

IR NEWS

3rd Quarter of 2024



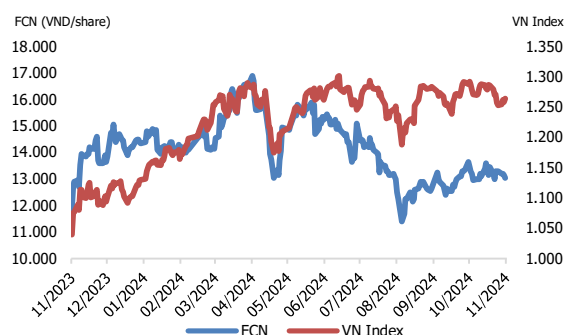
Dear Shareholders and Investors,

FECON CORPORATION would like to respectfully inform our valued shareholders and investors about the business and operational performance for Q3/2024.

Industry	Construction
Share Price (VND/share)	13.650
Shares Outstanding (shares)	157.439.005
Market Capitalization (billion VND)	2.149

September 30, 2024

Stock Performance



Major Shareholders

Raito Kogyo Co, Ltd	25.5%
HD Capital JSC	14.3%
Red Capital	10.2%

KEY HIGHLIGHTS

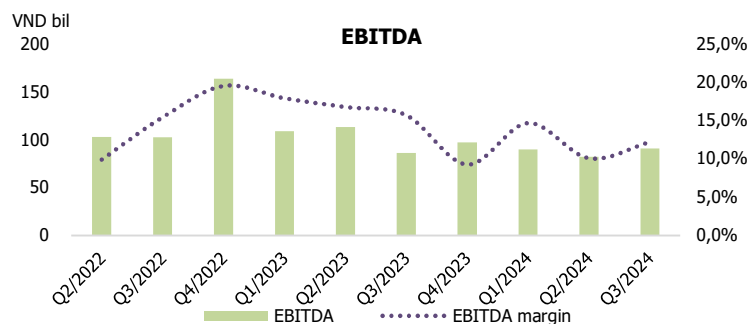
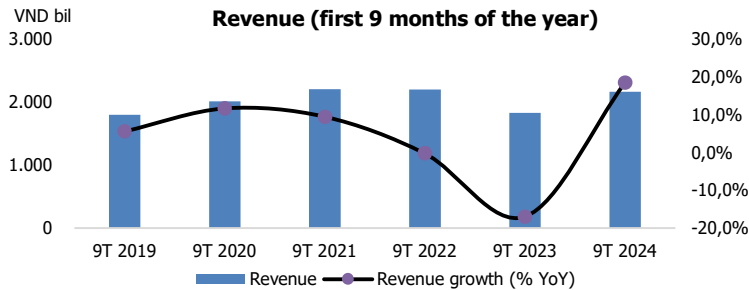
1. Key FCN Activities
2. Business Performance and Financial Status for Q3/2024
3. Portfolio of Key Projects

1. Key FCN Activities

In 2024, although the construction industry and Vietnamese businesses continue to face significant challenges due to global economic fluctuations, FECON has capitalized on its strengths to enhance collaboration and seize new opportunities, particularly in **the urban underground infrastructure sector and upcoming national railway projects**.

With years of continuous effort, FECON has achieved notable success in **building its national brand (Vietnam Value)**, being honored for the second consecutive time in 2022 and 2024 for its "Underground Infrastructure Construction" services. This recognition not only affirms the quality and reputation of its services but also opens up new opportunities for the company to expand into international markets.

In the underground infrastructure sector, FECON has made a strong impact by becoming the first Vietnamese contractor to operate tunnel boring machines (TBM) on Metro Line 1 – Ben Thanh – Suoi Tien, under the guidance of Japanese experts. Previously, FECON was also the first Vietnamese contractor to successfully apply **large-diameter, three-phase Jet Grouting technology** (high-pressure grout injection) to construct cement-soil piles with diameters up to 3.5 meters on this project. On Metro Line 3 in Hanoi, FECON was not only the first Vietnamese subcontractor to **perform tunnel excavation using TBM** but also participated in nearly all underground construction tasks, including underground stations, diaphragm wall construction, piling, subsidence treatment, and waterproofing – some of the most technically demanding aspects of urban railway projects.



2. Business Performance and Financial Status for Q3/2024

Revenue showed strong growth. Despite the ongoing challenges in the construction industry, the company's consolidated revenue for Q3 reached VND 744.4 billion (+35.9% YoY). This significant growth compared to the low base of 2023 indicates that the company is on a strong recovery path, with stable construction performance ensuring the timely completion of contracts according to investors' schedules. For the first 9 months, FCN reported consolidated revenue of VND 2,172.0 billion, an increase of 18.6% year-on-year.

Gross profit margin reached 13.7% after the first 9 months of the year. The company recorded a gross profit of VND 111.9 billion, achieving a gross margin of 15.0%, which is higher than Q3/2023 (14.6%) and Q2/2024 (10.8%). This reflects strong cost control, despite FCN focusing on projects with stable cash flows rather than high-margin ones.

Strengthening workforce to accelerate project progress. Personnel costs rose in Q3 as the company prepared resources to speed up the execution of contracts. Employee and management personnel costs totaled VND 113.9 billion for the first nine months (+14.0% YoY), with Q3 accounting for VND 38.3 billion (+28.0% YoY). As a result, selling, general, and administrative expenses (SG&A) amounted to VND 56.4 billion in Q3 (+16.7% YoY). Meanwhile, interest expenses increased by 6.0% YoY, reaching VND 46.3 billion.

EBITDA showed a strong recovery. The company reported a net profit of VND 29.4 million after tax in Q3/2024. For the full year, FCN recorded a net profit of VND 1.4 billion. EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) reached VND 90.7 billion, improving compared to both the previous quarter and the same period last year (+10.3% QoQ and +5.5% YoY).

3. Portfolio of Key Projects

No.	Name	Unrecognized value (in VND billion)	Projected realized revenue in 2024 (in VND billion)
1	Metroline 3 – Bored Tunnelling Work	681.9	100.0
2	Lach Huyen Port – Infrastructure	781.0	400.0
3	A09 – No. 22 Tran Kim Xuyen	524.0	200.0
4	Quang Ninh Provincial Police Department	420.0	150.0

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