

RESOLUTION

Re: Approval of the Plan for Termination of Operations of the Branch of DMC Corporation – Drilling Mud and Well Services Company

THE BOARD OF DIRECTORS

OF PETROVIETNAM CHEMICAL AND SERVICES CORPORATION

Pursuant to the Charter on Organization and Operation of PetroVietnam Chemical and Services Corporation;

Pursuant to Resolution No. 745/NQ-PVChem dated 18 May 2020 of the Board of Directors of PetroVietnam Chemical and Services Corporation regarding the approval in principle for the establishment of a limited liability company and the termination of operations of the Branch;

Considering the proposal of the General Director of PetroVietnam Chemical and Services Corporation in Official Letter No. 32/BTGD-DTH dated 22 May 2026 regarding the Plan for Termination of Operations of DMC-WS Branch, and based on the Summary of Opinions of the Board of Directors of PetroVietnam Chemical and Services Corporation No. 68/TK-HĐQT dated 25 May 2026.

RESOLVES:

Article 1. To approve the Plan for Termination of Operations of the Branch of DMC Corporation – Drilling Mud and Well Services Company (DMC-WS), with details as attached in the Appendix hereto.

Article 2. The General Director, Chief Accountant, Heads of Divisions/Office of the Parent Company – PetroVietnam Chemical and Services Corporation, and the Director of DMC-WS Branch shall be responsible for the implementation of this Resolution. /.

ON BEHALF OF THE BOARD OF DIRECTORS CHAIRMAN

Truong Dai Nghia

**PLAN FOR TERMINATION OF OPERATIONS
OF THE BRANCH OF DMC CORPORATION –
DRILLING MUD AND WELL SERVICES COMPANY (DMC-WS)**

*(Attached to Resolution No. .../NQ-PVChem dated 2026 of the Board of Directors of
PetroVietnam Chemical and Services Corporation)*

PART I

CURRENT STATUS AND NECESSITY FOR TERMINATION OF OPERATIONS

I. Current Status

1. Establishment and Development Process

The Branch of DMC Corporation – Drilling Mud and Well Services Company (DMC-WS) was established under Decision No. 2400/QĐ-DMC dated 06 November 2013 issued by the Board of Directors of Petrovietnam Drilling Mud Corporation (currently PetroVietnam Chemical and Services Corporation), with its head office located at No. 35, 30/4 Street, Ward 9, Vung Tau City, Ba Ria – Vung Tau Province (currently Tam Thang Ward, Ho Chi Minh City).

Over more than five (05) years of operation (the Branch officially converted its operating model from 01 January 2016), throughout its operation under different organizational models, DMC-WS has consistently fulfilled the tasks assigned annually by PetroVietnam Chemical and Services Corporation, particularly in providing the Corporation's core technical services, including drilling fluid services and production chemicals services, thereby making an important contribution to the overall production and business performance of PetroVietnam Chemical and Services Corporation.

2. Main Business Lines/Operations

- Research and technology transfer; provision of drilling fluid services; oil and gas well completion and treatment services; near-wellbore treatment services; and enhanced oil recovery services.
- Wholesale trading of industrial chemicals; trading of chemicals (excluding chemicals prohibited by the State), chemical products, materials, and equipment serving the search, exploration, exploitation, and transportation of oil and gas.
- Provision of analysis and testing services for drilling fluids and chemicals used in the exploration, exploitation, transportation, and storage of oil and gas; physical and chemical analysis services for crude oil (including chemical composition, pour point, rheological properties, viscosity, etc.); and storage and preservation services for samples used in formation water/oil volume analysis under high-pressure and high-temperature conditions.
- Warehousing and transportation (logistics) services.
- Production of chemicals (excluding chemicals prohibited by the State), chemical products, raw materials, and equipment serving research and technology transfer; provision of drilling fluid services; oil and gas well completion and workover services; near-wellbore treatment services; enhanced oil recovery services; and activities related to oil and gas exploration, exploitation, transportation, processing, and other industrial sectors.

