

PETROVIETNAM CONSTRUCTION JOINT
STOCK CORPORATION
PETROLEUM EQUIPMENT ASSEMBLY
AND METAL STRUCTURE JOINT STOCK
COMPANY

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No: ~~797~~.../CV-KCKL-TCKT

Ho Chi Minh, 29th of August 2025.

“ Explanatory Report on the Auditor’s Disclaimer of
Opinion on the Interim Financial Statements for the
First Half of 2025”

To: **Hanoi Stock Exchange (HNX).**

State Securities Commission

First of all, Petroleum Equipment Assembly and Metal Structure Joint Stock Company (PVC-MS) would like to extend our respectful greetings and express our sincere thanks for the assistance provided by your esteemed organization to our company in the past.

In order to clarify some points in the Independent Auditor's Report No. 280825.005/BCTC.HCM dated August 28, 2025, issued by AASC Auditing Firm Company Limited. regarding the financial statements for the interim period of the financial year ending on June 30, 2025, PVC-MS would like to provide the following explanations:

In the Independent Auditor's Report No. 280825.005/BCTC.HCM dated August 28, 2025, issued by AASC Auditing Firm Company Limited regarding the interim period of 2025, the basis for the refusal to issue an opinion is:

“We were unable to obtain the necessary documents related to certain items of the Thai Binh 2 Thermal Power Plant Project and the Song Hau I Thermal Power Plant Project. Accordingly, we could not conclude on the appropriateness of the cumulative revenue and cost of goods sold recognized up to June 30, 2025, amounting to VND 893.96 billion and VND 935.62 billion (of which the Company recognized revenue and cost of goods sold during the current period of VND 987 million and VND 14.28 billion); we have not been able to assess the appropriateness and completeness of the work-in-progress costs related to the above-mentioned items as at June 30, 2025 and January 1, 2025, amounting to VND 145.90 billion and VND 146.25 billion, respectively, nor the impact of these matters on the accompanying interim financial statements.”

Matter to Emphasize:

1. As at June 30, 2025, the Company’s current liabilities exceeded its current assets by VND 358.10 billion and were 6.3 times greater than its equity. The accumulated loss amounted to VND 589.07 billion, and overdue payables as at June 30, 2025 totaled VND 438.02 billion. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern. The interim financial statements for the accounting period from January 1, 2025 to June 30, 2025 have nevertheless been prepared on a going concern basis.
2. Note 37b to the interim financial statements discloses that the Company has not recognized land rental expenses relating to the lease agreement for

Handwritten signature

premises and infrastructure at the Sao Mai – Ben Dinh Petroleum Services Base, as the lessor is in the process of applying for an exemption or reduction of land rental fees in accordance with the regulations.

PVC-MS would like to provide an explanation

1. Basis for the Disclaimer of Opinion is as follows

The Thai Binh 2 Thermal Power Plant Project and the Song Hau I Thermal Power Plant Project have long construction periods with large contract values. During implementation, there have been numerous changes in design, engineering, scope of work, and construction methods, leading to changes in the value of work performed. At present, the project data are still being regularly updated by the Company in line with the actual progress of the projects, and the overall updated cost estimates will be approved by the Board of Directors once the final figures of these projects are determined.

2. Regarding the Matter to Emphasize

- As at June 30, 2025, the Company's current liabilities exceeded its current assets by VND 358.10 billion; the accumulated loss amounted to VND 589.07 billion; and overdue payables as at June 30, 2025 totaled VND 438.02 billion. The Company's Management is aware of this situation and will continue discussions with creditors to extend the repayment terms of debts falling due in the following year. In addition, the Company has forecast sufficient cash flows for the next accounting periods. Accordingly, the liquidity shortfall as at June 30, 2025 (if any) is not expected to affect the Company's ability to continue as a going concern in the subsequent financial year.
- Regarding the land rental at the Sao Mai – Ben Dinh Petroleum Services Base, the Company is currently coordinating with Sao Mai - Ben Dinh Petroleum Investment Joint Stock Company to review and reconcile the land rental values outstanding for the period prior to February 2015, and is working with the relevant authorities to apply for exemption or reduction of land rental in accordance with the special "Seaport" investment incentive policy for the period from February 12, 2018 to February 12, 2029, as prescribed by the State. The Company will recognize the relevant amounts once an official decision is issued by the competent authorities.

The foregoing constitutes PVC-MS's explanation and clarification. The Company is fully aware of the importance of complying with the regulations on securities and the securities market, as well as disclosure obligations, and respectfully requests the Exchange's consideration.

Sincerely yours,

Recipient:

- As above;
- BOD, Director, Supervisory Board (for reporting);
- File: VT, TC-KT.



**PVC-MS COMPANY
DIRECTOR**

GIÁM ĐỐC
Phạm Khắc Mẫn