

No. Q/CV-PVIT

*Vinh City, March 30<sup>th</sup>, 2025*

Regarding: Explanation of the profit discrepancy after audit  
and the disclaimer of opinion

Respectfully to:

- The State Securities Commission of Vietnam;
- Hanoi Stock Exchange.

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, of the Ministry of Finance regarding guidelines for information disclosure on the securities market.

Pursuant to the Independent Audit Report No.: 300325.004/BCTC.KT5 dated March 30, 2025

Nghe An Petroleum Investment and Trading Joint Stock Company would like to provide explanations on the following matters:

**I/. Explanation of the difference in profit after tax of 2024 compared to 2023**

Nghe An Petroleum Investment and Trading Joint Stock Company (Stock code: PXA) would like to report and explain to the State Securities Commission of Vietnam, Hanoi Stock Exchange, regarding the difference in the after-audit corporate income tax profit after tax of the 2024 financial statements compared to the after-audit corporate income tax profit after tax of the 2023 financial statements as follows:

Revenue and income of the after-audit 2024 financial statements compared to the after-audit 2023 financial statements are as follows: Revenue from sales and service provision decreased by VND 38,029,687,138;

Expenses of the after-audit 2024 financial statements compared to the after-audit 2023 financial statements are as follows: Cost of goods sold decreased by VND 38,704,032,543, Financial activity expenses increased by VND 228,201,851;



Selling expenses increased by VND 2,966,906,191, and Corporate management expenses decreased by VND 1,468,549,219.

Therefore, compared to 2023, in 2024, revenue and cost of goods sold decreased, financial activity expenses increased, selling expenses increased, and corporate management expenses decreased, leading to a decrease in profit after tax in 2024 compared to profit after tax in 2023.

## **II/. After-tax profit is negative (loss):**

1 Revenue decreased compared to the previous year, but this was accompanied by high fixed costs, high interest rates, a difficult economic climate, and the business premises not being fully utilized for lease.

2 Although revenue decreased, the gross profit did not decrease significantly because other income increased compared to the previous year.

3 In 2024, selling expenses increased compared to the previous year due to the profit share of Landcom Joint Stock Company issuing invoices for the profit distribution of the Hung Loc project, for which revenue had been temporarily estimated in previous years.

## **III/. The auditing organization's disclaimer of opinion in 2024**

On March 30, 2025, AASC Auditing Firm Limited Company issued a disclaimer of opinion. Nghe An Petroleum Investment and Trading Joint Stock Company would like to explain as follows:

The disclaimer of opinion by the auditing unit on the 2024 financial statements dated March 30, 2025, relates to the Company's going concern. This is due to the increased accumulated losses and short-term liabilities exceeding short-term assets.

### **Reason:**

According to the audited 2024 financial statements, Nghe An Petroleum Investment and Trading Joint Stock Company is currently incurring losses.

The reasons are that the company is burdened with large expenses such as high interest rates, leading to significant interest expense, and the company has also made provisions for doubtful debts, which has increased expenses in these years, resulting in low profit after tax.



### Remedial measures:

In addition to maintaining and developing production and business activities, promoting sales to increase revenue and profit, the Company is also carrying out procedures to apply for some new investment projects and is gradually recovering receivables from businesses as well as individual debts.

The above is the explanation of the reasons and remedial measures for the delisting situation of Nghe An Petroleum Investment and Trading Joint Stock Company, for your consideration.

Sincerely thank you!

### Recipients:

- As above;
- Board of Directors (for reporting);
- Filing.

