report articulates the Corporation's initiatives in pursuit of sustainable development goals, embedded within its journey of growth and expansion. These initiatives are executed under the stewardship of the Management, with the engagement of all subsidiaries and employees, guided by the strategic direction of the President & CEO. This Report has been structured in alignment with the guiding principles of the International Finance Corporation (IFC), an Atlas mapping the oil and gas industry to the sustainable development goals, and the International Association of Drilling Contractors (IADC) ESG Report Guidance. Furthermore, the Report adheres to the directives outlined in Decision No. 622/QD-TTg of the Prime Minister, dated May 10, 2017, which enacts the National Action Plan for the implementation of the 2030 Agenda for Sustainable Development. It is also aligned with the 17 Sustainable Development Goals (SDGs) established by the United Nations, comprising 169 specific targets and 232 indicators. These goals transcend conventional social development frameworks, addressing broader global imperatives such as climate change, economic disparity, innovation, sustainable consumption, peace, and justice, etc.



17 SUSTAINABLE DEVELOPMENT GOALS OF UNITED NATIONS (SDGS)

01	End poverty in all its forms everywhere;
02	End hunger, achieve food security, improved nutrition and promote sustainable agriculture;
03	Ensure healthy lives and promote well-being for all, at all ages;
04	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;
05	Achieve gender equality and empower all women and girls;
06	Ensure availability and sustainable management of water and sanitation for all;
07	Ensure access to affordable, reliable, sustainable, and modern energy for all;
08	Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all;
09	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation;
10	Reduce inequality within and among countries;
11	Make cities and human settlements inclusive, safe, resilient, and sustainable;
12	Ensure sustainable consumption and production patterns;
13	Take urgent action to combat climate change and its impacts;
14	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development;
15	Protect, restore, and promote sustainable use of terrestrial ecosystems, manage forests, combat desertification and biodiversity loss, and halt and reverse land degradation;
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions;
17	Strengthen the means of implementation and revitalize the global partnership for sustainable development.

OVERVIEW OF SUSTAINABILITY IN 2024

I. ACTION PLAN AND ACTUAL RESULTS IN SUSTAINABILITY IN 2024

1. End poverty in all its forms everywhere

- Contributed VND 9,566 billion to Petrovietnam's total revenue and VND 892 billion to the State Budget;
- Drilling services: PV Drilling sustained its market presence in international drilling services. In 2024, all company-owned rigs were deployed in Malaysia, Indonesia, Algeria, and Brunei, achieving full utilization at 100% for offshore rigs. Furthermore, to effectively address domestic drilling demand, PV Drilling secured two additional jack-up rigs through strategic leasing agreements with partners;
- Well-technical services: PV Drilling maintained its leading market share in the domestic market despite the deployment of all company-owned rigs to international operations. This was primarily due to the limited number of drilling programs executed in Vietnam, resulting in scarce workload and intensified competition;
- Employment Generation and Local Development: PV Drilling actively contributed to job creation for the local workforce in both Vietnam and the international markets where its services were provided. Additionally, the Corporation played a role in enhancing local content development while making significant contributions to the state budgets of host countries;
- Ensuring national energy and all Vietnamese people can access to the oil and gas energy source, promoting the production and economic growth.

2. End hunger, achieve food security, improved nutrition and promote sustainable agriculture

- Actively implemented CSR initiatives and poverty alleviation programs in remote and economically disadvantaged regions. Notably, PV Drilling provided financial assistance amounting to VND 1.2 billion to local authorities and residents of Hoa Binh and Sơn La provinces in the aftermath of Typhoon Yagi, which caused severe damage in Northern Vietnam. Furthermore, the Corporation actively contributed to charitable initiatives supporting underprivileged communities in response to appeals from local authorities and the government. Additionally, PV Drilling organized heritage-oriented programs integrated with philanthropic activities, reinforcing its commitment to corporate social responsibility.

3. Ensure healthy lives and promote well-being for all, at all ages

- Regularly implemented healthcare programs for all employees, with a particular focus on those working on drilling rigs, to mitigate occupational health risks and ensure their well-being;
- Implemented remote medical consultations and psychological counseling programs for employees working in challenging environments, particularly those stationed offshore and in desert regions;
- Training programs on Safety - Occupational Health – Environment - Quality have consistently been a priority, ensuring that employees are fully equipped with the necessary knowledge and competencies;
- PV Drilling's HSEQ has been well operated and effectively maintained through good evaluation from both clients and DNV certification organization;
- Organize various programs for employees' children, including Family Day events, training activities, and recognition programs for those with outstanding academic achievements.

4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- Organize training courses for employees, encourage self-learning and professional development, and ensure transparent disclosure of personnel training policies while establishing a clear career development roadmap for all staff;
- Organize dialogue conferences with employees to gain deeper insights into their concerns, expectations, and suggestions, fostering a more engaged and supportive working environment;
- Continuously refine human resource policies to enhance the efficiency and effectiveness of human resource management, ensuring alignment with best practices and fostering a supportive and progressive workplace environment;
- Encourage the development of innovations that promote energy and resource conservation in production and business operations;
- Participate in local educational development programs and provide scholarships for underprivileged students.

5. Achieve gender equality and empower all women and girls

- Maintain and enhance the equality policy within human resource management. As of December 31, 2024, PV Drilling employed 372 female staff members, representing 22.8% of the total workforce;
- Actively engage in initiatives to promote gender equality and encourage the participation of female employees in management roles. Notably, in previous terms of the Board of Directors (BOD), Board of Management (BOM), and Board of Supervisors (BOS), PV Drilling had female representatives in top executive positions.

6. Ensure availability and sustainable management of water and sanitation for all

- Strictly adhere to the collection and treatment of wastewater at the industrial zones where PV Drilling operates, ensuring compliance with environmental regulations for both sanitary and industrial wastewater;
- Enhance awareness of water conservation among PV Drilling's employees at offices, industrial parks, and drilling rigs.

7. Ensure access to affordable, reliable, sustainable, and modern energy for all

- Continue to enhance energy efficiency in business operations. Data from 2024 indicated a slight increase in electricity consumption compared to 2023, leading to a corresponding rise in electricity consumption per unit of work hour (As PV Drilling is a services provider, an increase/decrease of electricity consumption is not only based on working time but also considered with the increase/decrease of revenue. Compared to 2023, PV Drilling's revenue was up 55% while electricity only increased 3.4%);
- Enhance the operational processes of the wastewater treatment system.

8. Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all

- PV Drilling actively recruited local employees in the countries where its services were provided, including Malaysia, Thailand, Brunei, and Indonesia. The recruitment process was supported by competitive policies and attractive compensation packages to ensure a highly skilled workforce;
- PV Drilling has been implementing a strategic initiative to replace foreign personnel with Vietnamese workers who possess equivalent qualifications and capabilities;
- PV Drilling prioritized the utilization of services and collaboration with domestic service providers and partners;
- PV Drilling ensured transparency in human resource policies, including recruitment, employee training, contracts, salaries, bonuses, and benefits;
- Engage with relevant stakeholders to enhance policies, decrees, and circulars, including contributions to the Oil and Gas Law (amended), asset valuation standards, and investment decision-making processes of Petrovietnam, etc.

9. Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

- Continue executing drilling campaigns in Vietnam (through the utilization of chartered rigs), making substantial contributions to Petrovietnam's business performance, ensuring energy security, and supporting the development of Vietnam's energy industry;
- Continue the repair and maintenance activities for the entire company-owned rig fleet and machinery associated with well-technical services to ensure operational efficiency and safety;
- Participating in the development of public projects such as schools and community cultural centers. In 2024, PV Drilling invested in the construction of A Area of Hai Anh Commune Primary School in Hai Hau District, Nam Dinh Province, and Phu Duc A Primary School in Long Ho District, Vinh Long Province.
- Accelerate the implementation digital transformation. PV Drilling has completed the digitalization of human resource management through the HR Portal Platform, piloting the internal PVD Cloud storage system, and evaluating the implementation of the E-Office system. Additionally, the Corporation has reviewed and improved financial and accounting management processes across its subsidiaries in response to business recovery. Furthermore, PV Drilling has strengthened cybersecurity measures to ensure the safety and security of its digital platforms.

10. Reduce inequality within and among countries

- Ensure honest declaration and full compliance with tax obligations in Vietnam and other countries where PV Drilling provides its services, including Malaysia, Indonesia, Brunei, and Algeria;
- Ensure responsibility and obligations for local economic development by implementing local content policies in Malaysia, Indonesia, and Brunei. Specifically, maximize the utilization of local services, foster human resource development, and support the establishment of business operations to contribute to the economic growth of host countries;
- Participate in and contribute to the development of relevant local tax policies and regulations.

11. Make cities and human settlements inclusive, safe, resilient, and sustainable

- Continue to provide the oil spill control services in Vietnam;
- Organize training courses related to the oil spill controls services including IMO I, II, III, etc.
- Conduct surveys, provide consultations, and prepare environmental impact assessment reports.

12. Ensure sustainable consumption and production patterns

- The company-owned rig fleet of PV Drilling continued to achieve Zero LTI (without Lost Time Incident), officially certified by the International Association of Drilling contractors (IADC) while maintaining an impeccable environmental record with no reported incidents. In the meantime, PV Drilling was honored with numerous prestigious accolades and garnered highly favorable assessments from leading international oil and gas corporations, further solidifying its esteemed reputation and the superior quality of services it has consistently rendered to both domestic and global clients;
- Installation of advanced wastewater treatment systems to process sanitary wastewater,

OVERVIEW OF SUSTAINABILITY IN 2024 *(continued)*

industrial effluents, and formation water, ensuring compliance with Vietnamese regulations or international standards;
› Three subsidiaries of PV Drilling including PVD Offshore, Vietubes, and PVD-OSI have integrated the API Q1 standard into their operations. Furthermore, PVD Well Services has implemented the API Q2 standard, with PVD DD projected to adopt API Q2 by quarter 3, 2025. Concurrently, PVD Baker Hughes operates in compliance with the global system established by its parent company.

13. Take urgent action to combat climate change and its impacts
› Enhancing climate change awareness among PV Drilling personnel;
› Deploying specialized specialists to undertake training programs focused on environmental stewardship and community engagement;
› Strategically implementing and fostering close collaboration with relevant functional divisions to mitigate carbon emissions across business operations.

14. Conserve and sustainably use the oceans, seas, and marine resources for sustainable development
› Strictly adhering to operational procedures and guidelines to ensure safety, enhance energy efficiency, and minimize emissions on offshore drilling rigs;
› Ensuring absolute compliance with all relevant regulations, international conventions, and both global and local environmental legislations. In relation to wastewater management on offshore rigs, PV Drilling has deployed advanced wastewater treatment systems to treat sanitary wastewater, industrial effluents, and formation water, adhering to the highest Vietnamese regulatory standards or international best practices prior to discharge into the marine environment.

15. Protect, restore, and promote sustainable use of terrestrial ecosystems, manage forests, combat desertification and biodiversity loss, and halt and reverse land degradation
› Applying and continuously refining the ISO 14001-compliant environmental management system to strengthen the identification and assessment of environmental risks across all operational activities, with a particular focus on core business functions. This framework serves as the basis for formulating and executing strategic measures to eliminate, prevent, or mitigate adverse environmental impacts.

16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions
› Fostering heightened awareness and steadfastly honoring the commitment to safeguarding human rights;
› PV Drilling remains committed to continuously updating its human rights requirements in alignment with Vietnamese law and the legal frameworks of the jurisdictions where its services are rendered. Furthermore, the Corporation proactively collaborates with partners and clients to conduct thorough analyses and assessments, mitigating any potential adverse impacts in the execution of PV Drilling's human rights policies;
› Engaging stakeholders in pursuit of sustainable development goals.

17. Strengthen the means of implementation and revitalize the global partnership for sustainable development
› Sustaining the development of shared values: We acknowledge that the concept of 'creating shared value' is rooted in the intrinsic connection between societal demands, business opportunities, and corporate operations. These values may be realized through multiple avenues, including the provision of high-quality products at more accessible prices, the responsible stewardship of natural resources to propel socio-economic progress, and the facilitation of sustainable growth within local economic ecosystems;
› Enhancing strategic partnerships with entities such as Borr to optimize resource efficiency, ensure the highest standards of service delivery, and comprehensively fulfill clients' demands;
› Fostering deeper engagements with clients and partners in the SEA to create added values for all stakeholders by delivering high-quality services, advancing local workforce capabilities, and driving business growth.



4 SUSTAINABLE DEVELOPMENT GOALS – SDGS

FOCAL AREA 1
Investing in People

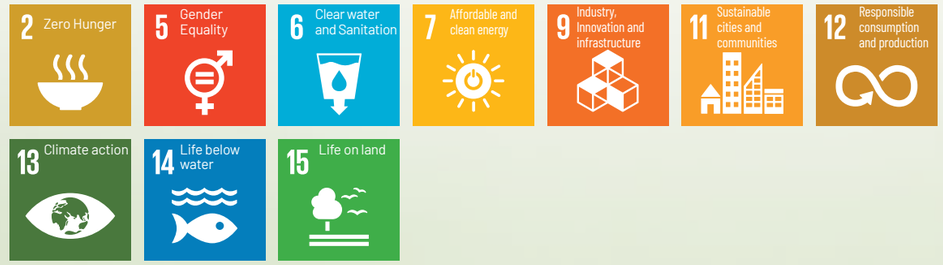




VISION: Delivering high-quality, equitable, inclusive, and comprehensive services and social protection for individuals residing in Vietnam to ensure health, education, poverty alleviation, and empowerment, enabling them to fully realize their potential.

FOCAL AREA 2
Ensuring climate resilience and environmental sustainability





VISION: Effectively responding to climate change and natural disasters, as well as sustainable managing natural resources and the environment.

FOCAL AREA 3
Fostering prosperity and partnership





VISION: Shifting to an inclusive, sustainable and productivity-led growth model, as well as creating a fairer, more efficient and inclusive labour market that ensures decent work and opportunities for all.

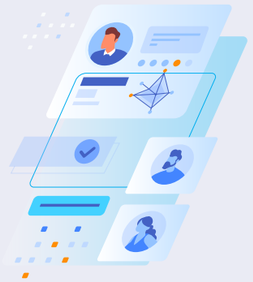
FOCAL AREA 4
Promoting justice, peace and inclusive governance





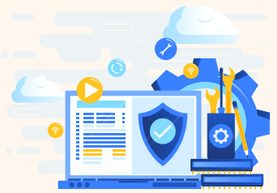
VISION: Strengthening governance and adherence to the rule of law, ensuring respect for and the protection of human rights and freedom from discrimination, and moving towards a more just and inclusive society.

OVERVIEW OF SUSTAINABILITY IN 2024 *(continued)*

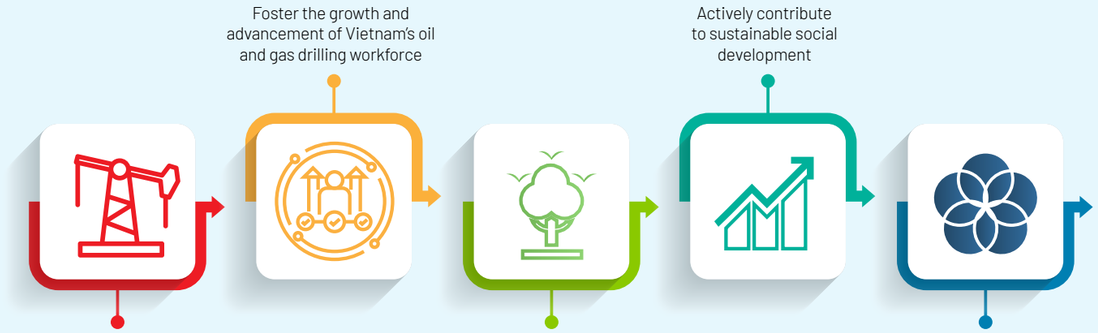
Sustainable Development Goals - SDG	Vision	Task
 **FOCAL AREA 1** **INVESTING IN PEOPLE**	› Creating the best possible working environment for all employees; › Refining and advancing rig management and operations training programs, ensuring a seamless and continuous development pathway across all hierarchical levels, from junior roles to executive leadership; › Ensuring a stable and highly competent workforce at PV Drilling, prepared to effectively respond to sudden personnel fluctuations; › Preserving and cultivating a high-caliber talent pool; › Demonstrating a steadfast commitment to community development by cultivating a corporate culture deeply rooted in social responsibility, with a strategic emphasis on education, healthcare, and social welfare initiatives; › Enhancing the quality of education in remote and underprivileged areas; › Advocating for and facilitating policies that promote academic excellence and educational advancement.	› Designating a dedicated annual budget for training and human capital development; (For 2025, the allocated training budget amounts to VND 30.39 billion); › Guaranteeing full compensation, including salaries, bonuses, and benefits, for all employees in parallel with the Corporation's business growth; › Ensuring employee health and well-being during pandemics; › Ensuring the full execution of the training agenda, encompassing specialist development, leadership training, professional competency enhancement, and internal capacity-building initiatives; › Establishing and executing a comprehensive succession development framework, coupled with targeted leadership training programs, empowering management personnel to strategically devise personal growth plans and foster a robust pipeline of future leaders; › Facilitating the development of educational institutions, residential facilities, and SOS Children's Villages; › Allocating financial resources to support educators and educational institutions. (For 2025, the budget for social welfare programs amounts to VND 20 billion); › Supporting the Educational Endowment Fund; › Granting scholarships to academically outstanding students from disadvantaged backgrounds.

Sustainable Development Goals - SDG	Vision	Task
 **FOCAL AREA 3** **FOSTERING PROSPERITY AND PARTNERSHIP**	› To be an internationally reputable and reliable drilling contractor and drilling-related services provider in the oil and gas industry; › Reinforce the brand identity and esteemed reputation as a premier drilling contractor in the Southeast Asian region; › Provide exceptional service quality, ensure optimal operational efficiency, and maintain the highest level of safety; › Strengthen operational capacity and expand into international markets; › Expand and innovate service offerings in both domestic and global markets.	› Implement a professional risk management framework in adherence to globally recognized standards, including ISO 31000 and COSO; › A comprehensive Enterprise Resource Planning (ERP) system utilizing Oracle technology; › A robust equipment incident management and maintenance system (RCM – Reliable Maintenance Control); › A fully compliant asset management system based on ISO 55001 standards, ensuring safety, longevity, and effective risk mitigation; › The Maximo system for comprehensive inventory and material management on drilling platforms; › Make strategic investments in advanced machinery and equipment; › Guarantee the readiness of financial, human, and technological resources to effectively support operational and business activities; › Demonstrate deep clients' insight to deliver exceptional service quality, while consistently evaluating, enhancing, and advancing operational excellence.

Sustainable Development Goals - SDG	Vision	Task
 **FOCAL AREA 2** **ENSURING CLIMATE RESILIENCE AND ENVIRONMENTAL SUSTAINABILITY**	› Mitigating all potential risks and adverse environmental impacts; › Enhancing workplace conditions through proactive prevention and mitigation of hazardous factors that could adversely impact employee well-being; › Facilitating education and fostering heightened awareness of collective community well-being; › Fostering a heightened consciousness on minimizing plastic consumption while advocating for the transition to green and renewable energy sources; › Enhancing awareness of climate change and the implications of greenhouse gas emissions.	› Demonstrating unwavering commitment to stringent waste management practices and full compliance with environmental protection regulations in accordance with Vietnamese legislation and the legal frameworks of host countries, while emphasizing emission reduction and energy efficiency. › Maintaining full compliance with environmental regulations, with zero violations (PV Drilling currently oversees the Southern Vietnam Oil Spill Response Center (NASOS); › Upholding a workplace environment that prevents occupational illnesses among employees; › Ensure that no major oil spills occur; › Install modern wastewater treatment systems to process sanitary wastewater, industrial wastewater, and formation water, ensuring compliance with Vietnamese regulations or international standards; › Ensure that all waste is comprehensively collected and treated in strict accordance with applicable legal regulations; › Ensure the systematic classification of waste at all production facilities and office premises; › Ensure the installation of a comprehensive environmental monitoring system; › Actively engage in training programs on climate change-related issues; › Ensure effective emergency preparedness through routine weekly drills on offshore drilling platforms; › High-level executive visits and inspections of drilling platforms (from Rig managers and above) shall be conducted quarterly, demonstrating the Corporation's commitment to safety and operational oversight; › Ensure full and rigorous compliance with all safety and environmental management regulations; › Maintain a strong focus on safety management to achieve and sustain Zero LTI (Lost Time Incidents) in all operations.

Sustainable Development Goals - SDG	Vision	Task
 **FOCAL AREA 4** **PROMOTING JUSTICE PEACE AND INCLUSIVE GOVERNANCE**	› Make significant contributions to the State budget; › Ensure full compliance with all state obligations, including tax commitments; › Actively contribute to the broader economic development, while fostering the growth of local economies and regions within the host countries.	› Demonstrate unwavering compliance with the policies and legal frameworks of host countries, the Corporation's governance regulations, and Vietnamese law, with a strong emphasis on fulfilling obligations related to State budget contributions; › Ensure full and timely compliance with tax obligations and local budget contributions in strict accordance with applicable regulations; › Establish a comprehensive Business Code of Conduct to ensure that all actions and decisions undertaken by employees are consistently aligned with the Corporation's cultural identity and ethical principles; › Strengthen corporate governance frameworks and elevate service quality to create sustainable added value for all stakeholders.

SUSTAINABLE DEVELOPMENT GOALS IN 2025



FIVE-STEP APPROACH TO SUSTAINABLE STRATEGY DEVELOPMENT

1. Define the Sustainable Development Goals (SDGs) that are most pertinent to PV Drilling's business operations
2. Evaluate the significance and prioritization of the SDGs based on their impact and relevance
3. Foster strategic engagement with stakeholders in alignment with the prioritized SDGs
4. Establish collaborative partnerships with stakeholders to gain a comprehensive understanding of PV Drilling's roles and responsibilities in achieving each SDG
5. Formulate strategic initiatives, solutions, and action plans to drive sustainable development

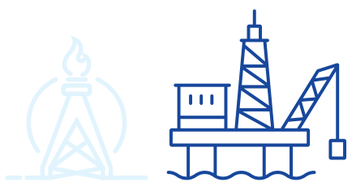
7 SUSTAINABLE DEVELOPMENT GOALS TO 2025, VISION TO 2030



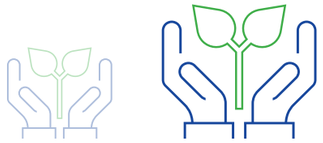
1. A leading contractor offering high-quality drilling and well technical services of regional prominence
2. Broaden investment portfolios and diversify service offerings in response to Petrovietnam's strategic energy transition initiatives
3. A team of highly qualified professionals committed to excellence
4. An advanced corporate governance framework leveraging cutting-edge information technology
5. A sophisticated, fully integrated system adhering to the highest standards of Health, Safety, Environment, and Quality (HSEQ)
6. Formulate a strategic and prudent financial plan to secure sustainable cash flow, enabling planned investments in drilling rigs, advanced machinery, and cutting-edge technology
7. Cultivating a resilient and sustainable business environment that promotes meaningful stakeholder collaboration



SUSTAINABLE DEVELOPMENT GOALS IN 2025 *(continued)*

	TARGETS	STRATEGIES AND SOLUTIONS	TASKS
1	A leading contractor offering high-quality drilling and well technical services of regional prominence 	› Enhance operational efficiency through process optimization, rigorous maintenance, and systematic upgrades of the rig fleet and well technical service equipment. Uphold the highest safety standards in all operations, ensuring full compliance and preventing any workplace safety incidents; › Maintain superior service quality, strengthen management and operational excellence, and strategically optimize production costs; › Foster strategic partnerships to lease additional drilling rigs, expand market shares, and invest in advanced machinery and equipment for well technical services; › Pioneer the research and development of innovative new services, fostering a culture of creativity and continuous improvement; › Strategically extend service provisions to global markets.	› Uphold a firm commitment to fulfilling the revenue and profit objectives mandated by the AGM; › Establish a dominant market presence by capturing 70-80% of Vietnam's drilling and well technical service sector; › Ensure superior operational performance, maintaining over 98% efficiency for jack-up rigs and over 95% for the deepwater (TAD) rig; › Maintain the highest safety standards in rig operations, achieving Zero LTI (Lost Time Incidents), while delivering superior service quality and exceeding competitor benchmarks in clients' satisfaction; › Ensure the timely and successful completion of all scheduled rig maintenance and servicing plans; › Remain committed to scientific research and strategic investments in innovation, integrating cutting-edge technology and advanced equipment into production processes; › Strategically extend the provision of drilling rig services to global markets; › Explore strategic partnerships to drive joint investments in additional drilling rigs, supporting operational growth and market expansion; › Achieved the first successful implementation of the slim-hole drilling technology program in Thailand.
2	Broaden investment portfolios and diversify service offerings in response to Petrovietnam's strategic energy transition initiatives 	› Establish strategic collaborations with partners in the renewable energy sector to drive growth and expand engagement in this evolving industry; › Enhance investments in equipment, infrastructure, and workforce capabilities to advance service offerings in the wind energy sector.	› Identify and establish strategic partnerships within the renewable energy sector to foster growth and innovation; › Expand and develop Dong Xuyen Workshop - Phase III to strengthen maintenance and servicing infrastructure; › Invest in advanced turbine installation equipment to support the wind energy industry.
3	A team of highly qualified professionals committed to excellence 	› Foster a strong succession pipeline while enhancing the expertise and leadership capabilities of the management and highly skilled professionals; › Implement a strategic recruitment and training program to develop a highly competent and professional workforce; › Establish a comprehensive training system aligned with industry-recognized competency standards (competency based training); › Implement a leadership development program to enhance the capabilities of the management; › Establish a well-structured compensation and benefit framework designed to attract, retain, and motivate top-tier talent.	› Enforce the Business Code of Conduct consistently across the entire Corporation; › As of 2024, PV Drilling has successfully conducted training programs for 3,290 participants, surpassing the annual target by approximately 131%; › Developed and implemented a structured salary regulation framework in compliance with Resolution No. 05/07/2019/NQ-HĐQT, issued on July 31, 2019 by the Board of Directors; › Honored by HR Asia magazine as one of the Best Places to Work in Asia for 2024.

