

**VIETNAM ELECTRICITY
CONSTRUCTION JOINT
STOCK CORPORATION**

No: 261 CV/VNECO-CBTT

Re: Explanation of the variance in profit after corporate income tax for the second quarter of 2026 and the first six months of 2026 reflecting a change of 10% or more compared to the same period of the previous year based on the combined financial statements

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Da Nang City, 29th July 2026

To: - The State Securities Commission
- HaNoi Stock Exchange

Based on the Statement of Profit or Loss for the accounting period from April 1, 2026 to June 30, 2026, Vietnam Electricity Construction Joint Stock Company hereby provides explanations for the following matters:

1. The profit after corporate income tax on the Combined Financial Statements for the accounting period from April 1, 2026, to June 30, 2026, recorded a loss of VND 37,690,789,398. This loss decreased by VND 5,470,717,232 compared to the same period in 2025, primarily due to the following reasons:

Unit: million dong

No.	Indicator	Q2/2026	Q2/2025	+/-	%
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
1	Net revenue from sales and services	7.880	43.275	(35.395)	(81,8)%
2	Gross profit from sales and services	(1.180)	(5.364)	4.184	78%
3	Net profit from financial activities	(30.876)	(29.834)	(1.042)	3.5%
4	Profit after tax	(37.691)	(43.162)	5.417	12.7%

In Q2/2026, net revenue from sales and services reached VND 7,880 million, a decrease of VND 35,395 million, equivalent to a decline of 81.8% compared to the same period in 2025. However, business operations recorded an improvement in the cost of goods sold (COGS), whereby the gross loss from sales and services was reduced to VND 1,180 million, while the same period in 2025 recorded a loss of VND 5,364 million (corresponding to a gross loss reduction of VND 4,184 million).

In addition, net profit from financial activities recorded a negative VND 30,876 million, representing an increase in loss of VND 1,042 million compared to the same period in 2025. The main reason was that financial expenses incurred during the period remained high at VND 36,368 million (of which interest expenses alone accounted for VND 19,948 million).

==>> Despite the decline in revenue and sustained high financial expenses, effective management and a significant reduction in COGS helped narrow the gross loss, thereby partially offsetting the expenses incurred during the period. Consequently, the after-tax loss for Q2/2026 on the financial statements was VND 37,691 million, an improvement (loss reduction) of VND 5,471 million compared to the same period in 2025, equivalent to a 12.7% reduction in loss.

2. The profit after corporate income tax on the Combined Financial Statements for the accounting period from January 1, 2026, to June 30, 2026, recorded a loss of VND 53,773,187,468. This loss decreased by VND 15,009,993,413 compared to the same period in 2025, primarily due to the following reasons:

Unit: million dong

No.	Indicator	First 6 months of 2026	First 6 months of 2026	+/-	%
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
1	Net revenue from sales and services	60.602	71.958	(11.356)	(15.8)%
2	Gross profit from sales and services	5.716	(11.382)	17.098	150,2%
3	Net profit from financial activities	(46.701)	(42.424)	(4.277)	10,1%
4	Profit after tax	(53.773)	(68.783)	15.010	21,8%

Cumulative for the first half of 2026, net revenue from sales and services reached VND 60,602 million, a decrease of VND 11,356 million, equivalent to a decline of 15.8% compared to the same period in 2025. However, the cost of goods sold during the period was sharply reduced, enabling the gross profit from sales and services to record a profit of VND 5,716 million, a highly positive improvement compared to the gross loss of VND 11,382 million in the same period of 2025 (corresponding to an increase of VND 17,098 million).

In addition, net profit from financial activities recorded a loss of VND 46,701 million, an increase in loss of VND 4,277 million compared to the same period in 2025. The main reason was that cumulative financial expenses remained high, reaching VND 57,603 million; specifically, although interest expenses (VND 41,183 million) slightly decreased compared to the same period, the provision for financial investments during the period surged to VND 16,287 million, a sharp increase of VND 6,499 million compared to the provision in the same period last year, thereby driving up overall financial expenses.

==>> Effective management of COGS helped the core business operations transition from a gross loss to a gross profit, thereby partially offsetting the burden of financial expenses (especially interest expenses and provisions). This resulted in the after-tax loss for the six months ended June 30, 2026, on the financial statements amounting to VND 53,773 million, an improvement (loss reduction) of VND 15,010 million compared to the same period in 2025, equivalent to a 21.8% reduction in loss.

Sincerely!

Preparer



Nguyen Giang Nam

Chief Financial Officer



Do Thanh Khiet

Chairman



Nguyen Anh Tuan

Recipients:

- As above;
- Save at VNECO;