

No.: *94*...../SZG-KT

Dong Nai, March *27<sup>th</sup>* 2026

Re: Explanation of the Independent  
Audit Report

To: - The State Securities Commission of VietNam;  
- The Stock Exchange of Hanoi.

1. **Listing organization:** Sonadezi Giang Dien Shareholding Company
2. **Stock symbol:** SZG
3. **Conclusion regarding the qualified auditor's opinion stated in the audited Financial Statements for 2025:**

In our opinion, except for the effects of the matters described in the “Basis for Qualified Auditor’s Opinion” section, the Financial Statements present fairly, in all material respects, the financial position of Sonadezi Giang Dien Shareholding Company as of December 31, 2025, as well as its Operating Results and cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations governing the preparation and presentation of financial statements.

**4. Basis for qualified auditor's opinion:**

On January 21, 2025, the Company entered into a Business Cooperation Contract with Phuoc Binh Investment Company Limited to implement the investment, construction and operation of infrastructure of Phuoc Binh Industrial Park in Phuoc Binh Commune, Dong Nai Province, with a total contractual capital contribution of VND 1,236,515,000,000 and a total amount contributed by the Company as of December 31, 2025 of VND 618,257,500,000 (see Note V.5b to the Financial Statements). This business cooperation investment is not secured by collateral. As of the reporting date, the project has not yet been approved in terms of investment policy and investor approval by the Dong Nai Provincial People’s Committee. Based on the information and documents available to us, we are unable to determine the nature of this business cooperation arrangement, assess the efficiency and feasibility of the project, or evaluate the financial capacity of the counterparty. Accordingly, we are unable to determine the appropriateness of recognizing the value of the Business Cooperation Contract under “Other long-term receivables” (Code 216) in the Statement of Financial Position as of December 31, 2025, nor to assess the recoverability of the investment contribution, determine the certainty of profits to be recognized in 2025 based on the minimum expected rate of return, or determine the extent of any potential loss arising from this business cooperation receivable.

In addition, as mentioned in note V.5a in the Notes to the Financial Statements, the Company also signed Memorandum of Understanding No. 03/HĐNT-PAIP dated August 18, 2025, with PetroVietnam Phuoc An Port Investment & Operation Joint Stock Company (hereinafter referred to as “Phuoc An”) to lease land in Phuoc An Industrial Park in Phuoc An Commune, Dong Nai Province, with a total deposit amount of



600,000,000,000 VND, corresponding to 95% of the contract value; this deposit has no collateral. Based on the provided documents, we are unable to determine whether Phuoc An is eligible to enter into a land sublease contract in accordance with regulations, nor can we determine the nature of this principle contract or assess the recoverability of the related deposit as of December 31, 2025. On March 19, 2026, the Board of Directors of the Company approved the Proposal of the General Director No. 21/TTr-SZG dated March 13, 2026, regarding the change in the location of the land plot intended for sublease at Phuoc An Industrial Park, Dong Nai Province, from plot B-CN04 under the above principle contract to plot B-CN03. On March 24, 2026, the Company and Phuoc An signed Contract No. 01/HĐTĐ-PAIP to sublease land plot B-CN03. Based on the provided documents, we do not have sufficient information to evaluate whether plot B-CN03, corresponding to land parcels No. 209, 222, and 223 of map sheet No. 73 at Phuoc An Industrial Park, Dong Nai Province, is eligible for Phuoc An to enter into a land sublease contract in accordance with regulations.

We have not obtained sufficient and reliable evidence as to whether the nature of the transactions under the above contracts involves joint control.

## **5. Explanation regarding the basis for the qualified audit opinion:**

Sonadezi Giang Dien Shareholding Company (the Company) would like to provide an explanation regarding the qualified opinion in the reviewed Financial Statements for the fiscal period ended December 31, 2025, as follows:

### **5.1 Regarding the business cooperation contract for the investment, construction and operation of infrastructure of Phuoc Binh Industrial Park**

#### **5.1.1 Regarding the legal basis and recognition of other long-term receivables**

In reality, the project has completed a series of important preliminary legal procedures, creating a solid foundation for being granted an investment policy approval in the near future. The completed procedures include, but are not limited to, being approved by the Prime Minister for addition to the planning of industrial parks in Dong Nai Province under Official Dispatch No. 964/TTg-CN dated June 17, 2009; being approved by the Prime Minister for the planning of industrial parks not yet established that have been included in the industrial park development plan until 2020, continuing the planning for the 2021-2030 period at section V.1, Appendix II, Plan for the development of industrial parks in Dong Nai Province for the 2021-2030 period, with a vision to 2050, attached to Decision No. 586/QĐ/TTg dated July 3, 2024, of the Prime Minister on approving the Dong Nai Provincial Planning for the 2021-2030 period, with a vision to 2050. The Phuoc Binh Industrial Park project has also been approved for 1/500 scale detailed planning by the People's Committee of Dong Nai Province under Decision No. 344/QĐ-UBND dated January 29, 2019, approved for the environmental impact assessment report by the Ministry of Natural Resources and Environment under Decision No. 1674/QĐ-BTNMT dated July 4, 2019, and has been agreed upon in principle by local authorities regarding several initial investment project legal procedures; at the same time, Phuoc Binh Company has also paid compensation and site clearance for a portion of the project... The delay in granting the investment policy is due to several objective reasons, including policy adjustments and interdisciplinary administrative procedures that require more time to complete. These are common difficulties encountered during the implementation of large investment projects in Vietnam.



