

NEWSLETTER OF
THE 2ND QUARTER OF 2022
THE VIGOROUS INNER FORCE





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HIGHLIGHTS

01. Chairman Bolat Duisenov completed the registration to buy CTD shares

According to the report on stock trading results, Mr. Bolat Duisenov bought 441,700 CTD shares of Coteccons Construction Joint Stock Company (Coteccons), respectively completing 60.5% of the registration. The reason why Mr. Bolat Duisenov could not buy enough shares as registered was because some foreign investors bought a large number of shares, reaching its maximum margin of ownership during the time he registered for the transaction.

02. Coteccons and FPT Information System Company (FPT IS) signed a strategic cooperation agreement to build a digital management solution for the construction industry

Coteccons and FPT IS will cooperate, share experiences, and resources to develop specialized construction management software solutions for the purpose of construction quality management of Coteccons.

03. Coteccons successfully organized the 2022 General Meeting of Shareholders

On April 25, 2022 in Dong Hoi city, Quang Binh province, Coteccons successfully held the 2022 Annual General Meeting of Shareholders. In the meeting, the Company was given approval from by the General Meeting of Shareholders on key issues, especially on the reaffirmation the Company's long-term orientation in the path of diversification and sustainable development.



04. NEXT GEN - BUILDING FUTURES program of Coteccons Group - The journey of empowerment and continuation

The cooperation process between Coteccons Group and universities across the country has been cultivated over the years in the spirit of comprehensive support and cooperation, all for the development of the university, the faculty, the enterprises and most importantly for the development of the students. The journey of NEXT GEN - BUILDING FUTURES is kicked off in 2022 for a series of programs to find future talents who will become the next generation of Project Directors/Site Managers/Department Managers together with Coteccons Group to build impressive works, creating sustainable values for the country, and to create the future.

Let's look back at the NEXT GEN - BUILDING FUTURES journey of Coteccons Group that has gone through 4 stages at 4 universities with a solid "foundation" built from expertise, experience, enthusiasm and courage to break through. The program will continue to be expanded throughout the country, Coteccons Group wishes to always accompany future generations.



MARKET INFORMATION

According to the General Statistics Office, the gross domestic product (GDP) in the second quarter of 2022 was estimated to increase by 7.7% over the same period last year, the industry and construction sector increased by 7.7%, contributing 48.33 % to GDP in the second quarter of 2022. Although there are positive signs in the economic growth, the inflation risk related to the fuel surge shock may hinder the economic recovery process after the pandemic of Vietnam, consumer price index (CPI) inflation recorded an increase from 2.6% in April 2022 to 2.9% in May 2022, the global inflation figure as of the second quarter of 2022 was 7.8%, the highest level since 2008.

2022 continues to be the year when construction enterprises in general and Coteccons in particular face "difficulties", challenges are more than positive factors:

- Pressure from escalating fuel and material prices is continuing to weigh on construction contractors. The price index of raw materials, fuel and construction materials increased by 9.3% over the same period last year due to the high demand for construction materials while the supply chain has been interrupted since 2020. Prices of steel and cement - two most important materials in construction increased by 40% and 8.4%, respectively.
- Labor shortage: The heavy impact of the pandemic has affected the labor distribution of Vietnam. According to the General Statistics Office, due to the impact of the Covid-19 pandemic in 2021, more than 2.2 million workers from the cities and localities where the epidemic broke out have returned to their homeland, although this number has decreased after the epidemic is controlled in big cities, but the participation of the force labor is still below pre-pandemic levels.
- In the context of tightening credit in the real estate sector and closely monitoring corporate bond issuance, investors face many challenges in raising capital.
- The 4th time amended Land Law 2013 has been delayed for submission to the National Assembly (previously scheduled to be submitted in May 2022), so the bottlenecks in the approval of residential projects have not been removed.

