

**GKM HOLDINGS JOINT
STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness**

No.:62/2025/CV-GKM
*About: Explanation of audit
opinions with exceptions in
the 2024 financial statements*

Ha Nam, April 9th, 2025

To: - HANOI STOCK EXCHANGE

Organization Name : GKM Holdings Joint Stock Company
Stock Code : GKM
Address : Chau Son Industrial Park, Le Hong Phong Ward, Phu Ly
City, Ha Nam

GKM Holdings Joint Stock Company has announced the financial statements for 2024 audited by International Auditing and Valuation Co., Ltd., according to the independent audit report No. 1707/2024/BCTC/IAV dated 09/04/2024 with the following audit opinions:

1. Basis of audit opinion exception

As stated in Explanation No. 4.5 – Other short-term receivables: Receivables from share transfer under the transfer contract No. 01/2024/HDCN/KMQ dated 25/06/2024 between GKM Holdings Joint Stock Company (the transferor) and Phat Dat Building Materials Investment and Trading Joint Stock Company on the transfer of 2,650,000 shares of Thach Anh Khang Stone Joint Stock Company Minh, with a transfer value of 33,390,000,000 VND. The transferee has paid 11,000,000,000 VND, at the date of purchase. By March 2025, the total amount collected is 20,730,000,000 VND. The remaining unpaid amount at the time of making the financial statement is VND 12,555,000,000. Given the records provided at the time of the audit, we were unable to gather sufficient audit evidence to assess the timely recoverability of this amount, nor to assess whether it was necessary to adjust the Financial Statements (if any) as a result of this issue.

As presented in Explanation No. 4.16 – Loans and financial lease debts: As of December 31, 2024, the Company has outstanding bonds of VND 44,900,000,000, corresponding bond interest of VND 3,411,455,322. The payment deadline is September 20, 2024, however, by the date of making this Financial Statement, the Company has not paid the principal and interest of bonds, and has not organized a bondholders' meeting to agree on the plan to handle overdue bond debts as prescribed. Given the records provided at the time of the audit, we were unable to gather sufficient audit evidence to assess the ability to repay the overdue bond, nor to assess whether it was necessary to adjust the Financial Statements (if any) as a result of the present issue



and whether it was necessary to review the in terms of the Company's ability to operate continuously in the short term.

As stated in Explanation No. 8.1 – Commitments: The collateral for the issued bond lot has not been collated, certified and reasonably valued by the collateral management organization as of December 31, 2024. With the available documentation, we are unable to gather sufficient appropriate audit evidence to comment on the existence, security value and other collateral commitments of the above-mentioned bond lot, nor to assess the extent to which this issue affects the Financial Statements (if any).

2. Qualified Audit Opinion

In our opinion, except for the probable effect of the matter set out in the paragraph "Basis of the Excluded Audit Opinion", the Financial Statements have faithfully and reasonably reflected, on material aspects of the Company's financial position as at December 31, 2024, as well as the results of business operations and cash flows for the first activity ending on the same day, in accordance with the Vietnam Accounting Standards, the Vietnam Enterprise Accounting Regime and legal regulations related to the preparation and presentation of financial statements.

3. Issues to highlight

We note that readers of the Financial Statements to Explanation No. 4.4.1 – Receivables for short-term loans: The Company is lending money to economic organizations with measures to ensure that the loan is secured with a balance of VND 5,000,000,000 and VND 33,457,000,000 as at 01/01/2024 and at 31/12/2024, respectively.

We note that readers of the Financial Statement to Explanation No. 4.8 – Taxes and receivables and payables to the State: The Company has an accumulated unpaid corporate income tax amount of VND 6,801,669,092 as of December 31, 2024.

We note that readers of the Financial Statements to Explanation No. 4.17 – Equity: In 2024, the Resolution of the General Meeting of Shareholders has approved the options on issuing shares to employees, issuing shares to existing shareholders and issuing shares to the public. However, due to the impact of the issue highlighted in the previous year's Audit Report, and the impact of the issue stated in the paragraph "Basis of the Excluded Audit Opinion", we assess that these stock issuance options are likely not to be implemented.

The emphasis is not related to our other audit opinion.

4. Company explanation

4.1. The receivables of VND 12,555,000,000 from Phat Dat Building Materials Investment and Trading Joint Stock Company are related to the transfer of

2,650,000 shares of Khang Minh Quartz Stone Joint Stock Company, the partner commits to make the payment of that amount no later than July 31, 2025.

4.2. The outstanding bond is VND 44,900,000,000 and the corresponding bond interest is VND 3,411,455,322, we will make payment to bondholders before July 31, 2025.

4.3. About "The Company is lending money to economic organizations with measures to ensure that the loan is secured with a balance of VND 5,000,000,000 and VND 33,457,000,000 as at 01/01/2024 and at 31/12/2024, respectively", we are responsible for controlling the loan and recovering it.

4.4. About " We note that readers of the Financial Statement to Explanation No. 4.8 – Taxes and receivables and payables to the State: The Company has an accumulated unpaid corporate income tax amount of VND 6,801,669,092 as of December 31, 2024", we will complete the payment of tax debts to the state before June 30, 2025.

The above is the explanation of GKM Holdings Joint Stock Company on the auditor's opinion in the 2024 financial statements. The Board of Directors of the above contents is true and is fully responsible for the content of the published information.

Thank you very much!

Recipient:

- *As above;*
- *Archive: Cleric Assistant*

**GKM HOLDINGS JSC
CHAIRMAN OF THE BOARD OF
DIRECTORS**



DANG VIET LE