SUSTAINABLE DEVELOPMENT GOALS IN 2025 *(continued)*

TARGETS	STRATEGIES AND SOLUTIONS	TASKS
4 An advanced corporate governance framework leveraging cutting-edge information technology 	› Integrate ERP solutions into core business operations; › Establish a fully integrated and digitalized HSEQ management system; › Adopt international ISO 55001 standards for asset management, ensuring maximum lifespan, optimal utilization value, and cost efficiency.	› Advance the digital transformation agenda by finalizing the digitalization of HR management via the HR Portal Platform, initiating pilot deployment of the internal PVD Cloud storage system, and conducting a comprehensive evaluation for the implementation of the E-Office system; › Provide timely and insightful analyses to evaluate opportunities and resource allocation, facilitating well-informed decision-making by the Executive Board in managing business operations; › Implement preparatory measures for digital transformation, integrating advanced digital technologies into risk management reporting processes at both the Corporate level and across subsidiaries;
5 A sophisticated, fully integrated system adhering to the highest standards of HSEQ; 	› Prioritize safety operation with a steadfast commitment to achieving Zero LTI; › Ensure the highest standards of occupational health and safety for all employees; › Maintain strict compliance with all regulations and guidelines pertaining to safety and environmental management; › Continuously enhance working environment, proactively identifying and mitigating potential hazards that may pose risks to employee health; › Monitor and evaluate KPIs, regularly review and develop a comprehensive roadmap to refine and supplement KPIs in alignment with the specific operational characteristics and corporate culture of PV Drilling.	› Maintained a Lost Time Incident Frequency Rate (LTIFR) of 0.37%; › Achieved a Total Recordable Frequency Rate (TRFR) of 0.73%. › Ensured full compliance with environmental regulations, with no recorded violations. › Successfully prevented any major oil spill incidents; › Ensure that all waste is fully collected and processed in strict accordance with legal and regulatory requirements; › Maintain a working environment that prevents occupational diseases and proactively mitigates health risks for employees; › Enhance emergency preparedness through routine weekly drills conducted on drilling rigs; › High-level executive visits and inspections of drilling platforms (from Rig managers and above) shall be conducted quarterly, demonstrating the Corporation's commitment to safety and operational oversight.
6 Formulate a strategic and prudent financial plan to secure sustainable cash flow, enabling planned investments in drilling rigs, advanced machinery, and cutting-edge technology 	› Maintain rigorous oversight of PV Drilling's financial performance; › Maintain close monitoring of macroeconomic trends, exchange rate movements, and monetary policies on both national and international scales; › Closely track evolving trends in the domestic and global oil and gas markets to proactively assess potential opportunities and risks for PV Drilling.	› Formulate comprehensive medium-term and long-term financial and budgetary strategies; › Establish a structured cash flow management plan and secure appropriate capital arrangements for the investment in the PV DRILLING VIII jack-up rig and the Workover Hydraulic Unit (WHU); › Maintain a proactive and in-depth analysis of global and domestic economic trends, closely tracking interest rates, exchange rate fluctuations, inflation, and financial policies to devise timely and effective financial strategies; › Conduct a comprehensive evaluation of the Risk Management Framework in accordance with COSO 2017, identify potential gaps, and implement strategic enhancements to optimize the effectiveness of the Corporation's enterprise risk management system.
7 Cultivating a resilient and sustainable business environment that promotes meaningful stakeholder collaboration 	› Demonstrate a strong commitment to CSR by actively engaging in community initiatives and cultivating a business culture centered on societal well-being, with a particular emphasis on education, healthcare, and social welfare programs; › Actively participate in the formulation and advancement of governmental policies relevant to the industry and broader socio-economic development; › Foster a superior workplace environment, ensuring equitable, competitive, and merit-based compensation, rewards, and benefits that fairly reflect employees' contributions and the Corporation's overall business achievements.	› Strategically allocate financial resources to support education, healthcare, and broader social welfare programs; › Proactively engage in policy discussions by offering well-informed recommendations on tax, financial, and accounting regulations, ensuring alignment with practical business operations.

MANAGEMENT STRUCTURE OF **SUSTAINABLE DEVELOPMENT**



At PV Drilling, corporate governance is the top priority and the main factor to help PV Drilling followed the guidance to achieve the growth target and operational efficiency which contributes to interests of shareholders. Based on management structure of corporate governance, PV Drilling continue to maintain interest of all stakeholders and responsibility to society.

SHAREHOLDERS' ANNUAL GENERAL MEETING

SUPERVISORY BOARD → Control transparency in the management and governance

BOARD OF DIRECTORS → Planning for the sustainable development strategy

SUB - COMMITTEE OF INTERNAL AUDIT → Auditing, financial accounting activities, and supervision of the Executive Management's operations

BOARD OF MANAGEMENT → Guiding, implementing, building the sustainable development strategy

Implementing the solutions of the sustainable

FUNCTIONAL DIVISIONS

HSEQ
Establishing, operating and maintaining HSEQ system, ensuring abiding by laws and requirements of clients and partners. Monitoring and measuring operational procedures of HSEQ and improving quality.

HUMAN RESOURCES
Building Regulations for Compensation and benefit; Building plans of evaluation, human resources development.

FINANCE ACCOUNTING
Monitoring effective business activities and managing the efficiency of investment; Managing accounting standards in accordance with regulations.

CORPORATE OFFICE
In charge of administration management, information technology and digital transformation systems.

BUSINESS DEVELOPMENT
Managing client relationship and enhancing client satisfaction; consulting on building business strategy.

LEGAL
Monitoring and advising legal issues.

COMMERCIAL & INVESTMENTS
Monitoring the efficiency of investment project.

SUBSIDIARIES → Implementing solutions in accordance with the sustainable development strategy and under suitable conditions of each subsidiary.

BRANCH
PVD Drilling Division

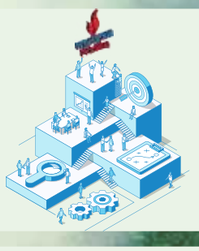
SINGLE-MEMBER LIMITED LIABILITY COMPANIES
PVD Offshore, PVD Well Services, PVD Logging, PVD Deepwater.

JOINT-STOCK COMPANIES
PVD Tech, PVD Training.

JOINT VENTURE:
PVD Baker Hughes, PVD Overseas, PVD Tubulars Management, Vietubes, PVD-OSI, PVD-Expro, PT Petrovietnam Drilling Indonesia.

BRANCHES AND OFFICE:
Malaysia, Brunei, Algeria and Indonesia.

SUSTAINABLE **BUSINESS MODEL**



2,425
EMPLOYEES

PROFESSIONS AND INTERNATIONAL CRTIFICATIONS:
- BOSIET
- IWCF LEVEL 3, 4
- IADC
- H2S



RELIABLE PARTNERS

- BAKER HUGHES
- EXPRO
- MARUBENI ITOCHU
- CITRA SUMIT
- OIL STATES
- FALCON ENERGY



RELIABLE SUPPLIERS

- NOV
- KEPPEL FELS
- ARNO
- ...



A REPUTABLE AND RELIABLE DRILLING CONTRACTOR







DRILLING MANAGEMENT SYSTEM

- HSEQ
- MAXIMO
  MAXIMO MIN-MAX MODULE
- IDENTIFYING RISKS AND HAZARDS (IADC HSE CASES)
- RCM (RELIABILITY CENTERED MAINTENANCE)
- SUPPLY CHAIN MANAGEMENT

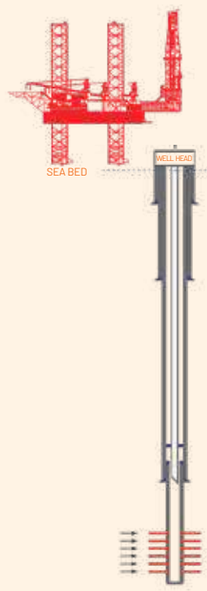


ERP ORACLE SYSTEM

- ORACLE APPLICATIONS
  FINANCIAL
  INVENTORY
  PROJECT
  PURCHASING
  HUMAN RESOURCE
  BUSINESS INTELLIGENCE
  ENTERPRISE PLANING & BUDGETING
  IN PROGRESS
- ORACLE APPLICATIONS
  ORACLE APPLICATIONS SERVER
  ORACLE DATABASE

VISION
To be an internationally reputable and reliable drilling contractor and drilling-related services provider in the oil and gas industry.

MISSION
Becoming a leading regional drilling services provider and drilling contractor, creating great value added for clients by delivering premium services at competitive prices.



DRILLING SERVICE
PVD Drilling Division
PVD Deepwater
PVD Overseas

WELL HEAD
PVD Tech

CEMENTING SERVICE

CONDUCTOR/CASING/TUBING
PVD Tubulars Management
PVD-OSI
PVD Well Services
Vietubes

WELL DESIGN & PLANING
PVD Baker Hughes

DIRECTIONAL DRILLING

MEASUREMENT WHILE DRILLING

LOGGING WHILE DRILLING
PVD Baker Hughes

MUD LOGGING/ SLICK LINE
PVD Logging

TOOL RENTAL SERVICE
PVD Well Services
PVD Invest

WELL INTERVENTION
PVD Baker Hughes
PVD Logging
PVD-Expro

PERFORATIONS/ WELL TEST
PVD Logging
PVD-Expro

OTHERS
H2S Safety Service (PVD Invest)
OCTG (PVD Tubulars Management)
Inspection & Repair (PVD Offshore)



STRATEGY
Expanding to regional markets.



CORE VALUES
Human;
Integrity;
Professionalism.

CREATING SURPLUS VALUE FOR CLIENTS

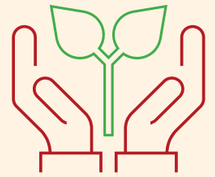




OPTIMIZING SHAREHOLDER'S BENEFIT

CONTRIBUTING TO NATIONAL ECONOMIC





ENHANCING SAFETY AND REDUCING ENVIRONMENTAL IMPACT

CREATING JOBS



STAKEHOLDERS ENGAGEMENT & **ASSESSMENT OF KEY BUSINESS SECTORS**

Recognized as one of the most dynamic industries worldwide, the oil and gas sector encompasses a vast array of interconnected activities, engaging stakeholders across multiple domains such as society, politics, law, environment, economy, and commerce. At PV Drilling, the stakeholder framework and their respective interests are closely aligned with these critical areas.

Driven by the vision of becoming an internationally reputable and reliable drilling contractor and well technical services provider, PV Drilling remains committed to cultivating and strengthening long-term, sustainable relationships with its stakeholders across all business operations. PV Drilling's stakeholders comprise individuals, groups, and organizations whose interests, whether direct or indirect, are intricately linked to the company's activities.

At PV Drilling, effective stakeholder engagement is a core component of the Corporation's strategic development, both in the short and long term. This engagement is facilitated through continuous information exchange during business interactions, allowing for the collection of valuable insights from stakeholders. The perspectives, expectations, and feedback gathered serve as critical input for PV Drilling to assess and refine its operations, ensuring the highest level of value creation for all stakeholders involved.

STAKEHOLDER IDENTIFICATION AND EVALUATION FRAMEWORK

STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
Identify key stakeholders	Assess and prioritize stakeholders	Develop tailored engagement strategies for each stakeholder group	Gather, analyze, and interpret feedback and insights from stakeholders	Execute the stakeholder engagement plan in alignment with strategic objectives	Continuously monitor, update, and assess the effectiveness of stakeholder engagement

STAKEHOLDER ENGAGEMENT INITIATIVES FOR 2024

PV Drilling implements stakeholder engagement initiatives in accordance with its business strategy and commitment to sustainable development, prioritizing mutually beneficial partnerships. Stakeholder interests are carefully evaluated through structured communication, consultation, risk management, negotiations, and agreements, all of which uphold the principles of fairness, transparency, and trust.

Throughout 2024, PV Drilling has maintained proactive engagement and interaction with stakeholders to collect critical insights. This ongoing dialogue facilitates timely responses, resolution of operational challenges, and continuous improvement in business performance. PV Drilling highly values all forms of stakeholder interaction, support, and feedback, recognizing them as essential contributions to the Corporation's long-term sustainable growth.

1 INVESTORS	2 GOVERNMENT	3 PETROVIETNAM	4 EMPLOYEES	5 CLIENTS	6 SUPPLIERS	7 PARTNERS	8 FINANCIAL INSTITUTIONS	9 COMPETITORS	10 COMMUNITY	11 INDUSTRY ASSOCIATIONS
› Convene the Annual General Meeting of Shareholders; › Facilitate regular quarterly engagements with investment funds, as well as additional meetings based on stakeholder requests; › Provide prompt and comprehensive responses to inquiries from both individual and institutional shareholders; › Conduct stakeholder sentiment assessments through periodic reports and surveys; › Ensure timely disclosure and seamless communication through the Corporation's official website.	› Actively engage in official meetings with the Government, ministries, regulatory bodies, state inspection agencies, and tax authorities to ensure compliance and strategic alignment; › Participate in high-level discussions and policy dialogues hosted by Petrovietnam, collaborating with members of the Government's economic advisory council to exchange insights and perspectives.	› Hold periodic monthly executive briefing meetings; › Carries out comprehensive inspections and supervisory activities across its subsidiaries; › Submit formal correspondences to seek guidance and approval from Petrovietnam; › Conduct an annual performance review and strategic alignment meeting with Petrovietnam.	› Organize the Employee Conference; › Hold periodic coordination meetings with the Trade Union; › Conduct structured surveys to gather insights and feedback from employees; › Evaluate workforce training needs through comprehensive assessments; › Establish a structured and competitive compensation and reward framework.	› Organize periodic client conferences on a monthly and quarterly basis; › Perform comprehensive client needs assessments tailored to each specific project.	› Engage in strategic discussions to explore collaboration opportunities with product and service suppliers.	› Engage in strategic discussions to explore collaboration opportunities with partners in the oil and gas industry both domestically and internationally.	› Engage with both domestic and international financial institutions to secure credit arrangements for strategic projects; › Take part in corporate credit rating assessments.	› Actively compete in domestic and global tendering processes; › Leverage insights from independent market research organizations.	› Engage in dialogues with local authorities to gain insights into policies and community aspirations; › Implement CSR initiatives, including charitable and social welfare programs, in operational regions and strategic expansion areas of PV Drilling.	› Engage in specialized conferences within the oil and gas; › Take part in the industry seminars focused on safety standards and advancements.

"BUSINESS SUCCESS IS BUILT ON STAKEHOLDER VALUE"

STAKEHOLDERS ENGAGEMENT & **ASSESSMENT OF KEY BUSINESS SECTORS** *(continued)*

STAKEHOLDER ENGAGEMENT IN PV DRILLING'S OPEARTIONS AND POLICIES

STAKEHOLDERS	EXPECTATIONS	FULFILL EXPECTATIONS	MAIN TASKS IN 2024
SHAREHOLDERS	A fully transparent information management system; A robust and well-structured corporate governance framework; Excellence in business operations and financial performance.	Efficient information disclosure channels.	Implement a well-balanced dividend policy aimed at maximizing shareholder benefits; Strictly adhere to information disclosure regulations; Strengthen corporate governance frameworks.
GOVERNMENT	Ensure full compliance with legal requirements, certifications, and regulatory licenses.	Conduct in-depth legal research; Adhere to safety and environmental regulations by securing all required permits and certifications; Execute comprehensive HSEQ initiatives alongside CSR programs.	Conduct thorough research and ensure widespread dissemination of legal regulations and newly enacted government policies, with a special emphasis on the Law on Enterprise, as well as relevant regulations and guidelines in securities and taxation.
PETROVIETNAM	Identify and implement strategic support measures for oil and gas contractors and service providers.	Receive policy support provided by Petrovietnam in the domestic drilling market; Gain strategic policy assistance to facilitate the expansion and development of services in international markets.	Ensure the continuous monitoring and timely updating of project information within the domestic market, with special emphasis on Petrovietnam's projects, including Ken Bau, Ca Voi Xanh, and Lô B – O Mon, etc.
EMPLOYEES	Maintain a fair, transparent, and well-defined working environment, with clear salary structures, rewards, and employee benefits; Implement a structured and professional training policy, fostering talent development and a robust succession planning framework.	Establish well-structured and balanced KPIs to effectively evaluate employee performance; Allocate investments in occupational health and safety systems, ensuring compliance with international standards; Strengthen human resource training and development initiatives.	Sustain a workforce with exceptional expertise and advanced technical proficiency; Foster a robust succession planning strategy; Cultivate a professional working environment where employees demonstrate a strong work ethic, continuous learning and innovation, integrity, and a deep appreciation for teamwork.
CLIENTS	Guarantee the highest safety standards in operations for all client's projects; Deliver superior operational efficiency while upholding the highest level of service quality; Ensure service contracts are clearly defined, with transparent pricing structures and well-articulated terms and conditions; Offer a highly skilled, professional, and dependable drilling workforce, committed to excellence.	Implement cost-sharing strategies with clients by optimizing service rate while maintaining exceptional service quality; Deliver bundled services to clients' drilling campaigns.	Offer optimal solutions to clients, particularly in the period of ongoing challenges within the oil and gas sector.

STAKEHOLDERS	EXPECTATIONS	FULFILL EXPECTATIONS	MAIN TASKS IN 2024
SUPPLIERS	Ensure fairness among all suppliers.	Implement a well-defined and transparent bidding evaluation framework; Cultivate strong and strategic partnerships with suppliers; Build a robust and expansive supplier ecosystem.	Proactively seek out and assess potential suppliers to reinforce the resilience and stability of PV Drilling's service supply chain.
PARTNERS	Ensure operational efficiency and uphold a commitment to professionalism.	Foster successful, mutually beneficial partnerships; Establish and expand strategic partnerships across regional and global markets.	Broaden the partnership network to foster collaborative opportunities among stakeholders.
FINANCIAL INSTITUTIONS	Ensure transparency and accountability within the corporate governance framework; Implement a robust and efficient enterprise financial management system.	Enhance and integrate corporate governance and financial management frameworks aligned with globally recognized standard.	Enhance corporate governance framework.
COMPETITORS	Ensure fairness and transparency in competitive practices.	Strengthen corporate reputation and competitive standing by ensuring transparency in operations and information disclosure.	Actively seek strategic collaboration and growth opportunities in international markets.
COMMUNITY	Understand the aspirations of the local community.	Foster sustainable community development; Make important contributions to local economic growth.	Maximize contributions to the community.
INDUSTRY ASSOCIATIONS	Stay informed on market trends by actively engaging in industry conferences and analyzing sector reports.	Maintain and develop HSEQ system, assessed by industry associations; Leverage insights from industry development trends to drive innovation and the expansion of new services.	Participating events held by Petrovietnam, VPI, and international oil and gas associations.

STAKEHOLDERS ENGAGEMENT & **ASSESSMENT OF KEY BUSINESS SECTORS** *(continued)*

ASSESSMENT OF KEY BUSINESS SECTORS

Assessment of key business sectors is a fundamental component of PV Drilling's sustainable development strategy. Relevant factors are systematically classified by topic, ensuring that resources are strategically allocated to assess material issues across Environmental, Social, and Governance (ESG) domain.

Beyond prioritizing resource allocation to key areas such as drilling rig operational safety, PV Drilling has also made substantial investments in key domains encompassing ESG. In alignment with this commitment, PV Drilling has successfully achieved its business objectives, maintained full compliance with legal regulations, strengthened corporate governance frameworks, contributed to economic development, and maximized value creation for shareholders and stakeholders alike.

In 2024, PV Drilling undertook a comprehensive study of the European Sustainability Reporting Standards and initiated the implementation of the "double materiality assessment" approach to enhance corporate governance practices. This newly introduced methodology, first presented by the European Commission in 2023, provides a structured framework for businesses to assess and report on the interconnections between material environmental and social impacts and their corresponding financial implications.

This methodology empowers businesses to expand their accountability in response to increasing challenges related to climate change, social inequality, and governance. Furthermore, it facilitates comprehensive risk management, drives innovation, strengthens stakeholder engagement, enhances transparency and credibility, ensures compliance with regulatory requirements, and aligns with global sustainable development standards. By showcasing a firm commitment to sustainability, this approach reinforces trust among customers and key partners, thereby fostering long-term and sustainable business growth.

07 STEPS OF KEY BUSINESS SECTORS

STEP 1 — Understand the purpose and scope of assessment for key areas

- Identify risks and opportunities related to environment, society and corporate governance;
- Evaluating sustainable development strategy;
- Review and update PV Drilling's mission and vision;
- Identify topic and scopes of sustainable development strategy;
- Connect critical areas to internal and external personnel;
- Identify future trends that impact business operations;
- Identify all targets in order to improve business performance and sustainable development.

STEP 2 — Identify critical areas

- The most important sectors are defined as elements which identified as extremely important and will have a direct and immediate impact on PV Drilling's operations;
- Assigning responsibilities to specialized functional departments who giving opinions on key areas that are the factors affecting PV Drilling's activities;
- Assess systemic risks by industry sector;
- Evaluate opportunities from improving business operations including reducing;
- Allocate internal sources and external communication including internal reports, Environmental and Social Governance (ESG) standards, ASEAN Governance, Scorecard and Principles of Corporate Governance (August 2019) and other, Environmental and Social surveys of financial institutions;

STEP 3 — Classify critical areas

- Identify stakeholders by social, economic and environmental topics;
- Assess the social, economic and environmental impacts related to production and business activities and the possibilities that may occur in the future.

STEP 4 — Collect key business, stakeholder, social, economic and environmental information in the most critical areas

- Consider relevant stakeholders for each topic;
- Develop a method of scoring criteria for each field;
- Evaluate the importance of each area related to the business according to factors such as current and future risks, market opportunities.

STEP 5 — Classify priority areas

- Identify functional areas where internal stakeholders are located and put relevant personnel to participate in the evaluation of critical areas;
- Leverage the findings from Step 4 to filter and prioritize material topics of strategic importance to PV Drilling.

STEP 6 — Analyze and collect feedback from the Board of Management

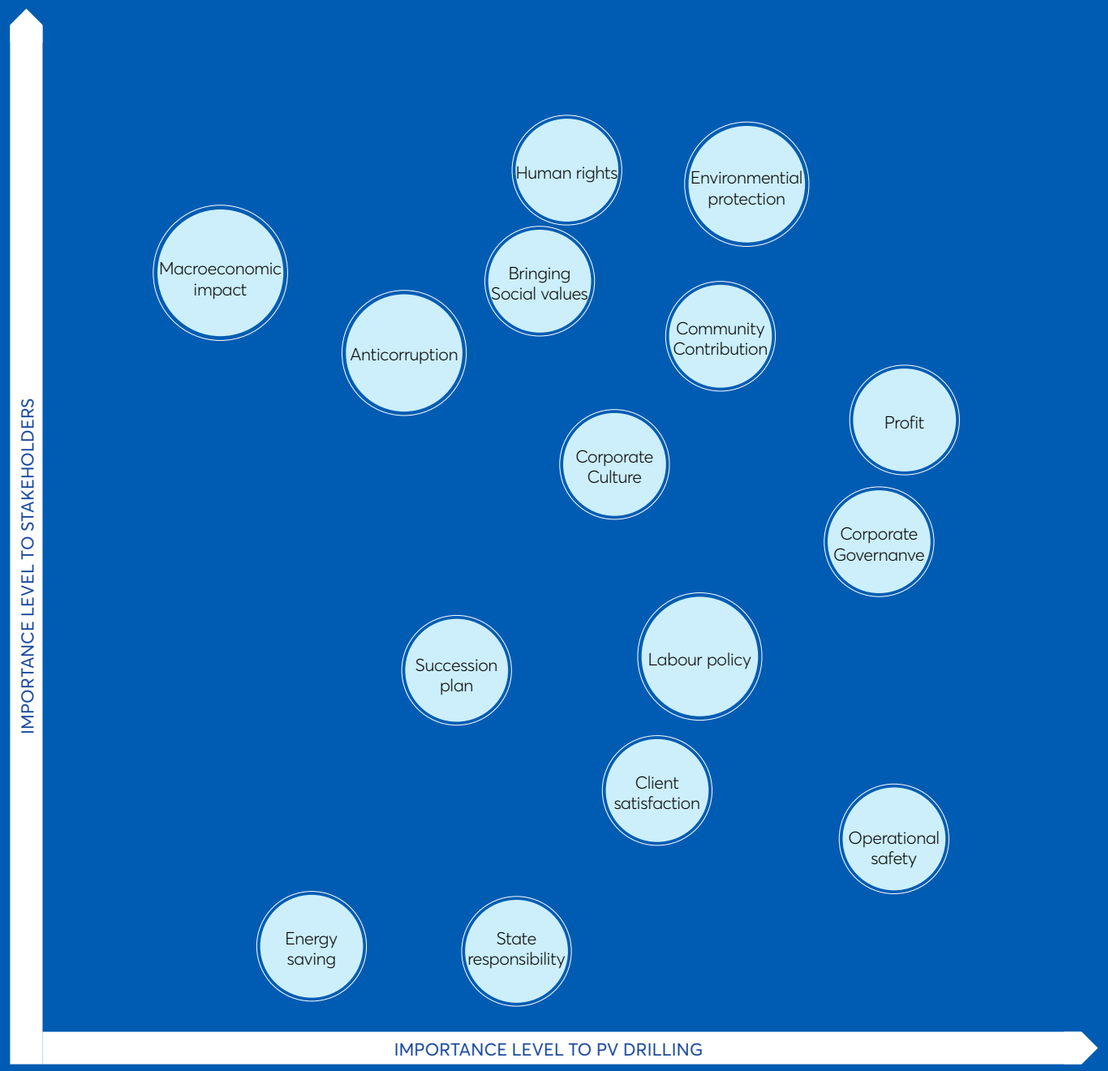
- Select internal stakeholders including leaders and management personnel who play an important role in PV Drilling's operations;
- Reports and offers solutions to Board of Management.

