



**RAILWAY CONSTRUCTION
CORPORATION**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No: 457 /CTĐS-TCKT

Hanoi, July 30, 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 second quarter of 2025 as follows:

1. Separate Financial Statements for Q2 2025:

(Unit: VND)

SEPARATE FINANCIAL STATEMENTS

ITEMS

	Q2 2025	Q1 2025
- Revenue from sales of goods and rendering	147,438,749,993	187,513,837,669
- Gross profit from sales of goods and	5,849,178,499	15,164,869,836
- Chi phí quản lý doanh nghiệp	5,573,440,764	8,807,042,145
- Profit after corporate income tax	(9,677,069,057)	1,208,361,890

Explain the reason: The after-tax profit for corporate income tax in the second quarter of 2025 was negative compared to the same period in 2024, mainly due to a sharp decline in construction revenue (down 21% year-on-year). The cost of goods sold to revenue ratio increased (from 92% to 96%) because the projects are in their final stages, resulting in limited remaining revenue while incurring additional costs. Furthermore, adjustments to the prices of certain projects have not yet been approved, which caused the gross profit to decrease compared to the same period last year and was therefore insufficient to cover the company's expenses for the second quarter.

2. Consolidated Financial Statements for Q2 2025:

(Unit: VND)





CONSOLIDATED FINANCIAL STATEMENTS

	Q2 2025	Q1 2025
ITEMS		
- Revenue from sales of goods and rendering	157,435,235,010	198,599,817,717
- Cost of goods sold and services rendered	149,375,481,853	179,414,055,633
- Gross profit from sales of goods and	8,059,753,157	19,185,762,084
- Profit after corporate income tax	(9,116,443,517)	2,212,298,149

Explain the reason: The after-tax profit for corporate income tax in the second quarter of 2025 was negative compared to the same period in 2024, mainly because construction revenue dropped significantly (down 21% year-on-year) and the cost of goods sold to revenue ratio increased (from 90% to 95%). This was due to projects reaching their final stages, resulting in limited remaining revenue, higher costs incurred, and delays in obtaining price adjustments for some projects. Consequently, the gross profit turned negative compared to the same period last year, which was insufficient to cover the company's expenses in the second quarter.

Best regards!

LEGAL REPRESENTATIVE
General Director



Vo Van Phuc

