VIETNAM INVESTORS SERVICE
AN AFFILIATE OF MOODY'S

# Rating Methodology: Project Finance

March 2026

# Table of contents

# Introduction

In this credit rating methodology[1], we explain our general approach to assessing credit risk for infrastructure projects (projects) in Vietnam and to assigning issuer-level and debt instrument-level ratings[2].

We define infrastructure projects under this methodology as entities established with a limited business scope to own or operate a distinct asset or group of assets under a concession, project agreement, license, lease, or similar contractual arrangement. These projects generally have meaningful restrictions on new business activity, asset sales, and mergers and acquisitions. Projects rated using this methodology may be financed in various forms, ranging from an unsecured debt structure to a fully secured project finance debt structure. Where structural features that are more typical of a project finance transaction are present, we assess the level of risk reduction that these features provide to a project's creditors and reflect it in our rating.

The projects rated under this methodology encompass a broad range of asset types, including transportation infrastructure such as toll roads, airports, and ports; power generation and transmission projects; and water and wastewater treatment facilities, among others. This methodology also applies to projects operating under a public-private partnership (PPP) framework, where revenue is primarily derived from availability payments based on the project's performance measured against contractual specifications.

Issuers under this methodology typically exhibit project finance structural features, including restricted business activities and contractual rights to operate assets and generate revenue over a finite term (e.g., off-take agreements); covenants to ring-fence cash flows for debt service, non-recourse to sponsors, and limits on shareholder distributions.

For issuers with multiple project investments or non-project businesses, we will consider applying a combination of project finance and non-financial corporate rating methodologies on a case-by-case basis to assess the key drivers that underpin an issuer's debt servicing capability, which may include the standalone project credit profiles, the issuer group's consolidated financial strength, and the issuing entity's leverage and coverage metrics.

We discuss the qualitative and quantitative factors that are likely to affect rating outcomes in these sectors. We also discuss structural considerations that are an important component of project financing and are intended to reduce credit risk. Additionally, we discuss other considerations, for which the credit importance may vary widely among issuers in these sectors or may be important only under certain circumstances or for a subset of issuers. Since ratings are forward-looking, we often incorporate qualitative directional views of risks and mitigants.

Our presentation of this rating methodology proceeds with a discussion of: (i) the standard rating factors for projects in the construction phase as well as those in the operational phase; (ii) other considerations that may drive our rating assessment beyond the standard rating factors; (iii) external support that a project entity may receive during extraordinary circumstances (iv) our

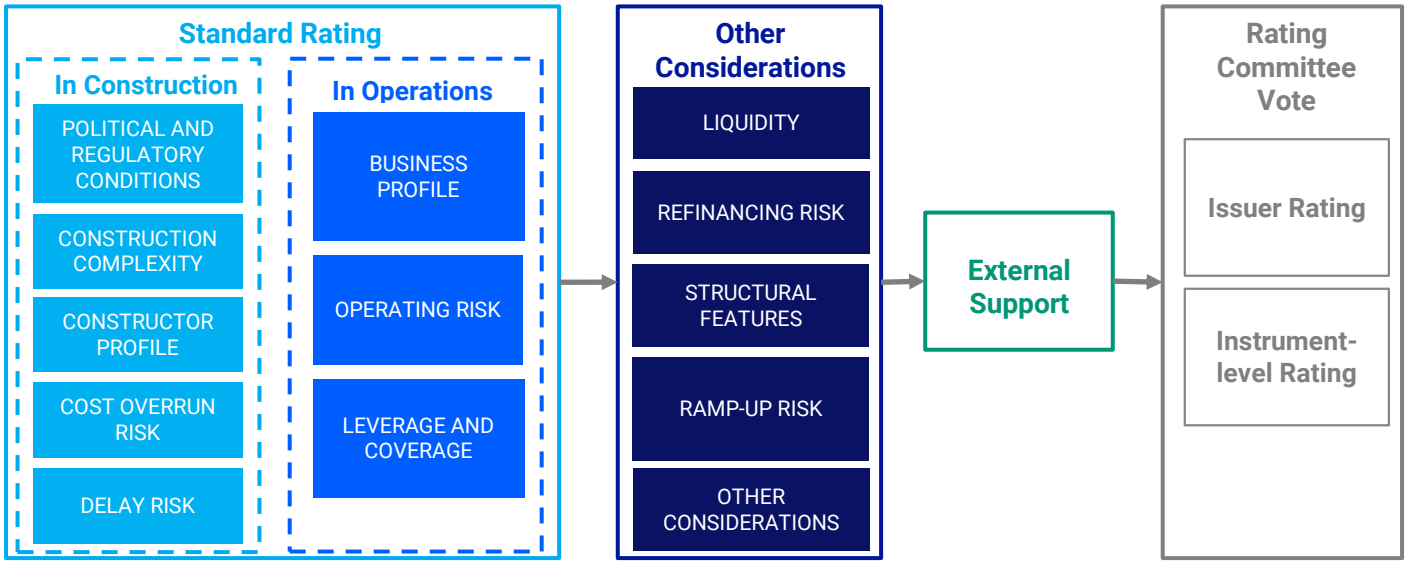
[1] Credit rating methodologies describe the analytical framework that credit rating councils of Vietnam Investors Service use to assign credit ratings. Methodologies set out the key analytical factors that VIS Rating believes are the most important determinants of credit risk for the relevant sector. However, credit rating methodologies are not exhaustive treatments of all factors reflected in VIS Rating's credit ratings.

[2] Refer to VIS Rating's Rating Symbols and Definitions.

approach to assigning issuer-level and instrument-level ratings; and (v) limitations of our rating methodology and scorecard.

**EXHIBIT 1**

**Overall Approach to Rating Project Finance**




*Source: VIS Rating*

# Discussion of the Standard Rating Factors

In this section, we explain our general approach to assessing each standard rating factor and describe why it is meaningful as an indicator of credit quality for issuers rated under this methodology.

The set of rating factors we apply shifts as the project moves through its lifecycle. During pre-construction and construction, our analysis prioritizes development, funding, and execution risks, as these elements drive credit quality before cash flows materialize. Once the project becomes operational and generates cash flow, the focus transitions to market position, operating performance, and financial resilience.

We typically characterize each issuer rated under this methodology as a fully contracted or non-contracted project, with high, medium, or low risk, and as having fully amortizing debt at the time of the project agreement. The designation of an issuer into one of these sub-sectors informs our assessment of each rating factor. We consider the standard rating factors, including the issuer's business profile and operating risk, as well as its leverage and coverage. For each factor, we will assess using an eight-category scale: Very Strong, Strong, Above-Average, Average, Below-Average, Weak, Very Weak, and Extremely Weak. In the following sections, we assess any other applicable considerations.

## Projects in Construction

For projects in the construction phase, we evaluate credit risk using both construction-related criteria and those applicable to the operational stage. The final rating reflects the lower of the two outcomes, consistent with our view that construction risk can differ materially from post-completion risk. Applying the more conservative result provides a stronger measure of overall credit quality.