STEP 7 — Analyze and collect feedback from stakeholders

- Consult with stakeholders including clients, partners, and government agencies. For the clients, review the service quality feedback that has been obtained during service delivery, supplier engagement, and work communication with interested parties. For partners, review periodic reviews of providers and services.

STAKEHOLDERS ENGAGEMENT & **ASSESSMENT OF KEY BUSINESS SECTORS** *(continued)*

MATRIX OF KEY BUSINESS SECTOR



PV DRILLING'S COMMITMENTS ON SAFETY - HEALTH - ENVIRONMENT - QUALITY (HSEQ) IN BUSINESS ACTIVITIES

In an effort to contribute to the realization of the vision " To be an internationally reputable and reliable drilling contractor and drilling-related services provider in the oil and gas industry", PV Drilling has focused on establishing, maintaining effectiveness of and continually improving the Integrated Management System of Safety – Health – Environment – Quality (HSEQ) since our foundation. Accordingly, in 2024, in addition to maintaining the effectiveness of the Integrated Management System, PV Drilling also prioritizes environmental protection, energy saving and emission reduction to achieve the goal of sustainable development.



I. HSEQ ACTIVITIES

In 2024, global and Southeast Asian drilling market demand remained high. This presented opportunities but also posed significant challenges for PV Drilling in meeting increasingly strict customer requirements, particularly regarding HSEQ performance. Consequently, PV Drilling needed to continuously maintain and enhance the effectiveness of the Integrated Management System of Safety – Health – Environment – Quality, which is currently being implemented effectively in all working areas, including land rigs, offshore drilling rigs, and onshore facilities of all subsidiaries and joint venture companies.

1. Improve the quality of services

Customer satisfaction is one of our top priorities and a crucial factor in determining existence and sustainable development. Therefore, in recent years, PV Drilling has consistently implemented comprehensive solutions to affirm service quality by enhancing operational and management capabilities. At the same time, we have conducted research and monitored our customers' actual needs to identify shortcomings, address them promptly, minimize potential damages, and deliver the highest service value to our customers. The customer satisfaction survey results in 2024 showed that 99% of the surveyed customers rated PV Drilling's service quality as good or very good.

2. Occupational Health and Safety (OH&S) Management

Hazard Identification and Risk Assessment

As required by PV Drilling, hazard identification, risk assessment, environmental aspect assessment, and management of change must be reviewed and completed before carrying out any job. This is a prerequisite and mandatory requirement applied to all aspects of PV Drilling's production and business activities.

In 2024, PV Drilling's Risk Assessment and Occupational Health and Safety (OH&S) Management were consistently well-maintained and rigorously implemented, earning high recognition from both domestic and international customers, including the most demanding ones.

Safety Supervision

Observation and supervision of workplace safety are continuously maintained at both onshore and offshore facilities. In 2024, the HSEQ Division of PV Drilling conducted three unannounced HSE visits and one HSE walkabout at onshore facilities across the Corporation. These inspections provided employees and supervisors with opportunities to communicate, share findings, exchange best practices, and identify areas for improvement in OH&S performance, all aimed at maintaining safe and healthy workplaces.

PVD Observation Report Programme

The PVD Observation Report Programme is one of the most important safety tools utilized in the workplace. In addition to identifying opportunities for improvement and potential hazards that employees may encounter while working, PVD Observation Report cards are also used to recognize positive actions and good practices performed by colleagues, thereby enhancing the safety culture at PV Drilling Corporation. The aim of this program is to ensure that PV Drilling's employees consistently prioritize safety for themselves and their co-workers while also focusing on environmental protection. By implementing the PVD Observation Report Programme effectively and comprehensively, HSE performance across all of PV Drilling's business activities is continuously monitored, recorded, and communicated to employees in a timely manner. In 2024, a total of 203,077 PVD Observation Report cards were submitted, marking a 34.5% increase compared to 2023.

Safety Campaign

PVD Drilling Division, a subsidiary of PV Drilling Corporation responsible for directly managing and operating the drilling rigs owned by PV Drilling, consistently focuses on launching quarterly Safety Campaigns to raise employee awareness of potential hazards onboard the drilling rigs that could lead to incidents. During each Safety Campaign, various hazards and best practices related to the campaign's specific theme are presented, explained, and shared with employees through multiple formats, including video clips, posters, safety alerts, presentations, and discussions in safety meetings. In 2024, four Safety Campaigns were launched with the following themes: Line of Fire, Dropped Objects, Situation Awareness, and 5 Ps: Proper Preparation Prevents Poor Performance.

Health Check-up Program

In 2024, PV Drilling implemented the Annual Health Check-ups Program for all employees across the Corporation, both in Ho Chi Minh city and Ba Ria-Vung Tau province. The program aimed to provide employees with high-quality healthcare services (under reasonably applicable conditions), including early screening for critical diseases. The checklist for the Annual Health Check-ups was determined by PV Drilling based on various requirements for different groups of employees, specifically as follows:

- Employees working in offices, onshore workshops, and facilities;
- Employees working on offshore facilities;
- Drivers.

PV DRILLING'S COMMITMENTS ON SAFETY - HEALTH - ENVIRONMENT - QUALITY (HSEQ) IN BUSINESS ACTIVITIES *(continued)*

3. HSE Statistics of the rigs in 2024

3.1. Overall HSE statistics of the fleets

No.	Accident/Incident	2023	2024
1	Near miss	3	2
2	Property Damage	3	8
3	Oil / Chemical Spill	0	0
4	First Aid Case	3	3
5	Medical Treatment Case / RWTC	3	1
6	Lost Time Incident (LTI)	0	1
Total		12	15

3.2. Incident Frequency Rates of PV Drilling's rigs in comparison to statistics of IADC (International Association of Drilling Contractors)

a. Offshore Drilling Rigs

Incident rates		PV Drilling (Offshore)	IADC (Asia Pacific Water)
2023	LTIFR	0.00	0.23
	TRFR	0.98	1.11
2024	LTIFR	0.37	0.37
	TRFR	0.73	0.99

b. Land rigs

Incident rates		PV Drilling 11 (Land rig)	IADC (Africa Land Region)
2023	LTIFR	0.00	1.67
	TRFR	0.00	5.89
2024	LTIFR	0.00	1.33
	TRFR	0.00	4.33

Note:
1) LTIFR: Lost Time Incident Frequency Rate
2) TRFR: Total Recordable Frequency Rate

$$\text{LTIFR} = \frac{\text{Total number of LTI} \times 1{,}000{,}000}{\text{Total manhours}}$$

$$\text{TRFR} = \frac{\text{Total number of RI} \times 1{,}000{,}000}{\text{Total manhours}}$$

II. ENVIRONMENTAL MANAGEMENT

PV Drilling operates in the field of providing drilling rigs, drilling-related services, manpower, and training program services for the oil and gas industry (both offshore and onshore), so the direct environmental impact during operations are negligible. However, in order to achieve the goal of sustainable development, PV Drilling has developed and implemented an online HSEQ reporting system. Through this software, the monitoring of energy usage, natural resources, as well as waste disposal is closely tracked. The software also helps to reduce the use of paper and ink, such as the traditional paper reports in the past.

Additionally, in order to maintain the effectiveness of the environmental management system at PV Drilling, the inspections and supervision of subsidiaries are conducted rigorously and closely through regular or unscheduled inspections such as HSE Walkabouts or Unannounced visits, Internal audits, etc.

1. Energy and emissions management

1.1. Promoting technological innovation and increasing energy efficiency are essential for reducing greenhouse gas emissions

PV Drilling's operation activities often utilize direct fuel sources (Diesel oil) and direct energy sources (electricity) to power generators, hydraulic compressors, air compressors, cranes, lifting equipment, vessels, etc., and other specialized equipment and machinery. Due to the characteristics of PV Drilling's operations, as mentioned above, its energy consumption cannot be calculated per unit of product as in other industries. However, we understand that monitoring the energy use process, applying technology to mitigate environmental impact, and responding to climate change is essential for greening business operations and protecting the environment. Therefore, fundamental data on energy and resource consumption are monitored and statistically analyzed on a monthly basis.

a. Switching to energy-efficient appliances
Since 2022, PVD DD has implemented a project to replace existing light bulbs with LED lights on the PV Drilling's rigs to save energy. By the end of 2025, all PV Drilling's rigs are expected to use 100% LED lights, depending on the conditions of each rig.

Table 1. Data on replacing fluorescent lamps with LED lamps on PV Drilling's rigs

Rig's Name	Number of bulbs need to be replaced	Number of Bulbs Replaced	Percentage of bulbs replaced by December 2024
PV DRILLING I	823	696	85%
PV DRILLING II	802	751	94%
PV DRILLING III	859	708	82%
PV DRILLING V	1,171	844	72%
PV DRILLING VI	966	531	55%
PV DRILLING 11 (*)	273	250	92%

(*) Data is calculated up to April 2024.
The project has contributed to a reduction of approximately 404.5 tons of diesel oil consumption in 2024.

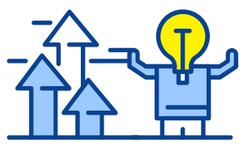
b. Promoting technological innovation
The Drilling Division has been deploying the MAESTROTM software application at PV DRILLING V rig since September 2023, with a cost of approximately USD 154,466 (funded by BSP customer). The software has been officially operated since August 2024. MAESTRO™ is an additional application designed to control drilling operations based on the AmphionTM system. This software helps operators reduce fuel consumption while maintaining safe drilling operations. By monitoring drilling equipment in real time, MAESTRO™ calculates and determines the necessary power generation levels to effectively match rig operations and ensure safety.

Project results: It is estimated that when officially operational, MAESTRO™ will reduce energy consumption by 7% (approximately 577.8 tons of DO per year) for drilling system equipment (such as Drawwork, Top Drive and Mud Pump) compared to when the software was not applied.

c. Switch to fuels with low greenhouse gas emissions
Since 2023, the PV DRILLING II rig has been using Bio-Diesel fuel for its generators instead of Diesel fuel to reduce greenhouse gas emissions. The cost of Bio-Diesel consumption on the PV DRILLING II rig is covered by Pertamina.

Bio-Diesel has a lower greenhouse gas emission coefficient than Diesel, thus contributing to a reduction in overall emissions.

In 2024, the PV DRILLING II rig used 2,865.4 tons of Bio-Diesel, resulting in greenhouse gas emissions of 5,496.6 tons of CO2e. This represents a decrease of 3,663.8 tons of CO2e compared to using Diesel.



Since 2022, PVD DD has implemented a project to replace existing light bulbs with LED lights on the PV Drilling's rigs to save energy. By the end of 2025, all PV Drilling's rigs are expected to use 100% LED lights, depending on the conditions of each rig.

PV DRILLING'S COMMITMENTS ON SAFETY - HEALTH - ENVIRONMENT - QUALITY (HSEQ) IN BUSINESS ACTIVITIES *(continued)*

1.2. Monitoring and controlling fuel consumption

PV Drilling has been using PVD HSEQ Online Reporting software since 2018 to monitor energy consumption, fuel consumption, and emissions on a monthly basis, aiming to improve energy efficiency during operations. The software enables quick and effective tracking and management of data related to energy consumption and environmental emissions.

Table 2. The fuel consumption in 2023 & 2024

The fuel consumption	2023	2024	% up(+)/ down(-)
Electricity (kWh)	2,261,910	2,339,284	3.4
Diesel oil (ton)	41.81	36.20	-13.4

1.3. The electricity consumption rate

Year	Electricity consumption (KwH)	Working hour (hour)	The electricity consumption rate per unit of working hour (KwH/hour)
2024	2,339,284	4,763,828	0.49
2023	2,261,910	5,039,724	0.45
2022	2,373,570	5,067,267	0.47
2021	2,431,391	4,465,243	0.54
2020	2,655,101	4,102,316	0.65

PV Drilling's electricity consumption per working hour increased due to a rise in overall electricity consumption in 2024 compared to 2023. As a service company, the increase or decrease in electricity usage should not only be calculated based on working hours but also considered in relation to changes in revenue. In comparison to 2023, PV Drilling's revenue rose by 55% in 2024, whereas electricity usage increased by only 3.4%.

2. Emissions inventory

2.1. Greenhouse gas inventory

In all of our operations, PV Drilling consistently aims to reduce greenhouse gas emissions by applying very strict maintenance procedures for machinery and equipment: all machines and equipment are maintained according to the manufacturer's requirements and instructions; ensuring compliance with industry standards and international conventions. As a result, the machinery and equipment remain in good working condition and safe, contributing to reduced fuel consumption and lower greenhouse gas emissions.

PVD DD has implemented three fuel consumption reduction projects (as described in the fuel consumption section above) that have contributed to reducing greenhouse gas emissions, specifically as follows:

- The project to replace light bulbs with LED bulbs on PV drilling rigs has reduced diesel oil consumption by 404.5 tons per year, resulting in a decrease of CO2 emissions by 1,213.9 tons per year.
- The MAESTRO™ software application project at the PV DRILLING V rig, which has been officially put into operation since August 2024, is estimated to reduce greenhouse gas emissions by 1,847.2 tons of CO2e per year (converted from a reduction in the consumption of 577.8 tons of DO per year).
- The solution of replacing Diesel fuel with Bio-diesel for the generators on the PV DRILLING II rig has contributed to a reduction in emissions of 3,663.8 tons of CO2e in 2024.

Although the above 3 projects or solutions are implemented on rigs owned by PV Drilling, the fuel consumed on these rigs is paid for by customers, therefore this fuel consumption is not included in PV Drilling's scope 1 and scope 2. Specifically, PV Drilling's scope 1 includes diesel oil for cars, generators, and oil spill response vessels, while its scope 2 includes electricity consumed in offices and factories.

To monitor air pollution and control emission sources, PV Drilling has collected date on emissions from fuel consumption during production, in accordance with PVN's emission inventory program.



Table 4. PV Drilling's greenhouse gas emissions in 2023 and 2024

Category of emissions	Greenhouse gas emissions in 2023 (ton CO2e)	Greenhouse gas emissions in 2024 (ton CO2e)	% increase/ decrease
Direct greenhouse gas emissions (scope 1)	155.48	114.93	-26.08%
Indirect greenhouse gas emissions (scope 2)	1,530.41	1,542.06	0.76
Total	**1,685.89**	**1,656.99**	**-1.71**

The amount of greenhouse gas emissions from PV Drilling decreased by 1.71% in 2024 compared to 2023.

2.2. Emissions inventory

Based on annual fuel consumption, PV Drilling has also conducted an inventory and monitored emissions.

Table 5. Emissions in 2023 and 2024

Year	DO consumption	Emissions (Ton)			
		NOx	CO	VOC	SOx
2024	36,2	2.15	0.57	0.07	0.01
2023	41,81	2.48	0.66	0.08	0.02

PV DRILLING'S COMMITMENTS ON SAFETY - HEALTH - ENVIRONMENT - QUALITY (HSEQ) IN BUSINESS ACTIVITIES *(continued)*

3. Water Management

3.1. Water supply

On PV Drilling's rigs, domestic water is transported from municipal water sources to the rigs, and the cooling water on the rigs is taken from seawater. For offices and onshore workshops, domestic and production water sources are supplied from municipal water sources of water supply plants.

3.2. Monitoring and controlling water consumption

Monthly water consumption has been declared on the PVD HSEQ Reporting online system since 2018. Water consumption statistics for the past two years are shown in Table 6.

Table 6. Summary of water consumption of onshore production facilities and offices

Type	2023	2024	% increase/ decrease
Water consumption (m^3)	16,444	20,985	27.6

Total water consumption in 2024 increased by 27% due to heightened operations at PV Drilling's subsidiaries, resulting in increased water usage. Typically, PVD DD and PVD Deepwater saw an increase of 64%, PVD Logging by 67%, PVD Tech by 48%, PVD Offshore by 18%, and PVD Well Services by 38%.

3.3. Improving production processes to reuse water

PV Drilling promotes water conservation and proper usage among employees through various channels, including the email system, promotional banners/ standees, bulletin boards, HSE meetings, and the HSEQ Newsletter, etc.

Some PV Drilling's subsidiaries have also successfully researched and applied production rationalization initiatives to enhance the product and service quality, conserve natural resources, and reduce emission. A notable example is PVD Offshore's workshop, which utilizes a closed-loop washing system to filter and reuse wash water for rigs. As a result, PVD Offshore recycled 2,300 m^3 of water in 2024, accounting for approximately 10.96% of PV Driling's total water consumption.

3.4. Wastewater treatment

All of PV Drilling's onshore workshops are located within the industrial zones, allowing for the collection of all wastewater into the centralized wastewater treatment system of these zones.

PV Drilling's rigs strictly comply with local and international environmental regulations, conventions, and laws. For wastewater treatment on offshore rigs, PV Drilling has installed modern wastewater treatment systems to treat domestic wastewater, production wastewater, reservoir water, etc., meeting the requirements of Vietnamese standards or international standards before being discharged into the sea, in compliance with international conventions to which Vietnam is a party. The discharge treatment systems are regularly maintained to ensure optimal operation and compliance with the standards and legal requirements.

100% of wastewater is treated in accordance with legal regulations.

Table 7. Summary of wastewater generated in 2023 and 2024

No.	Category of wastewater	Unit	2023	2024	% increase/ decrease
1	Domestic wastewater	m^3	8,614.2	10.823	25,6
2	Industrial wastewater	m^3	4,740.8	6.056	27,8

The increase in wastewater is due to increased water usage as explained above.

4. Solid Waste Management

Waste management has always been a top priority in all PV Drilling's operation activities, including offices, workshops, as well as all offshore rigs. The waste management process at each subsidiary and PV Drilling rigs is strictly enforced, with disposal, classification, collection, and transfer to treatment units in compliance with legal and international regulations.

Waste segregation is rigorously implemented across all of PV Drilling's subsidiaries. The waste generated from PV Drilling's operations includes 3 main types: domestic solid waste, common industrial solid waste, and hazardous waste. Waste is classified and stored based on its characteristics - solid, liquid, or sludge - right at the source. All PV Drilling's subsidiaries have appropriate waste classification procedures for their operations and sign contracts with companies responsible for treatment in accordance with legal requirements.

The waste on the rig is carefully classified before being sent back to the mainland, adhering to both Vietnam's regulations and those of the host countries when operating overseas.

Table 8. Summary of waste generated in 2023 and 2024

No.	Category of waste	Unit	2023	2024	% increase/ decrease
1	Domestic solid waste	ton	67.6	63.05	-6.7
2	Common industrial solid waste	ton	22.0	12.11	-44.9
3	Hazardous waste	ton	168.1	107.31	-36.2
Total		**ton**	**257.66**	**182.47**	**-29.2**

In 2024, 100% of generated waste were treated properly.

PV Drilling also places great importance on saving fuel in all of its activities, especially by raising employees' awareness. This includes practice in the office (using paper double-sided printing, saving electricity and water), and in workshops (reusing used gloves and rags, regularly maintaining equipment, increasing energy efficiency and optimizing the energy use of machinery and equipment, etc.). As a result, there was a decrease in diesel oil usage by 13.4%, household waste by 6.7%, general industrial waste by 44.9%, and hazardous waste by 36.2% compared to 2023.

5. Protecting biodiversity and ecosystems

PV Drilling's offices and workshops are located in existing residential areas or operational industrial parks, ensuring they do not impact the ecosystem and biodiversity.

Particularly for offshore rigs, strict compliance with all legal regulations as well as international regulations on waste discharge is maintained:

- Food waste is crushed to a size of less than 25 mm before being discharged into the sea.
- Waste on PV Drilling's rigs is classified and temporarily stored in color-coded containers, then transported to shore for transfer to authorised waste treatment units in accordance with regulations.
- The use and discharge of water in the rig's operational area comply with international and local laws.

6. Risk control and pollution prevention, along with the management of environmental incidents that may occur during PV Drilling's core activities

The environmental management system at PV Drilling operates according to ISO 14001:2015, with a risk-based management mindset: environmental aspects in PV Drilling's operations are identified, and their impact levels are assessed to develop appropriate management measures. This process is outlined in the Managing risks and opportunities for health, safety, environment and quality (PVD/HSEQ/023), which is re-evaluated annually or whenever there are any related changes.

At PV Drilling, environmental management encompasses not only the minimization of negative environmental impacts, but also the identification of opportunities for improvement of the environmental management system. This is specified in the Risk and opportunity management on Occupational Health - Safety – Environment - Quality procedure (PVD/HSEQ/023).

PV Drilling's core services include drilling and well services. All of PV Drilling's rigs have developed emergency response manuals that covers oil and chemical spills, reflecting their understanding of the importance of risk control and pollution prevention in these core activities. Additionally, drills are conducted on rigs to test and train readiness incident response. Periodic drills to respond to oil and chemical spills are conducted according to the annual plan for each rig.

7. Recycling

As a technical service provider in the oil and gas industry, PV Drilling does not use raw materials to manufacture products, nor does it engage in packaging or wrapping, so there is no resulting in no recycling activities.

8. Improving the health of the work environment

PV Drilling consistently focuses on maintaining and improving healthy working environment for all employees and workers through specific activities such as conducting annual workplace environment monitoring, providing adequate personal protective equipment (PPE), and developing and effectively implementing procedures to control harmful factors in the workplace.

In 2024, PV Drilling collaborated with the Ho Chi Minh City Center for Disease Control to monitor the working environment of all our subsidiaries. This activity aimed to proactively detect harmful

PV DRILLING'S COMMITMENTS ON SAFETY - HEALTH - ENVIRONMENT - QUALITY (HSEQ) IN BUSINESS ACTIVITIES *(continued)*

factors exceeding permissible limits and propose corrective measures (if necessary) to enhance the working environment, thereby contributing positively to improving workplace conditions for employees. According to the results of the 2024 working environment monitoring, several recommendations were made to enhance working conditions, as outlined below:

- Replace light bulbs in designated work areas to ensure appropriate illumination for office staff.
- No air contamination levels exceeding the allowed thresholds were detected at offices, workshops, onshore bases, and drilling rigs.
- Microclimatic factors such as temperature, humidity, wind speed, and thermal radiation were strictly controlled in all office areas, workshops, onshore bases, and drilling rigs.

In production areas where hazardous chemicals are used, employees are required to wear the provided personal protective equipment as stipulated and strictly adhere to procedures related to chemical handling to minimize exposure to toxic substances.

9. Engaging in community programs and raising awareness about environmental issues

PV Drilling always attaches great importance on its environmental responsibility towards the community. Every year, by reviewing the organization's context, PV Drilling assesses the needs and expectations of relevant interested parties, especially the communities and localities where it operates offices or factories. The results of this review provide input for action planning to address annual environmental risks, opportunities and goals.

Environmental protection programs have also been regularly implemented by PV Drilling every year, such as Earth Hour, World Oceans Day, and the Month of Action for the Environment... Their specific activities include reusing paper on both sides, conserving energy, reducing water usage, and optimizing the use of operational materials, etc. These campaigns not only contribute to raising workers' awareness of environmental protection, but also create a more professional working environment for PV Drilling's employees.

In order to raise awareness about environmental protection among employees and the community, PV Drilling has utilized banners, electronic bulletin boards, and the HSEQ newsletter.

At the same time, PV Drilling has also actively participated in the "Planting 3 million trees" program initiated by the Vietnam Oil and Gas Group in the period of 2022 – 2025, as a part of the "Planting one billion trees - for a green Vietnam" project approved by the Prime Minister. In 2024, PV Drilling planted 15,614 trees, bringing the total number of trees planted under the program to 26,014 trees.

Moreover, PV Drilling has actively engaged in environmental protection programs within the community. In May 2024, PVD Training collaborated with Vung Tau Run&Pick to conduct a beach clean-up in Vung Tau city, resulting in the collection of approximately 300 kg of trash.

10. Compliance with legal requirements on environment

The environmental management system at PV Drilling operates according to ISO 14001 standards and has been certified since 2006, maintaining its effectiveness to this day.

The updating of environmental legal requirements is strictly regulated in the procedure of compliance with Legal and other applicable requirements (PVD/HSEQ/007) and is regularly communicated through quarterly workshops, HSEQ Newsletter, etc.

In 2024, PV Drilling faced no environmental penalties from authorities, experienced no environmental incidents, and received no environmental complaints from the surrounding community.