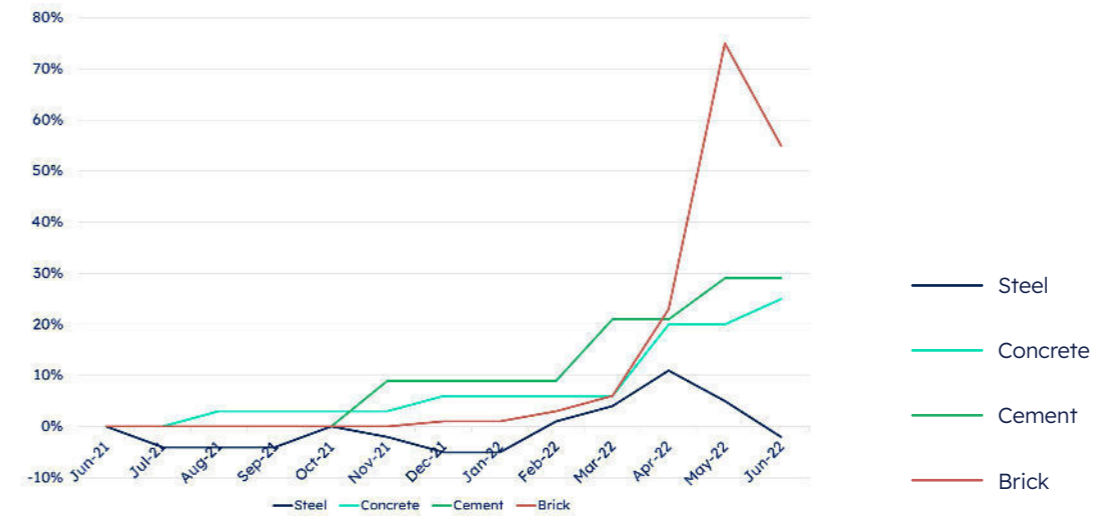
Faced with the gloomy economic picture of 2022, the Board of Directors has identified 2022 as the year of reconstruction, "when things are not going well, it is the best time to reinvent yourself". Coteccons will focus on maintaining stable business operations, effectively controlling costs. The Company has successfully won over 39 projects with a total construction value of more than VND16,000 billion in the first 6 months of 2022. Typical projects that can be mentioned are Ecopark SkyForest, Novaword Phan Thiet, Vinhomes Grand Park, Hoa Phat - Dung Quat Phase 2

As Chairman Bolat Duisenov said at the 2022 AGM and the actions of all staff in the first 6 months of 2022: "Today's planting and caring efforts will help Coteccons reap ripen fruits in the future".

* Information source: Internal Coteccons

Real Estate & Construction market trends from data sources

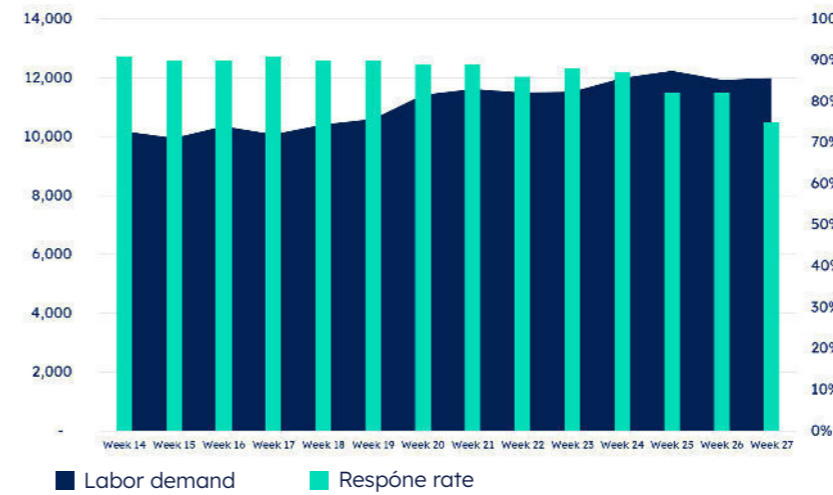
Report on groups of building materials in the 2nd quarter