As projects complete construction and transition to the operational phase, we reassess whether the issuer’s profile and rating align with the operational-phase criteria.

### 1. Political and Regulatory Conditions

Political and regulatory conditions are critical in project finance because most transactions involve large-scale infrastructure projects serving public needs. These projects often depend on government approvals, funding commitments, and compliance with evolving regulations. Political instability or regulatory changes can disrupt construction timelines, increase costs, and weaken a project’s credit profile. Such risks are most acute during the construction phase, when delays or cost escalations can jeopardize completion and debt service capacity.

#### How We Assess It

We focus on the nature, likelihood, and potential impact of political and regulatory conditions on project execution and cash flows.

Key considerations include the risk of budget reallocation or public-funding interruptions, where we review the government’s fiscal position, historical reliability of capital contributions, and exposure

to political shifts that could delay or reduce funding. For PPP/BOT structures, we also assess contractual safeguards and contingency mechanisms for delayed state payments.

Another critical area is project approvals and land acquisition, where we analyze permitting processes, land clearance frameworks, and environmental certification requirements. Particular attention is given to political disputes or local opposition that could halt land handover, as well as the consistency and enforcement of compensation policies, since delays often lead to cost overruns.

We also evaluate the risk of regulatory changes during construction, including shifts in technical standards, environmental regulations, and safety codes, which can trigger redesigns, additional CAPEX, and EPC contract variations. For example, recent updates to Vietnam's fire safety regulations introduced stricter design requirements, mandatory appraisals, and compulsory insurance, significantly increasing compliance costs and increasing the risk of delays.

In addition, we assess exposure to import and foreign contractor restrictions, such as tariff changes, new licensing rules, customs duties, and foreign exchange controls, which can disrupt procurement schedules, escalate costs, and impair liquidity or contractual performance.

While these risks can be material, policy initiatives and regulatory reforms may also remove industry-specific obstacles, creating a more favorable operating environment for project execution.

## 2. Construction Complexity

Construction complexity introduces inherent risks that can lead to delays and cost overruns. As complexity increases, so does uncertainty around final project costs and completion timelines. While issuers may enter into fixed-price, date-certain contracts with constructors, high complexity can still result in schedule slippage or financial strain on the contractor. If the contractor fails to perform, the issuer may be forced to replace them—often at a higher cost—further amplifying project risk.

The factor comprises four sub-factors.

### Site Preparation Requirements and Substructure Risk

Most infrastructure projects require site preparation or substructure work before asset construction—whether a building, road, or rail system—can begin. Because subsurface conditions are rarely fully known in advance, delays and unexpected costs due to geological or site-specific issues are common. These may include excavation setbacks, extended surcharge pre-loading, additional deep foundations (e.g., piling), enhanced waterproofing, or more complex utility relocations than anticipated. Such issues can result in material schedule delays and cost overruns.

For example, simple road projects or renewable energy assets (such as wind or solar farms) typically involve less complex site preparation than urban rail systems, underground metro systems, or high-speed railways. These projects often require basic grading and limited utility relocation, with minimal geological uncertainty, making them lower-risk under this sub-factor.

However, these risks typically arise early in the construction phase, when the full project timeline and cost contingencies are still available to absorb potential impacts.

### How We Assess It

We evaluate this sub-factor based on the complexity of site preparation and substructure work required before main asset construction begins. Key considerations include site characteristics, such as size and geological complexity, which influence uncertainty and risk. We also assess geological conditions, focusing on the complexity of site geology and the quality of available data—often limited to preliminary government studies in PPP projects. Another important dimension is the scope of site preparation, including activities such as utility relocation, contaminated soil remediation, blasting, excavation, tunneling, waterproofing, surcharge pre-loading, and shoring. Finally, we consider substructure risk, particularly the need for deep foundations such as piling, which can significantly affect cost, schedule, and technical complexity.

## Structure Complexity and Construction Technique Risk

Infrastructure projects vary significantly in structural complexity. As design intricacy and construction techniques become more advanced, the risk of schedule delays and cost overruns increases.

### How We Assess It

We evaluate this sub-factor by examining the asset's structural complexity, construction techniques, and materials used.

Asset complexity is assessed based on whether the structure is standard or unique, considering factors such as height, size, architecture, and whether the design is repetitive (e.g., identical office tower floors) or customized, requiring specialized planning.

For construction techniques, we consider whether they are routine, specialized, or novel (e.g., an untested bridge-building method), and whether significant portions of the work can be prefabricated offsite or must be built entirely on site. We also assess whether the project can be divided into parallel workstreams or must follow a sequential process, which increases the risk of cascading delays.

Regarding materials, we evaluate whether they are commonly used and readily available, or whether the project relies on new or less-proven materials. Finally, we distinguish between new builds and refurbishments. While refurbishment projects often score higher due to their limited scope, hidden risks may emerge during construction—for example, the full extent of a bridge deck's deterioration may only be revealed after surface removal. In large-scale refurbishments, such as housing, pre-construction surveys are often sample-based, introducing the risk of unrepresentative findings. Therefore, our assessment considers both structural complexity and the reliability of pre-construction condition evaluations.

## Performance Risk

Many infrastructure projects involve extensive mechanical, electrical, IT, and systems work, requiring prolonged installation, testing, and commissioning to meet the minimum performance and availability standards set out in the project agreement.

Even after substantial completion, transitioning and fine-tuning of equipment often continue until the asset reaches a steady operational state. As equipment and systems grow more complex, commissioning risks increase—potentially leading to schedule delays and cost overruns if systems underperform and require adjustments, repairs, or replacements before meeting contractual performance thresholds.

### How We Assess It

We assess this sub-factor by evaluating the complexity of systems, performance requirements, and commissioning risks. System complexity refers to the extent, range, and sophistication of mechanical, electrical, IT, and other systems to be installed. We also review performance standards defined in the project agreement, such as air quality, temperature control, lighting, noise insulation, safety, reliability, and road geometry (e.g., slope and roughness). Finally, we consider the commissioning period, as its expected duration often reflects the complexity of the systems and the likelihood of performance risk.

### Construction Constraints Risk

Construction projects often encounter a variety of constraints that can result in significant cost overruns or schedule delays. While some constraints are standard—such as compliance with safety and labor laws—others are project-specific and tend to be more disruptive. These project-specific constraints typically fall into three categories. Contractual constraints arise from requirements in the project agreement, such as maintaining traffic flow during road expansion, limiting lane closures to specific times, or keeping facilities like train stations operational during upgrades. Regulatory constraints involve environmental or legal restrictions that affect construction activities. Finally, site-related constraints stem from physical limitations due to location, such as congested urban sites or areas requiring waterworks. These conditions may necessitate phased construction, temporary facilities, or the relocation of existing operations.

### How We Assess It

We evaluate this sub-factor by considering three key aspects: the number and severity of constraints, the flexibility to manage or work around them, and their impact on the critical path. The latter is particularly important when key timing windows are missed, as this can lead to cascading delays and additional project costs.

