



® THANG LONG METAL JOINT STOCK  
COMPANY  
Address: Phuc Loi Ward, Long Bien District,  
Hanoi, Vietnam  
Tel: +84 4 3875 9304  
Number: 02 /KCTL-2026

**About:** Explanation of interest decrease, profit  
margin decrease of over 10% and opinions  
except for financial statements in 2025

SOCIALIST REPUBLIC OF VIETNAM  
Independence – Freedom – Happiness

Hanoi, March 30<sup>th</sup> 2026

**DEAR: - STATE SECURITIES COMMISSION OF VIETNAM  
- HANOI STOCK EXCHANGE**

Thang Long Metal Joint Stock Company (“the Company”) would like to sincerely thank you for your support and cooperation in the past time.

- Based on Circular No. 96/2020/TT-BTC in November 16, 2020, by the Ministry of Finance leading the information publicity on the securities market.

- Based on the financial report 2024 reviewed.

- Based on the financial report 2025 reviewed.

According to the 2025 financial statements, the results of production and business activities decreased by more than 10% compared to the results of production and business activities in the 2024 financial statements as follows:

Number	Items	Year 2025	Year 2024	Difference
1	Net revenue from sales of goods and rendering of services	952,971,560,197	963,665,808,574	(10,694,248,377)
2	Revenue from financial activities	59,757,066,351	51,308,903,301	8,448,163,050
3	Other income	3,928,891,315	6,763,069,786	(2,834,178,471)
4	Other expenses	1,590,224,127	4,691,747,785	(3,101,523,658)
5	Selling expenses	2,593,619,564	1,867,798,784	725,820,780
6	Business management expenses	78,025,619,564	76,878,934,979	1,146,684,585
7	Total net profit before tax	61,499,859,999	39,926,744,643	21,573,115,356
8	Profit after corporate income tax	61,499,859,999	39,926,744,643	21,573,115,356

**Reason for difference:** In 2025, the company recorded positive changes in its business operations. Accordingly, the company maintained its strategic customer base, resulting in only a slight 1.11% decrease in revenue. This was achieved through optimized resource utilization, with the cost of goods sold decreasing by 2.08% compared to the previous year. The rate of decrease in the cost of goods sold was



higher than the rate of decrease in revenue, contributing to an improved gross profit margin. Financial expenses decreased sharply by 29.09%, combined with a 16.47% increase in financial income, demonstrating an effective financial management strategy. These factors led to a 35.08% increase in pre-tax profit this year compared to the previous year.

**Regarding the exclusion of opinions in the 2025 financial statements, our company would like to explain as follows:**

The company is currently organizing production in 04 factories with over 1.000 employees. The company's annual revenue is from 900 billion to more than 1000 billion, the average revenue per month is from 70 billion to 100 billion, the company's customers are mainly large enterprises at home and abroad, the production and delivery plan is stable, and the requirements for delivery guarantee are very high. Concrete:

In the domestic market, the company specializes in providing motorcycle parts for 2 major customers, HONDA Vietnam Company and GOSHI Thang Long Company, with a monthly revenue of over 50 billion, orders are determined to be delivered according to specific time zones in each day and the delivery guarantee rate in PPM (Parts Per Million), If it is not guaranteed, it will have to compensate for all damage to stop production at all factories in the system.

For exports, the Company is exporting to IKEA customers to distribute throughout the European market; OLYMPIA customers distribute in the US market and some other customers... monthly revenue of over 20 billion. The export group is determined by the delivery time of the week and in case of non-guarantee, it will also have to compensate all related costs for the sales system throughout the market area.

With the characteristics of a stable production plan and such a high requirement to ensure delivery, the Company actively accepts the inventory of raw materials, semi-finished products, finished products, tools and tools and at the same time establishes an optimal production organization plan, ensuring absolute on-time delivery to customers.

In particular, the inventory of semi-finished products due to the continuous production process, so at the time of inventory, the inventory is scattered in the production workshops and on the production line.

Every year, the audit team has carried out inventory inventory and evaluated unfinished products on the production line. However, when the audit team went into inventory on 30/06 and 31/12 every year due to the semi-finished inventory scattered in many production lines, the time was limited, so the audit team could not count all of them by themselves, but only checked the probabilities and collected evidence of inventory at the workshops. production teams of factories...

With the above facts, the evidence directly collected by the audit team on inventory and evaluation of unfinished products on the production line is incomplete, so the auditor gives an opinion except: “ *Due to the inability to collect sufficient appropriate audit evidence on the existence and value of losses, if any, of this unfinished production expense. Therefore, we have not determined whether it is*

*necessary to adjust the balance of unfinished production and business expenses, provisions for inventory price reduction and related items on January 1, 2025 and December 31, 2025”.*

For the opinion except in the audit report dated 31/12/2025, our Company would like to affirm: In order to determine the unfinished value as of 31/12/2025, we have recorded and presented in a suitable manner the actual unfinished production and business expenses of the Company on the Balance Sheet dated 31/12/2025. We are committed to the existence as well as the future realizable value of this expense as the basis for not making provisions for inventory price reduction as of December 31, 2025.

The above is our company's explanation and we would like to take full responsibility for the content presented.

**Best regards!**

**CHAIRMAN OF THE BOARD  
OF DIRECTORS**



**PHAM HONG THANH**

