

MINISTRY OF INDUSTRY AND
TRADE
**VIETNAM INDUSTRIAL
CONSTRUCTION CORPORATION**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Hanoi, date 28 August, 2025

No.: 647/VINAINCON-TCKT

Regarding explanation in the audited
semi-annual financial statements for 2025

Addressed to: - State Securities Commission.
- Hanoi Stock Exchange.

Pursuant to Circular 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the stock market.

Vietnam Industrial Construction Corporation explains in the 2025 semi-annual audited consolidated financial statements as follows:

Unit: million VND

Target	6 months 2025	6 months 2024	Difference	% Increase/ Decrease
Net revenue from sales and services rendered	1,851,063	2,136,432	-285.369	-13%
Cost of goods sold	1,796,902	2,135,147	-338.245	-16%
Gross revenues from sales and service rendered	54,161	1,285	52,876	4.115%
Financial income	1,322	5,650	-4.328	-77%
Financial expenses	104,511	146,293	-41.782	-29%
Selling expenses	18,609	11,375	7,234	64%
General administrative expenses	99,228	98,609	619	1%
Other profits	10,834	2,246	8,588	382%
Profit after corporate income tax	(162,256)	(250,867)	88,611	35%

In the first 6 months of 2025, the total profit after corporate income tax of the Corporation reduced the loss by VND 88,611 million, equivalent to 35% compared to the same period in 2024, mainly due to: gross profit in the period increased by VND 52,876 million, high profit achieved from projects with high gross profit margin compared to previously implemented projects, other profit increased by VND 8,588 million due to Quang Son Cement Co., Ltd. (a subsidiary of the Corporation) accounting for an increase in income due to an excess inventory of VND 4,552 million and some other income from leasing at subsidiaries and financial expenses in the period decreased by VND 41,872 million mainly due to a decrease in financial expenses at Quang Son Cement Co., Ltd. compared to the same period last year.

Qualified Audit Opinion

+ “ *As of June 30 , 2025, the unfinished production and business costs of the projects of the Corporation's subsidiaries are worth: VND 54.35 billion (as of December 31, 2024: VND 62.63 billion). The subsidiaries are still working with the Investor on the settlement of these projects, so we do not have enough basis to assess and determine the impact of this issue on the Consolidated Financial Statements for the interim period ending June 30, 2025 of the Corporation. ”*

Explanation: These projects arose from previous years at the units. The main reason is that these projects have not been approved by the investor or competent authority for settlement.

+ “ *As of June 30 , 2025, the outstanding balance of receivables and payables at some long-standing subsidiaries with the respective values of: VND 120.74 billion and VND 151.73 billion (as of December 31, 2024 with the respective values of: VND 120.0 billion and VND 161.13 billion). We have not yet collected sufficient appropriate evidence to assess the recoverability and debt obligations of these receivables and payables. Therefore, we do not have sufficient basis to assess and determine the impact of this issue on the Consolidated Interim Financial Statements for the accounting period ending June 30, 2025 of the Corporation. ”*

Explanation: The Corporation's units have coordinated with the auditing unit to issue letters of confirmation and reconciliation of receivables and payables as of June 30, 2025 to all customers. However, the number of customers who signed the reconciliation and sent it back to some units is still lacking, so some companies do not have complete records of debt reconciliation as of June 30, 2025. Reason: Due to the characteristics of the construction and development sector, projects have long construction periods, a project has many items and implementation stages, the project has been completed but the investor has not approved the final settlement and contract liquidation, especially many projects have lasted for many years. In many projects, the investors did not sign the confirmation and reconciliation of debts for the contractors, citing the reason of waiting for the State Audit to complete the audit of the completed project settlement before determining the official value and liquidating the contract, confirming debts with the contractors.

Respectfully report!

Recipient:

- As above;
- Save file, accounting.

GENERAL DIRECTOR 



Do Chi Nguyen