## 3. Constructor Profile

The constructor or consortium's experience and approach are critical to project success. Their ability to manage complexity directly influences the likelihood of schedule delays and cost overruns. This factor comprises three sub-factors:

### Constructor / Consortium Experience

Most construction projects encounter challenges, but whether these escalate into major setbacks often depends on the experience of the project parties involved. Key areas of assessment include their experience with the specific asset type and size, their familiarity with the jurisdiction where the

project is located, and their track record in infrastructure projects, which typically require distinct management approaches compared to traditionally procured assets.

### How We Assess It

We assess the experience of both the constructor and the broader consortium across several dimensions. This includes the experience of key construction personnel and equity sponsors, as well as the equity sponsor's oversight capabilities, particularly in enforcing contractual obligations, managing delays, and maintaining strong relationships with the sponsoring government. Another important consideration is the history of collaboration among consortium members, as strong internal coordination often translates into smoother project execution. Projects generally score higher when consortium members have a proven track record in similar projects and demonstrate effective collaboration and governance.

## Project Readiness and Risk Management

In project finance, consortia must balance risk identification and mitigation with bid cost efficiency. At the bid and pre-financial close stages, risk management strategies often include advancing detailed design work, building and testing mock-ups, conducting additional geotechnical or site studies, securing pre-clearance from utilities or government entities, identifying and pricing key subcontractors, pre-negotiating major subcontracts, and coordinating closely with operations and maintenance providers during the design phase. Most constructors rely heavily on subcontractors and suppliers, many of whom are smaller and financially weaker. Some of these parties may be critical to project success—such as specialized equipment suppliers or prefabricated module providers—and can be difficult to replace if issues arise.

### How We Assess It

We evaluate the constructor’s approach to managing its obligations and risks across several dimensions. These include the selection and oversight of subcontractors and suppliers, the track record and financial strength of key partners, and the robustness of quality control processes. We also consider the use of performance bonds, letters of credit, or subcontractor risk insurance, as well as the distribution of risk across major budget components. Projects tend to score higher when strong supply chain management practices are in place, and material security is required from subcontractors. Constructors with significant self-perform capabilities may also score well, although their replacement can be more complex if issues arise.

## Ease of Replacement of Constructor

In worst-case scenarios—such as insolvency or failure to meet long-stop dates—the issuer may need to replace the constructor. This typically incurs additional costs and delays.

### How We Assess It

We assess the issuer’s ability to replace the constructor with minimal disruption by considering several factors. These include the availability of qualified, financially strong replacement firms, the project's type, location, and size, and the structure of the construction contract, which can influence termination and substitution rights. Additionally, we review the securities package with contractors,

as strong contractual protections and performance guarantees can help mitigate risks associated with a potential replacement.

In many cases, the issuer has obtained from its constructor specific security that can be used in such replacement scenarios, and the project construction can be completed before the Project Agreement is terminated. However, in an extreme scenario, it may not be possible to replace the constructor at a price that can be paid from the issuer's available funds, and if none of the parties in the consortium is willing or able to provide additional funding, the Project Agreement may be terminated. In some cases, the project may be so specialized or so large that replacing the constructor is not feasible, causing a termination of the Project Agreement. When the Project Agreement is terminated, the sponsoring government generally pays a termination amount, and while the specifics of the calculation can vary, the loss to the equity providers and lenders will reflect the project's cost-to-complete calculation.

We assess the amount and quality of security available to the Issuer and the lenders (over and above the liquidity available in the circumstances of a schedule overrun, as detailed in the Liquidity to Withstand a Schedule Overrun sub-factor) that would translate into additional funding available to replace a failed constructor or to complement a Project Agreement termination payment. This security may include letters of credit, adjudication bonds, performance bonds, or contingent equity.

We also consider whether the construction and O&M budgets align with comparable recent projects and whether pricing falls within expected ranges.

## 4. Cost Overrun Risk

Cost overruns are common in construction projects and can erode contingency reserves and constructor profit margins. A constructor's ability to absorb such overruns without defaulting or becoming insolvent is a key determinant of project resilience—especially in project finance structures.

This factor is assessed through two sub-factors:

### Profit Margin, Contingency, and Budget Robustness

The profit margin and contingency embedded in a fixed-price contract serve as the first buffer against cost overruns. A well-structured budget can further mitigate risks, particularly when it incorporates specific escalation indices for key inputs such as labor, concrete, steel, and asphalt. It should also include realistic assumptions about cost trends in the project's jurisdiction, detailed quantity reconciliations by independent teams, and committed unit or fixed-price quotes from suppliers. These measures help ensure cost predictability and reduce exposure to market volatility.

#### How We Assess It

Key cost components—such as steel, cement, aggregates, and fuel—often exhibit substantial price volatility, particularly during periods of high public investment disbursement. In assessing cost risk, we consider the cost share of major materials in total construction costs, the price adjustment mechanisms permitted under the EPC contract, and the use of local escalation indices for inputs such as steel, cement, and fuel. We also review documented supplier quotations or hedging arrangements, where available.

Beyond these factors, we evaluate the quality and completeness of the budget documentation, including the contingency as a percentage of construction cost (with ≥10% generally considered strong in Vietnam), the breakdown between price escalation, quantity variation, and design risk, and evidence of committed supplemental funding sources, such as equity or shareholder loans. Finally, we assess the issuer's ability to mobilize bank financing for overruns, which provides an additional layer of resilience against cost shocks.

### Constructor Strength and Project Size

The constructor's financial strength and the project's relative size influence its ability to absorb cost overruns. While the constructor's credit quality is not always a decisive factor in project finance—due to built-in mitigants such as replacement rights and third-party support—it remains analytically relevant.

#### How We Assess It

We consider several factors when assessing the constructor's financial resilience and ability to support project completion. These include the constructor's creditworthiness and liquidity, the scale of the project relative to its financial capacity, and its track record in managing and completing troubled projects. We also evaluate the willingness to support and complete projects under financial stress, as this can be critical during unforeseen challenges. Projects generally score higher when backed by large, diversified constructors with strong financials, while smaller firms may be more vulnerable to insolvency from a single large loss. Additionally, we review patterns of recurring issues across projects, which may indicate deeper operational weaknesses.

## 5. Delay Risk

Schedule overruns beyond the target date for substantial completion are common in infrastructure projects. Assessing a project's resilience to such delays is critical, as construction budgets at financial close—including interest during construction—are typically designed to support completion by the target date. Delays beyond this point can trigger liquidity stress and, if the issuer lacks sufficient financial buffers, default.

This factor evaluates the issuer's ability to manage delays both before and after the target date for substantial completion.

#### How We Assess It

Two key dimensions are assessed:

### Construction Schedule Room

A core consideration is the time buffer between the target date for substantial completion and the long-stop date, which represents the contractual deadline to avoid termination of the Project Agreement. We assess whether this buffer is reasonable given the project's complexity and any hard deadlines. In addition, we evaluate whether the schedule accounts for holidays, weather delays, and seasonal constraints (such as water work or night-only construction), as well as the assumptions around work hours, including regular versus night or weekend work. Other key factors include the realism of productivity assumptions and the schedule buffer up to the target date, measured in

weeks and expressed as a percentage of the total construction period (excluding the buffer). This buffer is assessed both in aggregate and along the critical path to determine whether the project has sufficient flexibility to absorb delays without jeopardizing completion.

