

**CNC CAPITAL VIET NAM JOINT
STOCK COMPANY**

THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No.: 2003/2026/GT-BCTC

Ha Noi, March 20, 2026

*Re: Explanation on the Audited
Financial Statements for the Fiscal
Year Ended December 31, 2025*

**To: - State Securities Commission of Vietnam
- Hanoi Stock Exchange**

Organization Name : CNC Capital Viet Nam Joint Stock Company
Stock Code : KSQ
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Pursuant to Clause 4, Article 11 of Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, CNC Capital Viet Nam Joint Stock Company hereby provides the following explanation regarding the audited financial statements for the fiscal year ended December 31, 2025:

1. Explanation of the Auditor's Opinion:

Basis for Disclaimer of Opinion: "As of December 31, 2025, the Company had an accumulated loss of VND 30,383,821,490. The short-term advance to the seller, BOT Thai Ha Joint Stock Company, amounted to VND 260,213,460,391, representing 95.45% of the Company's total assets. The Company's working capital depends on the recoverability of receivables from BOT Thai Ha JSC and future profits from its business operations. However, we were unable to obtain sufficient appropriate evidence regarding these operational plans. These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Therefore, we are unable to determine whether the Company's 2025 financial statements, prepared on a going concern basis, are appropriate.

In 2023, the Company entered into an investment cooperation agreement with Tien Dai Phat Co., Ltd. for a total amount of VND 152,000,000,000 to invest in and operate the project "VIWASEEN Ha Dinh Residential and Office Complex." Both parties agreed to terminate the business cooperation contract early, as documented in Minutes No. 2803/2024/BBT/TDP-CNC dated March 28, 2024. Accordingly, Tien Dai Phat Co., Ltd. is obligated to repay the capital contributed by the Company under the contract, totaling VND 152,000,000,000, by December 31, 2025, together with interest of VND



7,378,038,356. However, as of December 31, 2025, Tien Dai Phat Co., Ltd. still had an outstanding obligation of VND 7,947,238,356. During the year, the Company recorded a cash receipt of interest from the above investment cooperation contract amounting to VND 3,100,000,000. We have doubts regarding the authenticity of this cash transaction. Therefore, we are unable to determine the precise adjustments required for the related items in the financial statements.

Explanation: In 2024, under the strategic direction to expand business activities into new fields, including the production of medical support equipment, medical consumables, electronic components, and plastic household products, the Company proposed to recover certain investment/business projects. On April 26, 2024, at the 2024 Annual General Meeting of Shareholders, the Board of Directors and Company management presented to the shareholders the plan to withdraw from certain investments/businesses. At the same meeting, the investment project for the procurement and installation of a kidney filter assembly line was approved under Resolution No. 01/2024/NQ-DHĐCĐ-CNC dated April 26, 2024. The equipment supplier was BOT Thai Ha Joint Stock Company. However, during the Board of Directors meeting on September 14, 2025, the Company's management evaluated that BOT Thai Ha JSC did not have sufficient capacity to perform technology transfer, warranty, and maintenance as committed, which posed significant risks to CNC Capital Vietnam JSC. Accordingly, on September 14, 2025, the Board of Directors passed a resolution to terminate the purchase contract with BOT Thai Ha JSC and requested the partner to refund the amounts already paid. As of December 31, 2025, BOT Thai Ha JSC had refunded VND 24,975,000,000.

Trading activities achieved higher efficiency compared to the same period of the previous year. At the same time, interest expenses were reduced as VietinBank Ha Nam approved interest waivers, resulting in increased post-tax profit and a decrease in accumulated losses compared to the previous year. Currently, in addition to long-term business partners, the Company continues to actively seek new clients to further strengthen its business operations in the upcoming period.

As presented above, CNC Company has evaluated the effectiveness of its investments/business activities and has proceeded to recover the invested amounts. As of December 31, 2025, the Company had recovered VND 145,780,800,000 of capital contributed under Investment Cooperation Contract No. 1106/HĐHTKD/TDP-CNC dated June 11, 2023, regarding the investment in the "VIWASEEN Ha Dinh Residential and Office Complex" project. On August 28, 2025, both parties signed a memorandum to adjust the repayment schedule of principal and interest, extending it until April 30, 2026.

2. The profit after corporate income tax in the statement of profit or loss for the reporting period changed by 10% or more compared to the same period of the



previous year;

The operating results for the period ended in a loss, changing from a profit in the same period of the previous year to a loss in the current period.

Specifically:

Post-tax profit in the audited financial statements for the fiscal year ended December 31, 2024	(4.443.984.182) VND
Post-tax profit in the audited financial statements for the fiscal year ended December 31, 2025	5.920.959.905 VND
The difference is:	1.476.975.723 VND

Explanation of the Cause of This Change: In 2024, the “Hemodialyzer Assembly Line Project” was still in the initial phase of procurement and assembly and had not yet commenced commercial production; therefore, no revenue was recognized. Additionally, to accelerate the assembly process, the Company expanded and developed its workforce to meet operational needs, which increased administrative expenses and reduced post-tax profit in 2024. In 2025, besides revenue from trading in construction materials, interest expenses were reduced as VietinBank Ha Nam Branch approved interest waivers, resulting in an increase in post-tax profit for 2025.

The above constitutes our Company’s explanation regarding the audited financial statements for the fiscal year ended December 31, 2025.

Sincerely.

Recipients:

- As above;
- Board of Directors, Management Board, and Supervisory Board;
- Administration office

**CNC CAPITAL VIET NAM
JOINT STOCK COMPANY**



CHỦ TỊCH HĐQT
Nguyễn Công Cường