3. Organizational Structure and Workforce (as at 31 December 2025)

3.1. Organizational Structure

- Branch Director: 01 person (concurrently held by the Director of Drilling Mud and Services Company Ltd (DMC));
- Deputy Branch Director: 0 person;
- Chief Accountant: 01 person (concurrently held by the Chief Accountant of Drilling Mud and Services Company Ltd (DMC)).
- Supporting departments: Technical Department, General Administration Department, and Finance & Accounting Department.

3.2. Workforce: The current number and quality of employees of the Branch are as follows:

Criteria	Number of Employees (persons)
Total number of employees	02
By qualification	
- Doctorate degree	
- Master's degree	01
- Bachelor's degree	01
- College/Intermediate level	0
- Skilled workers/Technicians	0
- General workers	0
- Foreign experts	
By organizational structure	
- Managers and executives	02
- Specialists/Engineers	
- Staff	
- Workers	
- Experts	

4. Existing Business Assets and Capital Sources of the Branch (based on the financial statements as at 31 December 2025):

4.1. Fixed Assets

a) Fixed assets

Unit: VND

No.	Criteria	As at 31/12/2025
1	Historical cost of fixed assets	8,028,126,168
2	Accumulated depreciation	8,028,126,168
3	Net book value	0

b) Tools and equipment

Unit: VND

No.	Criteria	As at 31/12/2025
1	Book value recorded in accounting books	1,709,145,243
2	Value expensed to operating costs	1,709,145,243
3	Remaining value	0

c) Inventories, goods in transit, and work-in-progress products/services

Unit: VND

No.	Criteria	As at 31/12/2025
1	Book value recorded in accounting books	6,959,914,639

2	Value expensed (provision recognized)	6,959,914,639
3	Remaining value	0

4.2. Business capital sources:

Unit: VND

No.	Criteria	As at 31/12/2025
1	Fixed capital	0
2	Working capital	133,898,549

5. Ongoing Contracts:

For the economic contracts of the DMC-WS Branch that were transferable, the Branch transferred to DRILLING MUD AND SERVICES COMPANY LTD (DMC) all rights and obligations for continued implementation in accordance with the respective contracts.

For the remaining contracts that could not be transferred (with two counterparties, namely PetroVietnam Exploration Production Corporation – Project Division and PVEP POC Company Limited), the Branch has completed the provision of services in accordance with the contractual terms, and the services have been accepted by the customers. However, up to now, the customers have not fully settled the contractual payments. Outstanding receivables remain at VND 1,518,158,184; therefore, the contracts have not yet been liquidated (as detailed in Appendix 01 attached hereto).

II. Necessity for Termination of Operations

The termination of operations of the DMC-WS Branch, and the transfer of all its activities to DRILLING MUD AND SERVICES COMPANY LTD (DMC), is implemented in accordance with Decision No. 1138/QĐ-PVChem dated 22 July 2020 on the establishment of DRILLING MUD AND SERVICES COMPANY LTD (DMC), as approved by the Board of Directors of PetroVietnam Chemical and Services Corporation, with the following objectives:

- To develop PetroVietnam Chemical and Services Corporation into a strong and specialized corporation operating in a professional and efficient manner.

- o restructure PetroVietnam Chemical and Services Corporation for stronger development, with a focus on its core production and business activities, thereby enhancing operational efficiency, competitiveness, and sustainable development.

- PetroVietnam Chemical and Services Corporation is a Level-II enterprise under Vietnam National Industry - Energy Group, operating under the parent company – subsidiary model, performing both financial investment functions and direct production and business activities.

- To implement the strategy of developing PetroVietnam Chemical and Services Corporation into a professional service provider for both the oil and gas industry and external markets, focusing on the following areas: drilling fluid services; oil and gas well completion and workover services; near-wellbore treatment services; enhanced oil recovery services; cleaning and environmental treatment services; production chemical services; and other petroleum technical services.

- To enhance the efficiency of capital and asset utilization, thereby contributing to improved business performance for PetroVietnam Chemical and Services Corporation.