### Liquidity to Withstand a Schedule Overrun

Delays during construction can trigger multiple liquidity pressures, including debt service and operating costs incurred after the target date, even if substantial completion is delayed; costs borne by the issuer due to changes in law or delayed government compensation; and deferred revenues from availability or milestone payments. To mitigate these risks, projects may rely on mechanisms such as delay liquidated damages backed by highly rated instruments (e.g., letters of credit), debt service reserve funds (DSRF) available at the target date, and deferred payments to constructors until government funds are received.

Our assessment focuses on both the amount and quality of available liquidity, including cash reserves and fully funded DSRFs, letters of credit or equivalent instruments from highly rated counterparties, and drawdown triggers if the liquidity provider's rating falls below a threshold. Projects with weak liquidity—even if otherwise strong—may not achieve investment-grade ratings unless offset by generous schedule buffers.

**Special Considerations for Phased Projects**

In phased construction structures, revenues may begin flowing after each phase, and liquidity may be released accordingly. These structures are considered weaker when liquidity is released before the project is fully de-risked. For such projects, we assess liquidity available at the end of each phase, the issuer’s ability to withstand delays in subsequent phases, and the minimum delay the issuer can absorb across all phases without default. For non-phased projects, delay resilience is measured from the initial target date for substantial completion.

**Retention Accounts**

Some projects include retention amounts withheld from the constructor until completion. While these may offer liquidity support, we assess whether they can be used for debt service or are solely incentives for timely completion, and how quickly they accumulate—early-stage retention accounts typically offer limited value.

While the initial rating considers the potential for delays and the adequacy of risk mitigants, ratings during the construction period may face downward pressure (or may vary widely from scorecard-indicated outcomes) for any number of reasons that may include but are not limited to: (i) the incurrence of material delays such that reaching substantial completion by the target date may be jeopardized thus requiring drawdowns of available liquidity, translating into stress for the constructor and potentially the need to replace it; (ii) a weakening of the construction support provided by the constructor or a material weakening in the credit quality of the constructor; or (iii) construction performance issues. In each case, the assigned ratings reflect our assessment of the overall risk profile of the project, its current circumstances and how much resilience there is to any issue or combination of issues.

## Projects in Operations

For projects already in the operation phase, our ratings are forward-looking and reflect our expectations for future financial and operating performance. However, historical results are helpful for understanding patterns and trends in a project's performance, as well as for peer comparisons that may inform our long-term forecasts underlying projected financial metrics. Financial ratios used in this methodology are projected, typically through the life of the project debt or, for projects with non-amortizing structures or refinancing risk, through the life of the concession. While financial sub-factors are typically assessed using forecast financial metrics, as described above, they can also be assessed using different time periods. For example, rating committees may find it analytically useful to examine both historical and expected future performance for near-term periods or on average over the life of the debt.

**EXHIBIT 2**
**Standard Rating Factors**

| Business Profile | Operating Risk | Leverage and Coverage |
|---|---|---|
| Market Position | Technology and Operating Performance | Debt Service Coverage Ratio (DSCR) |
| Predictability of Net Cash Flow | Capital Reinvestment | Cash From Operations (CFO) to Adjusted Debt |
| | Sponsor/Owner Profile | |

*Source: VIS Rating*

In the financial metrics we use, we consider how well financial reporting mirrors economic reality. Where the economics of an issuer or transaction are not fully reflected in financial reporting, we may make analytic adjustments to financial statements to facilitate our analysis.

### 1. Business Profile

The business profile of an infrastructure project is important because it greatly influences its ability to generate stable, positive earnings and net operating cash flow, which, in turn, sustain the project's financial viability and its ability to repay its debt. Core aspects of a project's business profile include its market position and the predictability of its net cash flow.

Market position and net cash flow predictability are closely interconnected because, in many cases, a project's market position is an important indicator of the resilience of its revenue in the foreseeable future. A project's business profile typically underpins our assessment of earnings and cash flow projections and often affects our confidence in projected scenarios, including the extent to which we expect downside scenarios to differ from more likely scenarios.

The strength of a project's market position and the predictability of its net cash flow may vary. For example, a project may have a modest market position and be exposed to broad competition, yet have a highly predictable net cash flow due to a strong off-take contract with take-or-pay provisions or incentives to mitigate the risk of early termination. Conversely, a project with very limited competition may have material volume exposure in its off-take contract, and volatility in the off-taker's demand may expose the project to highly uncertain cash flow.

#### Market Position

The project's market position and its stability over the debt term are important indicators of its capacity to generate stable, recurring revenue, reflecting its exposure to competition. A project with

limited competition for the service it provides is better positioned than those more exposed to competition, and contracts with pricing that is competitive relative to market conditions (i.e., the contract remains economically attractive to the off-taker) have a lower risk of termination. For renewable energy projects, market position is greatly influenced by regulatory support, based on the strength or weakness of the regulatory framework. Two key dimensions are assessed:

**Industry Profile**

The industry profile assessment considers the broader context in which the project operates, focusing on regulatory stability and the product or service's essentiality.

How We Assess It

Regulatory Risk: We evaluate the likelihood that changes in government or local policy could materially affect project operations or economics. Projects exposed to frequent policy shifts—such as tariff adjustments, environmental standards, or licensing requirements—face higher uncertainty, which may lead to cost escalations, delays, or operational restrictions. Strong mitigation measures, including change-in-law clauses and proven compliance capabilities, enhance resilience.

For renewable energy projects, we assess the strength and predictability of the regulatory framework over the debt term, including risks such as curtailment due to grid transmission constraints. Potential changes to tax incentives or grid access policies that limit power dispatch can affect revenue stability.

Essentiality of the Product or Service: This sub-factor measures the project's role within the broader value chain and its political or economic importance. Projects delivering critical infrastructure or services—such as power generation or water supply—typically benefit from stable demand and government support, reducing revenue volatility. Non-essential projects may still demonstrate resilience if they maintain strong market positioning and stability through economic cycles.

We also consider contracted pricing terms relative to market levels, the potential impact of contract termination on revenue, and the likelihood of securing a replacement contract under similar terms. These factors influence revenue predictability and overall credit strength.

**Market Competition**

Our forward-looking assessment of market position evaluates the nature of competition and the expected stability of the project's competitive standing over the debt term and at refinancing. Competition extends beyond similar assets to include all alternatives serving the same purpose. For example, the value of energy sold under a long-term contract by a renewable power project depends on how its pricing compares with other fuel sources. Similarly, for toll roads, we assess traffic sensitivity to competing routes—both tolled and non-tolled—and to other transportation modes, considering proximity, quality, and safety.

