



**RAILWAY CONSTRUCTION  
CORPORATION**

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

No: 256 /CTĐS-TCKT

Hanoi, May 05, 2025

(V/v: Explanation of difference in profit  
after tax compared to the same period last year)

Dear : State Securities Commission;  
Hanoi Stock Exchange.

Company name: The Railway Construction Corporation Joint Stock Company  
Địa chỉ: No. 33, Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi  
Stock code: RCC  
Register for securities trading: UPCOM

The Railway Construction Corporation Joint Stock Company (RCC) explains the reason for the difference in profit after tax compared to the same period last year on the parent company's financial statements and the consolidated financial statements for the first quarter of 2025 as follows:

**1. Separate Financial Statements for the First Quarter of 2025:**

(Unit: VND)

<b>SEPARATE FINANCIAL STATEMENTS</b>		
<b>ITEMS</b>	<b>The first three months of 2025</b>	<b>The first three months of 2024</b>
- Revenue from sales of goods and rendering of services	67,443,415,169	111,188,427,512
- Cost of goods sold and services rendered	73,776,621,433	97,596,844,826
- Gross profit from sales of goods and rendering of services	(6,333,206,264)	13,591,582,686
- Profit after corporate income tax	(21,487,269,812)	2,744,308,946



**Explain the reason:** Profit after corporate income tax in the first quarter of 2025 was negative compared to the same period in 2024, mainly due to the following reasons: construction revenue dropped sharply (down 39% year-on-year); the cost of goods sold to revenue ratio increased (from 88% to 109%) due to the long Tet holiday; many projects reached their final stages, resulting in limited remaining revenue; a rise in incurred costs; and delays in obtaining price adjustment approvals for some projects. Consequently, gross profit turned negative compared to the same period last year, which was insufficient to cover the company's expenses in the first quarter.

**2. Consolidated Financial Statements for the First Quarter of 2025:**

(Unit: VND)

CONSOLIDATED FINANCIAL STATEMENTS			
ITEMS		The first three months of 2025	The first three months of 2024
- Revenue from sales of goods and rendering of services		71,303,853,890	115,394,251,415
- Cost of goods sold and services rendered		76,185,520,653	98,964,813,729
- Gross profit from sales of goods and rendering of services		(4,881,666,763)	16,429,437,686
- Profit after corporate income tax		(21,694,383,433)	327,642,142

**Explain the reason:** Profit after corporate income tax in the first quarter of 2025 was negative compared to the same period in 2024, primarily due to the following reasons: construction revenue dropped significantly (down 38% year-on-year); the cost of goods sold to revenue ratio increased (from 86% to 107%) due to the extended Tet holiday; many projects were in their final stages, resulting in limited remaining revenue; additional costs were incurred; and price adjustments for several projects had not yet been approved. As a result, gross profit turned negative compared to the same period last year, and was insufficient to cover the company's expenses in the first quarter.

**Best regards!**

LEGAL REPRESENTATIVE  
General Director



**Vo Van Phuc**

