

No: 0908/2025/PIV- GT

*Re: Explanation regarding the
reviewed financial statements for
the first 6 months of 2025*

Hanoi, August 9, 2025

To:

- The State Securities Commission;
- The Hanoi Stock Exchange (HNX)

- Name of company: PIV JOINT STOCK COMPANY
- Stock symbol: PIV
- Address headoffice: No. 41 Pham Tuan Tai Street, Lot 40 - 41 Enterprise Collective Area, Xuan Dinh Ward, Hanoi City, Vietnam
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In accordance with Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, providing guidelines on information disclosure on the securities market, PIV Joint Stock Company would like to provide the following explanation regarding the Company's business performance:

I. Explanation regarding the auditor's opinion:

Matter of Emphasis:

We would like to draw the reader's attention to Note VIII.3 'Going Concern' in the financial statements, which discloses that as of June 30, 2025, the Company had an accumulated loss of VND 172,166,822,543; fixed assets of low value; no remaining financial investments; and a significant amount of short-term liabilities. Meanwhile, total current assets amounted to VND 105,360,763,099, indicating potential difficulties in meeting short-term obligations. These conditions, along with other matters described in Note VIII.3, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the Company's Management believes in the prospects of future business performance with financial support from shareholders and creditors. Therefore, the financial statements have been prepared by the Board of Directors on a going-concern basis.

The auditor's conclusion is not modified in respect of the above matter of emphasis.

Explanation:

In 2024, pursuant to the resolution of the General Meeting of Shareholders, the Company's Management proceeded with borrowing capital to invest in the production and business activities of plastic products. Currently, the project is in the process of installing



systems, and as such, no revenue or profit has been recorded from this activity. However, the Management assesses this as a highly promising project with strong potential for capital recovery and the ability to generate stable, long-term revenue for the Company. Therefore, the Company is fully confident in its debt repayment capacity and its prospects for sustainable development in the future.

II. Profit after tax in the reporting period with a discrepancy of 5% or more before and after the audit

No.	Item	Reviewed semi-annual financial statements 2025	Q2 2025 financial statements	Discrepancy
1	Profit after tax in the financial statements	(456,898,614) VND	(306,896,319) VND	48,88%

Reasons for the above changes: At the time of the audit, the Company had received complete debt confirmation documents from partners and had fully compiled relevant information. Based on this, the Company made necessary adjustments in accordance with current regulations to accurately reflect the actual production and business activities.

- Adjusted downward the items of other short-term receivables and other long-term receivables related to showroom rental deposits and office rental VAT.

- Adjusted downward the item of long-term work-in-progress production costs, while increasing the item of construction-in-progress costs.

- Adjusted upward the item of enterprise management expenses, while reducing the item of prepaid expenses.

III. Profit after tax in the reporting period shows a loss, changing from a profit in the same period of the previous year to a loss in the current period, or vice versa.

Profit after tax in the reporting period recorded a loss of VND (456,898,614) VND. Although operating costs have been optimized to the lowest possible level, the profit generated from business activities during the period was still insufficient to cover all expenses. The current expenses are all essential and mandatory to maintain the company's operations. However, the Board of Management considers this to be only a temporary period of difficulty. With the strategic direction and business plan approved by the 2025 General Meeting of Shareholders, the Board of Management is confident that the company's financial situation will soon see positive changes, creating a solid foundation to maintain stable operations and drive growth in the near future.

The above is the explanation of PIV Joint Stock Company regarding the contents related to the reviewed semi-annual financial statements for 2025.

Sincerely./.

Recipients:

- As above;
- Board of Directors; Management Board; Supervisory Board;
- Administration Department.

PIV JOINT STOCK COMPANY

(Signature, full name and seal)

 
NGUYEN HUU SANG