PV Drilling is dedicated to promoting environmental protection across all its activities and assessing compliance with environmental laws, as well as the environmental impacts of subcontractors and suppliers, which are integrated into HSEQ assessment plans. Every year, PV Drilling develops a rigorous HSEQ evaluation program for subcontractors and suppliers. In 2024, PV Drilling evaluated the HSEQ management systems of companies such as Claxon, NOV, TND, Ha Loc, ICO, LDT, PTSC SB, Duc Tung Co., Ltd, HT Co., Ltd, Techmaster... The audit results have been documented and agreed upon by all parties in order to improve environmental protection and ensure compliance with relevant legal requirements.



III. OUTSTANDING ACHIEVEMENTS IN HEALTH – SAFETY – ENVIRONMENT – QUALITY ACTIVITIES IN 2024 OF PV DRILLING

HSEQ Integrated Management System is maintained in accordance with the requirements of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, which were continuously improved and applied effectively throughout PV Drilling. In addition to the application of these standards, three subsidiaries are also applying API Q1 standard: PVD Offshore, Vietubes and PVD – OSI. PVD Well Services applies API Q2 standard and PVD DD is expected to implement API Q2 standard in Q3/2025; Joint venture PVD - Baker Hughes applies the Global System of the Holding Company.

Drilling rigs owned by PV Drilling have achieved multiple consecutive years of safe operation without any Lost Time Incident (Zero LTI), as recognized by the International Association of Drilling Contractors (IADC), as follows:

- PV DRILLING II got 15 consecutive years of safe operation without Lost Time Incident (Zero LTI) on September 15, 2024.
- PV DRILLING III got 5 consecutive years of safe operation without Lost Time Incident (Zero LTI) on December 7, 2024.
- PV DRILLING VI got 9 consecutive years of safe operation without Lost Time Incident (Zero LTI) on February 28, 2024.
- PV DRILLING V got 12 consecutive years of safe operation without Lost Time Incident (Zero LTI) on December 3, 2024.
- PV DRILLING 11 got 8 consecutive years of safe operation without Lost Time Incident (Zero LTI) on July 1, 2024.

These outstanding achievements have undoubtedly played a vital role in strengthening PV Drilling's reputation and image on the international stage, establishing a solid foundation for the Corporation to pursue its strategy of providing drilling and drilling-related services to countries in Southeast Asia and beyond.

DEVELOPING A SUSTAINABLE **RELATIONSHIP WITH THE STATE**



PV Drilling's sustainable development strategy is built on ensuring the harmony of three key factors: Economic development, Community support, and Environmental protection. Therefore, alongside ensuring solid economic growth, PV Drilling consistently pursues sustainable development activities with a human-centered approach.

The relationship between the State, businesses, and citizens is a dialectical and mutually influential one. The State plays a role in creating a favorable, transparent, and open business environment; issuing regulations, monitoring, supervising, and guiding business activities. Businesses, based on the State's direction, develop effective production and strategies, generate employment/create jobs, and produce goods and services to drive economic growth. Citizens, in turn, comply with the law as well as fulfill their rights and obligations as members of society.

Oil and gas is a crucial sector for the country's politics, economy (especially the marine economy), national security, and defense. It is a comprehensive industry with connections from the central to local levels, extensive international cooperation, and a combination of industrial, financial-commercial, high-tech production, and service characteristics. The amended Petroleum Law introduces several groundbreaking provisions, detailing the responsibilities of state management, enterprise management, and the roles of the Government, ministries, and Petrovietnam. Notably, it clarifies Petrovietnam's role in both state management and investor (contractor) responsibilities, thereby enhancing its proactive role in investment approval and evaluation. This includes technical and commercial approvals such as exploration programs, drilling programs, field development plans (ODP/FDP), economic estimates, and investment reports.

Therefore, PV Drilling will study and apply the amended Petroleum Law and existing policies to optimize its business operations, ensure compliance with state regulations, and continue making significant contributions to the business performance of both Petrovietnam and PV Drilling.



LAUNCHING THE "IFRS IMPLEMENTATION PLAN" AT PV DRILLING

PV Drilling is preparing for the adoption of IFRS in accordance with the Ministry of Finance's scheme for the "Adoption of International Financial Reporting Standards in Vietnam" in order to develop solutions for and prepare the transition of consolidated financial reporting to IFRS at PV Drilling, with implementation expected to begin in 2025 and continue in the following years.

The adoption of IFRS will not only facilitate PV Drilling's deeper integration into the global economy, attract foreign investment, maintain competitiveness, and ensure sustainable development but also have a far-reaching impact on the entire stock market by helping standardize and enhance financial transparency, boosting investor confidence in both domestic and international markets.



DEVELOPING A SUSTAINABLE **RELATIONSHIP WITH THE STATE** *(continued)*

OVERVIEW OF THE IFRS CONVERSION SOLUTION

Assumption for the conversion of consolidated financial statements for the fiscal year ending on 31/12/2025 (the first year of IFRS adoption) to support the preparation of the consolidated financial statements of the parent company PVN.

Holding company

7 Subsidiaries

6 Joint venture companies

Phase 1: Data conversion as of January 1, 2024 (IFRS first-time adoption date)

Prepare the balance sheet as of January 1, 2024, under IFRS, presented in USD and converted to VND

Task 1.1

Compare the differences between PV Drilling's accounting policies and IFRS standards, identifying their impact on the consolidated financial statements.
Assess the readiness for IFRS adoption based on accounting differences across four factors: Accounting Policies, Data, Systems, and Processes.

Task 1.2

Conduct general training on IFRS standards for Finance and Accounting personnel of the Parent Company and its Subsidiaries.

Task 1.3

Implement the conversion of the consolidated financial statements in compliance with IFRS 1 as of 01/01/2024.
Organize practical training sessions illustrating the conversion of consolidated data under IFRS for 01/01/2024 according to each IFRS standard.

Phase 2: Finalizing accounting documents for IFRS application

Develop documents for preparing and presenting financial statements under IFRS to maintain IFRS application in practice

Task 2

Developing IFRS application documents:
- Accounting manual guiding IFRS application
- IFRS-compliant chart of accounts
- Consolidated financial statement disclosure templates
- Process for preparing consolidated financial statements under IFRS at PV Drilling

Phase 3: Preparing the IFRS 1 Compliance Report

Convert financial statements for 2024 and 2025 to IFRS, prepare in USD and convert to VND

Task 3.1

Review the conversion of the consolidated financial statements for the fiscal year ending on 31/12/2024 according to IFRS

Task 3.2

Review the conversion of the consolidated financial statements for the fiscal year ending on 31/12/2025 according to IFRS and the first-time adoption of IFRS-compliant consolidated financial statements under IFRS 1

Drilling services — **Trading** — **Well technical and other services**

TAXES



For PV Drilling, fulfilling tax obligations to the State Budget is an essential part of corporate social responsibility and business ethics—key components of corporate culture. Upholding business ethics requires PV Drilling to operate with dedication to customer service, respect customers' rights and interests, and maintain its reputation. It also necessitates ensuring the interests of the State by properly fulfilling/complying obligations, including tax responsibilities. Over the years, PV Drilling has consistently adhered to the principle of complying with legal regulations in all operations and diligently fulfilling corporate responsibilities such as tax payments and social insurance contributions, thereby contributing to economic growth and national development.

Besides fulfilling tax obligations to the State Budget in Vietnam, PV Drilling has made efforts to study investment policies, tax policies, and protection policies in the countries where it operates. With transparency and high compliance, PV Drilling has successfully adhered to the regulations of these countries, having remarkable achievements as follows:

- **In Malaysia:** research and understanding of local policies have enabled PV Drilling to fully comply with the legal regulations applicable to foreign investors. This compliance was reflected in 2023 when the Malaysian tax authorities refunded part of the withholding tax that PV Drilling had temporarily paid for the years 2018 and 2019. The remaining amount for these years was fully refunded in 2024. Currently, PV Drilling has completed the necessary procedures to claim refunds for withholding taxes paid in subsequent years and is awaiting further refunds from the tax authorities.
- **In Indonesia:** Indonesia's Local Content policy poses significant challenges for foreign enterprises. However, through in-depth research into investment, labor, and tax policies, PV Drilling has successfully navigated these regulations and is operating effectively in the country. PV Drilling has also taken the lead in establishing the ADMIN JO joint venture with an Indonesian agent to handle tax declarations and VAT refund procedures. This initiative demonstrated PV Drilling's proactive approach in leveraging local legal frameworks. By the end of 2024, PV Drilling is in the process of obtaining approval to establish the PT PetroVietnam Drilling Indonesia Joint Venture Company, with completion expected in 2025.
- **In Singapore:** PV Drilling has studied and applied tax policies, IFRS financial reporting standards, and Double Taxation Agreements between Vietnam and Singapore, as well as between Singapore, Malaysia, and Indonesia. This approach helps optimize tax expenses in Singapore and across other operating countries.
- **In Brunei:** PV Drilling has studied and leveraged tax incentive policies for oil and gas contractors operating in the country's offshore blocks, while also taking advantage of Brunei's personal income tax exemptions for employees' earnings.

In the increasingly challenging oil and gas exploration context, especially for crude oil, domestic crude oil production has been gradually declining over the years. The reserve replacement ratio (the ratio of reserve additions to production) has dropped to an alarming level, while existing fields have entered a deep decline phase. Newly discovered fields have limited oil and gas potential, small reserves, and are often located in deep-water, offshore areas with complex geological structures. Additionally, the investment environment for the oil and gas sector has become more challenging, and although global oil prices have shown a positive recovery, they still pose significant risks. Domestic gas extraction holds great potential but has not been fully leveraged. The revision of the Petroleum Law is expected to help the industry focus on and accelerate development in the coming years. Despite the slow recovery of rig rental rates, PV Drilling, with its resilience and dedication, has successfully overcome current difficulties and challenges, achieving its set goals.

In 2024, despite numerous challenges posed by global economic and political instability, high interest rates, and foreign exchange fluctuations, PV Drilling has continued to operate safely and efficiently by leveraging local policies in its operating countries. Through relentless business efforts, the company has maintained optimal performance in providing services both domestically and internationally. 2024 can be considered a successful year for PV Drilling, as it has exceeded all set business targets.

Specifically, in 2024, PV Drilling achieved total revenue of 9,566 billion VND, marking a 54% increase compared to the plan and a 55% rise from 2023. Consolidated profit after tax reached 698 billion VND, exceeding the shareholder-approved target by 84% and growing 28% year-over-year. The taxes paid to the State Budget in 2024 also saw a significant increase compared to previous years, more than two times the amount paid in 2023. This reflects the corporation's tremendous effort in continuing to contribute to the State Budget despite a highly challenging market environment.

Details of PV Drilling's taxes contributed to the state budget in 2024:

Unit: VND	Paid in 2024	Paid in 2023	+/- %
Value added tax	140,539,133,556	89,316,713,928	57%
Imported duties	37,879,611,816	16,328,120,328	132%
Corporate income tax	183,424,681,749	36,997,134,993	396%
Personal income tax	237,151,639,683	155,673,766,365	52%
Others	232,595,364,213	110,682,519,675	110%
Total	**831,590,431,017**	**408,998,255,289**	**103%**

CHAPTER
06



FINANCIAL STATEMENTS

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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Petrovietnam Drilling and Well Services Corporation (the "Company") present this report together with the VND-converted consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2024.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Boards of Directors and Management of the Group during the year and to the date of this report are as follows:

BOARD OF DIRECTORS	
Mr. Mai The Toan	Chairman
Mr. Do Duc Chien	Vice Chairman (resigned from 24 April 2024)
Mr. Nguyen Xuan Cuong	Member
Mr. Nguyen The Son	Member (appointed from 24 April 2024)
Mr. Vu Thuy Tuong	Member
Mr. Nguyen Van Toan	Independent Member
Mr. Van Duc Tong	Independent Member
Mr. Hoang Xuan Quoc	Independent Member

BOARD OF MANAGEMENT	
Mr. Nguyen Xuan Cuong	President
Mr. Ho Vu Hai	Vice President
Mr. Do Danh Rang	Vice President
Mr. Nguyen Cong Doan	Vice President
Mr. Dinh Quang Nhut	Vice President
Mr. Nguyen Dinh Duong	Vice President (appointed from 17 June 2024)
Mr. Nguyen The Son	Vice President (resigned from 17 June 2024)

THE BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Group are responsible for preparing the VND-converted consolidated financial statements for the year ended 31 December 2024, which give a true and fair view of the consolidated financial position of the Company as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to VND-converted consolidated financial reporting. In preparing these VND-converted consolidated financial statements, the Board of Management are 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 VND-converted consolidated financial statements;
- prepare the VND-converted consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the VND-converted consolidated financial statements so as to minimize errors and frauds.

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

The Board of Management confirm that the Group has complied with the above requirements in preparing these VND-converted consolidated financial statements.

For and on behalf of the Board of Management,



Nguyen Xuan Cuong
President
12 March 2025

INDEPENDENT AUDITORS' REPORT

No.: 0308/VN1A-HC-BC

To: The Shareholders, the Boards of Directors and Management of Petrovietnam Drilling and Well Services Corporation

We have audited the accompanying VND-converted consolidated financial statements of Petrovietnam Drilling and Well Services Corporation (the "Company") and its subsidiaries (collectively referred to as the "Group") prepared on 12 March 2025 as set out from page 5 to page 52 which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of income and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

THE BOARD OF MANAGEMENT'S RESPONSIBILITY FOR THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management are responsible for the preparation and fair presentation of these VND-converted consolidated 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 determine is necessary to enable the preparation of VND-converted consolidated 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 VND-converted consolidated 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 VND-converted consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the VND-converted consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the VND-converted consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the VND-converted consolidated 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 Group'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 VND-converted consolidated 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 VND-converted consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to VND-converted consolidated financial reporting.

OTHER MATTER

The Company has prepared a set of consolidated financial statements for the year ended 31 December 2024 in United States Dollar which is its functional currency, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting, on which we issued an independent auditors' report dated 12 March 2025 expressing an unqualified opinion.

Vo Thai Hoa
Audit Partner
Audit Practising Registration Certificate
No. 0138-2023-001-1
BRANCH OF DELOITTE VIETNAM AUDIT COMPANY LIMITED
12 March 2025
Ho Chi Minh City, Vietnam

Nguyen Hoang Quoc Tri
Auditor
Audit Practising Registration Certificate
No. 4773-2024-001-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

FORM B 01-DN/HN
Unit: VND

	ASSETS	Codes	Notes	Closing balance	Opening balance
A.	CURRENT ASSETS	100		7,782,381,355,167	6,927,879,980,560
I.	**Cash and cash equivalents**	**110**	**4**	**2,203,268,278,194**	**2,256,047,157,280**
1.	Cash	111		1,895,198,629,149	2,186,313,331,440
2.	Cash equivalents	112		308,069,649,045	69,733,825,840
II.	**Short-term financial investments**	**120**		**770,247,363,138**	**1,278,224,697,680**
1.	Held-to-maturity investments	123	5	770,247,363,138	1,278,224,697,680
III.	**Short-term receivables**	**130**		**3,469,317,637,527**	**2,313,956,884,400**
1.	Short-term trade receivables	131	6	2,723,586,217,779	1,719,317,755,120
2.	Short-term advances to suppliers	132	7	125,602,867,674	240,849,532,560
3.	Other short-term receivables	136	8	691,251,654,969	425,000,248,960
4.	Provision for short-term doubtful debts	137	6	(71,123,102,895)	(71,210,652,240)
IV.	**Inventories**	**140**	**9**	**1,215,947,183,667**	**999,895,512,000**
1.	Inventories	141		1,351,772,262,165	1,137,481,889,600
2.	Provision for devaluation of inventories	149		(135,825,078,498)	(137,586,377,600)
V.	**Other short-term assets**	**150**		**123,600,892,641**	**79,755,729,200**
1.	Short-term prepayments	151		16,468,121,427	37,784,939,360
2.	Value added tax deductibles	152		102,728,668,551	40,182,609,040
3.	Taxes and other receivables from the State budget	153	18	4,404,102,663	1,788,180,800
B.	NON-CURRENT ASSETS	200		15,832,176,406,056	14,704,968,227,040
I.	**Long-term receivables**	**210**		**319,500,195,972**	**103,902,984,640**
1.	Other long-term receivables	216	8	319,500,195,972	103,902,984,640
II.	**Fixed assets**	**220**		**12,860,927,344,986**	**13,115,351,781,280**
1.	Tangible fixed assets	221	10	12,699,952,977,516	12,950,566,249,040
	› *Cost*	*222*		*26,578,381,033,464*	*25,490,804,674,720*
	› *Accumulated depreciation*	*223*		*(13,878,428,055,948)*	*(12,540,238,425,680)*
2.	Intangible assets	227	11	160,974,367,470	164,785,532,240
	› *Cost*	*228*		*342,032,824,818*	*327,647,289,200*
	› *Accumulated amortisation*	*229*		*(181,058,457,348)*	*(162,861,756,960)*
III.	**Long-term assets in progress**	**240**		**1,222,347,781,896**	**9,226,059,360**
1.	Construction in progress	242	12	1,222,347,781,896	9,226,059,360
IV.	**Long-term financial investments**	**250**		**681,384,574,209**	**666,088,655,120**
1.	Investments in joint-ventures	252	13	681,384,574,209	666,088,655,120
V.	**Other long-term assets**	**260**		**748,016,508,993**	**810,398,746,640**
1.	Long-term prepayments	261	14	487,028,233,233	590,797,695,040
2.	Deferred tax assets	262	15	260,988,275,760	219,601,051,600
	TOTAL ASSETS (270=100+200)	270		23,614,557,761,223	21,632,848,207,600

CONSOLIDATED BALANCE SHEET *(continued)*

As at 31 December 2024

FORM B 01-DN/HN
Unit: VND

	RESOURCES	Codes	Notes	Closing balance	Opening balance
C.	LIABILITIES	300		7,562,215,436,820	6,734,690,667,600
I.	**Current liabilities**	**310**		**4,124,097,177,363**	**3,146,135,991,040**
1.	Short-term trade payables	311	16	1,172,639,294,571	569,419,182,080
2.	Short-term advances from customers	312	17	48,704,229,804	263,391,759,680
3.	Taxes and amounts payable to the State budget	313	18	160,044,196,383	93,707,922,000
4.	Payables to employees	314		194,298,162,672	125,894,309,520
5.	Short-term accrued expenses	315	19	1,143,718,389,984	701,235,365,600
6.	Other current payables	319	20	381,073,118,157	375,423,502,160
7.	Short-term loans	320	21	507,298,751,244	553,352,813,440
8.	Short-term provisions	321	22	352,669,606,560	329,498,222,480
9.	Bonus and welfare funds	322		163,651,427,988	134,212,914,080
II.	**Long-term liabilities**	**330**		**3,438,118,259,457**	**3,588,554,676,560**
1.	Long-term accrued expenses	333	19	29,815,446,513	28,432,773,040
2.	Other long-term payables	337	20	474,522,246,216	473,516,055,040
3.	Long-term loans	338	23	2,541,390,152,379	2,787,681,809,360
4.	Long-term provisions	342	24	312,624,272,919	220,314,349,360
5.	Scientific and technological development fund	343	25	79,766,141,430	78,609,689,760
D.	EQUITY	400		16,052,342,324,403	14,898,157,540,000
I.	**Owners' equity**	**410**	**26**	**16,052,342,324,403**	**14,898,157,540,000**
1.	Owners' contributed capital	411		5,562,960,060,000	5,562,960,060,000
	› *Ordinary shares carrying voting rights*	411a		5,562,960,060,000	5,562,960,060,000
2.	Share premium	412		2,434,086,374,663	2,434,086,374,663
3.	Treasury shares	415		(20,948,559,850)	(20,948,559,850)
4.	Foreign exchange reserve	417		2,792,241,545,827	2,206,837,331,099
5.	Investment and development fund	418		4,012,253,033,539	3,784,367,536,054
6.	Retained earnings	421		1,021,741,898,048	693,559,803,718
	› *Retained earnings accumulated to the prior year end*	*421a*		*693,559,803,718*	*435,921,739,099*
	› *Retained earnings of the current year*	*421b*		*328,182,094,330*	*257,638,064,619*
7.	Non-controlling interests	429	27	250,007,972,176	237,294,994,316
	TOTAL RESOURCES (440=300+400)	440		23,614,557,761,223	21,632,848,207,600

Nguyen Xuan Cuong
President
12 March 2025

Nguyen Ngoc Truong
Chief Accountant

Tran Kim Hoang
Preparer

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

FORM B 02-DN/HN
Unit: VND

	ITEMS	Codes	Notes	Current year	Prior year
1.	**Gross revenue from goods sold and services rendered**	**01**	**30**	**9,289,871,699,307**	**5,804,412,484,923**
2.	Deductions	02		(1,812,391,761)	-
3.	**Net revenue from goods sold and services rendered (10=01)**	**10**		**9,288,059,307,546**	**5,804,412,484,923**
4.	Cost of goods sold and services rendered	11	31	7,533,882,511,644	4,498,918,879,611
5.	**Gross profit from goods sold and services rendered (20=10-11)**	**20**		**1,754,176,795,902**	**1,305,493,605,312**
6.	Financial income	21	33	151,936,733,589	134,219,305,233
7.	Financial expenses	22	34	400,242,559,254	392,052,837,813
	› In which: Interest expense	*23*		*237,839,369,526*	*250,499,968,602*
8.	Income from investments in joint ventures	24	13	48,703,444,830	66,137,035,575
9.	Selling expenses	25		34,726,143,132	24,149,229,741
10.	General and administration expenses	26	35	600,492,942,054	522,515,095,908
11.	**Operating profit (30=20+(21-22)+24-(25+26))**	**30**		**919,355,329,881**	**567,132,782,658**
12.	Other income	31	36	77,648,609,910	155,300,348,463
13.	Other expenses	32	37	59,793,738,042	64,053,858,921
14.	**Profit from other activities (40=31-32)**	**40**		**17,854,871,868**	**91,246,489,542**
15.	**Accounting profit before tax (50=30+40)**	**50**		**937,210,201,749**	**658,379,272,200**
16.	Current corporate income tax expense	51	38	269,824,313,937	135,002,100,324
17.	Deferred corporate tax income	52	15	(30,584,822,613)	(22,565,008,908)
18.	**Net profit after corporate income tax (60=50-51-52)**	**60**		**697,970,710,425**	**545,942,180,784**
	Attributable to:				
	› The Company's shareholders	*61*		*697,851,813,973*	*584,832,279,876*
	› Non-controlling interests and Interests of partners in Business Cooperation Contract	*62*	*27*	*118,896,452*	*(38,890,099,092)*
19.	**Basic gain per share**	**70**	**39**	**1,000**	**810**

Nguyen Xuan Cuong
President
12 March 2025

Nguyen Ngoc Truong
Chief Accountant

Tran Kim Hoang
Preparer

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2024

FORM B 03-DN/HN
Unit: VND

	ITEMS	Codes	Current year	Prior year
I.	CASH FLOWS FROM OPERATING ACTIVITIES			
1.	**Profit before tax**	**01**	**937,210,201,749**	**658,379,272,200**
2.	**Adjustments for:**			
	Depreciation and amortisation	02	883,531,324,989	856,743,293,328
	Provisions	03	75,472,253,109	66,093,879,696
	Foreign exchange loss arising from translating foreign currency items	04	18,236,811,411	9,353,983,509
	Gain from investing activities	05	(111,172,350,777)	(135,715,107,411)
	Interest expense	06	237,839,369,526	250,499,968,602
	Other adjustments	07	19,304,722,759	12,243,327,089
3.	**Operating profit before movements in working capital**	**08**	**2,060,422,332,766**	**1,717,598,617,013**
	Changes in receivables	09	(1,228,820,483,457)	(197,882,299,251)
	Changes in inventories	10	(156,519,759,495)	(60,897,561,504)
	Changes in payables	11	587,368,994,181	293,137,550,940
	Changes in prepaid expenses	12	153,249,916,470	63,988,095,327
	Interest paid	14	(44,802,903,096)	(33,246,077,124)
	Corporate income tax paid	15	(213,840,723,033)	(79,181,000,613)
	Other cash outflows	17	(120,162,287,265)	(87,458,052,006)
	Net cash generated by operating activities	20	1,036,895,087,071	1,616,059,272,782
II.	CASH FLOWS FROM INVESTING ACTIVITIES			
1.	Acquisition and construction of fixed assets	21	(1,371,364,408,053)	(148,568,930,913)
2.	Proceeds from sale, disposal of fixed asset	22	1,310,547,615	3,050,644,818
3.	Cash outflow for buying debt instruments of other entities	23	(1,101,089,999,748)	(1,889,960,981,336)
4.	Cash recovered from lending, selling debt instruments of other entities	24	1,651,468,571,463	1,036,207,999,104
5.	Interest earned, dividends and profits received	27	61,834,875,864	105,119,175,291
	Net cash used in investing activities	30	(757,840,412,859)	(894,152,093,036)
III.	CASH FLOWS FROM FINANCING ACTIVITIES			
1.	Proceeds from borrowings	33	27,071,565,537	22,355,621,223
2.	Repayment of borrowings	34	(462,170,763,312)	(608,566,190,505)
3.	Dividends and profits paid	36	(3,490,427,500)	(3,490,427,500)
	Net cash used in financing activities	40	(438,589,625,275)	(589,700,996,782)
	Net (decreases)/increases in cash (50=20+30+40)	50	(159,534,951,063)	132,206,182,964
	Cash and cash equivalents at the beginning of the year	60	2,256,047,157,280	2,078,586,541,400
	Effects of changes in foreign exchange rates	61	(472,010,946)	(1,147,122,561)
	Foreign exchange differences from translation	62	107,228,082,923	46,401,555,477
	Cash and cash equivalents at the end of the year (70=50+60+61)	70	2,203,268,278,194	2,256,047,157,280

Nguyen Xuan Cuong
President
12 March 2025

Nguyen Ngoc Truong
Chief Accountant

Tran Kim Hoang
Preparer

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

FORM B 09-DN/HN
Unit: VND

1. GENERAL INFORMATION

Structure of ownership

The Group consists of Petrovietnam Drilling and Well Services Corporation (the "Company") and its 7 subsidiaries and 6 joint ventures.

