PETROVIETNAM CONSTRUCTION JSC

PETROLEUM INDUSTRIAL AND CIVIL CONSTRUCTION JOINT STOCK COMPANY

No. 281 /CNDD-TCKT

Re: Explanation of Certain Matters in the Reviewed Interim Financial Information Report for the Accounting Period from 1 January 2026 to 30 June 2026

SOCIALIST REPUBLIC OF VIETNAM
Independence – Liberty – Happiness

Ho Chi Minh City, 10 August 2026

CÔNG TY CỔ PHẦN XÂY DỰNG CÔNG NGHIỆP VÀ DÂN DỤNG DẦU KHÍ

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To: - State Securities Commission of Vietnam (SSC)
- Hanoi Stock Exchange (HNX)

First of all, Petroleum Industrial and Civil Construction Joint Stock Company would like to extend its respectful greetings to the State Securities Commission of Vietnam and the Hanoi Stock Exchange.

In order to clarify certain matters raised in the Report on Review of Interim Financial Information for the accounting period from 1 January 2026 to 30 June 2026, the variance of more than 10% in profit after corporate income tax compared with the first six months of 2025, and the loss after corporate income tax, Petroleum Industrial and Civil Construction Joint Stock Company (the "Company") would like to provide the following explanations:

I. Basis for Disclaimer of Opinion:

1. The Company has not yet assessed the recoverability of the Long Son Riverside apartment project business cooperation investment, amounting to VND 12.89 billion (Note 04), which was completed in 2019.

<u>The Company's explanation:</u> The Project is currently in the process of completing its legal documentation and undergoing the procedures for an audit of the Project's investment capital. Therefore, the Company has not yet assessed the effectiveness of its investment in the Project.

2. The balance of the Company's work-in-progress costs includes the unfinished value of the Commercial - Service - Office and Apartment Complex Project at 33A, 30/4 Street, Ward 9, Vung Tau City, Ba Ria - Vung Tau Province (currently No. 33A, 30/4 Street, Tam Thang Ward, Ho Chi Minh City) with a recorded value of VND 32.99 billion (Note 09). This project was completed and put into use in 2018; however, as of the date of preparation of these interim financial statements, the final settlement of the project has not yet been approved by the relevant authorities.

<u>The Company's explanation:</u> As at the date of preparation of the interim financial statements for the six-month period ended 30 June 2026, the balance of work-in-progress costs relating to the Commercial – Service – Office and Apartment Complex Project at No. 33A, 30/4 Street, Ward 9, Vung Tau City, Ba Ria – Vung Tau Province (currently No. 33A, 30/4 Street, Tam Thang Ward, Ho Chi Minh City) amounted to VND 32.99 billion. This balance represents the construction costs of 123 basement parking spaces (B2 level) owned by the project developer. The Company has engaged an independent audit firm to conduct the audit of the Project's investment capital. Upon obtaining the approval of the final investment settlement from the competent authorities, the Company will recognize the remaining work-in-progress costs in accordance with the approved final settlement.

3. Also included in the Company's work-in-progress costs are the Thai Binh 2 Thermal Power Plant Project and the Song Hau 1 Thermal Power Plant Project. The Company has not determined the net realizable value of these projects, which have carrying amounts of VND 73.38 billion and VND 40.85 billion, respectively (Note 09).

<u>The Company's explanation:</u> As at the date of preparation of the interim financial statements for the six-month period ended 30 June 2026, the carrying amounts of work-in-progress costs relating to the Thai Binh 2 Thermal Power Plant Project and the Song Hau 1 Thermal Power Plant Project were VND 73.38 billion and VND 40.85 billion, respectively. As at the reporting date, certain

completed work volumes had not yet been accepted for payment by the project owners. Accordingly, the Company was unable to determine the final settlement value of these two projects accurately. Upon completion of the project settlement process, the Company will recognize the remaining work-in-progress costs in accordance with the approved final settlement.