How We Assess It

We consider the following factors, as well as incorporating scenario testing for potential market disruptions, to assess the likelihood that a project's competitive position remains robust under adverse conditions.

- **Market Share**: Projects with dominant positions or entrenched monopolies typically face less competitive pressure and enjoy greater pricing power. We also consider the risks posed by new entrants and capacity additions that could erode the project's position.
- **Barriers to Entry**: Regulatory hurdles, licensing requirements, high capital intensity, and proprietary technologies influence how easily competitors can challenge the project. High customer switching costs or unique assets generally enhance resilience.
- **Product Substitution**: We evaluate the threat from alternative products or services fulfilling similar needs. High switching costs, specialized technology, and contractual protections reduce the risk of substitution and support long-term revenue stability.

### Predictability of Net Cash Flow

The predictability of net cash flow over the debt or concession term is an important differentiator for projects with notably different credit profiles, even if those projects may, over the shorter term, have similar debt service coverage ratios.

Projects usually operate within a limited scope of activity. Contracted projects typically have limited flexibility to adjust prices or user fees. Hence, their credit strength is closely related to their ability, under the terms of their contracts, to generate consistent positive cash flow to meet debt service requirements. For uncontracted projects, long-term supply-and-demand dynamics are very important to their financial viability.

#### How We Assess It

The scoring for this sub-factor is based on a qualitative assessment of a project's overall predictability of future net cash flow. Net cash flow consists of revenue minus operating, maintenance, and required capital costs. We typically consider operating, maintenance, and required capital costs over the life of the project and identify any material pinch points where debt service coverage may be tight or where, over time, earnings and expenses may be misaligned.

We assess the potential impact on the project's net cash flow from exposure to demand, volume, price, and cost risks over the debt term or during the life of the concession, depending on the level of refinancing risk. We also consider the extent to which a project is exposed to economic cycles, changes in user preferences, and output variability. For renewable power generation projects, a crucial driver of cash flow predictability is the reliability or volatility of the renewable resource relative to contractual volume commitments. Wind and solar are intermittent resources, and the volume of power generation and cash flow is subject to resource risk. Cash flow may be more or less volatile depending on how issuers are required to settle eventual shortfalls in volume commitments. For all projects, exposure to re-contracting risks or spot market prices lowers cash flow predictability.

For toll roads which are exposed to demand risk, cash flow is influenced by the essentiality of the road; the served area's population, demographics, economic strength, and economic diversity; the presence of competing routes; the profile of traffic and its composition, i.e., commuter, leisure, and long-haul heavy traffic. The historical record of toll traffic for the road, or information about traffic on competing routes, is an important consideration.

For contracted projects, we consider the credit quality of the off-taker and the project's ability to find a substitute off-taker if needed. We typically view projects with strong off-take agreements—where payments are made on an availability basis or under a take-or-pay structure—as having stronger credit quality than projects with weaker contractual commitments that expose the project to volume or price risk. For DPPA projects where electricity is sold directly to corporate off-takers rather than

through EVN, our assessment of off-taker risk changes significantly. In these cases, the off-taker is no longer a state-backed utility with systemic obligations but individual corporate buyers, making their creditworthiness and contractual reliability critical. Replacing an off-taker may be more complex for projects connected to an integrated national grid. We evaluate the financial strength of each corporate off-taker, the enforceability of the DPPA contract, and the availability of alternative sales channels such as spot markets or other corporate buyers. Projects with strong contractual protections, diversified off-taker portfolios, and continued access to the national grid are viewed more favorably, while those relying on a single private buyer or lacking fallback options face higher risk.

Similarly, we typically consider projects with availability-based payments, such as PPPs, where the off-taker pays for the project's services as long as they are available, regardless of the number of users, to be in a stronger position than projects exposed to volume or price risk. In addition, net cash flow predictability can be affected by the fixed or variable structure of operating costs or by contractual provisions that allow the pass-through of costs to the off-takers, either for the full term of the project's life or for a shorter period.

## 2. Operating Risk

The operating risk profile of a project is important because the equipment must be available to provide the service and generate revenue. A project's ability to maintain operations depends greatly on the project's technological complexity, the useful life of critical equipment, and the necessity and ability to replace or upgrade equipment to ensure the project performs as expected. It also considers the sponsors' experience, the project's importance to their overall business strategy, and their ability and willingness to financially support the project if performance problems arise.

### Technology and Operating Performance

Technology-related problems that cause a project to be offline for some period may reduce or disrupt revenue flow. Many projects rely on a single asset for cash flow, whether a transmission line or a toll road, and if revenue-generating capacity is disrupted by operational problems, there is no alternative source of revenue. Instead, the project may have to rely on liquidity, which can be in the form of operating or debt service reserves set aside to cover potential operating interruptions. Additionally, the downtime may result in increased operating and capital expenditures, as well as other costs, including liquidated damages to a contracted off-taker. A project with a strong operating track record above industry norms and stable operating costs in line with industry averages is generally in a stronger position for this sub-factor than one with a weak operating track record below industry norms or with a history of extremely volatile operating costs.

A project's operating track record and the manner in which it has maintained operations or restarted them after unexpected downtime are important indicators of likely future management and performance. A project's level of complexity provides important indications of how likely it is to perform at the required level. Simple, commercially proven technology and processes with few complex elements are generally less likely to experience performance issues compared with complex or untested technology and processes.

#### How We Assess It

We assess this sub-factor qualitatively based on the technology's relative complexity, whether it is commercially proven, and whether it is commonly used in the sector.

We consider how much of a project's technology and processes are commercially proven and tested, and the extent of any untested components. We also consider the complexity of operations and whether the skill level required to operate and maintain the project's assets is at industry standard or requires specialized skills beyond it.

Our assessment is relative to the array of technologies used in the sub-sectors rated infrastructure using this methodology, which can range from infrastructure with low technology risks, such as toll roads and low-voltage transmission lines, to more technologically complex facilities, such as chemical-based water treatment plants using more complex equipment, or extremely complex projects such as nuclear power plants. While the majority of projects may use proven technologies, a higher level of expertise and specific experience may be needed to operate more complex types of assets. We typically consider the level of complexity the technology introduces to the issuer's specific application, as well as its relative complexity within the sector.

Where the technology is new or untested, we typically assess the project's likely performance based on factors such as the support provided by the equipment manufacturer, warranty periods, the operator's expertise and experience, the sponsor's experience (particularly if the sponsor is an established industry player) and service arrangements that may mitigate the risk of performance failures. In these cases, we often employ downside scenario analysis.

In assessing this sub-factor, we also consider a project's operating track record, where available, and how it compares with the industry norm. We also take into account any operation and maintenance agreement and the stability of the project's operating costs, ensuring they are in line with industry averages.

