

No.: 42./2026/CV-LGL

Hanoi, 31 March 2026

(Re: Explanation of financial variances and
Emphasis of Matter in the 2025 Audited
Financial Statements)

**To: State Securities Commission
Ho Chi Minh City Stock Exchange**

Legal Basis:

- Pursuant to Article 14 of 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";
- Based on the 2024 Audited Financial Statements of Long Giang Urban Development and Investment Joint Stock Company, audited by UHY Auditing and Consulting Co., Ltd;
- Based on the 2025 Audited Financial Statements of Long Giang Urban Development and Investment Joint Stock Company, audited by UHY Auditing and Consulting Co., Ltd.

Our Company would like to provide an explanation regarding the business performance and the Emphasis of Matter in the 2025 Audited Financial Statements as follows:

1. Explanation of Financial Data Variances

1.1 Post-tax profit in the 2025 Audited Financial Statements changed by more than 10% compared to the 2024 Audited Financial Statements

No	Item	2025 Audited Financial Statements	2024 Audited Financial Statements	Variance	
				Amount	Percentage
1	Profit after tax	20.463.408.155	(55.521.267.614)	75.984.675.769	(137%)

Explanation:

The profit after tax in the 2025 Audited Financial Statements reached VND 20.5 billion, an increase of VND 76 billion (equivalent to a 137% increase) compared to the 2025 audited report (which recorded a loss of VND 55.5 billion). The primary reasons are:

❖ **Major items contributing to the increase in 2025 post-tax profit (VND 77.9 billion)**

- Financial income increased by VND 51.6 billion compared to 2024, due to:
 - + Dividends received from associates increased by VND 19.8 billion
 - + Capital utilization fees from the Viet Hung project: VND 31.8 billion
- General and Administrative expenses decreased by VND 17.7 billion compared to 2024, mainly due to:
 - + Reversal of provisions for doubtful receivables increased by VND 14.2 billion.
 - + Outsourced service expenses decreased by VND 3.5 billion
- Other profit increased by VND 8.5 billion compared to 2024, primarily due to:
 - + Interest on late payments of receivables: VND 2 billion.
 - + Infrastructure land rent collection for the 69 Vu Trong Phung project: VND 3.5 billion.
 - + Other income: VND 3 billion.

❖ **Major items contributing to the decrease in 2025 post-tax profit (VND 1.9 billion):**

- Financial expenses increased by VND 1.9 billion year-on-year.



1.2 Post-tax profit in the 2025 Audited Financial Statements changed by 5% or more compared to the Pre-audited (Self-prepared) report.

No	Item	2025 Audited Financial Statements	2025 Self-prepared Financial Statements	Variance	
				Amount	Percentage
1	Profit after tax	20.463.408.155	18.926.329.984	1.537.078.171	8%

The profit after tax in the 2025 Audited Financial Statements increased by VND 1.5 billion (8%) compared to the self-prepared report due to the reversal of provisions for doubtful receivables from customers.

2. Emphasis of Matter in the 2025 Audit Report

“As presented in Note 17 “Taxes and Payables to the State” – Notes to the Financial Statements, in 2020, the Company received Decisions from the Director of the Hanoi Tax Department regarding tax enforcement and notifications of invalid invoices. These Decisions will cease to be effective once the Company fully settles the tax liabilities and late payment penalties. As at 31 December 2025, the Company had not yet fulfilled its declared tax obligations with the tax authorities”.

Explanation:

The root cause of the prolonged tax debt stems from Long Giang Company's investment in constructing a resettlement housing fund for the District 10 People's Committee – Ho Chi Minh City at Lot C, No. 7/28 Thanh Thai Street (now Dien Hong Ward). This project was approved by the HCMC People's Committee to serve as official housing for city officials. We completed and handed over the project in December 2018. However, to date, the Company has not received payments or advances from the State Budget. To execute the project, the Company had to utilize bank loans. The delay in final settlement caused financial costs to escalate significantly beyond the initial estimate, affecting project profitability and our business operations for 8 years (from 2018 to present). On August 23, 2025, the HCMC People's Committee approved the final settlement value for Lot C via Document No. 1309/UBND-DT at VND 289,994,797,053 (inclusive of VAT, excluding interest expenses during the waiting period). We are currently coordinating with relevant Departments to finalize the documentation for disbursement while mobilizing other resources to prioritize fulfilling our obligations to the State Budget.

During this period, to maintain operations, we utilize invoices on a case-by-case basis and remit 18% of the revenue from such invoices to the State Budget in accordance with Point d, Clause 4, Article 34 of Decree No. 126/2020/ND-CP dated October 19, 2020.

Respectfully submitted,!

Recipients:

- As above
- Filed at Administration Dept./

LONG GIANG INVESTMENT AND URBAN DEVELOPMENT JSC



TỔNG GIÁM ĐỐC
Nguyễn Mạnh Hà