

No: 1061/XLDK-TCKT

Hanoi, 29 August 2025

Re: Disclosure of the Explanation for the Reviewed
Interim Separate Financial Statements

To: Hanoi Stock Exchange

Pursuant to the Securities Law No. 54/2019/QH14 dated November 26, 2019, by the National Assembly of the Socialist Republic of Vietnam;

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, by the Ministry of Finance guiding the disclosure of information on the securities market;

Pursuant to Circular No. 68/2024/TT-BTC dated August 18, 2024, issued by the Ministry of Finance, providing guidance on the amendment and supplementation of certain provisions of the circulars governing securities transactions on the securities trading system; clearing and settlement of securities transactions; operations of securities companies; and information disclosure in the securities market.

Vietnam Petroleum Construction Joint Stock Corporation (Petrocons) hereby submits its explanation of the results and fluctuations in the net profit after tax item on the Reviewed Separate Financial Statements of the Parent Company compared to the Pre-reviewed Financial Statements, with a variance of 5% or more; and the fluctuation of net profit after tax on the Reviewed Separate Financial Statements of the Parent Company for the first six months of 2025 compared to the same period in 2024 with a variance of 10% or more, as follows:

1. Regarding the net profit after tax of the Parent Company before and after the review audit:

- Net profit after tax for the first six months of 2025 after review: (VND 18.768 billion)
- Net profit after tax for the first six months of 2025 before review: (VND 6.385 billion)
- Net profit after tax decreased after review: (VND 12.382 billion)

The net profit after tax after the audit review for the first six months of 2025 decreased by VND 12.382 billion, equivalent to 193.92%, mainly due to the decrease in financial income (impacted by foreign exchange differences) after the audit review.

2. Regarding the post-review net profit after tax indicator on the Separate Financial Statements of the Parent Company for the first six months of 2025 compared to the same period in 2024:

- Net profit after tax for the first six months of 2025 (reviewed): VND (18.768) billion
- Net profit after tax for the first six months of 2024 (reviewed): VND (66.281) billion
- Increase in net profit after tax compared to the same period last year VND 47.513 billion

The net profit after tax for the first six months of 2025 (reviewed) increased by VND 47.513 billion, equivalent to 71.68%, compared to the same period last year. The main reasons for this increase were the rise in financial income and the reductions in financial expenses and administrative expenses, specifically:

+ Financial income for the first six months of 2025 (reviewed) increased by VND 5.468 billion, or 40.26%, compared to the same period last year, mainly due to an increase in realized foreign exchange gains.

+ Financial expenses for the first six months of 2025 (reviewed) decreased by VND 32.688 billion, or 68.39%, compared to the same period last year, mainly due to reductions in financial investment provisions and foreign exchange losses.

+ Administrative expenses for the first six months of 2025 (reviewed) decreased by VND 7.919 billion, or 26.23%, compared to the same period last year, primarily due to lower provisions for doubtful receivables during the period.

3. Disclaimer of opinion in the audit report:

Opinion 1: “As at 30 June 2025, the Interim Separate Financial Statements of the Corporation reflect the following: Accumulated loss (code 421) of VND 3,793.68 billion (compared to VND 3,774.96 billion as at 01 January 2025); current liabilities (code 310) of VND 3,769.78 billion, exceeding current assets (code 100) by VND 244.42 billion (as at 01 January 2025, current liabilities were 3,874.35 billion, exceeding current assets by VND 235.42 billion); overdue debts of VND 753.34 billion (compared to 748.45 billion as at 01 January 2025). These factors, along with the disclosures in Note 1, raise significant doubts about the Corporation's ability to continue as a going concern. The Corporation's continuing operations depend on plans to recover debts, restructure investments, complete and finalize works in progress to recover funds, and obtain financial support from shareholders and creditors. Within the scope of our review report on the Financial Statements, we do not have sufficient information to evaluate the appropriateness and effectiveness of these plans.”

The auditor's opinion stated in the audit report is due to the inability to obtain sufficient appropriate information and, as a result, the auditor was unable to determine whether the accompanying separate financial statements were prepared appropriately under the assumption that the Corporation would continue as a going concern.

Opinion 2: “As at 30 June 2025, the Corporation recorded a loan receivable of VND 200 billion lent to Lam Kinh Hotel Joint Stock Company to support its operations (the same amount was recorded as at 01 January 2025), for which a provision of VND 124.4 billion had been made (unchanged from 01 January 2025) (see Note 7). We were unable to obtain sufficient evidence regarding the recoverable amount of this receivable as at both 30 June 2025 and 01 January 2025. Consequently, we could not determine whether any adjustments to these amounts are necessary.”

The auditor's opinion stated in the report is due to the inability to obtain sufficient appropriate audit evidence regarding the recoverable amount of this receivable as at the reporting date. As a result, the auditor was unable to determine whether any adjustments to the related figures were necessary.

Opinion 3: “As at 30 June 2025, the cost of work in progress for the Vung Ang 1 Thermal Power Plant Project (see Note 10) and the Quang Trach 1 Thermal Power Plant Project (see Note 14) amounted to approximately VND 245.1 billion and VND 25.8 billion, respectively (the same amounts were reported as at 01 January 2025). As at the reporting date of the Interim Separate Financial Statements, the Corporation was still working with the relevant authorities on (1) approval for adjustments relating to

unexpected expenses incurred in the Vung Ang 1 Thermal Power Plant Project and (2) the acceptance and finalization of the Corporation's incurred expenses for the Quang Trach 1 Thermal Power Plant Project. We were unable to obtain sufficient evidence regarding the net realizable value of these works in progress as at both 30 June 2025 and 01 January 2025. Consequently, we could not determine whether any adjustments to these amounts are necessary."

