

Thanh Ba, April 17, 2026

To: The Hanoi Stock Exchange (HNX).

- Based on the Regulations on Registration and Management of Unlisted Securities Transactions issued together with Decision No. 34/QD-HDTV dated November 16, 2022, of the Board of Members of the Vietnam Stock Exchange;

- Based on Decision 430/QD-SGDHN dated April 7, 2026, of the Hanoi Stock Exchange regarding the maintenance of trading restrictions;

- Based on the current situation of Phu Tho Cement Joint Stock Company.

Phu Tho Cement Joint Stock Company (Stock code: PTE) would like to explain the reasons leading to its shares being placed under trading restrictions and the proposed solutions. Specifically, as follows:

I. Negative equity is a negative asset:

1. Reasons why equity reflected in the Consolidated Financial Statements for 2025 (audited by Nhan Tam Viet Auditing Company Limited) is negative:

2025 marks a significant period for Vietnam's cement industry. After years of oversupply pressure and a sluggish market, cement production and consumption have shown clear signs of improvement. Total industry production and consumption have reached their highest levels ever, while designed capacity continues to exceed domestic demand.

In 2025, production costs remained high due to rising electricity and input material prices, while exports continued to face difficulties due to trade protection measures in many markets. The domestic market recorded two upward adjustments in cement prices, with common increases ranging from 50,000 to 100,000 VND/ton. Despite this, total industry production still exceeded 117 million tons, consumption reached over 111 million tons, bringing the capacity utilization rate to approximately 91%, a significant improvement compared to the previous year.

In Phu Tho province, the company's products face fierce competition from other cement products such as Song Thao Cement (Vicem Hai Phong), Yen Bai Cement, Tan Quang Cement, Hoang Long Cement, Thanh Thang Cement, etc., causing the company's cement sales to decline. This has led to a decrease in revenue, while fixed costs such as depreciation and interest expenses remain unchanged. Due to numerous difficulties and a lack of control over economic resources, Phu Tho

Cement Joint Stock Company has had to continue suspending clinker production (to date, clinker production has not resumed).

Revenue decreased and could not offset the high cost of goods sold. Furthermore, expenses continued to accrue, especially very large interest expenses, resulting in continuous losses for the company's business operations. In 2025, after the review of the annual financial statements by the independent auditor (NTV), the company incurred a loss of VND 42,339 billion; accumulated losses reached VND 489,484 billion; and equity was negative VND 359,635 billion.

2. Solutions:

The leadership of Phu Tho Cement Joint Stock Company is well aware of the difficulties the company is facing and has been gradually overcoming them. All employees and staff of the company and its subsidiaries have been very active in reviewing, developing, and implementing solutions to overcome difficulties, restore, and stabilize production and business operations. Some of the solutions that have been and are being implemented are as follows:

- Despite the prolonged difficulties in the cement industry and their direct impact on the company's operations, Phu Tho Cement Joint Stock Company continues to strive by seeking new customers and expanding its market. The company is also refining and tightening the framework for raw material and fuel consumption standards to lower costs while simultaneously improving product quality, increasing the competitiveness of Vinh Phu Cement products, and developing the new Thanh Ba Cement brand.

- Enhance the role of management, supervision, and operation of production and business activities to ensure improved operational efficiency of the Company and its subsidiaries, as well as the efficient use of investment capital within the Company.

- The company is conducting a review and restructuring of its personnel system to optimize its human resources.

- Be proactive in reviewing, verifying, and recovering outstanding debts on a monthly and quarterly basis to ensure capital recovery for production and business operations, and minimize financial costs caused by misappropriation of funds.

- The company is continuing to implement several projects to renovate the cement grinding plant, increasing its capacity to 600,000 tons of cement per year, including:

+ New packaging system.

+ The pre-grinding system increases the capacity of the current cement mill to 65 tons/hour.

- Proactively and actively work with banks to restructure debts, extend loan terms, and waive penalty interest so that the company can stabilize production and reduce interest costs.

II. The auditing firm declined to give an opinion on the 2025 financial statements:

**** The basis for refusing to comment:***

"We were unable to obtain complete confirmation letters for the Company's accounts receivable and payable as of December 31, 2024 and December 31, 2025. We performed alternative audit procedures but were still unable to confirm the existence, completeness, and necessary provision for doubtful debts for the unconfirmed accounts receivable and payable as of December 31, 2024, including: short-term customer receivables of VND 8.07 billion, short-term prepayments to suppliers of VND 10.04 billion, short-term accounts payable to suppliers of VND 54.76 billion, short-term customer prepayments of VND 6.86 billion; and as of December 31, 2025, including: short-term customer receivables of VND 8.15 billion, short-term prepayments to suppliers of VND 10.06 billion, short-term accounts payable to suppliers of VND 48.04 billion, short-term customer prepayments." The limit is VND 6.93 billion. Therefore, we cannot assess the impact of the above issue on the consolidated financial statements for 2025."

**** Explanation of the cause:***

As of the date of this audit report, the auditors have not yet obtained all confirmation letters regarding accounts receivable and payable as of December 31, 2024 and December 31, 2025. However, we are committed to having appropriately recorded and disclosed all liabilities incurred, all contingent liabilities and guarantees we have made to third parties, and that the accounts receivable and payable presented in the financial statements accurately reflect the rights and obligations of our customers and suppliers.

**** The basis for refusing to comment:***

"According to Note V.11 in the Notes to the Consolidated Financial Statements, we have not yet obtained the financial statements of the investment in the associate company, Tien Kien Cement Joint Stock Company. Using alternative procedures, we cannot assess the potential impact of the provision for investment impairment losses on the 2025 Consolidated Financial Statements."

**** Explanation of the cause:***

As of the date of the audit report's issuance, the company had not yet obtained the financial statements for its investment in the associate company, Tien Kien Cement Joint Stock Company, which led to the aforementioned audit opinion.

**** The basis for refusing to comment:***

As of December 31, 2025, the accumulated losses amounted to VND 489,484,151,033, exceeding the owner's investment by VND 364,484,151,033 (representing 392% of the owner's investment). Liabilities exceeded total assets by VND 359,634,749,111, and the company had been operating at a loss for several

consecutive years (VND 42,338,582,081 in 2025). In 2025, many debts were overdue but not yet paid, and the company no longer received capital support from banks. These factors indicate the existence of material uncertainties that raise significant doubts about the company's ability to continue as a going concern. Based on the audit procedures applied, we do not have sufficient grounds to assert that the consolidated financial statements for 2025, prepared on the going concern assumption, are appropriate.

*** Explanation of the cause:**

We observe that as of December 31, 2025, the Company's financial statements reflect liabilities exceeding total assets by VND 359,635 million, and accumulated losses as of December 31, 2025, of VND 489,484 million, exceeding owner's equity. However, the Company's business operations are expected to continue growing in the future with revenue streams from business activities. The Company's management also has no plans to cease operations in the near future. Therefore, the financial statements for the accounting period from January 1, 2025, to December 31, 2025, are prepared on the going concern assumption.

Phu Tho Cement Joint Stock Company respectfully requests the Hanoi Stock Exchange to consider and approve the Company's explanations, accordingly, we propose that the Exchange remove PTE shares from the list of restricted stocks as stipulated in point a, clause 1, article 34 of the Regulations on Registration and Management of Unlisted Securities Transactions.

Sincerely appreciate your attention !

Recipients:

- As addressed to;
- Archive (Office).



TỔNG GIÁM ĐỐC
Trần Tuấn Đạt