PART II

PLAN FOR TERMINATION OF OPERATIONS

I. Asset Disposal Plan

Based on the inventory minutes as at 00:00 on 01 January 2026 and the book value of the DMC-WS Branch as at 31 December 2025, PetroVietnam Chemical and Services Corporation authorizes the DMC-WS Branch to engage an independent consulting firm with adequate capacity and practicing license in accordance with applicable laws to conduct a revaluation of all assets.

The valuation results shall serve as the legal basis for the Branch to formulate a detailed asset disposal plan (including classification of usable and unusable assets/goods, disposal methods, and estimated implementation costs) and report to PetroVietnam Chemical and Services Corporation for consideration and approval of matters beyond the Branch's authority. The Branch shall carry out procedures for liquidation and transfer of assets and goods to DRILLING MUD AND SERVICES COMPANY LTD (DMC) in accordance with applicable regulations. The proposed asset disposal plan is as follows:

- For registered assets such as automobiles, transportation vehicles, etc., the transfer of ownership to the new entity shall be completed prior to the dissolution process, specifically as follows:

The DMC-WS Branch is currently managing an automobile bearing license plate No. 72N-6429, registered in 2008 under the name of DMC Southern Joint Stock Company (formerly DMC Vung Tau One Member Limited Liability Company). The DMC-WS Branch shall carry out the liquidation of the fixed asset in accordance with regulations in favor of DMC Southern Joint Stock Company. DMC Southern Joint Stock Company shall continue to use the vehicle and complete the ownership registration transfer in accordance with the law.

- Detailed asset disposal plan:
 - For assets that remain usable: transfer to DRILLING MUD AND SERVICES COMPANY LTD (DMC).
 - For damaged assets or assets no longer usable: liquidation shall be carried out in accordance with applicable regulations, or such assets may be internally transferred/liquidated within DMC/PVChem.
- For inventories:
 - For inventories that remain usable: transfer to Drilling Mud and Services Company Ltd (DMC).
 - For inventories that are no longer usable: liquidation or destruction shall be carried out in accordance with regulations (for specialized chemicals, qualified service providers shall be engaged to ensure disposal in compliance with applicable regulations).

II. Contract Handling Plan

For the two contracts with Petrovietnam Exploration Production Corporation (Production Sharing Contracts for Blocks 102/10 & 106/10) and PVEP POC Company Limited (Blocks 05.1a & 09-2/09), with outstanding receivables amounting to VND 1,518,158,184, the Branch shall continue debt recovery activities and complete contract liquidation procedures during the dissolution process.

In the event that such procedures cannot be completed prior to dissolution, the Branch shall execute a tripartite agreement among PetroVietnam Chemical and Services Corporation, the DMC-WS Branch, and the customer to transfer the contractual party status from the Branch to PetroVietnam Chemical and Services Corporation before the official decision on termination of the Branch's operations is issued.

III. Financial Handling Plan

1. Accounts Receivable

The Branch shall continue the recovery of receivables relating to the two contracts with Petrovietnam Exploration Production Corporation (Production Sharing Contracts for Blocks 102/10 & 106/10) and PVEP POC Company Limited (Blocks 05.1a & 09-2/09) during the process of completing dissolution-related procedures.

In the event that the Branch is unable to complete debt recovery prior to dissolution, PetroVietnam Chemical and Services Corporation shall assume responsibility for debt collection after the Branch has completed procedures for transferring the contractual party status from the Branch to PetroVietnam Chemical and Services Corporation.

2. Accounts Payable

With respect to tax liabilities and other obligations payable to the State Budget, the Branch shall fulfill all financial obligations to the State in accordance with applicable regulations prior to carrying out the final dissolution procedures. All outstanding intercompany payables shall be transferred to PetroVietnam Chemical and Services Corporation for further handling in accordance with regulations.