Details of the Group are as follows:

The Company

The Company is a joint stock company established in S.R. Vietnam in accordance with the Business Registration Certificate No. 4103004335 dated 15 February 2006 and the 17th amendment dated 26 September 2022 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City, Enterprise code No. 0302495126. The Company was established from the equitization of Petrovietnam Drilling and Well Services Company, a member of Petrovietnam - Vietnam Oil and Gas Group (hereinafter referred to as "Petrovietnam").

During the year, the Company consists of two divisions and offices abroad.

These offices were established through the changes of legal form based on the Decisions of the Board of Directors through the termination of the establishment of branches in foreign countries with details as follows:

- The Drilling Division was established in accordance with the Resolution of the Company's Board of Directors dated 9 April 2007 and the Decision No. 1249/QD-PVD issued by the President dated 24 May 2007 changing the Drilling Management Committee into the Drilling Division and in accordance with the Business Registration Certificate No. 0302495126-007 dated 16 March 2010 replacing the Business Registration Certificate No. 4113028028 issued by the DPI of Ho Chi Minh City. The Drilling Division's registered office is located at 3rd Floor, Sailing Tower, 111A Pasteur Street, District 1, Ho Chi Minh City, S.R Vietnam. The Division manages and operates 03 offshore drilling rigs: PV DRILLING I, PVD DRILLING II and PV DRILLING III.

- PVD Drilling Investment Division ("PVD Invest") was established in accordance with the Decision No. 06/12/QD-HDQT dated 30 December 2009 issued by the Board of Directors and the Business Registration Certificate No. 0302495126 dated 18 January 2010, and its amendment dated 19 May 2010 issued by the DPI of Ho Chi Minh City. PVD Invest's registered office is located 3rd Floor, The Manor 2, 91 Nguyen Huu Canh, Ward 22, Binh Thanh District, Ho Chi Minh City, Vietnam. According to the Board of Directors' Decision No. 02/09/2024/QĐ-HĐQT dated 27 September 2024, the Board of Directors resolved to terminate the operations of PVD Drilling Investment Division (PVD Invest) effective from 30 September 2024.

- The Office in Algeria was established in accordance with Decision No. 1857/QĐ-PVD dated 16 August 2007 issued by the President. The Office at Algeria is located at Cité Si El, Houas, No. 02, Villa No. 101, Hassi Messaoud, Ouargla, Algeria. Algeria Office is directly controlled and managed by the Drilling Division. The Office manages and operates 01 land drilling rig: PV DRILLING 11.

- The Office in Malaysia was established under Decision No. 224/QD-PVD dated 10 July 2023 issued by the President. The Malaysia Office's registered office is located at 22.03, Level 22, Menara TA One, 22, Jalan P. Ramlee, 50250a Kuala Lumpur, Malaysia.

- The Office in Brunei was established under Decision No. 226/QD-PVD dated 10 July 2023 issued by the President. The Brunei Office's registered office is located at 6th floor, Building 1, Lot 70321, Jalan Tungku link BE3619, Bandar Seri Begawan, Brunei Darussalam.

- The Office in Thailand was established under Decision No. 225/QD-PVD dated 10 July 2023 issued by the President. The Thailand Office's registered office is located at Ceo Suite: Athenee Tower, 23rd floor, 63 Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Thailand.

- The Office in Indonesia was established under Decision No. 227/QD-PVD dated 10 July 2023 issued by the President. The Indonesia Office's registered office is located at Jl. Prof. Dr. Soepomo No. 231, Crown Palace Blok C-09, Desa/ Kelurahan Menteng Dalam, Kec. Tebet, Kota Adm. Jakarta Selatan, 12870 Provinsi DKI Jakarta, Indonesia.

The number of employees of the Company and its subsidiaries as at 31 December 2024 was 517 and 1,642 respectively (as at 31 December 2023: 439 and 1,485).

The subsidiaries

PVD Offshore Services Company Limited ("PVD Offshore") was established as a limited liability company under the Business Registration Certificate No. 3500803145 dated 1 September 2009 issued by DPI of Ba Ria - Vung Tau Province and its amendments. PVD Offshore's registered office is located at 43A, 30/4 Street, Ward 9, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam. PVD Offshore is principally engaged in providing manufacture repair, inspection and maintenance of equipment and facilities of oil and gas industry; manpower supply service related to drilling, oil and gas exploitation for domestic and foreign contractors; consultancy in environmental impact assessment, rescue plan for oil spills for facilities and activities that have a risk of oil spills.

PVD Well Services Company Limited ("PVD Well") was established as a limited liability company under the Business Registration Certificate No. 4104001468 dated 1 August 2007 issued by DPI of Ho Chi Minh City and its amendments. PVD Well's registered office is located at 4th Floor, Cantavil Premier Building, No. 1 Song Hanh Street, An Phu Ward, Thu Duc City, Ho Chi Minh City. PVD Well is principally engaged in providing tubular services, drilling equipment rental services, well drilling technical services, supplying specialized tool and equipment to serve the well drilling services.

Petroleum Well Logging Company Limited ("PVD Logging") was established as a limited liability company under the Business Registration Certificate No. 4104001513 dated 7 August 2007 issued by DPI of Ho Chi Minh City and its amendments. PVD Logging's registered office is at 4th Floor, PVFCCo Building, 43 Mac Dinh Chi Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam. PVD Logging is principally engaged in providing oil and gas wells geophysical survey service, oil and gas wells testing, reservoir testing, cementing pumps and supply of manpower, tool and equipment for the other related services.

PVD Trading and Technical Services Joint Stock Company (formerly known as Petroleum Trading and Technical Services Company Limited, "PVD Tech") has changed legal form from a limited liability company to a joint stock company and commenced its operation as a joint stock company under the latest Amended Business Registration Certificate No. 0305124602 dated 25 February 2022 issued by DPI of Ho Chi Minh City. PVD Tech's registered office is located at 10th Floor, Phuoc Thanh Building, 199 Dien Bien Phu Street, Ward 15, Binh Thanh District, Ho Chi Minh City, Vietnam. PVD Tech is principally engaged in providing materials and equipment for the oil and gas industry and other industries, services on installation, inspection, repair, maintenance of drilling rig, mending rig, exploiting rig and DES equipment rental services.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

FORM B 09-DN/HN
Unit: VND

PVD Technical Training and Certification Joint Stock Company ("PVD Training"), formerly known as Cuu Long Company Limited, is a joint stock company that was established in accordance with Business Registration Certificate No. 3500677518 dated 12 August 2011 issued by DPI of Ba Ria - Vung Tau Province, and its amendments. PVD Training's registered office is located at Dong Xuyen Industrial Zone, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam. PVD Training is principally engaged in providing training, introduction and supply of manpower in the oil and gas industry in domestic and overseas markets; house, office and warehouse for lease.

PVD Deepwater Drilling Company Limited ("PVD Deepwater") was established as a limited liability company under the Business Registration Certificate No. 0310139354 dated 14 July 2010 issued by DPI of Ho Chi Minh City and its amendments. PVD Deepwater's registered office is located at 3rd Floor, Sailing Tower, 111A Pasteur Street, District 1, Ho Chi Minh City, Vietnam. PVD Deepwater is principally engaged in providing supporting services in crude oil and natural gas exploitation; supply of deepwater rigs in service search, exploration and exploitation of oil and gas; supply of materials and equipment, machinery for supporting of oil and gas researching, exploring and exploiting; industry and other related industries; research and natural and technical sciences experimental development of natural and technical sciences; technological consultancy in the field of oil and gas. The Drilling Division is currently managing and operating PV DRILLING V, under a rig lease contract with PVD Deepwater.
PV Drilling Overseas Company Private Limited ("PVD Overseas") was established in Singapore under joint venture contract with Falcon Energy Group Limited and Business Registration No. 201308977C dated 4 April 2013. PVD Overseas's registered office is located at 75 High Street, The Co Building, Singapore. PVD Overseas is principally engaged in providing investment, drilling rental, supplying drilling service and the services related to exploration and exploitation of oil and gas. The Drilling Division is currently managing and operating PV DRILLING VI, under a rig lease contract with PVD Overseas.

Detailed information about capital contribution status and investment value in subsidiaries of the Company as at 31 December 2024 and 31 December 2023 are as follows:

	Closing balance				Opening balance			
	Proportion of ownership interest/ voting power held	Registered charter capital	Contributed charter capital	Investment value	Proportion of ownership interest/ voting power held	Registered charter capital	Contributed charter capital	Investment value
Name of subsidiaries	%	(original currency)	(original currency)	USD	%	(original currency)	(original currency)	USD
PVD Offshore	100	VND 130,000,000,000	VND 130,000,000,000	6,748,980	100	VND 130,000,000,000	VND 130,000,000,000	6,748,980
PVD Well	100	VND 80,000,000,000	VND 80,000,000,000	4,081,469	100	VND 80,000,000,000	VND 80,000,000,000	4,081,469
PVD Logging	100	VND 80,000,000,000	VND 80,000,000,000	4,236,959	100	VND 80,000,000,000	VND 80,000,000,000	4,236,959
PVD Tech	100	VND 450,000,000,000	VND 450,000,000,000	21,049,065	100	VND 450,000,000,000	VND 450,000,000,000	21,049,065
PVD Training	51.8	VND 28,958,670,000	VND 28,958,670,000	1,096,066	51.8	VND 28,958,670,000	VND 28,958,670,000	1,096,066
PVD Deepwater	100	VND 764,000,000,000	VND 764,000,000,000	39,692,090	100	VND 764,000,000,000	VND 764,000,000,000	39,692,090
PVD Overseas	81.6	USD 66,698,050	USD 66,698,050	54,400,000	81.6	USD 66,698,050	USD 66,698,050	54,400,000
				131,304,629				131,304,629

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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The Joint Ventures

Details of the Group's joint ventures with proportion of voting rights held 50% are as follows:

BJ Services-PV Drilling Joint Venture Company Limited ("BJ-PVD") was established in Vietnam as a joint venture company under Investment Certificate No. 492021000003 dated 28 September 2006 issued by the People's Committee of Ba Ria - Vung Tau Province and its amendments. BJ - PVD's registered office is located at 65A, 30/4 Street, Thang Nhat Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam. BJ-PVD is principally engaged in providing the entire package of services such as cementing pump, reservoir stimulation, dragging tubular and pumping nitrogen, etc., as well as technical solutions, laboratory services and chemicals supply. The total charter capital of BJ-PVD is amount of USD 5 million, in which the Group holds 49% of its ownership.

PV Drilling-Baker Hughes Well Technical Services Joint Venture Company Limited ("PVD-Baker Hughes") was established in Vietnam under the Investment Certificate No. 411022000556 dated 26 January 2011 issued by the People's Committee of Ho Chi Minh City and its amendments. PVD-Baker Hughes's registered office is located at 5th Floor, Cantavil An Phu Center, No 1 Song Hanh Street, An Phu Ward, Thu Duc City, Ho Chi Minh City, Vietnam. PVD-Baker Hughes is principally engaged in providing directional surveying drilling services, measurement while drilling services, coring sample services, well geophysical survey services, casehead hanging over services, stucking rescue services, artificial reservoir pressure, intelligent well completement services and other mine exploitation technology services. The total charter capital of PVD-Baker Hughes is USD 20 million, equivalent to VND 370,880,000,000, in which the Group holds 51% of its ownership.

PVD Tubulars Management ("PVD Tubulars") was established under the Investment Certificate No. 492022000134 dated 7 October 2008 issued by the Board of Directors of Ba Ria - Vung Tau Industrial Zone and its amendments. PVD Tubulars's registered office is located at Phu My 1 Industrial Zone, Tan Thanh District, Ba Ria - Vung Tau Province, Viet Nam. PVD Tubulars is principally engaged in providing products of drilling tube, casing, tubing operators and management service for casing package for all oil and gas companies which operating in exploration and exploitation on shore, offshore and deep water regions in Vietnam. The total charter capital of PVD Tubulars is VND 57,995,000,000, equivalent to USD 3.5 million. The Group holds 51% of its ownership.

Vietubes Company Limited ("Vietubes") was established in Vietnam under the Investment Certificate No. 492022000111 dated 15 February 1995 issued by the Board of Directors of Industrial Zone of Ba Ria - Vung Tau Province and its amendment. Vietubes registered office is located at Street 11, Dong Xuyen Industrial Zone, Rach Dua Ward, Ba Ria - Vung Tau Province, Vietnam. Vietubes is principally engaged in providing forging, processing, repair, recovery inspection, verification of drilling tube, fabricated connectors, couplings and by-product supporting for drilling operations, oil and gas exploitation; metal processing, including cutting, formatting and stabilizing metal structure; precision mechanical processing for large details on automatic machines. The total charter capital of Vietubes is VND 77,297,205,000, equivalent to USD 3,707,300. The Group holds 51% of its ownership.

PV Drilling Expo International Company Limited (formerly known as PV Drilling Production Testers International Company Limited, "PVD-Expro") was established as a joint venture company under the Investment Certificate No. 491022000098 dated 25 April 2008 issued by the People's Committee of Ba Ria - Vung Tau Province and its amendments. PVD-Expro's registered office is located at 65A 30/4 Street, Thang Nhat Ward, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam. The principal activities of PVD-Expro include providing drilling well reservoir testing service, mining equipment leasing, manpower supplying in operation field of itself with skilled engineers, workers who have experience in working for foreign contractors. The total charter capital of PVD-Expro is USD 6,371,352. The Group holds 51% of its ownership.

PVD Tech-Oil State Industries Joint Venture Company Limited ("PVD-OSI") was established in Vietnam as a joint venture company under the Investment Certificate No. 492022000217 dated 24 November 2011 issued by the Board of Directors of Industrial Zone of Ba Ria - Vung Tau Province. PVD-OSI's registered office is located at Street 11, Phu My Industrial Zone, Tan Thanh District, Ba Ria - Vung Tau Province, Vietnam. The principal activities of PVD - OSI include

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producing, manufacturing, forging, lathing tube connectors and components, spare parts in exploratory drilling sector and oil and gas industry; and providing repair, maintenance tube connectors services in exploratory drilling and oil and gas exploitation. The total charter capital of PVD - OSI is VND 105,000,000,000, equivalent to USD 5 million. The Group holds 51% of its ownership.

According to the Board of Directors' Resolution No. 08/11/2024/NQ-HĐQT dated 18 November 2024, the Board of Directors approved the establishment plan of a joint venture company in Indonesia. As of 31 December 2024, the Company is in the process of applying for an Overseas Investment Registration Certificate.

Principal activities

The Group is principally engaged in providing drilling services, well services, wire line logging, oil spill control service, drilling rig, materials, equipment, drilling manpower, investment and project management consulting service, management consulting service, and other related services in the oil and gas industry.

Normal production and business cycle

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

Disclosure of information comparability in the VND-converted consolidated financial statements

The comparative figures of the VND-converted consolidated balance sheet are the figures of the Group's audited VND-converted consolidated financial statements for the year ended 31 December 2023 (the "Opening balance"). The comparative figures of the VND-converted consolidated income statement and VND-converted consolidated cash flow statement are the figures of the Group's audited VND-converted consolidated financial statements for the year ended 31 December 2023 (the "Prior year").

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The Group uses United States Dollar (USD) as currency unit. The Board of Management believe that the us of USD as currency unit is necessary to reflect the economic substance of the underlying events and circumstances relevant to of the Group's business operations. Pursuant to prevailing accounting regulations in Vietnam, the Company converted its audited consolidated financial statements for the year ended 31 December 2024 prepared in United States Dollar (USD) into Vietnam Dong (VND) based on the following principles:

- Assets and liabilities are translated into Vietnam Dong at the actual exchange rate as at 31 December 2024 of 25,251 VND/USD (the remittance rate of the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch, where that the Company has frequent transactions during the period of reporting);
- Equity items (including owners' contributed capital, share premium and treasury shares) are translated into Vietnam Dong at the actual transaction rates at the capital contribution or buy-back of treasury shares dates;
- Exchange differences are translated into Vietnam Dong at the actual transaction rates at the revaluation date;
- Retained earnings, reserves appropriated from retained earnings arising after the investment date are translated into Vietnam Dong based on the VND-converted consolidated income statement items;
- Items of the consolidated income statement and the consolidated cash flow statement are translated into Vietnam Dong at the average exchange rate of the financial year because this rate is approximately equal to the actual exchange rate at the dates of the transactions. Accordingly, consolidated income statement and consolidated cash flow statement are converted into VND at the average exchange rate during the year of 24,861 VND/USD of Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh City Branch.

Exchange differences arising on the translation of the consolidated financial statements prepared in foreign currency into Vietnam Dong are presented in the "Foreign exchange reserve" item with the code 417 under the "Owners' Equity" section on the consolidated balance sheet.

The accompanying VND-converted consolidated financial statements are not intended to present the consolidated financial position, consolidated financial performance and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Group's financial year begins on 1 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Group in the preparation of these VND-converted consolidated financial statements, are as follows:

Accounting estimates

The preparation of VND-converted consolidated 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 VND-converted consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The VND-converted consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to 31 December annually. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.
Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combination

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill.

Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Interests in joint ventures

A jointly controlled entity is a joint venture which involves the establishment of a new entity in which each venturer has an interest. The entity operates through a contractual arrangement between the venturers which establishes joint control over the economic activity of the entity.

The Company reports its interests in jointly controlled entities using the equity method of accounting.

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Group comprise cash and cash equivalents, held-to-maturity investments, trade and other receivables.

Financial liabilities: At the date of initial recognition, financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Group comprise borrowings, trade and other payables and accrued expenses.

Subsequent measurement

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, cash in transit and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Group has the positive intent or ability to hold to maturity, including term deposits to earn periodic interest.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs.

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Post-acquisition interest income from held-to-maturity investments is recognised in the VND-converted consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost provision for impairment of held-to-maturity invesments.

Provision for impairment of held-to-maturity investments is made in accordance with prevailing accounting regulations.

Receivables

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

Provision for doubtful debts is made for receivables that are overdue or when the debtor is unable to make settlement due to dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of externally purchased inventories comprise buying price of inventory and where applicable, purchasing costs that have been incurred in bringing the inventories to their present location and condition. Costs of manufactured inventories comprise direct materials and where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. The Group applies perpetual method to account for inventories. Cost is calculated using the weighted average method. Net realizable 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 provision 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 realizable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of purchased tangible fixed assets comprises its purchase price and any directly attributable costs of bringing the assets to its working condition and location for its intended use. The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and trial run costs.

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Drilling rigs (machinery and equipment) are depreciated over drilling rigs' operating hours of the rigs, equivalent to the useful lives as follows:

	Years
Rig PV DRILLING I	20
Rig PV DRILLING II	35
Rig PV DRILLING III	35
Rig PV DRILLING V	20
Rig PV DRILLING VI	35
Rig PV DRILLING 11	10

Other tangible fixed assets are depreciated using the straight-line method over their useful lives as follows:

	Years
Buildings and structures	6 - 50
Machinery and equipment	5 - 10
Office equipment	3 - 05
Motor vehicles	7 - 12
Other assets	3 - 07

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognised in the income statement.

Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases.

The Group as lessor: Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are chared to the income statement on a straight-line basis over the lease term.

The Group as lessee: Rentals payable under operating leases are charged to the VND-convered consolidated income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Intangible assets and amortization

Intangible assets represent land use rights and computer software that are stated at cost less accumulated amortization. Land use rights with indefinite time are not amortised. Land use rights with definite time are amortised on a straight-line basis over term of land use rights. Computer software is amortised using the straight-line method over their estimated useful lives from three to five years.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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Construction in progress

Properties in the course of construction for production, rental and administrative purposes or for other purposes are carried at cost includes any costs that are necessary to form the asset including construction cost, equipment cost, other directly attributable costs in accordance with the Company's accounting policy. Such costs will be included in the estimated costs of the fixed assets (if settled costs have not been approved) when they are put into use.

Prepayments

Prepayments comprise tools, spare parts incurred, insurance premium and prepaid expense for drilling campaign in Brunei incurred during the year which are expected to provide future economic benefits to the Group.

Tools, spare parts and insurance premium have been capitalized as prepayments and allocated to the VND-coverted consolidated income statement using the straight-line method from one to three years.

Prepaid expenses for drilling project in Brunei have been capitalized as prepayments are allocated to the VND-converted consolidated income statement on a straight-line basis within six years when the drilling campaign commences in Quarter 1 of 2022.

Accrued expenses

Accrued expenses include accruals for operation of rigs and other expenses. Accrued expenses reflect the value of the amounts accrued as production and operating costs but not yet actually paid at the balance sheet date.

Payable provisions

Payable provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

The provision for overhaul costs of fixed assets represents the overhaul costs accrued at each financial year based on the reliable estimated costs to be incurred in accordance with technical requirements of the Group's drilling rigs. In the accounting year that incurs overhaul cost of fixed assets, if actual cost is higher than estimated amount or vice versa, the different amount is recorded in the VND-converted consolidated income statement of that accounting year.

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

(a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
(b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
(c) the amount of revenue can be measured reliably;
(d) it is probable that the economic benefits associated with the transaction will flow to the Group; and
(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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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 years, revenue is recognised in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

(a) the amount of revenue can be measured reliably;
(b) it is probable that the economic benefits associated with the transaction will flow to the Group;
(c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
(d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is recorded on accrual basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Severance allowance payable

The severance allowance for employees is accrued at the end of each reporting period for all employees having worked at the Group for full 12 months and above. Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees. The allowance made for each year of service equals to a half of an average monthly salary under the Vietnamese Labour Code, Social Insurance Code and relevant guiding documents. The average monthly salary used for calculation of severance allowance shall be adjusted to be the average of the six consecutive months nearest to the date of the VND-converted consolidated financial statements at the end of each financial year. The increase or decrease in the accrued amount shall be recorded in the VND-converted consolidated income statement.

Foreign currencies

Transactions arising in currencies other than USD are translated into USD at exchange rates ruling at the transaction date. The balances of monetary items denominated in currencies other than USD as at the balance sheet date are translated into USD at the exchange rates of commercial bank where the Group usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the VND-converted consolidated income statement.

For the purpose of presenting consolidated financial statements, the assets and liabilities of subsidiaries and overseas branches (including comparative figures) are translated to reporting currency using exchange rates prevailing as at the balance sheet date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising when translating the financial statements of subsidiaries and foreign branches are accumulatively recognised into the equity on the VND-converted consolidated balance sheet based on the following principles:

› Exchange differences allocated for the Company are presented in the "Foreign exchange reserve" under the "Owners' Equity" section on the consolidated balance sheet;

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› Exchange differences allocated for the non-controlling shareholders are presented in the "Non-controlling interest".

Exchange differences will be charged to the consolidated income statements once the subsidiaries and overseas offices are disposed.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Taxation

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

The current tax payable is based on taxable income for the year. Taxable income differs from profit before tax as reported in the VND-converted consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are non-taxable or non-deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the VND-converted consolidated financial statements and the corresponding tax bases used in the computation of taxable income and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes governed by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently 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.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

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4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	7,854,904,323	3,815,138,880
Bank demand deposits	1,887,343,724,826	2,182,498,192,560
Cash equivalents	308,069,649,045	69,733,825,840
	2,203,268,278,194	**2,256,047,157,280**

Cash equivalents represent time deposits with the term of three months or less.

As at 31 December 2024, the Group had demand deposits and time deposits of less than 3 months of VND 13,015,075,987 (including USD 488,280 and VND 685,517,707) kept at Modern Bank of Vietnam Limited (*) (as at 31 December 2023: VND 12,369,088,984, including USD 488,281 and VND 611,282,504).

(*) Ocean Commercial One Member Limited Liability Bank (Oceanbank) was officially transferred to Military Commercial Joint Stock Bank (MB Bank) as of 17 October 2024 and was renamed Modern Bank of Vietnam Limited (MBV) on 18 December 2024.

5. HELD-TO-MATURITY INVESTMENTS

	Closing balance		Opening balance	
	VND	VND	VND	VND
	Cost	Carrying amount	Cost	Carrying amount
Time deposits	770,247,363,138	770,247,363,138	1,278,224,697,680	1,278,224,697,680

Held-to-maturity investments as at 31 December 2024 represent time deposits by Vietnam Dong at commercial banks which expire in more than 3 months to 12 months and bear changeable interest rates notified by the banks at regular intervals.

As at 31 December 2024, the Group had more than 3 months to 12 months time deposits of USD 4,762,952, equivalent to VND 120,269,289,772, at Modern Bank of Vietnam Limited (as at 31 December 2023: USD 4,994,572, equivalent to VND 120,269,289,772).