### Capital Reinvestment

Proper and timely asset reinvestment may be important for a project to maintain operations. However, work that requires a major project asset or a portion of assets to be offline for maintenance activities entails greater risk due to the potential revenue loss from downtime. New assets with straightforward, limited capital reinvestment needs and, correspondingly, minimal operating impact over the debt or concession term are considered to present less operating risk. Projects with minimal, easily scheduled capital reinvestment to maintain strong operating performance are generally in a stronger position for this sub-factor than projects that require high levels of maintenance and capital reinvestment. Similarly, projects with sufficient cash flow to fund all capital needs over the debt or concession term are typically in a stronger position than projects that expect to issue additional debt to cover them, as internal cash generation is insufficient to cover them.

#### How We Assess It

In our qualitative assessment of a project's reinvestment needs, we consider the level of capital reinvestment and maintenance required to maintain normal operating performance or meet contractual operating performance standards. We also consider whether the project's expected internally generated cash flow is sufficient to fund all capital needs over the project's debt term. If the expected internally generated cash flow (taking into account all other uses, including distributions) is insufficient to fund all of the project's capital needs, we assess the amount of additional debt to be issued to fund the shortfall.

### Sponsor/Owner Profile

The sponsor's/owner's experience in operating the specific asset type under the conditions the project will face, its experience in working in the jurisdiction where the project is located, its relationship with regulatory authorities, and other factors may help provide for more stable operations, limit disruptions, and result in more stable operating costs.

The project sponsor's profile is also important because it may indicate a higher or lower willingness or ability to support the project financially and operationally, ensuring it returns to expected operating levels as quickly as possible if performance problems occur. Given the nonrecourse nature of most project financings, sponsors generally support a project only if it is in their best economic interest to make an incremental investment.

For instance, if future cash flow is unlikely to be sufficient to pay future debt service and distributions to sponsors, the sponsor typically has no economic incentive to provide additional equity. Projects with sponsors who have a strong credit profile and a strong incentive to support the project are generally better positioned on this sub-factor than projects with sponsors who have a weak credit profile and limited economic incentive or financial resources to support their investment, particularly under more stressed scenarios.

## How We Assess It

We qualitatively assess the sponsor's or owner's experience in the sector, as well as their ability and willingness to provide financial support to the project if performance problems arise. Our assessment centers on the project's performance, the performance of the sponsor's or owner's other infrastructure companies and projects, and the project's importance to the sponsor's or owner's overall business strategy. We also consider the sponsor's or owner's financial strength and its overall economic incentives to form a view of its level of commitment and the likelihood that it would provide financial or operating support to the project if needed.

In assessing the economic incentives for supporting the project, we typically consider the expected future distributions to sponsors/owners or, where available, the project's or the company's market value relative to its debt. In general, we consider that a project is strategic only to the extent that it delivers economic value, and a sponsor/owner is more likely to provide financial support to a project or company with greater economic value.

When considering a sponsor's or owner's profile, we also distinguish between strategic and financial investors. In general, we consider strategic investors to have a longer-term investment horizon than financial investors. Because of the lengthened time horizon, strategic investors are generally more likely to protect their investment in a project should the need arise, provided they perceive economic value.

Where available, we typically consider the track record of providing financial support to the project or to similar companies in the sponsor's/owner's group.

## 3. Leverage and Coverage

Leverage and coverage measures are critical indicators of a project's ability to adapt to changes in the economic and business environments in which it operates and, consequently, of its financial flexibility and long-term viability. Projects that are not fully contracted are much more exposed to changing market conditions and typically have less ability to sustain high leverage.

### Risk Profile

In our risk profile assessment, we consider a project's contracted and non-contracted revenue, technology, the sponsor/owner's experience and track record, and the level of capital reinvestment needed over the debt term.

**EXHIBIT 3**
**Fundamental Risk Profile Categories**

| | |
|---|---|
| **Low Risk** | *Contracted revenue has limited volume and price risk. Technology is simple, well understood, and proven. Needs limited capital investment over the debt term.* |
| **Medium Risk** | *Contracted revenue may be subject to some variability due to volume exposure, renewable resource risk, or price exposure. Operating performance risks are manageable. It may also be classified as Medium if revenue has limited volume or price risk, but if the technology is somewhat complex or if consistent capital reinvestment is needed to maintain sound operations.* |
| **High Risk** | *Revenue is mostly uncontracted, or contracted revenue is almost fully exposed to market demand (i.e., high exposure to price risk), or the project has a complex operating profile and high capital reinvestment requirements to ensure adequate performance.* |

*Source: VIS Rating*

We typically expect the fundamental risk profile of a project to remain the same throughout the life of debt because it relates to characteristics expected to endure, such as contractual risk allocation or a market advantage reinforced by structural barriers to entry. In some circumstances, however, the risk profile could change. For instance, an important contract counterparty could face financial stress, leading to contract termination, or a change in law or regulation could alter the competitive landscape, reclassifying the project risk from one category to another. When we consider the risk profile to have aspects that pertain to two categories, we assess leverage and coverage metrics based on the project risk category that best matches the project's overall characteristics.

### Debt Service Coverage Ratio (DSCR)

A robust debt service coverage ratio (DSCR) and low leverage typically indicate greater tolerance for occasional variations in operational performance. In general, a strong DSCR and manageable debt levels also provide greater economic incentives for a sponsor/owner to provide financial support if needed.

#### How We Assess It

The numerator is the cash flow available for debt service, which comprises cash flow from operations (after tax and working capital changes, but before financial expenses) minus maintenance capital expenditures plus or minus scheduled transfers to or from major maintenance reserves and other reserve accounts that the transaction structure may have, excluding debt service reserves.

The denominator varies depending on the project's amortization profile:

- For fully amortizing projects, the scheduled interest and principal payments are the cash interest and principal paid or required to be paid in the relevant period as defined in the project

bond documents or loan agreement, excluding any cash sweeps. This metric is primarily based on the average annual DSCR, calculated or estimated annually, for the relevant projection period. Because project and infrastructure finance structures covered by this methodology may encompass a wide range of financing structures and project types, the projected DSCR may be based on the forecasted minimum annual DSCR, the average annual DSCR informed by the minimum, or vice versa.

- For non-amortizing projects, only the scheduled interest to be paid in the relevant period is used to calculate the DSCR.

Typically, projects with DSCR of below 1.0x signal heightened default risk. For such projects, we will assess whether the project can access alternative liquidity resources and the adequacy of those resources to mitigate debt servicing risks. These could include:

- Committed on-demand liquidity facilities (e.g., letter of credit or surety) with tenor aligned to debt maturity and amortized repayment terms after drawing.
- Major maintenance and operating reserves sized appropriately for the project's maintenance profile and technology risk.
- Committed working-capital lines to bridge short-term timing gaps in cash inflows and outflows.
- Sponsor support frameworks (e.g., contingent equity commitments or enforceable undertakings) that are clear, timely, and reliable.

### Cash From Operations (CFO) to Adjusted Debt

The project's business and operating risk profile significantly influences the likelihood of cash flow disruptions or variability. For two infrastructure projects with different business and operating risk profiles, similar debt service coverage or leverage ratios typically do not indicate the same capacity to address the risks they face. For example, one project may be a monopoly with no volume and price risk and highly certain cash flow, while another may operate in a very competitive environment, resulting in volatile cash flow. In this example, the latter project would typically need to maintain considerably lower leverage and stronger debt service coverage to offset the higher risk of cash-flow volatility.

