

PETROVIETNAM CONSTRUCTION  
JOINT STOCK CORPORATION  
**PETROLEUM PIPELINE & TANK  
CONSTRUCTION COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

No.: 401/DOBC-TCKT

Re: Explanation of the auditor's opinion in the  
audited semi-annual financial statements for 2025.

*Ho Chi Minh City, 13-8 - 2025*

To:

- State Securities Commission
- Hanoi Stock Exchange
- AASC Auditing Firm Company Limited

First of all, Petroleum Pipeline & Tank Construction Company (DOBC) would like to extend its respectful greetings to the State Securities Commission, the Hanoi Stock Exchange, and AASC Auditing Firm Company Limited.

DOBC company would like to provide an explanation regarding the disclaimer of opinion issued by the auditing firm on the Company's semi-annual financial statements for 2025, as follows:

1. Basis for Disclaimer of Opinion:

The land plots 35D and 35G on 30/4 Street, Ward 9, Vung Tau City, Ba Ria - Vung Tau Province, (Currently No. 35G, 30/04 Street, Tam Thang Ward, Ho Chi Minh City) are within the area covered by Decision No. 3339/QĐ-UBND dated 28/10/2022, issued by the People's Committee of Ba Ria - Vung Tau Province regarding the repossession of the land lot. Currently, the Company has not yet been repossessed and no measures has been taken regarding the value of the assets on the land.

For the land use right value of Lot No. 35G, 30/4 Street, Tam Thang Ward, Ho Chi Minh City, with a value of VND 4.41 billion, the accumulated depreciation as of 30/06/2025 was VND 4.19 billion and the depreciation for the period was VND 0.22 billion, the Company continues to record this under the intangible fixed assets category.

As of the reporting date, Petroleum Industrial and Civil Construction Joint Stock Company (PVC - IC) and Petroleum Pipeline & Tank Construction Company (DOBC) both under PETROCONS, are still using Lots No. 35D, 35G, declaring and paying annual land tax. At the same time, the Company has sent written requests to the competent authorities seeking approval for the plan to handle the assets on the land upon relocation. As of the date of preparation of the financial statements, DOBC company is still awaiting an official response from the competent authorities in order to proceed with the next steps.

1.1. "We have not yet fully gathered all relevant documents regarding the balances as of 01 January 2025 and 30 June for liabilities amounting to VND 15.55 billion and VND 26.99 billion, respectively; and receivables amounting to VND 10.31 billion and VND 10.06 billion, respectively.



The outstanding receivables as of 01 January 2025 and 30 June 2025, amounting to VND 131.89 billion and VND 112.33 billion, respectively, have not been reviewed and assessed for provision by the Company.”

- As of June 30, 2025, we had sent confirmation letters for receivables and payables; however, due to the wide geographic scope of operations and the large workload, we have not yet received all the confirmation letters. We will expedite the collection of these confirmations at the earliest possible time.

Receivables as of June 30, 2025 mainly consist of VND 54.98 billion receivable from Petrovietnam Construction Joint Stock Corporation (the Parent Company), VND 17.29 billion receivable from Petroleum Equipment Assembly And Metal Structure Joint Stock Company (an affiliate of the Parent Company), and VND 48.59 billion receivable from Vietnam Machinery Installation Corporation - JSC. The significant outstanding receivables are primarily from the Parent Company and relate to projects that are either in progress or have been completed but are awaiting agreement on unit prices for revenue recognition. Therefore, although these receivables have been outstanding for a long period, we assess that they remain collectible and no provision for doubtful debts has been made. We are committed to collecting these receivables in the future and expect no losses related to these debts.

## 2. Emphasis of Matter:

“We notice the readers' attention to the events disclosed in Note 1, which 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 accompanying financial statements have still been prepared on the assumption of going concern.”

To address the issue of debt settlement, the Company's Board of Management has assessed the business plan, cash flow plan, and the recoverability of receivables as follows:

- Accelerating the collection of short-term receivables from customers, particularly those from construction contracts with customers under the “Thai Binh 2 Thermal Power Plant” project, as revenue from this project accounts for a dominant proportion.

- In the first six months of 2025, the Company has signed several new contracts for repair and maintenance works at the Thai Binh 2 Thermal Power Plant project, which partly ensures additional cash flow for the Company's operations.

- The Company has been granted credit limits by banks such as: National Citizen Bank – Ba Ria – Vung Tau branch, Vietnam Maritime Bank – Vung Tau branch, Military Commercial Joint Stock Bank – Vung Tau branch, Southeast Asia Commercial Joint Stock Bank – Vung Tau branch, with a total credit limit of approximately VND 46 billion. The approval of these credit facilities enables the Company to settle debts as they fall due, cover regular operating expenses, and implement new projects with bank guarantees, thereby supporting the Company's continued operations and maintaining cash flow for its production and business activities. In addition, the Company has also obtained unsecured loans from

individuals to supplement capital, ensuring uninterrupted operations for at least the next 12 months.

- Strengthening cost control by streamlining personnel in departments to minimize payroll expenses and other regular costs, while still ensuring the necessary resources for production.

Through this official letter, DOBC respectfully requests the State Securities Commission and the Hanoi Stock Exchange to review and approve the above explanation.

Through this official letter, the Company also respectfully requests AASC Auditing Firm Company Limited to acknowledge the above explanation.

DOBC company commits to take full legal responsibility for the contents of this explanation.

Sincerely!

***Recipients:***

- As above;
- BOD, BOS, BOM (for reporting);
- Archived: AD, Accounting and Finance Department.

**PERSON RESPONSIBLE FOR  
INFORMATION DISCLOSURE**



**Mai Đình Bao**