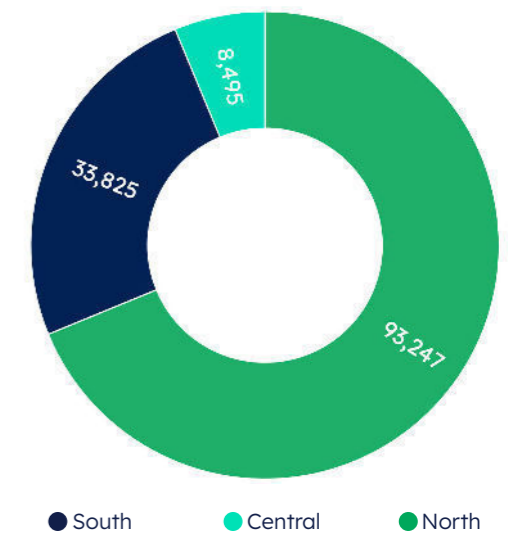
*Information source: Coteccons Procurement department

Report on the workforce on construction sites

Workforce demand and percentage of mobilized workforce by week of the 2nd quarter, 2022

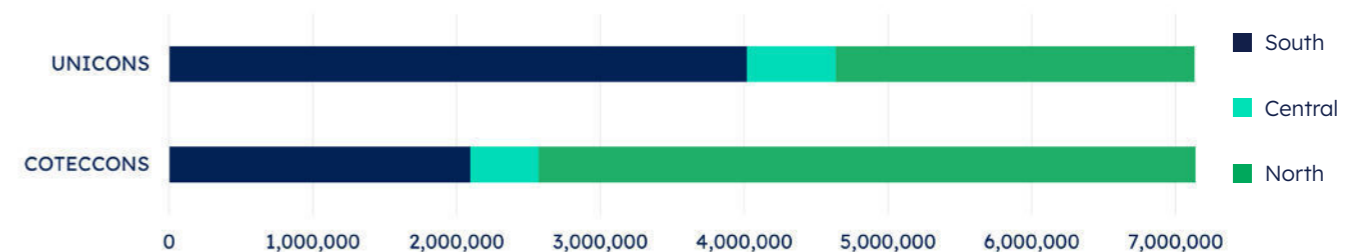


Coteccons workforce by region



*Information source: Coteccons Construction Workforce Development department

Report on occupational safety data



The total number of safe hours of the Coteccons Group from April 1, 2022 to June 30, 2022 is **14.272.393**

*Information source: Coteccons Safety Board



Forecast of the Real Estate - Construction market in the third quarter of 2022

Real estate market: Source: Savills

- The residential land market in Ho Chi Minh City continues to attract the attention of buyers. The scarce supply helps the market maintain the preference of buyers, while also promoting the demand to shift to neighboring provinces such as Dong Nai, Binh Duong, and Long An.
- The apartment market is not immune to the negative impact of Covid, however, this segment is forecasted to recover well after the pandemic thanks to strong demand-driven factors. Future supply in outlying areas will provide a wider selection of locations and more affordable prices.
- Global liquidity improves with product diversity. The impact of the pandemic has led to a change in lifestyle as well as housing choices. After a quarter of disruption due to social distancing, the low-rise housing market in Hanoi is expected to recover with strong demand and large supply in the future.

*Source: Savills

Building Materials Market: Source: Coteccons Procurement Division

- Concrete prices increased from 160.000 VND/m³ to 245.000 VND/m³ depending on the grade of concrete (the higher the grade, the higher the increase), equivalent to 16-25%. It is expected that the prices in August will be adjusted up by 80.000-100.000 VND/m³ because cement, sand, stone, fly ash and gasoline will continue to adjust at the end of July 2022. The market situation of cement and other raw materials is still not stable, the trend of concrete price will continue to increase.
- From June 2021, steel price had a downward adjustment until the end of 2021 and started to increase sharply in early 2022, reaching a peak in April 2022. At the end of April 2022, steel price began to decline due to reduced demand, lower prices of billet and ore. It is forecasted that steel price will continue to decrease in the near future and increase again at the beginning of the fourth quarter of 2022.
- Cement prices increased by 180.000 VND/ton to 290.000 VND/ton depending on the brand, equivalent to 18 - 29%. It is forecasted that in July cement prices will continue to increase from 50.000 - 60.000 VND/ ton. The situation of raw materials and fuel (coal) is still high in prices and scarce. It is forecasted that the price of cement will continue to increase in the coming time.
- Firebrick prices increased from 480 VND/piece to 710 VND/piece depending on the brand, equivalent to 51 - 75%. In June, there was a decrease. Currently, bricks are standing at a high price range and maintaining. It is forecasted that with the situation of burning fuel still increasing, along with an increase in demand at projects, the price of firebricks is likely to increase again in the near future.