Financial Indicators as at 31 December 2025

No.	Description	Book Value	Remarks
A	Assets	133,898,549	
1	Cash on hand	70,493,429	Cash balance on hand
2	Bank deposits	63,405,120	Deposited at banks
3	Accounts receivable	1,518,158,184	
3a	Short-term trade receivables	1,518,158,184	
3b	Provision for doubtful debts	(1,518,158,184)	100% provision made
4	Inventories	6,959,914,639	
4a	Inventories	6,959,914,639	
4b	Provision for inventory devaluation	(6,959,914,639)	100% provision made

5	Fixed assets		
5a	Historical cost	8,028,126,168	
5b	Accumulated depreciation	(8,028,126,168)	Fully depreciated
B	Liabilities	133,898,549	
1	Trade payables		
2	Advances from customers		
3	Short-term bank loans		
4	Long-term bank loans		
5	Payables to employees		
6	Taxes and other payables to the State Budget	41,273	
7	Intercompany payables (to PVChem Parent Company)	133,857,276	
8	Other payables		

3. Financial Handling Plan

No.	Description	Value	Remarks
A	Collections	133,898,549	
1	Cash on hand	70,493,429	Appendix 02
2	Bank deposits	63,405,120	Appendix 02
3	Accounts receivable		Appendix 03
-	Short-term trade receivables	1,518,158,184	
-	Provision for doubtful debts	(1,518,158,184)	
4	Proceeds from termination of operations (asset liquidation/transfer, etc.)	0	Upon completion of the asset valuation, the Branch shall report the specific liquidation value.
5	Inventories		Appendix 04 / Appendix 05
-	Inventories	6,959,914,639	
-	Provision for inventory devaluation	(6,959,914,639)	
6	Fixed assets		Appendix 06
-	Historical cost	8,028,126,168	
-	Accumulated depreciation	(8,028,126,168)	
7	Tools and equipment		Appendix 07
B	Payments	910,041,273	
1	Accounts payable (excluding payables to PVChem)	41,273	Appendix 08
2	Dissolution expenses	910,000,000	Appendix 09
3	Other expenses and provisions		

4. Costs Incurred During the Implementation Process

- Upon completion of the finalization of the 2025 financial statements, the Branch shall fulfill all tax obligations to the State and settle all payables to service providers (if any).

- Expenses for engaging an independent valuation firm to determine the value of all Branch assets as the basis for liquidation/transfer are estimated at VND 50,000,000, exclusive of VAT.
- Estimated costs for disposal of expired chemicals and chemicals no longer reusable at the Branch (with an estimated converted volume of approximately 80.9 tons, as detailed in Appendix 05) are as follows:
- Approximately 22.6 tons of Barite and 9.6 tons of Bentonite (totaling 32.2 tons, with a book value of VND 121,200,122, stored in silos since 2017 and solidified at the bottom of silos at the VSP port) are not subject to hazardous waste treatment regulations. These materials are expected to be sold to construction contractors or landfilling service providers at a minimum transfer price of VND 0 (zero dong), whereby the receiving party shall be responsible for transporting the chemicals out of the Branch premises.
- Hazardous chemicals requiring treatment by qualified service providers in accordance with applicable regulations amount to approximately 48.7 tons (including inventories stored at the warehouse of DMC Southern Joint Stock Company with a book value of VND 6,366,999,317 and chemicals stored at the Peserverance rig warehouse with a book value of VND 417,715,200), together with an estimated contingency volume of 1.3 tons. Accordingly, the total estimated quantity for disposal is 50 tons.

The estimated hazardous waste treatment cost is calculated as follows: 50 tons × VND 17,000,000/ton = VND 850,000,000, based on the reference unit price under the framework agreement on hazardous waste treatment between Drilling Mud and Services Company Ltd (DMC) and Sao Viet Environment Joint Stock Company.

- Other actual costs incurred in connection with administrative procedures, legal procedures, sealing, and handover of documents and records shall be accounted for based on actual expenses incurred.

IV. Labor Arrangement Plan

For the two managerial personnel of the Branch who have labor contracts signed with PetroVietnam Chemical and Services Corporation, procedures for relieving them from their positions at the Branch shall be carried out upon completion of dissolution-related procedures. These personnel shall continue performing their duties and responsibilities at Drilling Mud and Services Company Ltd (DMC) in accordance with applicable regulations (Appendix 10).

