

VIETNAM STEEL CORPORATION - JSC
THAI NGUYEN IRON & STEEL JSC

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No.: **230** /GTTN-TCKT

Thai Nguyen, dated **27** March, 2026

*Explanation of the Causes of Warnings and
Remedial Measures.*

Respectfully to: Hanoi Stock Exchange.

Pursuant to Decision No. 166/QĐ-SGDHN dated 16 March 2026 regarding the placement of TIS shares of Thai Nguyen Iron and Steel Joint Stock Company (TISCO) under warning status;

Thai Nguyen Iron and Steel Joint Stock Corporation (“the Company”) hereby provides the following explanations:

1. Causes:

1.1. Regarding the Project on Renovation and Expansion of Production – Phase 2 of Thai Nguyen Iron and Steel Joint Stock Company (TISCO):

EPC Package No. 01# – Metallurgical production line at Luu Xa area under the Phase 2 expansion project of Thai Nguyen Iron and Steel Joint Stock Company was commenced in 2007 but has been suspended since 2013 due to various outstanding issues.

In compliance with directives from competent authorities, on 17 April 2025, TISCO and MCC (the contractor for EPC Package No. 01#) executed an Agreement on Termination and Liquidation of Contract No. 01#EPC/TISCO-MCC (the “Termination and Liquidation Agreement”). Currently, TISCO is actively and diligently implementing the Agreement, allocating personnel to work continuously and coordinating closely with relevant parties to carry out its provisions. Specifically, the parties have conducted reviews and recorded the actual completed works and handover status; however, approval from competent authorities is still required to finalize and settle Section C, as a basis for proceeding with the execution of termination and liquidation agreements for the tripartite subcontracts among TISCO, MCC, and Vietnamese subcontractors.

1.2. Regarding Administrative Sanction Decision No. 1165/QĐ-XPHC for incorrect declaration of environmental protection fees on extracted low-grade iron ore during the period from 2017 to 2024 at Tien Bo Iron Mine: The Company has filed a lawsuit with the People’s Court of Thai Nguyen Region I. The case is currently under mediation.

2. Remedial Measures:

2.1. For the Phase 2 production expansion project:

Upon obtaining approval from the competent authorities for the settlement of Section C, the parties will proceed with the termination and liquidation of the tripartite subcontract agreements, complete all obligations under the Termination and Liquidation Agreement dated 17 April 2025 with MCC, and develop a plan for handling the Project for submission to the competent authorities for approval, in compliance with applicable laws and regulations.

2.2. Regarding Administrative Sanction Decision No. 1165/QĐ-XPHC on the incorrect declaration of environmental protection fees for extracted low-grade Run-of-Mine (ROM) iron ore from 2017 to 2024 at Tien Bo Iron Mine: The Company has filed a lawsuit with the Regional People's Court I of Thai Nguyen Province. The case is currently undergoing mediation and pending the Court's final judgment.

The above constitutes the Company's explanation of the causes and remedial measures in response to the qualified opinion raised by the independent auditor in TISCO's financial statements for the year 2025.

TISCO respectfully seeks the consideration and support of the Hanoi Stock Exchange.

Best regards,

Recipients:

- As above,
- Save VT, TCKT.



GENERAL DIRECTOR


Nguyen Minh Hanh