

MINISTRY OF CONSTRUCTION  
VIETNAM MACHINERY INSTALLATION  
CORPORATION - JSC

THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

No: 245 /TCT-TCKT

Hà Nội, 17 April 2026

V/v : Explanation of the reasons for the stock  
being placed under warning

To: Hanoi Stock Exchange

Firstly, Vietnam Machinery Installation Corporation – JSC (LILAMA) would like to extend our respectful greetings to the Hanoi Stock Exchange.

On April 13, 2026, LILAMA received Decision No. 381/QĐ-SGDHN dated April 6, 2026 issued by the Hanoi Stock Exchange regarding the continued placement of LLM shares under warning status. The reason is that the Company's annual financial statements have been subject to qualified audit opinions for three consecutive years or more, in accordance with Point a, Clause 1, Article 33 of the Regulation on Registration and Management of Trading of Unlisted Securities promulgated together with Decision No. 23/QĐ-HĐTV dated March 18, 2026 of the Members' Council of the Vietnam Stock Exchange.

In compliance with the above-mentioned Decision, Vietnam Machinery Installation Corporation – JSC respectfully submits to the Exchange the explanation of the causes and the remediation plan for the continued warning status as follows:

**1. Reasons for the warning status**

Based on the audited consolidated financial statements for the years 2023, 2024, and 2025 of LILAMA, the auditors of AASC Auditing Firm Company Limited issued qualified opinions relating to outstanding issues in the financial statements of certain subsidiaries (Lilama 5, Lilama 7, and Lilama Mechanical Installation) and associates (Lilama 45.3, Lilama 69-3, and Lilama Real Estate JSC), which have affected the consolidated financial statements of the Corporation as a whole.

At the time of disclosure of the audited consolidated financial statements, LILAMA had submitted official explanations to the State Securities Commission of Vietnam and the Hanoi Stock Exchange detailing the reasons for the qualified opinions in compliance with Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance on information disclosure in the securities market.

However, LILAMA has not yet fully remedied the qualified audit opinions due to the following reasons:

Firstly, LILAMA has regularly directed, urged, reminded, and reviewed the performance of its capital representatives at subsidiaries and associates, requiring them to closely coordinate with the Boards of Directors and Executive Management of such companies to implement necessary measures to completely address the outstanding qualified audit opinions in the financial statements.



Nevertheless, due to various objective and subjective reasons, some subsidiaries and associates have not yet resolved these qualified audit issues in their 2025 financial statements.

Secondly, LILAMA is a state-owned enterprise currently undergoing restructuring; however, it has not yet obtained approval from competent state authorities. Specifically, the restructuring scheme for the 2021–2025 period has expired. LILAMA is in the process of reviewing and developing its “Development Orientation for the 2026–2030 period” in line with market conditions and the performance of its investee companies, including restructuring of member units and divestment from underperforming entities. In the event that LILAMA obtains approval for restructuring and divestment and successfully completes such processes at subsidiaries and associates with qualified audit opinions, the Corporation will be able to fully address these qualifications in its consolidated financial statements. However, this orientation is still being finalized prior to submission to competent authorities and will require additional time for approval.

## **2. Remediation plan**

Based on the above-mentioned reasons, LILAMA has developed the following remediation plan:

Firstly, to continue requiring its capital representatives at subsidiaries and associates to closely coordinate with the Boards of Directors and Executive Management of such companies to implement necessary actions to fully address the outstanding qualified audit opinions in the 2025 financial statements, with the objective of resolving these issues in the 2026 financial statements.

Secondly, to finalize the draft Development Orientation of Vietnam Machinery Installation Corporation – JSC for the 2026–2030 period and submit it to competent authorities for approval within 2026. Concurrently, LILAMA will actively seek potential investors to divest its capital in subsidiaries and associates after the Development Orientation is approved by the competent authorities.

The above is the Company’s explanation of the reasons and the remediation plan regarding the placement of its shares under warning status.

**Authorized person for information disclosure**