V. Dissolution Costs

1. Proceeds from the dissolution plan shall include collections from customers, proceeds from liquidation of assets, cash on hand, bank deposits, and other existing asset values at the time of dissolution, plus (+) proceeds obtained from liquidation/transfer of assets.
2. Expenditures for the dissolution process shall include costs of asset liquidation, taxes and obligations payable to the State Budget, expenses for engaging valuation firms, and other costs related to administrative procedures for dissolution.

3. The remaining balance after offsetting collections against expenditures shall be remitted to PetroVietnam Chemical and Services Corporation.

VI. Implementation Timeline / Timing

1. All figures are based on the financial statements as at 31 December 2025.
2. The dissolution process is expected to be completed in the fourth quarter of 2026.

PART III IMPLEMENTATION PLAN

No.	Tasks	Responsible Unit	Coordinating Unit	Approval/Decision Authority	Deliverables	Timeline
1	Review economic contracts and propose handling plans	Branch	Trade and Services Division	Branch Director	Review report	Transferred to DMC since 01/01/2021
2	Termination of labor contracts	Branch	Human Resources and Administration Division	General Director/Branch Director	Labor contract termination dossier	Labor contracts terminated since 01/01/2021
3	Finalization of social insurance obligations for employees	Branch	Human Resources and Administration Division	Branch Director	Confirmation of social insurance finalization	Completed as at 01/01/2021
4	Reconciliation and settlement of receivables/payables	Branch	Finance and Planning Division	Branch Director	Debt reconciliation minutes	Completed at the time of preparing the dissolution plan
5	Preparation of the Branch termination plan	Branch	Supporting Team	General Director	Internal submission to the Board of Directors	Within 05 days after agreement on the plan
6	Approval of the Branch termination plan	Human Resources and Administration Division	Supporting Team	Board of Directors	Resolution	(Date of Resolution issuance = T)
7	Engagement of valuation firm	Branch	Finance and Planning Division	Branch Director	Valuation Certificate	T + 05 days
8	Obtain confirmation of fulfillment of obligations with the General Department of Customs (if any)	Branch	Finance and Planning Division	Branch Director	Official letter	T + 30 days
9	Inventory inspection and liquidation/transfer of assets	Branch	Finance and Planning Division, Office, Trade and Services Division	General Director/Branch Director	Inventory/Liquidation Minutes	T + 30 days
10	Liquidation of contracts/execution of tripartite transfer agreements (if any)	Branch	Finance and Planning Division, Office, Trade and Services Division	General Director/Branch Director	Report	T + 180 days
11	Tax finalization with tax authorities	Branch	Finance and Planning Division	Branch Director	Confirmation of tax obligation fulfillment	T + 180 days

12	Closing accounting books and preparation of financial statements	Branch	Finance and Planning Division	Branch Director	Financial statements as at the termination date	T + 190 days
13	Consolidation of dossiers for submission to the Board of Directors	Human Resources and Administration Division	Branch	General Director	Submission to the Board of Directors	T + 190 days
14	Issuance of the decision on termination of Branch operations	Human Resources and Administration Division	Finance and Planning Division, Office	Board of Directors	Resolution/Decision of the Board of Directors	T + 200 days
15	Closure of the Branch's bank accounts	Branch	Finance and Planning Division	Bank	Confirmation of bank account closure	T + 200 days
16	Notification of termination of Branch operations	Branch	Human Resources and Administration Division	General Director	Notice in accordance with Appendix II-20 of Circular No. 01/2021/TT-BKHĐT	T + 200 days
17	Issuance of notification on termination of operations	Business Registration Office	Branch, Human Resources and Administration Division	Business Registration Office	Notice of termination of operations	T + 210 days
18	Submission and withdrawal of the seal (seal issued by the Police Authority)	Branch	Branch	Branch Director	Minutes of seal withdrawal issued by the Police Authority	T + 210 days