The auditor's opinion stated in the report is due to the inability to obtain sufficient appropriate audit evidence regarding the net realizable value of the work-in-progress balance, as well as the inability to perform alternative procedures to assess the required provision for inventory devaluation. Accordingly, the auditor was unable to determine whether any adjustments to the related items were necessary.

Opinion 4: "Note 14 of the Separate Financial Statements presents a balance of construction in progress as at 30 June 2025 relating to projects invested by the Corporation that have been suspended in previous years, namely (1) the Petroleum University Urban Areas Project and (2) the Tien Giang Petroleum Industrial Zone Project, with a total amount of approximately VND 5.72 billion (the same as at 01 January 2025). We were unable to obtain adequate documentation regarding the potential future economic benefits of these projects. Consequently, we could not determine whether any adjustments to these amounts are necessary"

The auditor's opinion stated in the report is due to the inability to obtain sufficient appropriate audit evidence regarding the future economic benefits of these projects. As a result, the auditor was unable to determine whether any adjustments to the related items were necessary.

Opinion 5: "As at 30 June 2025, the Corporation held investments in subsidiaries, associates and other entities with a total book value of VND 932.58 billion and an impairment provision of VND 861.84 billion. These investments were provided for impairment based on the latest financial statements available to the Corporation (see Note 4). We were unable to obtain adequate documentation regarding the impairment losses on these investments and to perform alternative procedures to assess the adequacy of the impairment provision as at 30 June 2025. Therefore, we could not determine whether adjustments to these figures are necessary"

The auditor's opinion stated in the report is due to the inability to obtain sufficient appropriate audit evidence regarding the impairment of these investments, as well as the inability to perform alternative audit procedures to assess the required provision as at the reporting date. As a result, the auditor was unable to determine whether any adjustments to these figures were necessary.

As of the date of issuance of Petrocons' audited financial statements, Petrocons had not yet obtained the reviewed financial statements as of June 30, 2025, of the aforementioned companies. Therefore, Petrocons used the most recent available financial statements of these entities to assess its investments in accordance with applicable regulations. Petrocons believes that the assessment of the above-mentioned financial investments complies with the accounting standards and prevailing regulations.



4. Regarding the Emphasis of Matters included in the audit report on the post-audit financial statements:

The auditor included Emphasis of Matter paragraphs in the audit report in accordance with Vietnamese Auditing Standard No. 706. The Corporation affirms that these Emphasis of Matters do not constitute qualifications or disclaimers. These matters are also not limitations in the scope of the audit, as the Corporation has fully provided all necessary documents and evidence to the auditor to enable them to assess the issues related to the Emphasis of Matters. The inclusion of these paragraphs is intended to draw readers' attention to matters that have been appropriately presented in the financial statements. These matters do not indicate that the auditor believes the financial statements fail to present fairly, in all material respects, the Corporation's financial position as at 30 June 2025, or the results of its operations and its cash flows, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and other relevant legal regulations on the preparation and presentation of financial statements.

5. In order to address the challenges and mitigate accumulated losses in the forthcoming period, the Board of Directors of Petrocons has formulated the following strategic directions and remedial measures:

The Board of Directors of Petrocons is fully aware of the challenges the company is facing and has been taking steps to overcome them. Accordingly, with the support of PetroVietNam and its member units, Petrocons has been actively reviewing, developing, and implementing solutions to address difficulties, restore, and stabilize its business operations. The following specific solutions are planned for the upcoming period:

- Demonstrating resolute management in the execution of construction works across all projects undertaken by Petrocons and its subsidiaries.
- Proactively engage in marketing and bidding activities to seek and secure additional work sources.
- Continue implementing the comprehensive restructuring of Petrocons in alignment with the orientation approved by PetroVietNam, focusing on transforming the parent company into a direct participant in production and business activities within the construction sector. The parent company will play a strategic role in guiding the operations of its subsidiaries, divest all investments in entities outside Petrocons' core business sectors, and enhance its management, supervision, and operational oversight to ensure improved efficiency in the performance of subsidiaries and the effective utilization of Petrocons' investment capital.
- Take resolute measures in reviewing, reconciling, and recovering receivables, and develop detailed plans for debt recovery and resolution on a monthly and quarterly basis. These efforts aim to reclaim capital to ensure the continuity of production and business activities while minimizing financial costs arising from capital being tied up.
- Actively engage with PetroVietNam, its member units, and relevant state regulatory authorities to expedite the approval of additional costs incurred in projects in which Petrocons is currently participating
- Proactively and actively engage with banks and financial institutions to restructure debts, negotiate lower loan interest rates, and arrange sufficient capital to support

production and business activities, as well as to release guarantees in the upcoming period

PetroVietnam construction Joint Stock Corporation hereby submits its report to the Hanoi Stock Exchange

Thank you very much for your kind attention.

Recipients:

- As stated above;
- Board of Directors (for reporting);
- Supervisory Board (for reporting);
- Petrocons Website;
- Information Disclosure Department;
- Archive: Office and Finance-Accounting Department.

 **GENERAL DIRECTOR**

★ **Tran Quoc Hoan**

