

MINISTRY OF CONSTRUCTION
CONSTRUCTION MACHINERY
CORPORATION

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No: 339/COMA-TCKH

Hanoi, August 27th, 2025

Re: Explanation of changes in after-tax profit in the reviewed semi-annual financial statements for the first six months of 2025, which increased/decreased by 10% or more compared to the same period of the previous year; change from a loss in the previous period to a profit in the current period; and the qualified opinion of the auditor.

To: Hanoi Stock Exchange

Construction Machinery Corporation – Joint Stock Company would like to provide an explanation of the reasons for the changes in profit after corporate income tax as presented in the Statement of Profit or Loss for the reviewed semi-annual financial statements for the first six months of 2025. These changes include an increase/decrease of 10% or more compared to the first six months of 2024, the transition from a loss in the previous period to a profit in the current period, and the qualified opinions of the auditor on both the Separate and Consolidated Financial Statements, as follows:

Report Type	Indicator	Reporting Period		Difference	Percentage Change (%)
		2025	2024		
Combined Financial Statement	After-tax profit	3,348,685,203	3,567,660,635	(218,975,432)	(6,14%)
Consolidated Financial Statement	After-tax profit	4,506,911,387	(548,667,370)	5,055,578,757	(921,43%)
	Parent Company's After-Tax Profit	3,658,568,479	945,311,607	2,713,256,872	287,02%

1. Business performance results for the first six months of 2025 showed a profit and a change of 10% or more compared to the first six months of 2024, as presented in both the Separate Financial Statements and the Consolidated Financial Statements, due to the following reasons:

- Separate Financial Statements (profit: VND 3,348,685,203):

In the first half of 2025, the Corporation divested and transferred shares of one investee company, completed acceptance and settlement of several outstanding projects, and strengthened efforts in job seeking and service business activities. At the same time, the Corporation reclassified receivables, worked with customers to recover overdue debts, and balanced capital sources to fulfill tax obligations to the State budget. As a result, late tax payment penalties decreased, thereby offsetting part of borrowing costs and administrative expenses. For these reasons, profit after corporate

income tax as presented in the Statement of Profit or Loss for the Separate Financial Statements in the first six months of 2025 showed a profit.

- Consolidated Financial Statements (profit: VND 4,506,911,387):

In the first half of 2025, profit after corporate income tax as presented in the Statement of Profit or Loss of the parent company and four (04) subsidiaries was positive. The parent company recorded a high profit due to divestment and transfer of shares in a subsidiary with other equity investments. Subsidiaries including COMAEL (Construction and Electrical and Water Installation Joint Stock Company), COMA2, and COMA16 also generated significant profits after tax, which offset the losses of the remaining two subsidiaries. Consequently, profit after corporate income tax as presented in the Statement of Profit or Loss in the Consolidated Financial Statements was positive.

Accordingly, profit after corporate income tax for the first six months of 2025 increased by 10% or more compared to the same period in 2024 and shifted from a loss in the previous period to a profit in this period, as presented in the Consolidated Financial Statements.

2. Auditor's Qualified Opinion:

- As at the date of preparation of the financial statements, certain customers had not yet signed confirmations of outstanding receivables and payables which have been overdue for more than 6 months. The Corporation assessed that these receivables are recoverable in the following financial year, and therefore no provision has been made, with the amount temporarily not provided for being approximately VND 21.5 billion.

- As at June 30, 2025, the Corporation's subsidiaries had not conducted physical inventory counts or assessed the net realizable value of inventories with a total value of VND 14.7 billion, including: Construction and Mechanical Engineering and Electrical Installation Joint Stock Company (VND 10.6 billion), Minh Khai Lock Joint Stock Company (VND 1.8 billion), Thai Binh Mechanical and Installation Joint Stock Company (VND 1.2 billion), and Ha Bac No.2 Construction Mechanical Joint Stock Company (VND 1.2 billion).

- The auditor was unable to obtain sufficient and appropriate audit evidence regarding balances of receivables of the parent company and its subsidiaries as at June 30, 2025 amounting to VND 83.3 billion (as at January 1, 2025: VND 82.2 billion), and payables as at June 30, 2025 amounting to VND 36.6 billion (as at January 1, 2025: VND 36.6 billion). In addition, the Corporation and its subsidiaries, namely Construction and Mechanical Engineering and Electrical Installation Joint Stock Company and Minh Khai Lock Joint Stock Company, had not resolved missing assets with a value of VND 2,066,843,794 as at both June 30, 2025 and January 1, 2025.

- At the date of preparation of the report, the Corporation's subsidiary, Ha Bac No.2 Construction Mechanical Joint Stock Company, had recognized late payment interest, tax arrears, and administrative fines for multiple years into the long-term prepaid expenses account, amounting to VND 8,973,730,365. Another subsidiary, The Import-Export Manufactured Service and Countryside Development Company Limited, received notifications from the Vung Tau – Con Dao Tax Department concerning land use fees relating to the “Decoimex Residential Project (Expansion) in Ward 6 and Ward 9, Vung Tau City.” The amount payable up to February 28, 2025 was VND 134,969,590,675, with late payment interest of VND 127,683,442,991. The Company did not accept the tax authority's calculation as it included land use fees on public areas. The Company has submitted an official request to the tax authority but has not yet received a response. Accordingly, the related figures presented in the



Consolidated Financial Statements for the financial year ended June 30, 2025 may be subject to change depending on the final decision of the tax authority.

The above constitutes the explanation of Construction Machinery Corporation – Joint Stock Company regarding profit after tax as presented in the reviewed semi-annual Separate and Consolidated Financial Statements for 2025.

Sincerely!

Recipients:

- As above;
- Board of Directors (for reporting));
- Supervisory Board;
- Corporation Management;
- Archive: Office, Finance Department.



GENERAL DIRECTOR

Dao Duc Tho

