

**PETROLIMEX INSTALLATION  
NO.III JOINT STOCK COMPANY**

No: 50/XL3-TCKT

**SOCIALIST REPUBLIC OF VIETNAM**

Independence - Freedom - Happiness

*Ho Chi Minh City, March 25<sup>th</sup>, 2025.*

*“Explanation of audit opinion exception  
on audited financial statements  
for the year ended 31 December 2024”*

**To: HANOI STOCK EXCHANGE**

CPA VIETNAM AUDITING COMPANY LIMITED has audited the accompanying financial statements of Petrolimex Installation No.III Joint Stock Company for the year ended 31 December 2024 and has the following qualified opinion:

- *“As of 31 December 2024, the Company has neither assessed the recoverability nor considered the provision of allowances for short-term receivables from customers totalling VND 15,858,743,636, short-term repayments to suppliers totalling VND 306,336,350. In respect of the documents provided, we have not been able to estimate the allowances, if any. Therefore, we have not been able to determine whether it is necessary to make adjustments to other items “allowances for doubtful debts” on the Balance Sheet as of 31 December 2024 as well as other items on the audited financial statements for the year ended 31 December 2024”.*

- *And “As of 31 December 2024, inventories that are slow moving with the amount of VND 698,640,000. However, the Company has not assessed the net realizable value of these inventories, moreover, in respect of the documents provided, we have not been able to determine the impairment to make corresponding adjustments to allowances for devaluation of inventories, if any. Therefore, we have not been able to determine whether it is necessary to make adjustments to the item “Inventories” on the Balance Sheet as of 31 December 2024 as well as other items on the audited financial statements for the year ended 31 December 2024”*

Petrolimex Installation No.III Joint Stock Company would like to clarify the above exceptions:

- Regarding the consideration of provisioning for short-term receivables from customers: These are construction debts up to now due to many objective reasons such as the investor is in the trial operation phase, has not yet accepted and handed over the project for use, and is waiting for final settlement approval from competent authorities. Therefore, at the time of issuing the Independent Auditors' Report for the 2024 Financial Statement, the above projects have not fully met the procedures and conditions for completion

- Regarding the consideration of provisioning for short-term prepayments to suppliers: This is the advance payment to suppliers to perform contracts for the supply of materials, goods and services for the company's ongoing projects. At the time of issuing the



Independent Auditors' Report for the 2024 Financial Statements, we have contacted the partners and will collect in 2025

- For backlog and slow-moving inventory from previous years: These are items that have been in stock for a long time and have lost quality. The Company plans to destroy them or work with suppliers to exchange them for new items. At the time of publishing the financial statements, the negotiations have not been completed. Therefore, the Company has agreed with the auditor to present an exception opinion to accurately reflect the facts.

Best regards.

*Recipient:*

- As above
- Save VT-HDQT-TCKT

**Legal Representative**  
**Person authorized to disclose information**



**Director**  
*Nguyễn Ngọc Thành*