#### How We Assess It

The numerator is CFO, calculated or estimated as the cash flow available for debt service (as defined above) less interest payments.

The denominator is the total debt outstanding at the end of the 12-month period being assessed, adjusted to include other debt-like liabilities that accrue interest and have a clearly defined amortization schedule, such as off-balance leases, fixed concession fee payments, refinanced taxes, or intercompany loans.

For fully contracted projects, this metric is assessed primarily on the average annual projected CFO relative to adjusted debt over the relevant period, but it may also be based on the forecast minimum annual metric, or on the average informed by the minimum, or vice versa.

For projects that are primarily dependent on non-contracted net cash flow, our focus is primarily on the lowest forecasted CFO/Debt. The forecast average annual CFO/Debt ratio may not reflect the project's intrinsic risk, because cash flow may be highly volatile over the debt term. In such cases, our assessment of the appropriate level of CFO/Debt used for scoring this sub-factor would also be informed by the expected minimum annual CFO/Debt over the relevant period.

# Other Considerations

The following are some examples of structural considerations that may be reflected in ratings.

## 1. Liquidity

Liquidity is an important indicator of a project's ability to withstand periodic revenue disruptions caused by unforeseen circumstances, such as operational or performance issues. The type of liquidity for a project (e.g., a debt service reserve (DSR) funded with cash or supported by a letter of credit, or a surety bond) and the size, quality, and terms of the DSR, including the credit quality of the letter of credit or surety bond provider, provide important indications of a project's access to funds.

Standard liquidity for projects depends on the project's potential cash-flow volatility. A six-month DSR is a standard liquidity feature for a fully contracted, fully amortizing project financing. Additionally, under a project financing structure, a project with a lumpy maintenance profile and limited ability to recover costs when they occur would be expected to have a major maintenance reserve (MMR) as a standard feature. An MMR and an operating reserve may also be necessary for projects involving new technology or uncertain life-cycle needs.

Committed liquidity typically is immediately available to a project from sources that include debt service reserves, major maintenance reserves, operating or similar reserves, and committed working capital facilities or other forms of supplemental liquidity. In assessing a project's liquidity, we typically consider whether liquidity is readily available on demand and whether it increases the project's debt once accessed.

More broadly, liquidity can be critical to ratings because weak liquidity amplifies other risks companies face. We typically form an opinion on likely near-term liquidity requirements from both cash sources and uses, and we may also consider how stress scenarios can affect a company's liquidity. For most infrastructure projects, strong liquidity does not raise the rating, but weak liquidity may lower it.

In some infrastructure sub-sectors, seasonality is an important driver of customer demand and can lead to swings in cash balances and working capital for issuers, increasing their liquidity needs. Higher volatility creates less room for errors in meeting customer demand or operational execution.

## 2. Refinancing Risk

A project that requires any outstanding debt to be refinanced at its contractual maturity date has higher credit risk due to uncertainty about future credit availability and the issuer's ability to secure favorable credit terms, including interest rates and spreads. The refinancing risk is influenced by the size, timing, and profile of the refinancing need relative to the certainty of future cash flow. Refinancing risk is also affected by risk mitigants the issuer has in place, such as liquidity reserves, cash sweeps, long-term interest rate hedges, credit market conditions, and appetite for the type of project. Refinancing a project under different credit terms can also affect its leverage and coverage metrics. Refinancing risk is especially pronounced for projects experiencing operational difficulties, contractual disputes, counterparty weakness, or changes in market dynamics, and for those nearing the end of their concession.

## 3. Structural Features

Structural features in a project's structure impose important controls on the issuer and provide creditors with rights that can help reduce default risk or mitigate the severity of losses. Project finance issuers that are SPEs financed on a nonrecourse, project finance basis with a limited business purpose have standard structural features, such as a standard lender security package on all key project contracts and assets; a trustee-administered cash flow waterfall for accounts; limits on additional debt, investments and change of control; limitations on distributions of excess cash flow; lender step-in rights for creditors and collateral pledges, and an adequate degree of ring-fencing of the project debt, among others.

Additionally, the requirement to pay upon termination of the project agreement may strengthen the project's credit quality if the required payment is sized to cover and repay all outstanding debt and is paid by a creditworthy counterparty.

Financing arrangements for projects tend to be highly structured and offer protective features for lenders, in part because of their high initial leverage levels. The baseline expectation for an assessment of a project's credit profile, as described in the preceding sections, is that the financing structure includes the standard features listed below. The absence of one or more standard project finance structural features, or the presence of unusually strong structural features that enhance creditor protection, may result in a rating adjustment upward or downward.

## 4. Ramp-Up Risk

Construction risk covers the period from financial close to final project completion, whereas ramp-up covers the period between completion and steady-state operations, during which an infrastructure project begins generating revenue but may still need to stabilize its initial performance or address other start-up risks.

Where construction risk is present, we typically consider the incremental risk posed by the construction itself, including the agreements in place and how they allocate risk among the contractor, off-taker, issuer, and, if applicable, the project sponsor. Other considerations include the contractor's experience, reputation, and track record of delivering similar projects on time and within budget. When construction risk is guaranteed by a third party, we consider the guarantor's creditworthiness and the terms and conditions of the guarantee.

The period between construction completion and full ramp-up may be volatile and significantly impact the project's overall success. Various levels of contractual mitigants and liquidity are often present in the financing to offset the related risks.

In cases where ramp-up risk is present, we assess credit risk during the ramp-up period and at expected full operations, and assign a rating consistent with the period of higher credit risk.

These same considerations apply to operating projects that have expansion-related construction, for instance, to meet increased requirements or capacity.

## 5. Other Considerations

Ratings may reflect consideration of additional factors not in the scorecard, usually because the factor's credit importance varies widely across issuers in the sector or because it is important only

under certain circumstances or for a subset of issuers. Such factors can include financial controls and the quality of financial reporting; corporate legal structure; the quality and experience of management; assessments of corporate governance; environmental and social considerations; exposure to uncertain licensing regimes; and possible government interference in some countries. Regulatory, litigation, liquidity, technology, and reputational risk, as well as changes to consumer and business spending patterns, competitor strategies, and macroeconomic trends, can also affect ratings.

## Scenario Analysis

Ratings may be informed by scenario analysis run on the scorecard. At the discretion of analysts and rating committees, such scenario analysis may take a variety of forms, such as scorecard outcomes under base-case and downside-case assumptions, analysis of an issuer's headroom to meet financial covenants, and determination of the assumptions that could lead an issuer to default and their likelihood. This analysis could lead a committee to assign a rating that differs from the scorecard outcome derived from historical results.

## Assessing Extraordinary Support

Ratings for issuers in project finance incorporate our assessment of the likelihood of extraordinary support – explicit or implicit – from the parent or sponsor. This assessment incorporates support not already considered in the Sponsor/Owner Profile sub-factor. Ratings also incorporate material support from governments and guarantees from development banks, multilateral, or similar entities.