*Source: Coteccons Procurement Division

About Labor force

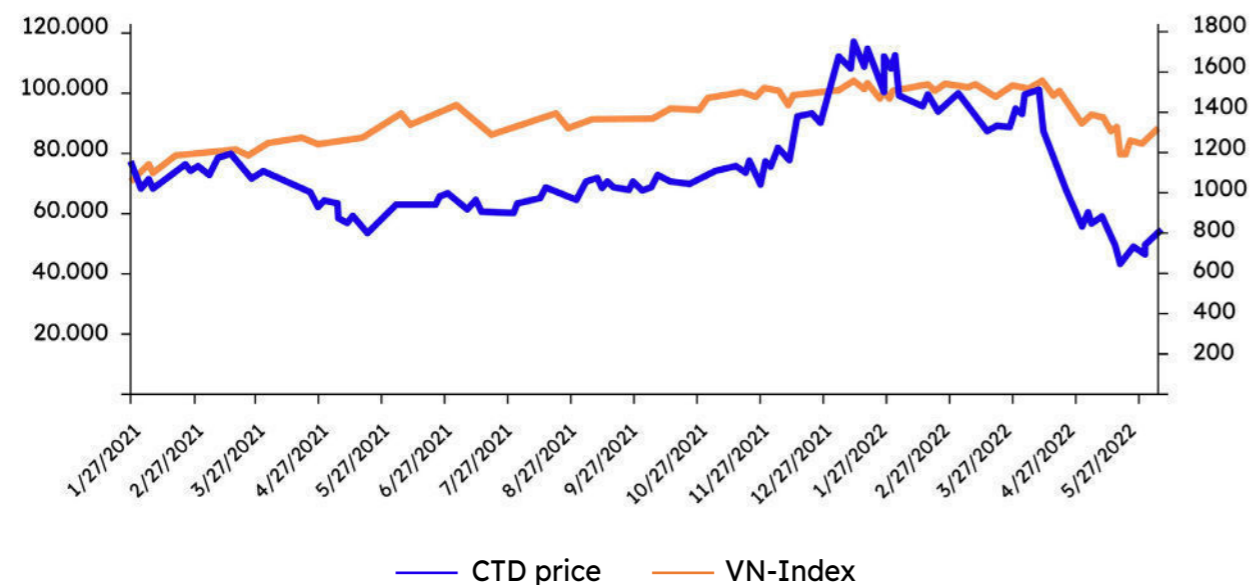
- With the efforts, determination and close coordination of all levels, branches and localities, especially the frontline forces against the epidemic, grassroots forces and solidarity, unanimous support, active participation of people from all walks of life and the business community, up to now, the epidemic situation across the country has basically been controlled; Socio-economic activities have basically returned to operation in the new normal state, and at the same time, the Government of our country has accelerated the implementation of the program of socio-economic recovery and development, so the labor market in the second quarter of 2022 continued to maintain the recovery momentum.
- It is projected that the workforce will meet 92% of the approximately 19.000 employees needed to implement the projects.