With nearly 20 years of experience in investing, constructing, and developing industrial parks in Dong Nai Province, we have quantified and assessed this risk. The completion of basic legal procedures is an important indicator showing that the project is on the right track and will soon be granted investment policy approval. We are confident that the obstacles will be resolved in the near future, and the project will soon have full legal status for implementation.

The signing of the Business Cooperation Contract (BCC) with Phuoc Binh Investment Co., Ltd. is a strategic step, carried out based on an in-depth assessment of the feasibility and development potential of the project.

- **Legal validity of the BCC:** This contract was prepared and signed in full compliance with the provisions of current civil law, is binding, and serves as a solid legal basis for the agreements between the two parties. The Company has consulted independent legal opinions and which confirms that this BCC is legally valid.

- **Basis for recording in the Financial Statements:** The investment amount that the Company contributed for the first phase, 618,257,500,000 VND, is recorded as **“Other long-term receivables”** because the BCC has a term of 24 months, in accordance with Vietnamese Accounting Standards. This accounting treatment correctly reflects the nature of the transaction, which is the amount the company invested to enjoy future economic benefits from the BCC.

#### **5.1.2 Regarding the ability to recover capital and generate profit**

The Company is completely confident in the ability to recover capital and earn profits from this investment based on the following solid foundations:

- **Minimum profit guarantee:** The contract clearly stipulates that Sonadezi Giang Dien is entitled to a minimum rate of return of 8%/year on the contributed capital, regardless of the status of the project. This provision ensures the preservation of capital and minimum profit for the Company, significantly reducing risk.

- **Right to unilaterally terminate the contract:** The contract also clearly stipulates that Sonadezi Giang Dien has the right to unilaterally terminate the contract at any time by simply sending a written notice at least 30 working days in advance to Phuoc Binh Company. In that case, Phuoc Binh Company must refund the entire value of the contributed capital received and 8% profit on the total contributed capital within 30 working days. This provision provides us with a mechanism to protect our investment capital and ensure profit, allowing us to withdraw from the transaction if we perceive unacceptable risks, thereby ensuring liquidity and safety for the investment.

- **Right to conduct business and commercial exploitation:** The Company has the right to conduct business, exploit, or select partners to sublease land within the scope of the cooperation. This allows us to leverage our advantages in terms of customer network, management experience, and long-standing reputable brand to generate revenue and profit.

- **Practical experience:** The Company has many years of experience in successfully investing, constructing, and operating industrial parks in Dong Nai Province, including Giang Dien Industrial Park. These projects have proven our implementation capacity and effective capital recovery ability.

#### **5.1.3. Regarding the nature of the transaction and common control**



We would like to affirm that the transaction under this BCC is not a joint control arrangement but a form of investment cooperation, in which the Company acts as a financial and experienced investor, while Phuoc Binh Investment Co., Ltd. is the project owner. Although we have special rights, the ultimate decision-making power and project management still belong to the project owner in accordance with the law.

Sonadezi Giang Dien Shareholding Company commits to closely monitoring and supporting Phuoc Binh Investment Co., Ltd. with its experience and human resources to accelerate the legal progress of the Phuoc Binh Industrial Park project and will disclose updated information as soon as the investment policy approval is received from the competent state authority.

## **5.2 Regarding the signing of the land sublease and infrastructure usage agreement at Phuoc An Industrial Park**

### **5.2.1 Regarding the basis for signing the contract and recording the deposit**

In the context of the Vietnamese economy continuing to develop and integrate deeply into the global economy, the demand for goods transportation and distribution is increasing. The decision to lease land at Phuoc An Industrial Park will provide the Company with additional industrial land and warehousing to develop new projects, meeting the demand for long-term production and business expansion.

Phuoc An Industrial Park in Phuoc An Commune, Dong Nai Province, with a total area of 330 hectares, has completed all legal procedures required to be eligible for land subleasing and infrastructure usage, specifically:

- The People's Committee of Dong Nai Province approved the 1/2000 scale construction zoning plan under Decision No. 995/QD-UBND dated March 28, 2025.