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
PT. Jimmulya	458,561,344,404	397,648,499,360
Petrovietnam Domestic Exploration Production Operating Company Limited	397,372,200,960	93,144,979,760
MKN ODYSSEY Ventures SDN.BHD	387,555,044,554	185,392,305,280
Petronas Carigali Overseas SDN.BHD	313,686,567,086	76,880,408,640
Brunei Shell Petroleum Company SDN.BHD	286,987,428,801	233,502,531,920
Receivables from other customers	879,423,631,974	732,749,030,160
	2,723,586,217,779	**1,719,317,755,120**
In which		
Receivables from related parties	936,741,472,953	361,450,359,760
(Details stated in Note 42)	**936,741,472,953**	**361,450,359,760**

	Closing balance		Opening balance	
	Overdue debt (Cost)	Provision	Overdue debt (Cost)	Provision
Total amount of receivables over 6 months or not past due but impaired:				
Destini Oil Services Sdn Bhd	26,431,332,744	(26,431,332,744)	27,613,595,520	(27,613,595,520)
PetroVietnam Domestic Exploration Production Operating Company Limited	25,468,183,851	(24,677,448,786)	23,927,862,560	(23,734,933,600)
PetroVietnam Exploration Production Corporation	10,008,461,109	(10,008,461,109)	9,725,839,760	(9,659,788,320)
Other customers	14,563,893,015	(10,005,860,256)	15,613,664,640	(10,202,334,800)
	76,471,870,719	**(71,123,102,895)**	**76,880,962,480**	**(71,210,652,240)**

7. SHORT-TERM ADVANCES TO SUPPLIERS

	Closing balance	Opening balance
	VND	VND
National Oilwell Varco, L.P.	29,578,748,437	10,025,251,925
Baker Hughes Energy Technology Uk Ltd	-	175,511,173,600
Others	96,024,119,237	55,313,107,035
	125,602,867,674	**240,849,532,560**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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8. OTHER RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term		
Interest income receivables	9,176,263,902	9,231,068,000
Receivables related to profits declared (see at Note 42)	60,362,742,759	-
Receivables from employees	509,363,172	654,398,080
Deposits	53,947,296,942	69,750,922,640
Advanced payment of withholding tax in Malaysia Office	513,348,032,310	304,873,629,200
Other receivables	53,907,955,884	40,490,231,040
	691,251,654,969	**425,000,248,960**
b. Long-term		
Deposits	317,326,261,629	103,902,984,640
In which:	-	-
+ Deposit for contract performance with Pertamina	201,120,890,958	-
+ Deposit for contract performance with Petronas Carigali Sdn Bhd	93,815,040,300	89,464,424,000
+ Other deposits	22,390,330,371	14,438,560,640
Others	2,173,934,343	-
	319,500,195,972	**103,902,984,640**

9. INVENTORIES

	Closing balance		Opening balance	
	VND	VND	VND	VND
	Cost	Provision	Cost	Provision
Goods in transit	49,121,881,344	-	19,468,583,680	-
Raw materials	1,193,596,311,519	(132,592,748,490)	1,007,504,599,360	(135,041,747,680)
Tools and supplies	23,062,672,587	(10,075,149)	18,097,950,080	(3,587,920)
Work in progress	33,886,791,498	-	52,673,964,560	-
Merchandise	52,071,147,642	(3,222,254,859)	39,736,791,920	(2,541,042,000)
Goods on consignment	33,457,575	-	-	-
	1,351,772,262,165	**(135,825,078,498)**	**1,137,481,889,600**	**(137,586,377,600)**

During the year ended 31 December 2024, the Group made reversal provision for devaluation of inventories with the amount of VND 1,761,299,102, as a result of the Group's reassessment on the current status and the economic benefit in the future of the inventories (2023: made reversal provision of VND 535,622,720).

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10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicles	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	445,704,594,160	24,859,460,377,360	93,080,926,960	90,905,491,600	1,653,284,640	25,490,804,674,720
Additions	6,907,156,491	129,460,002,933	3,730,542,216	3,311,858,115	2,813,245,899	146,222,805,654
Transfer from construction in progress	12,984,775,995	13,984,660,554	-	-	-	26,969,436,549
Other increase	-	-	144,740,742	-	-	144,740,742
Disposals	(79,057,980)	(4,798,222,722)	(3,160,280,598)	(5,088,524,619)	-	(13,126,085,919)
Other decrease	-	(8,079,825)	(353,995,779)	(15,861,318)	-	(377,936,922)
Foreign exchange differences	15,823,608,092	905,316,777,665	3,633,692,636	2,930,289,605	39,030,642	927,743,398,640
Closing balance	**481,341,076,758**	**25,903,415,515,965**	**97,075,626,177**	**92,043,253,383**	**4,505,561,181**	**26,578,381,033,464**
ACCUMULATED DEPRECIATION						
Opening balance	227,333,067,360	12,160,160,115,040	74,095,845,600	77,377,540,240	1,271,857,440	12,540,238,425,680
Charge for the year	11,632,785,093	869,123,579,937	7,097,616,612	2,296,534,875	598,205,382	890,748,721,899
Other increase	-	-	943,872,726	4,102,065	-	947,974,791
Disposals	(79,057,980)	(4,607,041,632)	(3,096,860,187)	(5,088,524,619)	-	(12,871,484,418)
Other decrease	-	-	(248,759,166)	(811,388,457)	-	(1,060,147,623)
Foreign exchange differences	5,738,858,538	449,106,551,699	2,934,761,979	2,605,303,868	39,089,535	460,424,565,619
Closing balance	244,625,653,011	13,473,783,205,044	81,726,477,564	76,383,567,972	1,909,152,357	13,878,428,055,948
NET BOOK VALUE						
Opening balance	**218,371,526,800**	**12,699,300,262,320**	**18,985,081,360**	**13,527,951,360**	**381,427,200**	**12,950,566,249,040**
Closing balance	236,715,423,747	12,429,632,310,921	15,349,148,613	15,659,685,411	2,596,408,824	12,699,952,977,516

As stated in Note 21, the Group has pledged some tangible fixed assets which are drilling rigs PV DRILLING V and PV DRILLING VI with the carrying amount of VND 6,838,964,123,838 as at 31 December 2024 (as at 31 December 2023: VND 7,008,682,611,840) as collaterals for the Group's loans.

The Group has a fixed asset is the original drilling equipment set of the drilling rig PV DRILLING V that had been dismantled completely since 31 December 2020 and temporarily out of use with the carrying amount of VND 286,988,614,828 as at 31 December 2024 (31 December 2023 VND 334,820,050,636). As at 31 December 2024, the Group is seeking for new drilling contracts to use the existing drilling equipment set.

As at 31 December 2024, the cost of the Group's tangible fixed assets which have been fully depreciated but are still in use is VND 2,232,330,411,624 (as at 31 December 2023: VND 2,045,417,934,501).

Depreciation charged for the year included VND 18,398,745,366 of depreciation of fixed assets constructed and purchased by Scientific and Technological Development Fund for the purpose of scientific and technological developmental researches (2023: VND 18,741,300,578).

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Pursuant to Resolution No. 01/11/2024/NQ-HĐQT dated 05 November 2024 of the Board of Directors, the Company has entered into a contract for the disposal of the fully depreciated PV DRILLING 11 onshore rig, including all related equipment and materials. The transfer of the onshore rig to the buyer is expected to be completed by March 2025.

Foreign exchange differences resulted from the translation of the subsidiaries and Algeria Branch's financial statements from historical cost of assets expressed in Vietnam Dong (VND) and Algerian Dinar (DZD) into United States Dollar (USD) and translation of the Group's consolidated financial statements from USD to VND.

11. INCREASES, DECREASES IN INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
COST			
Opening balance	202,643,795,200	125,003,494,000	327,647,289,200
Additions	-	2,107,640,997	2,107,640,997
Disposals	-	(40,100,793)	(40,100,793)
Foreign exchange differences	7,168,758,629	5,149,236,785	12,317,995,414
Closing balance	**209,812,553,829**	**132,220,270,989**	**342,032,824,818**
ACCUMULATED AMORTISATION			
Opening balance	51,962,352,400	110,899,404,560	162,861,756,960
Charge for the year	3,898,652,298	7,641,923,346	11,540,575,644
Disposals	-	(40,100,793)	(40,100,793)
Foreign exchange differences	1,945,225,817	4,750,999,720	6,696,225,537
Closing balance	57,806,230,515	123,252,226,833	181,058,457,348
NET BOOK VALUE			
Opening balance	**150,681,442,800**	**14,104,089,440**	**164,785,532,240**
Closing balance	**152,006,323,314**	**8,968,044,156**	**160,974,367,470**

Foreign exchange differences resulted from the translation of the subsidiaries and Algeria Branch's financial statements from historical cost of assets expressed in Vietnam Dong (VND) and Algerian Dinar (DZD) into United States Dollar (USD) and translation of the Group's consolidated financial statements from USD to VND.

As at 31 December 2024, the cost of the Group's intangible fixed assets which have been fully amortised but are still in use is VND 95,299,221,094 (as at 31 December 2023: VND 88,939,448,493).

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12. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
PV Drilling VIII (*)	1,165,039,223,340	-
Other construction works	57,308,558,556	9,226,059,360
	1,222,347,781,896	**9,226,059,360**

(*) As of the date of the financial statement preparation, the Corporation has acquired the PV Drilling VIII jack-up rig with a total investment value of USD 81,000,000, as approved by the Board of Directors under Resolution No. 07/11/2024/NQ-HĐQT dated November 15, 2024. Currently, the PV Drilling VIII rig has arrived at the PTSC downstream port (Vung Tau City) and is undergoing Phase 2, which includes full reactivation, upgrades, testing, commissioning, and readiness for operation, with the target completion set for the end of Quarter 3, 2025.

13. INVESTMENTS IN JOINT VENTURES

Details of the Company's joint ventures with proportion of voting power held 50% are as follows:

Name of joint ventures	Registered charter capital	Ownership proportion	Contributed charter capital	Cost of investment	
				Closing balance	Opening balance
	USD	%	USD	VND	VND
BJ-PVD	5,000,000	49	2,450,000	48,039,113,955	48,039,113,955
PVD-Expro	6,371,352	51	3,249,390	59,528,570,997	59,528,570,997
PVD Tubulars	3,500,000	51	1,785,000	30,515,952,000	30,515,952,000
PVD-Baker Hughes	20,000,000	51	10,200,000	211,753,000,000	211,753,000,000
Vietubes	3,707,300	51	1,890,723	86,637,631,068	86,637,631,068
PVD-OSI	5,000,000	51	2,550,000	53,111,400,000	53,111,400,000

The value of the investment in joint ventures using the equity method of accounting as at balance sheet date was as follows:

	Closing balance	Opening balance
	VND	VND
BJ-PVD	96,249,186,198	90,391,552,160
PVD-Expro	74,017,195,758	63,108,286,080
PVD Tubulars	60,947,530,668	56,471,549,120
PVD-Baker Hughes	293,287,486,386	309,627,310,160
Vietubes	102,792,124,314	95,601,814,000
PVD-OSI	54,091,050,885	50,888,143,600
	681,384,574,209	**666,088,655,120**

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The movement of the investments in joint ventures during the year was as follows:

	Opening balance	Shared profit	Declared profit	Foreign exchange differences from translation	Closing balance
	VND	VND	VND	VND	VND
BJ-PVD	90,391,552,160	1,439,352,456	-	4,418,281,582	96,249,186,198
PVD-Expro	63,108,286,080	10,908,932,217	-	(22,539)	74,017,195,758
PVD Tubulars	56,471,549,120	1,703,077,944	-	2,772,903,604	60,947,530,668
PVD-Baker Hughes	309,627,310,160	28,518,500,598	(60,362,730,078)	15,504,405,706	293,287,486,386
Vietubes	95,601,814,000	2,930,664,402	-	4,259,645,912	102,792,124,314
PVD-OSI	50,888,143,600	3,202,917,213	-	(9,928)	54,091,050,885
	666,088,655,120	**48,703,444,830**	**(60,362,730,078)**	**26,955,204,337**	**681,384,574,209**

The Group has not assessed fair value of the investments in joint ventures as at the balance sheet date due to no specific guidance on determination of fair value.

According to Resolution No.01/08/2018/NQ-HDQT dated 6 August 2018 and the Resolution No.05/12/2018/NQ-HDQT dated 28 December 2018, the Board of Directors have approved the restructuring plans of BJ-PVD Joint Venture. Accordingly, BJ-PVD would be dissolved upon expiriation of the joint venture contract. As at the date of these VND-converted consolidated financial statements for the year ended 31 December 2024, BJ-PVD is conducting the dissolution procedures.

The significant transactions and balances between the Group and its joint ventures: see Note 42.

14. LONG-TERM PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
Prepaid expenses for drilling campaign in Brunei (*)	339,772,279,545	430,892,071,120
Others	147,255,953,688	159,905,623,920
	487,028,233,233	**590,797,695,040**

(*) Prepaid expenses for the drilling campaign in Brunei were related to reactivation and preparation works of the drilling rig PV DRILLING V to serve the drilling campaign of Brunei Shell Petroleum Company Sdn Bhd ("BSP"), commenced from January 2022.

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15. DEFERRED TAX ASSETS

Deferred tax assets as at 31 December 2024 were derived from the temporary differences which were depreciation, accrued expenses, other provisions and unrealized foreign exchange differences from revaluation of cash and receivables.

	Depreciation, accrued expenses and other provisions	Unrealized foreign exchange differences	Total
	VND	VND	VND
Prior year's opening balance	**191,220,020,050**	**144,416,290**	**191,364,436,340**
Charge to the VND-converted consolidated income statement for the year	19,384,020,552	3,180,988,356	22,565,008,908
Foreign exchange differences from translation	5,578,879,078	92,727,274	5,671,606,352
Current year's opening balance	**216,182,919,680**	**3,418,131,920**	**219,601,051,600**
Charge to the VND-converted consolidated income statement for the year	33,367,912,119	(2,783,089,506)	30,584,822,613
Foreign exchange differences from translation	10,669,510,549	132,890,998	10,802,401,547
Current year's closing balance	**260,220,342,348**	**767,933,412**	**260,988,275,760**

16. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	VND		VND	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
Baker Hughes Energy Technology UK Ltd	169,118,825,010	169,118,825,010	-	-
Borr Jack-up XXXII INC	132,344,445,307	132,344,445,307	-	-
Payables from related parties (Details stated in Note 42)	45,922,554,393	45,922,554,393	28,289,352,560	28,289,352,560
Others	825,253,469,861	825,253,469,861	541,129,829,520	541,129,829,520
	1,172,639,294,571	**1,172,639,294,571**	**569,419,182,080**	**569,419,182,080**

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These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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17. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
Fluides Service Technologies	32,161,239,162	-
Petrovietnam Domestic Exploration Production Operating Company Limited - Block 05.1A	-	235,345,518,800
Others	16,542,990,642	28,046,240,880
	48,704,229,804	**263,391,759,680**

18. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO STATE BUDGET

Obligations to the Vietnam State budget during the year of the Group are as follows:

	Opening balance	Additions/Net-off	Paid/ Net-off	Foreign exchange differences	Closing balance
	VND	VND	VND	VND	VND
Value added tax	3,670,610,720	118,700,012,967	100,229,433,573	(207,161,474)	21,934,028,640
Value added tax of imported goods	120,400	40,309,550,817	40,309,699,983	28,766	-
Corporate income tax (*)	45,333,176,560	194,643,257,721	183,424,681,749	1,900,903,583	58,452,656,115
Personal income tax	19,106,492,720	268,786,764,963	237,151,639,683	221,339,005	50,962,957,005
Import, export tax	-	37,879,611,816	37,879,611,816	-	-
Others	23,809,340,800	232,033,331,586	232,595,364,213	1,043,143,787	24,290,451,960
	91,919,741,200	**892,352,529,870**	**831,590,431,017**	**2,958,253,667**	**155,640,093,720**
In which:					
Taxes and other receivables from the State budget	*(1,788,180,800)*				*(4,404,102,663)*
Taxes and amounts payable to the State budget	*93,707,922,000*				*160,044,196,383*

(*) During the year, PVD Tech incurred a corporate income tax liability related to opeating leasing of machinery and equipment Drilling Equipment Set (DES) with the amount of VND 11,478,309,369 (2023; VND 8,635,451,790). This amount is paid in Brunei and is deductible with corporate income tax incurred in Vietnam under Double Taxation Avoidance agreement between Vietnam and Brunei.

During the year, the Company incurred corporate income tax obligations related to the drilling service of the PV DRILLING II rig, amounting to 25,776,506,325 VND (2023: VND 24,636,893,541). This tax has been paid in Indonesia and credited against the tax payable in Vietnam under the Double Taxation Avoidance Agreement between Vietnam and Indonesia.

During the year, the Company did not incur corporate income tax obligations related to the drilling service of the PV DRILLING 11 rig (2023: VND 3,846,767,808). This tax has been paid in Algeria and credited against the tax payable in Vietnam under the Double Taxation Avoidance Agreement between Vietnam and Algeria.

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These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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19. ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
a. Short-term		
Accrued expenses for operation of drilling rigs	273,381,037,293	185,171,660,240
Accrued expenses related to supply of goods and services	115,913,326,695	55,978,438,880
Accrued interest expenses	601,454,528,538	408,416,425,200
Other expenses	152,969,497,458	51,668,841,280
	1,143,718,389,984	**701,235,365,600**
b. Long-term		
Accrued interest expenses	29,815,446,513	28,432,773,040

20. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a. Short-term		
Profit shared to partners in Business Cooperation Contract ("BCC")	183,751,476,498	200,854,940,160
Short-term deposits received (*)	112,467,954,000	72,384,600,400
Other payables	84,853,687,659	102,183,961,600
	381,073,118,157	**375,423,502,160**
b. Long-term		
Long-term deposits received	-	41,417,600
The contributed capital of the parties under Business Cooperation Contract ("BCC")	474,522,246,216	473,474,637,440
	474,522,246,216	**473,516,055,040**

(*) On October 31, 2024, the Company signed a contract to sell the PV DRILLING 11 onshore rig to Creativo Oil Trading L.L.C. and received a deposit of USD 4,424,000, equivalent to 111.710.424.000 VND. The Corporation expects to complete the handover of the rig by the end of March 2025.

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21. SHORT-TERM LOANS

	Opening balance	In the year			Closing balance
	VND	VND	VND	VND	VND
	Amount	Increases	Decreases	Foreign exchange differences	Amount
Short-term loans	-	150,712,329,339	(141,546,227,805)	(107,608,296)	9,058,493,238
Current portion of long-term loans (Details stated in Note 23)	553,352,813,440	385,322,453,853	(462,170,763,312)	21,735,754,025	498,240,258,006
	553,352,813,440	**536,034,783,192**	**(603,716,991,117)**	**21,628,145,729**	**507,298,751,244**

Details of the short-term loans are as follows:

	Closing balance	Opening balance
	VND	VND
a. PVD Deepwater		
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	-	33,979,023,120
Military Joint Stock Commercial Bank ("MB Bank") and Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank")	73,967,501,790	170,557,411,920
Military Joint Stock Commercial Bank ("MB Bank") and Modern Bank of Vietnam Limited ("MBV")	51,934,211,469	60,263,234,080
b. PVD Overseas		
Southeast Asia Commercial Joint Stock Bank ("Seabank")	92,923,680,000	21,190,400,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	181,807,200,000	173,376,000,000
c. PVD Tech		
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	9,058,493,238	-
Tien Phong Commercial Joint Stock Bank ("TPBank")	94,185,472,470	93,977,545,760
Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank")	3,422,192,277	9,198,560
	507,298,751,244	**553,352,813,440**

The Group short-term loan balance as at 31 December 2024 includes the current portion of long-term loans of PVD Deepwater for the purpose of financing the construction of PV DRILLING V Rig, which has been due but has not been paid by PVD Deepwater, with the principal amount of VND 125,901,713,259 (equivalent to USD 4,986,009). Furthermore, as at 31 December 2024, the Group included the overdue interest with amount of VND 69,537,112,836 (equivalent to USD 2,753,836) and late payment interest of VND 32,679,465,435 (equivalent to USD 1,294,185) (as at 31 December 2023: principal amount of VND 268,538,526,821 (equivalent to USD 10,996,664), overdue interest of VND 103,116,689,445 (equivalent to USD 4,222,633) and late payment interest of VND 47,628,276,669 (equivalent to USD 1,950,380)).

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PVD Deepwater has sent official dispatches to banks to request a temporary delay of recovery of principal, interest and disposal of collaterals. At the date of these VND-converted consolidated financial statements, PVD Deepwater has received correspondences from MBBank, Vietinbank, MBV and Vietcombank. Here are some key points from the feedback provided by the Banks:

› MB Bank: In 2024, pursuant to Official Letter No. 363/MB-SGD1 dated 16 September 2024 issued by MB Bank – Transaction Office Branch 1, MB Bank agreed to a 50% waiver on interest payable, including loan interest, penalty interest, and unpaid penalty fees, in response to the Company's request for an interest reduction on loans related to the financing of the TAD Drilling Rig Project, subject to the full settlement of the loan. On 30 September 2024, the Company completed the full repayment of the loan with MB Bank and received an interest and penalty waiver amounting to USD 698,314. The repayment was made using funds from PV Drilling under the cash flow support agreement No. 300924/PVD-TCKT dated 30 September 2024, and partially from the operating cash flows of the TAD Drilling Rig Project.

During the year, the Company utilized a portion of the operating cash flows of the TAD Drilling Rig Project to settle loan obligations with Vietcombank and MB Bank – Transaction Office Branch 1. This matter was also discussed in Official Letter No. 292/CV-PVD-DW dated 4 November 2024, which outlined the conclusions of the TAD Project Steering Committee meeting in October 2024. On 24 February 2025, the Company submitted Official Letter No. 043/CV-PVD-DW to the BCC parties, requesting consideration and approval for the settlement of loans related to the TAD Drilling Rig Project from the project's operational funds, supplemented by financial support from PV Drilling under the cash flow support agreement if project funds were insufficient. As at the date of these consolidated financial statements, the Company has not received any official written response from the BCC parties regarding this matter.

› MBV: Agrees to prioritize the repayment of principal for overdue principal amounts and requests PVD Deepwater to supplement documentation for submission to authorities for approval of the repayment plan for accrued interest and penalties.

› Vietinbank: Requests PVD Deepwater to repay the debt with a minimum amount equal to the principal outstanding balance at the banks. Additionally, approves prioritizing the repayment of principal first, with unpaid interest and penalties to be paid afterwards.

› Vietcombank: In 2024, pursuant to Official Letter No. 13864/HCM-KHDN1 dated 16 December 2024 from Vietcombank, the bank agreed to grant an interest and penalty waiver of up to VND 5,000,000,000, provided that the Company fully settled the loan by 25 December 2024. Accordingly, on 18 December 2024, the Company repaid the entire loan to Vietcombank and was granted the interest and penalty waiver amounting to VND 5,000,000,000. This loan settlement was funded from the operating cash flows of the TAD Rig Project.

Besides, the Group's short-term loan balance as at 31 December 2024 includes the current portion of long-term loans of PVD Overseas for the purpose of financing the construction of PV DRILLING VI Rig with the principal amount of VND 274.730.880.000 (equivalent to USD 10,880,000). Furthermore, as at 31 December 2024, PVD Overseas included the interest that has been due but has not been paid with amount of VND 496,069,985,058 (equivalent to USD 19,645,558) and late payment interest of VND 2,749,505,637 (equivalent to USD 108,887) (as at 31 December 2023: principal amount of VND 194,566,400,000 (equivalent to USD 8,080,000), interest of VND 295,876,042,300 (equivalent to USD 12,287,211). At the date of these VND-converted consolidated financial statements, PVD Overseas has not yet received correspondences from Vietcombank in relation of late payment of the interest amount.

For the loan from Southeast Asia Commercial Joint Stock Bank, the interest portion for the scheduled payments on November 29, 2022, and the payments due in 2023 will be deferred until the final maturity date on August 29, 2029, under the credit contract No. 3626/2014/HĐTD-SeABank - PVD Overseas dated August 21, 2014. As of December 31, 2024, the deferred interest portion is VND 29,815,446,513 (equivalent to USD 1,180,763).