*Source: General Statistics Office and Coteccons Construction Force Development dept

INVESTOR RELATIONS ACTIVITIES

VND 53.800

CTD SHARE PRICE UPDATED JUNE 30, 2022



CTD stock performance vs VN-Index

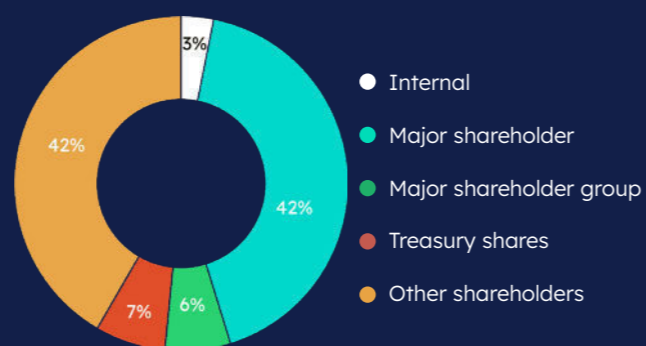
Number of outstanding shares:
73.859.473 shares

Free float rate:
55%

Number of outstanding shares:
709.806 shares

Ownership ratio:

Market capitalization:
VND 4.483,27 billion



Equity:
VND 8.276 billion

Corporate events

- Completing the issuance of 500 billion bonds, carrying out the procedures for listing on HNX.
- Prepare plans for ESOP release.
- Promote investor relations activities, strengthen meetings to discuss business development orientations with major shareholders, large domestic and foreign investment funds such as Dragon Capital, VinaCapital, KIM, Endurance Capital, SSIAM, Mirae Assets, EastSpring Investment.
- Annual General Meeting of Shareholders 2022

BUSINESS ACTIVITIES

Total value of new contracts signed in the second quarter of 2022:
VND 6.000 billion

Outstanding projects in the second quarter of 2022:



Project
Diamond Crown
VND 1.200 billion

The "handshake" of "Vietnamese jeweler" - DOJI and Vietnam's No. 1 General Contractor - Coteccons at Diamond Crown Hai Phong project is considered a "fated meeting", because the combination has created a famous symbol of Hai Phong.



Project
Ecopark Sky Forest
VND 2.600 billion

Sky forest project elevates nature to a new level with 8 great parks with 10.000m2 of green trees "Brought to the sky" and nearly 1.000 private flower gardens for each apartment. The apartment is in the park and the park is within the apartment.



Project
Novaworld Phan Thiet
VND 1.000 billion

The project has a scale of nearly 1.000 hectares with location in front of Lac Long Quan Street, Tien Thanh Commune, Phan Thiet City, Binh Thuan.

OTHER HIGHLIGHTS



The internal running race "Dream Up" 2022 is organized by Coteccons and Unicons to raise funds to support children affected by the Covid 19 epidemic. With the spirit of "Healthy to connect, healthy to love", the Union Executive Board launched the online internal running tournament "DREAM UP - CHARITY FUND FOR CHILDREN" aiming to encourage each employee to build a positive lifestyle, to actively exercise, and to take care of their health and to spread self-love, family love, community love through volunteering activities 1 KM = VND1.000 added to the fund. The campaign aims to reach the milestone of 50.000km during the period from June 10, 2022 to July 31, 2022. The converted amount will be used by the Union Executive Board for the purpose of supporting children affected after the Covid-19 pandemic.

"Green Up" tree planting campaign in forest conservation project in Phong Nha - Ke Bang

Coteccons Quang Binh Marathon 2022 is held on the 18th anniversary of the establishment of Coteccons. The race was held at B&T Wind Farm Cluster (Quang Binh) with the track running through the giant wind farm on the mainland to bring a unique experience to the participating athletes.

Green Day campaign at Coteccons sites:

Every Friday, members at the construction sites of Coteccons jointly organize Green Day. This is an activity to join hands to keep the construction site 'green', creating a clean working environment even though everyone is busy after a hard working day. Participants from the Site Management Board to Sub-Contractors all joint hands to clean, collect garbage, etc while chatting and having fun together. Thanks to Green Day activities, they partly help each other relieve work pressure, creating a cohesive atmosphere and above all, towards the awareness of protecting the "green, clean, beautiful and safe" living environment - the construction site.

Coteccons Quang Binh Marathon

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Investors/Shareholders kindly refer to this link for further information disclosure of Coteccons: <https://coteccons.vn/>

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