4. The land lot located at No. 35D, 30/4 Street, Ward 9, Vung Tau City, Ba Ria - Vung Tau Province (currently No. 35D, 30/4 Street, Tam Thang Ward, Ho Chi Minh City) was revoked under Decision No. 3339/QĐ-UBND dated October 28, 2022 issued by the People's Committee of Ba Ria - Vung Tau Province. However, the Company has not yet handed over the land lot to the local authorities and has not dealt with the value of the assets attached to the land.

The Company's explanation: Following the issuance of Decision No. 3339/QĐ-UBND dated 28 October 2022 by the People's Committee of Ba Ria – Vung Tau Province, the Company carried out the necessary procedures to hand over the land plot located at No. 35, 30/4 Street, Ward 9, Vung Tau City, Ba Ria – Vung Tau Province to the Ba Ria – Vung Tau Province Land Development Center. However, due to certain assets on the land having not yet been dismantled, the handover has not yet been completed. Accordingly, the Company continues to use the land as its head office and pays the annual land rental in accordance with applicable regulations.

5. In addition, We were unable to obtain sufficient documentation relating to the balances as at 01 January, 2026 and 30 June, 2026 of receivables amounting to VND 3.29 billion and VND 3.38 billion, respectively, and payables amounting to VND 18.78 billion and VND 28.8 billion, respectively. Based on the review procedures performed, we were still unable to obtain sufficient appropriate evidence regarding the carrying amounts of these unconfirmed balances.

The Company's explanation: As at the date of preparation of the interim financial statements for the six-month period ended 30 June 2026, the Company had obtained confirmations for substantially all receivable and payable balances, including trade receivables, other short-term receivables, trade payables and other short-term payables. However, as at the date of issuance of the reviewed interim financial statements, confirmations from a small number of customers had not yet been received. The Company will continue to follow up with these customers to obtain confirmations for the outstanding balances.

II. Explanation of the Difference in After-Tax Profit Exceeding 10%:

* Total revenue and other income for the first six months of 2026 increased by VND 11,698,592,791, representing an increase of 301.11% compared with the first six months of 2025, as detailed below:

- Revenue from construction and asset leasing decreased by VND 11,990,114,884 equivalent to an increase of 685.52%.
- Finance income decreased by VND 20,221,197, equivalent to a decrease of 2.09%.
- Other income decreased by VND 271,300,896, equivalent to a decrease of 23.18%.

* Total expenses for the first six months of 2026 increased by VND 11,963,414,786, or 247.20%, compared with the corresponding period of 2025, as detailed below:

- Cost of sales increased by VND 12,127,055,179, representing an increase of 1,984.82%.
- Finance costs increased by VND 45,818,178.
- Administrative expenses decreased by VND 206,744,890, representing a decrease of 5.32%.
- Other expenses decreased by VND 2,713,681, representing a decrease of 0.80%.

* The profit after corporate income tax for the first six months of 2026 differed by more than 10% compared with the corresponding period of 2025. This was mainly attributable to the increase in cost of sales, the decrease in other income and the increase in finance costs, as explained above. As a result, the Company's loss after corporate income tax for the first six months of 2026 increased by VND 264,821,995, representing an increase of 27.75% compared with the corresponding period of 2025.

III. Explanation of the Loss after Corporate Income Tax for the First Six Months of 2026:

The Company's loss after corporate income tax for the first six months of 2026 was mainly attributable to the fact that the Company did not secure any new construction projects during the period. As a result, revenue from construction activities, asset leasing, and machinery and equipment leasing remained at a low level. Meanwhile, administrative expenses remained relatively high, resulting in a loss from operating activities.

The above is the explanation of Petroleum Industrial and Civil Construction Joint Stock Company. The Company respectfully submits this explanation to the State Securities Commission of Vietnam, the Hanoi Stock Exchange and investors for their information.

Sincerely!

DIRECTOR

S.Đ.K.K.D:3500832971-C.T.C.P
CÔNG TY CỔ PHẦN XÂY DỰNG CÔNG NGHIỆP VÀ DÂN DỤNG DẦU KHÍ
TP.VŨNG TÀU-T.BÀ RỊA VŨNG TÀU

Lê Minh Hải

Recipients:
- As stated above;
- Board of Directors, Board of Supervision (e-copy);
- Filed at Administration, Finance & Accounting Department (lnh. 6).