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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22. SHORT-TERM PROVISIONS

	Provision for overhaul cost of fixed assets	Provision for Product. Warranty	Provision for severance allowance and other provision	Total
	VND	VND	VND	VND
Opening balance	**303,553,972,960**	**-**	**25,944,249,520**	**329,498,222,480**
Charge for the year	96,634,557,834	-	1,152,108,462	97,786,666,296
Use during the year	(133,910,469,987)	-	(1,137,639,360)	(135,048,109,347)
Reclassify from long-term provision	69,346,428,126	6,464,108,610	-	75,810,536,736
Revert provision	(19,256,336,160)	-	-	(19,256,336,160)
Foreign exchange differences	3,528,711,158	(75,908,622)	425,824,019	3,878,626,555
Closing balance	**319,896,863,931**	**6,388,199,988**	**26,384,542,641**	**352,669,606,560**

23. LONG-TERM LOANS

	Closing balance	Opening balance
	VND	VND
Long-term loans	3,039,630,410,385	3,341,034,622,800
Current portion of long-term loans (Details stated in Note 21)	(498,240,258,006)	(553,352,813,440)
	2,541,390,152,379	**2,787,681,809,360**

	Opening balance	In the year			Closing balance
	VND			VND	VND
	Amount	Increases	Decreases	Foreign exchange differences	Amount
Long-term loans	2,787,681,809,360	17,905,464,003	(385,322,453,853)	121,125,332,869	2,541,390,152,379
	2,787,681,809,360	**17,905,464,003**	**(385,322,453,853)**	**121,125,332,869**	**2,541,390,152,379**

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Details of the long-term loans are as follows:

	Closing balance	Opening balance
	VND	VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	-	33,979,023,120
Military Joint Stock Commercial Bank ("MB Bank") and Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank")	73,967,501,790	170,557,387,840
Military Joint Stock Commercial Bank ("MBBank") and Modern Bank of Vietnam Limited ("MBV")	51,934,186,218	60,263,234,080
Southeast Asia Commercial Joint Stock Bank ("Seabank")	306,824,901,000	328,595,680,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	2,354,329,178,817	2,418,524,573,360
Tien Phong Commercial Joint Stock Bank ("TPBank")	249,152,450,283	328,921,386,080
Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank")	3,422,192,277	193,338,320
	3,039,630,410,385	**3,341,034,622,800**

Supplemental information for the Group's long-term loans are as follows:

Name of bank	Purpose of financing	Interest rate	Form of collaterals	Closing balance	
Vietinbank	PV DRILLING V	LIBOR 6 months + margin	Guaranteed by value of PV DRILLING V and revenue from capital contribution in BCC	73,967,501,790	VND
MB Bank and MBV	PV DRILLING V	LIBOR 6 months + margin	Guaranteed by value of PV DRILLING V and revenue from capital contribution in BCC	51,934,186,218	VND
Seabank	PV DRILLING VI	SOFR 3 months + margin (from 01/01/2024 to 16/06/2024) SOFR 3 months + margin (from 17/06/2024 to 31/12/2024)	Guaranteed by value of PV DRILLING VI with corresponding loan proportion	306,824,901,000	VND
Vietcombank	PV DRILLING VI	SOFR 3 months + margin (from 01/01/2024 to 16/06/2024) SOFR 3 months + margin (from 17/06/2024 to 31/12/2024)	Guaranteed by value of PV DRILLING VI with corresponding loan proportion	2,354,329,178,817	VND
TP Bank	Purchasing fixed asset	LIBOR 3 months + margin (from 01/01/2023 to 23/06/2023) SOFR 3 months + margin (from 24/06/2023 to 31/12/2023)	Drilling Equipment Set (DES)	249,152,450,283	VND
Vietinbank (*)	Purchasing fixed asset	6.5% per year	Fixed assets formed in the future	3,422,192,277	VND
				3,039,630,410,385	

(*) Long-term loan from Vietnam Joint Stock Commercial Bank for Industry and Trade – Branch 7 – Ho Chi Minh City under contract No. 1213/2023-HĐCVDAT/HNCT924_PDVT signed 29 December 2023 with the amount of VND 23,900,000,000 for the purpose of payment for legal, reasonable and valid expenses to implement the project "The Phase III of Factory Expansion Project in Dong Xuyen Industrial Park". The loan is repayable in instalments starting from 29 December 2023 to 29 December 2027. Interest is paid monthly and applies a fixed interest rate of 6.5%/year in the first year, from the 2nd year to the 6th year, the interest rate on debts in any interest period is the daily interest rate and equal to the sum of the base interest rate plus (+) margin of 2.5%.

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Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
Within one year	498,240,258,006	553,352,813,440
In the second year	279,414,864,747	296,286,364,080
In the third to fifth year inclusive	816,682,108,815	827,838,373,600
After five years	1,445,293,178,817	1,663,557,071,680
	3,039,630,410,385	**3,341,034,622,800**
Less: Amount due for settlement within 12 months (shown under current liabilities)	(498,240,258,006)	(553,352,813,440)
Amount due for settlement after 12 months	**2,541,390,152,379**	**2,787,681,809,360**

24. LONG-TERM PROVISIONS

	Provision for overhaul cost of fixed assets	Warranty for goods sold	Total
	VND	VND	VND
Opening balance	**213,940,252,960**	**6,374,096,400**	**220,314,349,360**
Charge for the year	154,827,172,893	-	154,827,172,893
Reclassify to short-term provision	(69,346,428,126)	(6,464,108,610)	(75,810,536,736)
Foreign exchange differences	11,083,201,232	2,210,086,170	13,293,287,402
Closing balance	**310,504,198,959**	**2,120,073,959**	**312,624,272,919**

25. SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

According to the Group's Charter, the Group is permitted to appropriate profit to the Scientific and Technological Development Fund with the amount not exceeding 10% of taxable income for development of scientific and technological activities.

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Movement of fund appropriation and usage during the year is as follows:

	Scientific and Technological Development Fund		
			VND
	Available	The carrying value of assets formed from the fund	Total
Prior year's opening balance	**20,390,168,525**	**67,308,560,755**	**87,698,729,280**
Increase in the year	12,243,327,089	7,821,335,477	20,064,662,566
› Provision	*12,243,327,089*	-	*12,243,327,089*
› Forming fixed assets	-	*7,821,335,477*	*7,821,335,477*
Decrease in the year	(8,526,805,477)	(18,741,300,578)	(27,268,106,055)
› Fund usage	*(8,526,805,477)*	-	*(8,526,805,477)*
+ Holding	*(8,526,805,477)*	-	*(8,526,805,477)*
› Depreciation of fixed assets	-	*(18,741,300,578)*	*(18,741,300,578)*
Foreign exchange differences on conversion	114,611,303	(2,000,207,334)	(1,885,596,031)
Current year's opening balance	**24,221,301,440**	**54,388,388,320**	**78,609,689,760**
Increase in the year	19,304,722,759	1,621,025,000	20,925,747,759
› Provision	*19,304,722,759*	-	*19,304,722,759*
› Forming fixed assets	-	*1,621,025,000*	*1,621,025,000*
Decrease in the year	(1,955,995,270)	(18,398,745,366)	(20,354,740,636)
› Fund usage	*(1,955,995,270)*	-	*(1,955,995,270)*
+ Holding	(1,955,995,270)	-	(1,955,995,270)
› Depreciation of fixed assets	-	*(18,398,745,366)*	*(18,398,745,366)*
Foreign exchange differences on conversion	73,238,494	512,206,053	585,444,547
Current year's closing balance	**41,643,267,423**	**38,122,874,007**	**79,766,141,430**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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26. OWNERS' EQUITY

Charter Capital

According to the 17th amendment of the Business Registration Certificate, the Group's charter capital as at 31 December 2024 is VND 5,562,960,060,000, equivalent to USD 270,911,347. The number of shares which has been approved and issued by the Company was as below:

	Closing balance		Opening balance	
	Number of shares	VND	Number of shares	VND
Authorized share capital	**556,296,006**	**5,562,960,060,000**	**556,296,006**	**5,562,960,060,000**
Issued share capital				
Ordinary shares	556,296,006	5,562,960,060,000	556,296,006	5,562,960,060,000
	556,296,006	**5,562,960,060,000**	**556,296,006**	**5,562,960,060,000**
Treasury shares				
Ordinary shares	(416,000)	(4,160,000,000)	(416,000)	(4,160,000,000)
	(416,000)	**(4,160,000,000)**	**(416,000)**	**(4,160,000,000)**
Shares currently in circulation				
Ordinary shares	555,880,006	5,558,800,060,000	555,880,006	5,558,800,060,000
	555,880,006	**5,558,800,060,000**	**555,880,006**	**5,558,800,060,000**

Ordinary shares have a par value of VND 10,000. The Company has only one class of ordinary shares which carry no right to fixed dividend. Ordinary shareholders will receive dividends at the time of declaration and be entitled to a voting right for each owned share at the shareholders' meeting. All shares rank equally with regard to the Company's residual assets.

PetroVietnam, the founding shareholder and the main shareholder of the Company, currently holds 280,496,572 shares, equivalent to 50.4% as at 31 December 2024 (as at 31 December 2023 is the same) of total shares in circulation of the Company.

According to the report on transactions of major shareholders, as at 20 February 2025, the related foreign investment group became a major shareholder, holding 27,934,000 shares, equivalent to 5.0252% of the total outstanding shares of the Corporation.

	Number of share	Percentage of ownership
Name of affiliated foreign investors conducting the transaction	**27,934,000**	**5.0252%**
› *Amersham Industries Limited*	*4,440,000*	*0.7988%*
› *DC Developing Markets Strategies Public Limited Company*	*3,500,000*	*0.6296%*
› *Grinling International Limites*	*1,500,000*	*0.2698%*
› *Hanoi Investments Holdings Limited*	*6,041,000*	*1.0867%*
› *Norges Bank*	*7,525,000*	*1.3537%*
› *Samsung Vietnam Securites Master Investment Trust [Equity]*	*268,000*	*0.0482%*
› *Vietnam Enterprise Investments Limited*	*2,600,000*	*0.4678%*
› *Wareham Group Limited*	*2,060,000*	*0.3706%*

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Movement in owners' equity during the year were as follows:

		Owner's contributed capital	Share premium	Treasury shares	Foreign exchange reserve	Investment and development fund	Retained earnings	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Prior year's opening balance		**5,562,960,060,000**	**2,434,086,374,663**	**(20,948,559,850)**	**1,846,657,584,332**	**3,590,590,632,136**	**435,921,739,099**	**229,241,472,750**	**14,078,509,303,130**
Dividends declared		-	-	-	-	-	-	(3,490,427,500)	(3,490,427,500)
Foreign exchange differences		-	-	-	360,179,746,767	-	1,868,509,890	(1,476,556,029)	360,571,700,628
Profit for the year		-	-	-	-	-	545,942,180,784	-	545,942,180,784
Funds appropriation		-	-	-	-	193,776,903,918	(329,062,725,147)	(909,848,082)	(136,195,669,311)
Allocation to NCI		-	-	-	-	-	(13,930,353,177)	13,930,353,177	-
Distributions to BCC (Note 27)		-	-	-	-	-	52,820,452,269	-	52,820,452,269
Current year's opening balance		**5,562,960,060,000**	**2,434,086,374,663**	**(20,948,559,850)**	**2,206,837,331,099**	**3,784,367,536,054**	**693,559,803,718**	**237,294,994,316**	**14,898,157,540,000**
Dividends declared		-	-	-	-	-	-	(3,490,427,500)	(3,490,427,500)
Foreign exchange differences		-	-	-	585,404,214,728	-	603,799,107	(1,354,104,087)	584,653,909,748
Profit for the year		-	-	-	-	-	697,970,710,425	-	697,970,710,425
Funds appropriation		-	-	-	-	227,885,497,485	(370,273,518,750)	(317,723,580)	(142,705,744,845)
Allocation to NCI		-	-	-	-	-	(17,875,233,027)	17,875,233,027	-
Distributions to BCC (Note 27)		-	-	-	-	-	17,756,336,575	-	17,756,336,575
Current year's closing balance		**5,562,960,060,000**	**2,434,086,374,663**	**(20,948,559,850)**	**2,792,241,545,827**	**4,012,253,033,539**	**1,021,741,898,048**	**250,007,972,176**	**16,052,342,324,403**

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These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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Foreign exchange differences represent the differences from the translation of financial statements of the subsidiaries and branches in Algeria from Vietnam Dong and Dinar Algeria respectively, into US Dollar.

For the year ended 31 December 2024, the Company has provisionally set up the Investment Development Fund in accordance with Resolutions No. 05/01/2025/NQ-HĐQT dated 06 January 2025, approved by the Board of Directors.

Detailed movement in foreign exchange differences as follows:

	Foreign exchange difference from translation of overseas branches' operation	Foreign exchange difference from translation of subsidiaries' financial statements	Total
	VND	VND	VND
Prior year's opening balance	**(56,923,431,088)**	**1,903,581,015,420**	**1,846,657,584,332**
Incurring in the year	15,577,047,057	344,602,699,710	360,179,746,767
Current year's opening balance	**(41,346,384,031)**	**2,248,183,715,130**	**2,206,837,331,099**
Incurring in the year	(30,497,709,669)	615,901,924,397	585,404,214,728
Closing balance	**(71,844,093,700)**	**2,864,085,639,527**	**2,792,241,545,827**

27. NON-CONTROLLING INTERESTS AND INTERESTS OF PARTNERS IN BUSINESS COOPERATION CONTRACT

Non-controlling interests ("NCI") and interests of partners in business cooperation contract ("BCC") represent the other shareholders' portion in the operating result of PVD Training and PVD Overseas and interest of partners in the business cooperation contract with the following details:

	Current year	Prior year
	VND	VND
Profit of NCI in PVD Training and PVD Overseas (*)	17,875,233,027	13,930,353,177
Loss in BCC interests (**)	(17,756,336,575)	(52,820,452,269)
	118,896,452	**(38,890,099,092)**

(*) Details of NCI in PVD Training and PVD Overseas

The rates of the NCI in PVD Training and PVD Overseas as at 31 December 2024 and 31 December 2023 were calculated as follows:

	PVD Training	PVD Overseas
	VND	USD
Charter capital of subsidiaries	28,958,670,000	66,698,050
Including:		
Distributed capital to the Holding Company	*14,996,960,000*	*54,400,000*
Distributed capital to the non-controlling interests	*13,961,710,000*	*12,298,050*
Share of the non-controlling interests	**48.21%**	**18.44%**

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NCI in net assets as at 31 December 2024 and 31 December 2023 were as follows:

	Closing balance	Opening balance
	VND	VND
Non-controlling interests	**250,007,972,176**	**237,294,994,316**
Details as follows:		
PVD Training		
Charter capital	13,961,710,000	13,961,710,000
Share premium	150,655,698	150,655,698
Other funds	13,144,681,947	12,214,037,004
Foreign exchange differences from conversion	(5,508,304,299)	(5,841,716,210)
Retained earnings	26,009,453,895	25,381,646,121
PVD Overseas		
Contributed capital	263,191,917,150	263,191,917,150
Accumulated losses	(60,942,142,215)	(71,763,255,447)

NCI in operating result:

	Current year	Prior year
	VND	VND
Profit for the year	85,027,653,042	55,235,263,980
Non-controlling profit in operating result	17,875,233,027	13,930,353,177

(**) Details of interests of partners in BCC

The Group and Petrovietnam, Military Joint-Stock Commercial Bank ("MB Bank") and Modern Bank of Vietnam Limited ("MBV") have cooperated in financing and operating the Tender Assist Drilling Rig project ("TAD" or "PV DRILLING V") for the period of 17 years since 10 September 2009. According to BCC, the Group has been authorised to manage and operate the project as well as accounted for its result as a base for profit/(loss) shared to all partners corresponding to capital contribution percentage in BCC.

Percentage of capital contribution of all partners in BCC as follows:

	Percentage
	%
Capital contribution of Petrovietnam	23.00
Capital contribution of the Group	62.43
Capital contribution of MB Bank	9.71
Capital contribution of MBV	4.86

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The financial portion of BCC was presented in the VND-converted consolidated financial statements of the Group as follows:

	Closing balance	Opening balance
	VND	VND
Total Assets	2,312,234,318,696	2,495,471,338,293
In which: Net book value of PV DRILLING V	*2,170,593,756,256*	*2,368,283,583,842*

The actual contributed capital of other partners (Petrovietnam, MBBank and MBV) in BCC in order to finance and operate "TAD" project was recognized as other long-term payables. The other long-term payables as at 31 December 2024 and 31 December 2023 were as follows:

	Closing balance	Opening balance
	VND	VND
Petrovietnam	278,173,894,859	278,173,894,859
MBBank	133,229,238,748	133,229,238,748
MBV	68,756,768,760	68,756,768,760
Foreign exchange difference from translation	(5,637,656,151)	(6,643,847,327)
	474,522,246,216	473,516,055,040

The financial performance and the profit/(loss) distribution based on the proportions of their capital contribution as at 31 December 2024 and 31 December 2023 are as follows:

	Current year	Prior year
	VND	VND
Net revenue	131,420,239,657	125,088,258,880
Cost of sales	124,809,037,270	152,718,254,408
General and administration expenses	7,919,468,290	5,142,498,406
Financial expenses	19,345,969,971	45,009,287,180
Financial income	224,001,043	147,941,222
Other losses	(23,021,733,691)	(59,433,981,907)
Corporate income tax	-	-
Net loss	(43,451,968,522)	(137,067,821,799)
Adjustment for expenses not subject to BCC	(3,810,091,952)	(3,524,278,995)
Net loss distributed to BCC parties	(47,262,060,474)	(140,592,100,794)
Shared loss as the percentage of capital contribution		
The Group	(29,505,723,899)	(87,771,648,525)
Other BCC parties:	(17,756,336,575)	(52,820,452,269)
Petrovietnam	*(10,870,273,909)*	*(32,336,183,183)*
MBBank	*(4,589,146,072)*	*(13,651,492,987)*
MBV	*(2,296,916,594)*	*(6,832,776,099)*

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Until the date of the VND-converted consolidated financial statements, the report of business activities of BCC for the year end 31 December 2024 has not yet been verified and settled between partners in BCC. Therefore, the Group just temporarily recorded the business performance and the loss distributions to partners in BCC based on the proportions of their capital contribution.

28. OFF BALANCE SHEET ITEMS

Operating lease assets

Minimum lease payment in the future under non-cancellable operating leases is under the terms described in Note 40.

Foreign currencies

	Closing balance	Opening balance
Vietnam Dong ("VND")	1,289,987,570,611	1,539,902,032,607
Euro ("EUR")	769,928	28,591
British Pound ("GBP")	1,950	2,775
Singapore Dollar ("SGD")	20,202	29,633
Algerian Dinar ("DZD")	35,624,374	74,942,098
Baht Thai ("THB")	2,259	2,259
Malaysia Ringgit ("MYR")	82,441	6,173,759
Brunei ("BND")	61,499	1,739
Rupiah Indonesia ("IDR")	47,499,201,247	9,823,703,365

Unrecoverable overdue debt has been processed:

The Company has undertaken financial settlement measures for the receivable from KrisEnergy Apsara, which is no longer able to fulfill its obligations, with the amount of 3,939,360 USD (including: Parent company - PV Drilling is 3,485,805.69 USD and the subsidiary-PVD Well is 453,553.63 USD) according to Resolution No. 03/03/2024/NQ-HĐQT dated 26 March 2024.

For the subsidiary PVD Tech, this subsidiary has processed the financial handling of short-term receivables for Carling Air Compressor Sdn Bhd and OLTREMARE with the amounts of 2,722,115,396 VND and 1,955,347,130 VND respectively, according to Resolution No. 057/PT-HĐQT and Resolution No. 058/PT-HĐQT of the Board of Directors of PVD Tech dated 31 December 2019. These financially handling debts are monitored separately off the balance sheet for a period of 10 years from the date of settlement and the Company continues to take measures to recover the debt.

29. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organized into three operating divisions - drilling services, trading and other services. These divisions are the basis on which the Group reports its primary segment information.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

FORM B 09-DN/HN
Unit: VND

Principal activities are as follows:
- Drilling services: providing drilling rigs and drilling services.
- Trading: provide material and equipment for drilling activities.
- Other services: provide well services, wire line logging, oil spill control service, drilling manpower supply service, investment-management project consulting service, management consulting service and other related services in the oil and gas industry.

Segment information about the Group's business is presented below:

Balance sheet
As at 31 December 2024

	Drilling services	Trading	Other services	Total
	VND	VND	VND	VND
Assets				
Segment assets	21,360,963,027,981	764,654,923,164	1,488,939,810,078	23,614,557,761,223
Unallocated assets	-	-	-	-
Consolidated assets				**23,614,557,761,223**
Liabilities				
Segment liabilities	6,334,838,286,999	454,950,928,395	772,426,221,426	7,562,215,436,820
Unallocated liabilities	-	-	-	-
Consolidated liabilities				**7,562,215,436,820**

Income statement
For the year ended 31 December 2024

	Drilling services	Trading	Other services	Total
	VND	VND	VND	VND
Gross revenue	5,635,320,312,015	1,207,086,301,149	2,447,465,086,143	9,289,871,699,307
Net revenue	5,635,320,312,015	1,207,086,301,149	2,445,652,694,382	9,288,059,307,546
Cost of sales	4,425,686,255,586	1,163,229,831,462	1,944,966,424,596	7,533,882,511,644
Gross profit	1,209,634,056,429	43,856,469,687	500,686,269,786	1,754,176,795,902
Financial income				151,936,733,589
Financial expenses				400,242,559,254
Selling expenses				34,726,143,132
General and administration expenses				600,492,942,054
Operating profit				870,651,885,051
Other income				77,648,609,910
Other expenses				59,793,738,042
Profit from other activities				17,854,871,868
Accounting profit before tax				888,506,756,919
Income from investments in joint ventures				48,703,444,830
Current corporate income tax expense				269,824,313,937
Deferred corporate tax income				(30,584,822,613)
Net profit after corporate income tax				**697,970,710,425**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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Balance sheet
As at 31 December 2023

	Drilling services	Trading	Other services	Total
	VND	VND	VND	VND
Assets				
Segment assets	19,806,006,943,520	687,748,229,840	1,139,093,034,240	21,632,848,207,600
Unallocated assets	-	-	-	-
Consolidated assets				**21,632,848,207,600**
Liabilities				
Segment liabilities	5,842,447,998,240	427,814,213,680	464,428,455,680	6,734,690,667,600
Unallocated liabilities	-	-	-	-
Consolidated liabilities				**6,734,690,667,600**

Income statement
For the year ended 31 December 2023

	Drilling services	Trading	Other services	Total
	VND	VND	VND	VND
Gross revenue	4,067,897,158,962	157,142,368,266	1,579,372,957,695	5,804,412,484,923
Net revenue	4,067,897,158,962	157,142,368,266	1,579,372,957,695	5,804,412,484,923
Cost of sales	3,204,407,818,170	144,759,187,677	1,149,751,873,764	4,498,918,879,611
Gross profit	863,489,340,792	12,383,180,589	429,621,083,931	1,305,493,605,312
Financial income				134,219,305,233
Financial expenses				392,052,837,813
Selling expenses				24,149,229,741
General and administration expenses				522,515,095,908
Operating profit				500,995,747,083
Other income				155,300,348,463
Other expenses				64,053,858,921
Profit from other activities				91,246,489,542
Accounting profit before tax				592,242,236,625
Income from investments in joint ventures				66,137,035,575
Current corporate income tax expense				135,002,100,324
Deferred corporate tax income				(22,565,008,908)
Net profit after corporate income tax				**545,942,180,784**

Geographical segments

For the year ended 31 December 2024, the Group is operating in geographical areas of Vietnam, Malaysia, Brunei, Algeria, Indonesia and Thailand. Segment information about the Group's geographical operation is presented below:

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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Balance sheet
As at 31 December 2024

	Vietnam	Malaysia	Cambodia	Brunei	Myanmar	Algeria	Indonesia	Thailand	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Assets									
Segment assets	7,571,178,683,286	9,396,426,815,478	-	3,659,260,810,731	-	99,645,369,945	2,888,046,081,783	-	23,614,557,761,223
Unallocated assets	-	-	-	-	-	-	-	-	-
Consolidated assets									**23,614,557,761,223**
Liabilities									
Segment liabilities	2,279,238,234,786	4,549,088,930,553	-	558,045,584,940	-	32,370,367,944	143,472,318,597	-	7,562,215,436,820
Unallocated liabilities	-	-	-	-	-	-	-	-	-
Consolidated liabilities									**7,562,215,436,820**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

FORM B 09-DN/HN
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Income statement
For the year ended 31 December 2024

	Vietnam	Malaysia	Cambodia	Brunei	Myanmar	Algeria	Indonesia	Thailand	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Gross revenue	4,746,427,690,996	2,795,539,248,414	-	884,645,246,955	-	59,623,092,138	768,551,611,506	35,084,809,298	9,289,871,699,307
Net revenue	4,744,615,299,235	2,795,539,248,414	-	884,645,246,955	-	59,623,092,138	768,551,611,506	35,084,809,298	9,288,059,307,546
Cost of sales	4,258,664,588,166	1,798,266,784,962	-	853,864,196,469	-	81,910,133,364	528,886,475,001	12,290,333,682	7,533,882,511,644
Gross profit	485,950,711,069	997,272,463,452	-	30,781,050,486	-	(22,287,041,226)	239,665,136,505	22,794,475,616	1,754,176,795,902
Financial income									151,936,733,589
Financial expenses									400,242,559,254
Selling expenses									34,726,143,132
General and administration expenses									600,492,942,054
Operating profit									870,651,885,051
Other income									77,648,609,910
Other expenses									59,793,738,042
Profit from other activities									17,854,871,868
Accounting profit before tax									888,506,756,919
Income from investments in joint ventures									48,703,444,830
Current corporate income tax expense									269,824,313,937
Deferred corporate tax income									(30,584,822,613)
Net profit after corporate income tax									**697,970,710,425**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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Balance sheet
As at 31 December 2023

	Vietnam	Malaysia	Cambodia	Brunei	Myanmar	Algeria	Indonesia	Thailand	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Assets									
Segment assets	10,671,981,560,240	3,489,339,851,200	-	3,893,033,008,480	59,429,440	226,079,510,720	2,850,778,826,000	501,576,021,520	21,632,848,207,600
Unallocated assets	-	-	-	-	-	-	-	-	-
Consolidated assets									**21,632,848,207,600**
Liabilities									
Segment liabilities	5,569,206,651,680	227,007,481,680	2,372,289,360	657,643,100,800	-	67,321,106,160	115,680,079,200	95,459,958,720	6,734,690,667,600
Unallocated liabilities	-	-	-	-	-	-	-	-	-
Consolidated liabilities									**6,734,690,667,600**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

FORM B 09-DN/HN
Unit: VND

Income statement
For the year ended 31 December 2023

	Vietnam	Malaysia	Cambodia	Brunei	Myanmar	Algeria	Indonesia	Thailand	Total
	VND	VND	VND	VND	VND	VND	VND	VND	VND
Gross revenue	2,903,594,296,980	748,040,759,700	-	903,073,035,111	-	218,634,406,146	776,453,449,395	254,616,537,591	5,804,412,484,923
Net revenue	2,903,594,296,980	748,040,759,700	-	903,073,035,111	-	218,634,406,146	776,453,449,395	254,616,537,591	5,804,412,484,923
Cost of sales	2,260,293,068,670	623,764,990,368	-	853,517,870,751	-	171,000,660,831	471,093,220,806	119,249,068,185	4,498,918,879,611
Gross profit	643,301,228,310	124,275,769,332	-	49,555,164,360	-	47,633,745,315	305,360,228,589	135,367,469,406	1,305,493,605,312
Financial income									134,219,305,233
Financial expenses									392,052,837,813
Selling expenses									24,149,229,741
General and administration expenses									522,515,095,908
Operating profit									500,995,747,083
Other income									155,300,348,463
Other expenses									64,053,858,921
Profit from other activities									91,246,489,542
Accounting profit before tax									592,242,236,625
Income from investments in joint ventures									66,137,035,575
Current corporate income tax expense									135,002,100,324
Deferred corporate tax income									(22,565,008,908)
Net profit after corporate income tax									**545,942,180,784**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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30. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Sales of trading	1,207,086,301,149	157,142,368,266
Sales of drilling services	5,635,320,312,015	4,067,897,158,962
Sales of technical well and other services	2,447,465,086,143	1,579,372,957,695
	9,289,871,699,307	**5,804,412,484,923**

Sales transactions with related parties: see Note 42.