Explicit extraordinary support from a sponsor may be in the form of a full, direct guarantee, or a guarantee that can be revoked upon certain events, e.g., upon achieving certain debt service coverage levels or other thresholds. A full, direct guarantee, though rare, can equalize the project's credit quality and that of the supporting entity. In assessing explicit support, we consider the specific legal nature and enforceability of the support as well as the likelihood of timely payment and its possible termination Where a parent or sponsor provides implicit, non-legally binding support, over the levels assessed in the Sponsor/Owner Profile sub- factor, we typically narrow the difference between the project's credit quality and that of the sponsor or owner.

Additionally, we may consider the strength and reliability of the country's institutions, including the resilience of its banking system. Typically, all projects are to some extent exposed to shocks transmitted across sectors of the economy. While projects are likely to be affected to some extent, there may be differences in projects' credit sensitivity to changes in the sovereign's creditworthiness. In addition, the project may be subject to actions by governments, including changes in tax or regulatory policies, price controls, onerous taxation, or political interference, especially during a crisis.

Project issuers owned by one or more governments may receive an uplift in their ratings based on the expected level of government support.

## Assigning Issuer-Level and Instrument-Level Ratings

We typically assign an issuer-level or instrument-level rating after considering the rating factors, structural considerations, and other rating considerations.

# General Limitations of Methodology

This methodology does not include an exhaustive description of all the factors we may consider when assigning ratings in the sectors covered by this methodology. Project financing may face new risks or new combinations of risks, and they may develop new strategies to mitigate risk. We seek to incorporate all material credit considerations in ratings and to take the most forward-looking perspective that visibility into these risks and mitigants permits.

Ratings reflect our expectations for a project's future performance; however, uncertainty increases as the forward horizon lengthens, and the utility of precise estimates typically diminishes. In most cases, nearer-term risks are more meaningful to issue credit profiles and thus have a more direct impact on ratings. However, in some cases, our views on longer-term trends may affect ratings.

The information used to assess the factors and sub-factors is sourced from sponsors or financial advisors, financial statement disclosures, and publicly available data, such as regulatory disclosures. We may also incorporate non-public information.

Our forward-looking opinions are based on assumptions that may prove, in hindsight, to have been incorrect. Reasons for this could include unanticipated changes in any of the following: the macroeconomic environment, general financial market conditions, industry competition, disruptive technology, or regulatory and legal actions. In any case, predicting the future is inherently uncertain.

# Limitations of the Scorecard

The scorecard in this rating methodology is a relatively simple tool focused on indicators for relative credit strength. The weights for each factor in the scorecard represent an approximation of their importance for rating decisions across the sector, but the actual importance of a particular factor may vary substantially based on an individual company's circumstances.

Factors outside the scorecard may be important for ratings, and their relative importance may vary across companies. We may use the scorecard across various historical or forward-looking time periods. If information is unavailable, we may make conservative assumptions based on trends, historical data, industry data, and peer data. Furthermore, in our ratings, we often incorporate qualitative directional views of risks and mitigants. As a result, scorecard outcomes may be different from actual ratings.

© 2026 Vietnam Investors Service And Credit Rating Agency Joint Stock Company ("Công Ty Cổ Phần Xếp Hạng Tín Nhiệm Đầu Tư Việt Nam" in Vietnamese)

("VIS Rating"). All rights reserved.

Moody's holds a 49% ownership stake in VIS Rating. A Technical Services Agreement is in place between the two companies, under which Moody's provides certain services, including technical assistance, to VIS Rating. However, Moody's is not involved in any particular VIS Rating credit rating or research processes. This report and the opinions expressed herein represent the independent views of VIS Rating and should not be attributed to any Moody's entities, directors, officers, or employees.

**DISCLAIMER**

CREDIT RATINGS ISSUED BY VIS RATING ARE OUR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, DEBT OR FINANCIAL OBLIGATIONS, DEBT SECURITIES, PREFERRED SHARES OR OTHER FINANCIAL INSTRUMENTS OR OF ISSUER OF SUCH DEBTS OR FINANCIAL OBLIGATIONS, DEBT SECURITIES, PREFERRED SHARES OR OTHER FINANCIAL INSTRUMENTS IN VIETNAM AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY VIS RATING (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. VIS RATING DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE VIS RATING'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY VIS RATING'S CREDIT RATINGS. APART FROM FUNDAMENTAL RISKS NEEDED TO BE ASSESSED AS REQUIRED UNDER THE VIETNAMESE LAW (INCLUDING DECREE 88/2014 DATED 26 SEPTEMBER 2014 OF THE GOVERNMENT) ON CREDIT RATING SERVICES FROM TIME TO TIME, CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN VIS RATING'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE FOR REFERENCES ONLY AND DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO INVEST INTO, CONTRIBUTE CAPITAL, PURCHASE, SELL, OR HOLD PARTICULAR DEBT INSTRUMENTS OR FINANCIAL INSTRUMENTS. VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. VIS RATING ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY OR DEBT INSTRUMENTS THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY NON-PROFESSIONAL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR NON-PROFESSIONAL INVESTORS TO USE VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN (INCLUDING INFORMATION OF VIS RATING AND/OR THIRD PARTIES WHO LICENSE VIS RATING TO INCORPORATE THE INFORMATION HEREIN ("VIS RATING'S LICENSORS")) IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT PRIOR WRITTEN CONSENT OF VIS RATING OR VIS RATING'S LICENSORS. VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USEDIN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by VIS Rating from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. VIS Rating adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources VIS Rating considers to be reliable including, when appropriate, independent third-party sources. However, VIS Rating is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, VIS Rating and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if VIS Rating or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by VIS Rating.

To the extent permitted by law, VIS Rating and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, VIS Rating or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY VIS RATING IN ANY FORM OR MANNER WHATSOEVER.

VIS RATING MAY MAKE MODIFICATIONS AND/OR CHANGES TO ITS PUBLICATION AT ANY TIME, FOR ANY REASON. HOWEVER, VIS RATING UNDERTAKES NO OBLIGATION (NOR DOES IT INTEND) TO PUBLICLY SUPPLEMENT, UPDATE OR REVISE ITS PUBLICATION ON A GOING-FORWARD BASIS. YOU ASSUME THE SOLE RISK OF MAKING USE OF AND/OR RELYING ON VIS RATING's ASSESSMENTS, OTHER OPINIONS AND PUBLICATION.

VIS Rating maintains policies and procedures to address the independence of VIS Rating's credit ratings and credit rating processes. Information regarding, among others, entities holding more than 5% of the contributed charter capital of VIS Rating, any change to the shareholding ratios of entities holding more than 5% of the contributed charter capital of VIS Rating and a list of rated entities with a credit rating service charge accounting for over 5% of VIS Rating's total revenue from credit rating activities in the fiscal year prior to the time of information disclosure, are posted at https://visrating.com under the heading "Corporate Disclosure".