



**GAS CITY INVESTMENT AND
DEVELOPMENT JOINT STOCK
COMPANY**

No.: 63 /KĐT-KHTC

THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Hanoi, March 30, 2026

*Re: Explanation of Qualified
Audit Opinion on the Audited
Financial Statements of the
Parent Company*

To. **State Securities Commission of Vietnam (SSC)**
Hanoi Stock Exchange (HNX)

Company Name: **GAS CITY INVESTMENT AND DEVELOPMENT JOINT STOCK
COMPANY**

Stock Code: PCG

Pursuant to Official Letter No. 2856/SGDHN-QLNY dated December 19, 2025 of the Hanoi Stock Exchange regarding guidance on disclosure of quarterly financial statements and submission templates via the CIMS system;

Pursuant to the Audit Report on the parent company's financial statements for the year 2025 dated January 30, 2026 issued by An Viet Auditing Co., Ltd.;

Gas City Investment and Development Joint Stock Company (PCG) hereby provides an explanation of the qualified audit opinion on the audited financial statements of the parent company, as follows:

I. Details of the Qualified Audit Opinion

1. Incomplete confirmation of receivables

The receivables for which sufficient confirmation could not be obtained mainly relate to:

- Loans granted to Hoang Phuc Company, KCO Company, and Song Khe Company;
- Certain advances to individuals arising in prior periods.

These receivables were generated during the tenure of the previous management. Certain personal advances are related to former members of the management.

At the time of audit:

- Relevant counterparties had not provided balance confirmations as requested by the auditors;
- Some related individuals are no longer working at the Company and are currently overseas, making it difficult to contact, reconcile and confirm balances.

The Company has been and will continue to implement the following measures:

- Reviewing all relevant legal documents, contracts and supporting documents;
- Taking necessary legal actions, including initiating lawsuits to recover receivables;



- Continuing to contact counterparties, reconcile balances and complete confirmation procedures.

2. Overdue receivables and provision for doubtful debts

As at December 31, 2025, certain loan receivables and other receivables were overdue and remained uncollected.

The Company has:

- Made provisions for doubtful debts based on overdue periods and recoverability;
- Implemented debt recovery measures, including legal proceedings.

Due to incomplete reconciliation with certain counterparties, the auditors did not have sufficient basis to assess the recoverability and the adequacy of the provision at the time of audit.

3. Inventory count and provision for inventory impairment

At the end of 2025, the Company's branch conducted physical counts for most inventories in use and circulation; however, certain slow-moving and long-held inventories were not fully counted.

After the reporting date, the Company has:

- Conducted additional inventory counts;
- Strengthened internal control over inventory management.

Regarding inventory impairment provisions, the Company has made provisions based on estimated net realizable value. However, due to insufficient documentation supporting net realizable value at the audit date, the auditors could not fully assess the appropriateness of such provisions.

4. Investment in an associate

The Company has recognized a provision for its investment in Everyoung Investment Management Joint Stock Company based on financial statements prepared by that entity.

As no review procedures were performed on the associate, the auditors did not have sufficient basis to evaluate the provision.

The Company will continue working with the associate to complete the necessary financial documentation.

5. Tripartite offset of liabilities

In 2025, the Company conducted a tripartite offset of liabilities among the Company, ENN Group International Investment Limited, and Viet Tu Investment Co., Ltd. in accordance with signed agreements.

As the auditors had not received confirmation from ENN Group International Investment Limited, they did not have sufficient basis for evaluation. The primary reason is that ENN is located overseas, making the confirmation process difficult.

II. Company's Assessment

The Company considers that the issues leading to the qualified audit opinion mainly arise from:

- Insufficient audit evidence obtained at the audit date;
- Limitations in reconciling and confirming balances with related parties;

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- Issues arising from prior periods.

These issues:

- Do not affect the substance of the Company's business operations;
- Do not have a material impact on the Company's ability to continue as a going concern.

III. Remedial Measures

In the coming period, the Company will:

- Strengthen internal control systems;
- Accelerate reconciliation and confirmation of receivables;
- Proactively recover receivables through legal measures;
- Complete supporting documentation for audit purposes;
- Closely cooperate with auditors to address outstanding issues.

IV. Commitment

The Company commits to thoroughly resolving the above issues and fully updating them in subsequent financial reporting periods to ensure transparency and compliance with applicable laws and regulations.

The Company also commits to fully, accurately and timely disclose information in accordance with current regulations and to continue implementing measures to improve business performance and financial efficiency.

The Company respectfully submits this explanation for your consideration.

Sincerely,

Recipients

- As above
- Filed at: Planning & Finance.

DIRECTOR
CÔNG TY
CÓ PHẦN
ĐẦU TƯ PHÁT TRIỂN
GAS ĐÔ THỊ
P. YÊN HÒA - TP. HÀ NỘI
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