- The People's Committee of Dong Nai Province approved the investment policy and the investor under Decision No. 1368/QD-UBND dated September 23, 2025.

- The Ministry of Agriculture and Environment approved the project's environmental impact assessment report under Decision No. 104/QD-BNNMT dated January 12, 2026.

- The Management Board of Dong Nai Industrial Zones and Economic Zones appraised the project's feasibility study report in Document No. 1867/KCNKKT-QHXd dated November 6, 2025. The Board of Directors of Petro Vietnam Phuoc An Port Investment & Operation Joint Stock Company approved the construction investment project for Phuoc An Industrial Park under Resolution No. 104/NQ-PAP dated November 28, 2025.

- The Fire Prevention and Fighting and Rescue Police Department of Dong Nai Province appraised the fire prevention and fighting design for the fire suppression system, rescue equipment, and fire safety solutions for the project's technical infrastructure in Document No. 39/TD-PCCC dated February 3, 2026.

- The People's Committee of Phuoc An Commune granted Petro Vietnam Phuoc An Port Investment & Operation Joint Stock Company a land lease for Phase 1 with an area of 2,830,913.3 m<sup>2</sup> to implement the Phuoc An Industrial Park Project under Decision No. 2499/QD-UBND dated December 3, 2025.

- The People's Committee of Phuoc An Commune granted Petro Vietnam Phuoc



An Port Investment & Operation Joint Stock Company a land lease for Phase 2 with an area of 327,259.3 m<sup>2</sup> to implement the Phuoc An Industrial Park Project under Decision No. 86/QĐ-UBND dated January 23, 2026.

- The People's Committee of Phuoc An Commune has issued land use right certificates for a total area of 315.82 ha / 330 ha to implement the Phuoc An Industrial Park Project.

- The Industrial Park infrastructure has been fundamentally completed; specifically, the leased land plot has been invested with a complete technical system according to the approved design, and the asphalt concrete road surface construction is now basically complete.

Phuoc An Industrial Park, with its strategic location near Ho Chi Minh City and key seaports in the Cai Mep – Thi Vai seaport system, and especially being adjacent to Phuoc An Port, creates a comprehensive and efficient logistics ecosystem. It has an extremely favorable location for transportation, adjacent to the Ben Luc – Long Thanh Expressway, Road 319 connecting to the HCMC – Long Thanh – Dau Giay Expressway, Roads 25B and 25C, and Ring Road 3 of HCMC, connecting to National Highway 51 and the Bien Hoa – Vung Tau Expressway. Therefore, we assess that Phuoc An Industrial Park has a strategic location and is a suitable site for many investors to build factories or warehouses and operate and develop industrial park infrastructure. In particular, the remaining 50-year land use term of Phuoc An Industrial Park is a significant advantage compared to other Industrial Parks. Thus, we believe that leasing land and investing in a project here will bring many benefits to the company in the future.

- Basis for recording the land lease deposit according to the Memorandum of Understanding No. 03/HDNT-PAIP dated August 18, 2025, to secure the priority right to lease the land plot as agreed between the two parties.

#### **5.2.2 Regarding the recoverability of the deposit and the signing of the official land sublease agreement**

- The Company is fully confident in the recoverability of the deposit and the nature of the deposit transaction between the two parties as follows:

The deposit to secure the right to lease the land plot remains guaranteed through the signing of the land sublease and infrastructure usage agreement at Phuoc An Industrial Park No. 01/HDTD-PAIP dated March 24, 2026, signed between Petro Vietnam Phuoc An Port Investment & Operation Joint Stock Company and Sonadezi Giang Dien Shareholding Company.

The Company's Board of Management is fully confident in the ability to implement the project on the leased land to bring future economic benefits and to offset the entire deposit against the first payment of the Phase 1 infrastructure usage fee under land lease agreement No. 01/HDTD-PAIP dated March 24, 2026, and to receive the land handover as soon as possible to continue implementing the project.

#### **5.2.3. Regarding the nature of the transaction and joint control**

We affirm that the land lease transaction at Phuoc An Industrial Park is not a joint control arrangement and is conducted on an arm's length basis between the participating parties, in which the Company acts as the lessee to expand its long-term investment

project, and Petro Vietnam Phuoc An Port Investment & Operation Joint Stock Company acts as the developer of the Phuoc An Industrial Park infrastructure.

With the above arguments and commitments, we believe that the items recorded in the Financial Statements are appropriate, and the Company has full grounds to recover capital and achieve future economic benefits.

By this document, the Company respectfully explains the above contents to the relevant authorities and shareholders.

Sincerely.

***Recipients:***

- As above;
- BoD (for information disclosure coordination);
- Archived: Admin, Accounting Dept.

**GENERAL DIRECTOR**



**Hoang Sy Quyet**