31. COST OF GOODS SOLD AND SERVICES RENDERED

	Current year	Prior year
	VND	VND
Cost of trading	1,163,229,831,462	144,759,187,677
Cost of drilling services	4,425,686,255,586	3,204,407,818,170
Cost of technical well and other services	1,944,966,424,596	1,149,751,873,764
	7,533,882,511,644	**4,498,918,879,611**

32. PRODUCTION COSTS BY NATURE

	Current year	Prior year
	VND	VND
Raw materials and consumables	1,618,320,256,557	719,704,675,833
Labour	2,286,980,867,283	1,873,370,288,322
Depreciation and amortisation	835,699,879,734	808,911,854,790
Rigs rental expenses	1,071,322,095,558	772,592,028
Out-sourced services	1,893,855,017,889	1,361,336,815,605
Additional provision	168,899,692,221	139,747,755,615
Other expenses	294,023,787,588	141,739,223,067
	8,169,101,596,830	**5,045,583,205,260**

33. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Interest income	61,338,948,636	67,334,699,991
Foreign exchange gain	90,439,693,854	63,546,546,531
Others	158,091,099	3,338,058,711
	151,936,733,589	**134,219,305,233**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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34. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expense	237,839,369,526	250,499,968,602
Foreign exchange loss	156,331,288,254	141,676,915,731
Others	6,071,901,474	(124,046,520)
	400,242,559,254	**392,052,837,813**

35. GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Labour	360,078,519,870	302,368,505,868
Depreciation and amortisation	17,607,306,030	16,397,056,104
Out-sourced services	130,308,235,392	118,304,420,793
(Reversal)/Additional provision	(1,322,530,617)	16,405,744,095
Other expenses	93,821,411,379	69,039,369,048
	600,492,942,054	**522,515,095,908**

36. OTHER INCOME

	Current year	Prior year
	VND	VND
Income from contract termination agreement with customer	-	142,038,000,000
Interest is waived (*)	26,015,544,840	-
Income from withholding tax refund of Malaysia office	32,525,074,497	-
Others	19,107,990,573	13,262,348,463
	77,648,609,910	**155,300,348,463**

(*) This amount represents the interest waived by banks pursuant to agreements between the parties in 2024. Details in Note 21.

37. OTHER EXPENSES

	Current year	Prior year
	VND	VND
Penalty for contract breach	669,332,703	13,364,142,363
Depreciation expense	47,831,445,255	47,831,438,538
Others	11,292,960,084	2,858,278,020
	59,793,738,042	**64,053,858,921**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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38. CURRENT CORPORATE INCOME TAX EXPENSE

(*) Reflecting the corporate income tax arising from the business operations of the overseas Representative Offices and has been partially paid to the tax authorities of the country where the Company operates.

The current corporate income tax expense during the year was computed as follows:

	Current year	Prior year
	VND	VND
Profit before tax	**937,210,201,749**	**658,379,272,200**
Adjustments for assessable income		
Less: non-taxable income	*274,266,576,861*	*151,132,598,448*
Add back: non-deductible expenses	*322,267,250,943*	*145,630,732,845*
Loss carry-forward	-	*240,830,660,733*
Taxable income	**985,210,875,831**	**412,046,745,864**
The corporate income tax expenses calculated on taxable income for the current fiscal year.	*41,560,929,252*	*25,642,735,638*
Adjustment of corporate income tax expenses from previous years into the current year's corporate income tax expenses – Paid in Vietnam	*(141,011,592)*	*2,707,859,778*
Adjustment of corporate income tax expenses from previous years into the current year's corporate income tax expenses – Paid in overseas	-	*22,091,643,600*
The corporate income tax expenses calculated on income derived from business operations conducted overseas – Paid in overseas	*89,479,462,590*	*30,602,371,176*
The corporate income tax expenses calculated on income derived from business operations conducted overseas – Paid in Vietnam	*138,924,933,687*	*53,957,490,132*
Corporate income tax expense based on taxable income in the current year	**269,824,313,937**	**135,002,100,324**

For the year ended 31 December 2024, in accordance with Law on Corporate Income Tax ("CIT"), applicable CIT rate is 20% of taxable income of the Group (2023: 20%), except for the incentives as follows:

› PVD Training is obliged to pay CIT at the rate of 10% of its taxable income from training over its operating period and 20% of its taxable income from other activities.

› PVD Deepwater is obliged to pay CIT at the rate 10% for 15 years from taxable income generated by PV Drilling V project (2011). PVD Deepwater is entitled to CIT exemption for 4 years from the first profit-making year (from 2012 to 2015) and a reduction of 50% for the following 9 years (from 2016 to 2024).

Taxable income from overseas business operations is calculated separately for each market and is subject to the same tax rate as the Corporation. However, losses incurred in different markets cannot be offset and cannot be transferred to taxable income from business operations in Vietnam. The Corporation's Offices and its subsidiary pay corporate income tax in accordance with the regulations in force in the host countries at the following tax rates:

› The Office in Indonesia is obliged to pay corporate income tax at a rate of 22% on taxable income, with taxable income deemed as 15% of revenue.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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› The Office in Algeria is obliged to pay corporate income tax at a rate of 26% on the taxable income.

› PVD Overseas in Singapore is obliged to pay corporate income tax at a rate of 17% on profit before tax.

At the balance sheet date, the Group has unused tax losses of VND 711,091,234,262 (2023: VND 613,511,118,187) available for offset against future profits. No deferred tax asset has been recognized due to the uncertainty of future profits. These losses can be carried forward for a maximum period of five years from the year it incurred.

The above tax loss figures are originally in Vietnam Dong based on the annual tax declaration results. The utilization shall be subject to the foreign exchange difference over time.

The benefits from the Group's tax losses carried forward expire according to the following schedule:

	Tax losses		
	The Company	PVD Deepwater	Total
	VND	VND	VND
2025	29,089,944,592	15,377,107,952	44,467,052,544
2026 (*)	152,827,251,702	25,392,586,115	178,219,837,817
2027 (*)	162,410,138,627	94,764,257,454	257,174,396,081
2028	-	106,177,968,788	106,177,968,788
2029	94,687,021,677	30,364,957,355	125,051,979,032
	439,014,356,598	**272,076,877,664**	**711,091,234,262**

(*) The figures have been adjusted according to the inspection results of the Large Enterprise Tax - General Department of Taxation.

39. BASIC PROFIT PER SHARE

The calculation of the basic loss per share attributable to ordinary shareholders of the Group is based on the following data:

	Current year	Prior year
	VND	VND
Profit attributable to the Holding Company's shareholders	697,851,813,973	584,832,279,876
Appropriation to Bonus and Welfare funds	(142,070,297,685)	(134,375,973,147)
Profit for the purpose of calculating basic profit per share	555,781,516,288	450,456,306,729
Weighted average number of ordinary shares	555,880,006	555,880,006
Basic profit per share	**1,000**	**810**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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40. COMMITMENTS

Operating lease commitments

	Current year	Prior year
	VND	VND
Minimum lease payments under operating leases recognised in VND-coverted consolidated income statement for the year	33,851,209,959	36,894,394,173

As at the balance sheet date, the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	Closing balance	Opening balance
	VND	VND
Within one year	29,810,153,853	31,071,570,036
In the second to fifth year inclusive	50,780,805,129	64,024,409,709
After five years	25,973,306,001	26,100,026,979
	106,564,264,983	**121,196,006,724**

Operating lease commitments represent rental payable by the Group which related to the lease contracts of office, warehouse and land with the duration over one year.

Guarantee commitment

The Company commits to guarantee the short-term credit line for the year 2024-2025 for PVD Tubulars according to Resolution No. 11/06/2024/NQ-HĐQT dated 20 August 2024 of the Board of Directors, with a maximum total amount of USD 5,100,000.

41. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings disclosed in Note 21 and Note 23, offset by cash and cash equivalents) and equity attributable to shareholders of the Group (comprising owners' contributed capital, share premium, treasury shares, foreign exchange difference, reserves and retained earnings) and non-controlling interests.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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Gearing ratio

The gearing ratio of the Group as at the balance sheet date was as follows:

	Closing balance	Opening balance
	VND	VND
Borrowings	3,048,688,903,623	3,341,034,622,800
Less: Cash and cash equivalents	2,203,268,278,194	2,256,047,157,280
Net debt	845,420,625,429	1,084,987,465,520
Owners' equity	16,052,342,324,403	14,898,157,540,000
Net debt to equity ratio	**0.05**	**0.07**

Significant accounting policies

Details of the significant accounting policies and methods adopted by the Group (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 3.

Categories of financial instruments

	Closing balance	Opening balance
	VND	VND
Financial assets		
Cash and cash equivalents	2,203,268,278,194	2,256,047,157,280
Trade and other receivables	3,663,214,965,825	2,177,010,336,480
Held-to-maturity investments	770,247,363,138	1,278,224,697,680
	6,636,730,607,157	**5,711,282,191,440**
Financial liabilities		
Loans and borrowings	3,048,688,903,623	3,341,034,622,800
Trade and other payables	1,367,503,912,926	742,256,223,520
Accrued expenses	1,173,533,836,497	729,668,138,640
	5,589,726,653,046	**4,812,958,984,960**

The Group has not yet assessed fair value of its financial assets and liabilities as at the balance sheet date since there are no comprehensive guidance under Circular No. 210/2009/TT-BTC dated 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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Financial risk management objectives

Financial risks include market risk (consisting of foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group has hedged these risks exposures by controlling and managing the cash flows (including foreign currencies cash flows) and closely tracking with market information to have proper hedging instruments.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. However, the Group manages to balance the cash inflow and outflow of foreign currencies by negotiating business contracts based on the demand foreign currencies payables to its receivables and Cross Currency Swap contracts in order to minimize the foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at 31 December 2024 and 31 December 2023 are as follows:

	Assets		Liabilities	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
United States Dollar ("USD") (Subsidiaries)	306,899,921,721	186,716,488,560	369,737,792,751	624,152,829,440
Vietnam Dong ("VND") (The Company)	1,130,555,977,971	2,340,446,690,400	67,241,746,434	102,234,914,880
Algerian Dinar ("DZD")	6,519,252,678	9,985,036,880	1,061,350,032	254,838,640
Singapore Dollar ("SGD")	566,102,169	1,054,968,880	5,186,959,416	4,883,881,520
Euro ("EUR")	37,688,910,321	74,455,360	5,782,302,243	8,244,293,680
Thai Baht ("THB")	5,580,471	1,565,200	105,826,941	3,577,878,640
British Pound ("GBP")	110,321,619	168,271,040	2,402,304,387	2,061,922,240
Malaysia Ringgit (MYR)	489,743,145	136,673,239,920	72,419,287,227	36,718,749,200
Brunei Dollar ("BND")	-	591,717,840	7,724,154,645	7,449,774,080
Australian Dollar ("AUD")	-	-	4,519,929	72,577,120
Indonesia Rupian (IDR)	467,313,211,971	313,791,777,600	35,329,330,626	7,765,198,000

Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in the exchange rate of the Vietnam Dong against the United States Dollar.

The rate of 2% (prior year: 2%) is the sensitivity rate used when reporting foreign currency risk internally and represents the Group's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 2% change in foreign currency rates.

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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- If the foreign exchange rate of Vietnam Dong against the US Dollar changes by 2%, the profit before tax of the Company and its subsidiaries will change by VND 21,266,291,196 (previous year: VND 44,764,238,400).
- If the foreign exchange rate of Malaysia Ringgit ("MYR") against the US Dollar changes by 2%, the profit before tax of the Company will change by VND 1,438,599,972 (previous year: VND 1,999,097,520).
- If the foreign exchange rate of Indonesia Rupian ("IDR") against the US Dollar changes by 2%, the profit before tax of the Company will change by VND 8,639,680,152 (previous year: VND 6,120,534,000).

Based on the similar analysis for other foreign currencies, there was no significant effect on the business result of the Group.

Interest rate risk management

The Group is exposed to interest rate risks arising mainly from interest bearing loans. The Group is exposed to interest rate risk as the Group borrows funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate ratio between fixed and floating rate borrowings.

Interest rate sensitivity

The loan's sensitivity to interest rate changes was assessed by the Group that may arise at an appropriate level is fluctuation in floating interest bearing loan of higher/lower 30 basic points. Assuming all other variables were held constant and the loan balance at the balance sheet date were the outstanding amount for the next year, if interest rates applicable to floating interest bearing loans had been 30 basic points higher/lower, the Group's loss before tax would have decreased/increased by VND 9,146,066,711 (2023: VND 10,023,103,868).

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial losses to the Group. Therefore, the Group has devised an appropriate credit policy in place and the exposure to credit risk is monitored on an on-going basis. As at 31 December 2023, the Group made provision for doubtful debts which was overdue for more than six months in accordance with the Accounting policies stated in Note 3.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any year is kept to manageable levels relative to the amount of funds that the Group believes can generate within that year. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that the Group maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets including interest that will be earned on those assets, and undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay, if any. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

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	Less than 1 year	From 1 - 5 years	More than 5 years	Total
	VND	VND	VND	VND
Closing balance				
Cash and cash quivalents	2,203,268,278,194	-	-	2,203,268,278,194
Trade and other receivables	3,343,714,769,853	319,500,195,972	-	3,663,214,965,825
Held-to-maturity investments	770,247,363,138	-	-	770,247,363,138
	6,317,230,411,185	**319,500,195,972**	**-**	**6,636,730,607,157**
Borrowings	507,298,751,244	1,096,096,973,562	1,445,293,178,817	3,048,688,903,623
Trade and other payables	1,367,503,912,926	-	-	1,367,503,912,926
Accrued expenses	1,143,718,389,984	29,815,446,513	-	1,173,533,836,497
	3,018,521,054,154	**1,125,912,420,075**	**1,445,293,178,817**	**5,589,726,653,046**
Net liquidity gap	**3,298,709,357,031**	**(806,412,224,103)**	**(1,445,293,178,817)**	**1,047,003,954,111**

	Less than 1 year	From 1 - 5 years	More than 5 years	Total
	VND	VND	VND	VND
Opening balance				
Cash and cash equivalents	2,256,047,157,280	-	-	2,256,047,157,280
Trade and other receivables	2,073,107,351,840	103,902,984,640	-	2,177,010,336,480
Held-to-maturity investments	1,278,224,697,680	-	-	1,278,224,697,680
	5,607,379,206,800	**103,902,984,640**	**-**	**5,711,282,191,440**
Borrowings	553,352,813,440	1,124,124,737,680	1,663,557,071,680	3,341,034,622,800
Trade and other payables	742,256,223,520	-	-	742,256,223,520
Accrued expenses	701,235,365,600	28,432,773,040	-	729,668,138,640
	1,996,844,402,560	**1,152,557,510,720**	**1,663,557,071,680**	**4,812,958,984,960**
Net liquidity gap	**3,610,534,804,240**	**(1,048,654,526,080)**	**(1,663,557,071,680)**	**898,323,206,480**

42. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the year:

Related party	Relationship
Petrovietnam's subsidiaries	Company has investment from Petrovietnam
The Group's joint ventures	Joint Venture
Petrovietnam's Joint Ventures/Joint Operating Companies/Petroleum Sharing Contracts	Company has investment from Petrovietnam

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

These notes are an integral part of and should be read in conjunction with the accompanying VND-converted consolidated financial statements

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During the year, the Group entered into the following significant transactions with its related parties:

	Current year	Prior year
	VND	VND
Sales		
Petrovietnam's subsidiaries	**85,507,917,840**	**137,492,760,327**
In which: details account for 10% or more of total value of transactions:		
› *PTSC Mechanical and Construction Limited Company*	*329,706,582*	*39,204,145,110*
› *Petrovietnam Camau Fertilizer Joint stock company (PVCFC)*	*17,808,680,130*	*32,637,681,024*
› *PetroVietnam Fertilizer and Chemicals Corporation (PVFCCo)*	*11,518,623,381*	*97,958,874*
› *Binh Son Refining And Petrochemical Joint Stock Company*	*12,591,325,809*	*13,144,220,193*
Petrovietnam's joint ventures/joint operating companies/petroleum sharing contracts	**2,904,518,883,852**	**1,348,664,492,994**
In which: details account for 10% or more of total value of transactions:		
› *Vietsovpetro Joint Venture*	*349,441,069,773*	*268,075,656,030*
› *Hoang Long Joint Operating Company*	*408,323,652,165*	*2,869,451,676*
› *Cuu Long Joint Operating Company*	*127,518,433,416*	*106,027,863,396*
› *Bien Dong Oil and Gas Operating Company*	*123,988,295,721*	*6,517,271,592*
› *Premier Oil Vietnam Offshore B.V.. In Ho Chi Minh City*	*81,244,455,228*	*134,317,216,761*
› *Petrovietnam Domestic Exploration Production Operating Company Limited*	*1,137,229,451,832*	*408,176,754,843*
› *Thang Long Joint Operating Company*	*143,651,556,729*	*176,584,056,246*
› *Phu Quoc Petroleum Operating Company*	*197,662,029,507*	*24,389,273,961*
The Group's joint ventures	**77,363,006,742**	**56,658,058,626**
In which: details account for 10% or more of total value of transactions:		
› *PVD-Baker Hughes*	*56,082,338,796*	*52,792,163,034*
Purchases		
Petrovietnam's subsidiaries	**51,604,947,279**	**41,380,759,095**
In which: details account for 10% or more of total value of transactions:		
› *PetroVietnam Technical Services Corporation Branch - PTSC Marine*	*36,398,318,853*	*32,615,499,423*
Petrovietnam's joint ventures/joint operating companies/petroleum sharing contracts	**47,094,391,188**	**58,502,587,767**
In which: details account for 10% or more of total value of transactions:		
› *Petrosetco Vung Tau General Services JSC*	*3,719,926,569*	*28,555,272,174*
› *PVI Insurance Saigon Company*	*24,379,715,901*	*25,937,180,412*
› *PVI Insurance Corporation*	*16,643,817,975*	-
The Group's joint ventures	**58,306,130,385**	**27,553,951,620**
In which: details account for 10% or more of total value of transactions:		
› *PVD-Expro*	*51,552,142,515*	*26,048,419,839*
Profit shared from joint ventures		
The Company's joint ventures	**59,430,444,249**	**36,803,087,412**
In which: details account for 10% or more of total value of transactions:		
› *PVD-Baker Hughes*	*59,430,444,249*	*36,803,087,412*

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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Related party balances at the balance sheet date were as follows:

	Closing balance	Opening balance
	VND	VND
Receivables		
Petrovietnam's subsidiaries	**36,788,282,904**	**81,133,418,240**
In which: details account for 10% or more of total value of balance:		
› *PTSC Mechanical and Construction Limited Company*	*606,428,016*	*24,948,156,240*
Petrovietnam's joint ventures/joint operating companies/petroleum sharing contracts	**843,101,851,350**	**252,707,006,160**
In which: details account for 10% or more of total value of balance:		
› *Vietsovpetro Joint Venture*	*67,460,672,604*	*30,281,707,680*
› *Petrovietnam Domestic Exploration Production Operating Company Limited*	*380,277,257,139*	*93,144,979,760*
› *Cuu Long Joint Operating Company*	*47,724,390,000*	*43,841,637,280*
› *Thang Long Joint Operating Company*	*89,353,946,130*	*20,709,329,760*
› *Phu Quoc Petroleum Operating Company*	*63,149,165,358*	*9,434,110,560*
The Group's joint ventures	**56,851,338,699**	**27,609,935,360**
In which: details account for 10% or more of total value of balance:		
› *PVD-Baker Hughes*	*36,320,078,862*	*26,039,100,640*
	936,741,472,953	**361,450,359,760**
Other short-term receivables		
The Group's joint ventures	**60,362,742,759**	**-**
In which: details account for 10% or more of total value of balance:		
› *PVD- Baker Hughes*	*60,362,742,759*	-
Payables		
Petrovietnam's subsidiaries	**15,528,834,729**	**10,308,648,000**
In which: details account for 10% or more of total value of balance:		
› *PetroVietnam Technical Services CorporationBranch - PTSC Marine*	*14,150,534,145*	*10,026,526,720*
Petrovietnam's joint ventures/joint operating companies/petroleum sharing contracts	**3,094,282,791**	**3,013,925,040**
In which: details account for 10% or more of total value of balance:		
› *Vung Tau Oil and Gas General Services Joint Stock Company (Petrosetco_VT)*	*123,149,127*	*2,522,957,920*
The Group's joint ventures	**27,299,436,873**	**14,966,779,520**
In which: details account for 10% or more of total value of balance:		
› *PVD-Expro*	*21,244,247,073*	*14,791,164,080*
› *PVD- Baker Hughes*	*5,848,737,624*	-
	45,922,554,393	**28,289,352,560**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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Remuneration paid to the Group's Boards of Directors and Management and Supervisors during the year was as follows:

	Current year	Prior year
	VND	VND
Board of Directors		
Mr. Mai The Toan	1,422,584,240	1,028,621,520
Mr. Do Duc Chien (To 24/04/2024)	779,258,480	1,039,463,120
Mr. Nguyen Xuan Cuong	1,433,672,240	1,039,463,120
Mr. Vu Thuy Tuong	1,642,003,000	1,324,570,750
Mr. Van Duc Tong	161,136,364	120,000,000
Mr. Nguyen Van Toan	161,136,364	120,000,000
Mr. Hoang Xuan Quoc	161,136,364	120,000,000
Mr. Nguyen The Son (From 01/07/2024)	474,177,710	-
Board of Managament		
Mr. Dao Ngoc Anh	-	657,996,500
Mr. Ho Vu Hai	1,820,308,000	1,472,674,500
Mr. Do Danh Rang	1,846,523,778	1,470,590,850
Mr. Nguyen Cong Doan	1,761,169,015	1,403,935,800
Mr. Nguyen The Son (To 30/06/2024)	1,159,728,950	1,453,581,525
Mr. Dinh Quang Nhut	2,051,449,400	1,659,054,630
Mr. Nguyen Dinh Duong (From 01/07/2024)	501,625,883	-
Board of Supervisor		
Mr. Le Hong Phuong (From 24/04/2024)	706,533,482	-
Mr. Nguyen Binh Hop	84,000,000	84,000,000
Mr. Luong Thanh Tinh (To 24/04/2024)	713,090,250	1,098,987,750
Mr. Nguyen Van Tai	364,883,156	478,303,800
Chief Accountant		
Mr. Nguyen Ngoc Truong	1,698,323,000	1,348,389,257
Total	**18,942,739,676**	**15,919,633,122**

NOTES TO THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

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43. SUPPLEMENTAL DISCLOSURES OF CONSOLIDATED CASH FLOW INFORMATION

Supplemental non-cash disclosures

Interest expense paid during the year excluded an amount of VND 631,269,975,051 (2023: VND 436,849,198,240), representing interest expense during the year that has yet not been paid. Consequently, changes in payables have been adjusted by the same amount.

Cash outflows for acquisition and construction of fixed assets and other long-term assets during the year excluded an amount of VND 6,256,743,282 (2023: VND 4,107,782,157), representing additions of fixed assets during the year that have not yet been paid and included the amount of VND 4,103,590,512 (prior year: nil), representing the advances to suppliers for acquisition of fixed assets and construction in progress during the year but not yet performed. Consequently, changes in payables have been adjusted by the same amount.

Interest income, dividends and profits received during the year excluded an amount of VND 69,539,006,661 (2023: VND 9,231,068,000), representing interest income, dividends and profits declared during the year to be received. Consequently, changes in receivables have been adjusted by the same amount.

Proceeds from borrowings and repayment of borrowings during the year exclude an amount of VND 141,546,216,847 (2023: VND 15,618,284,108), representing cash inflow and outflow for short-term borrowings of 3 months or less that are presented on a net basis. Consequently, proceeds from borrowings and repayment of borrowings have been adjusted by the same amount.

44. APPROVAL FOR ISSUANCE OF THE VND-CONVERTED CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management approved the accompanying VND-converted consolidated financial statements, which give a true and fair view of the VND-converted consolidated balance sheet of the Company as at 31 December 2024, and its VND-converted consolidated income statement and its VND-converted consolidated cash flow statement for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to VND-converted consolidated financial reporting.

Nguyen Xuan Cuong	**Nguyen Ngoc Truong**	**Tran Kim Hoang**
President	**Chief Accountant**	**Preparer**
12 March 2025		



PETROVIETNAM
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