

**VIETNAM ELECTRICITY
CONSTRUCTION JOINT
STOCK CORPORATION**

No: 262 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 consolidated 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. Profit after tax on the Consolidated Financial Statements for the accounting period from April 1, 2026, to June 30, 2026, recorded a loss of VND 33,459 million, a decrease in loss of VND 47,874 million compared to the same period in 2025 (which recorded a loss of VND 81,333 million), mainly due to the following reasons:

Unit: million VND

No.	Items	Q2/2026	Q2/2025	+/-	%
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
1	Net revenue from sales and rendering of services	27,944	76,166	(48,222)	(63.3)
2	Gross profit from sales and rendering of services	8,105	(29,433)	37,538	(127.5)
3	Net profit from financial activities	(31,651)	(38,438)	6,787	(17.7)
4	Profit after tax	(33,459)	(81,333)	47,874	(58.9)

In Q2/2026, net revenue from sales of goods and rendering of services reached VND 27,944 million, a decrease of VND 48,222 million, equivalent to a decrease of 63.3% compared to the same period in 2025. However, thanks to the cost reduction and effective management of the cost of goods sold, gross profit from sales of goods and rendering of services reached VND 8,105 million, while the same period in 2025 recorded a loss of VND 29,433 million (an increase of VND 37,538 million).

In addition, net profit from financial activities was negative VND 31,651 million, a decrease in loss of VND 6,787 million compared to the same period in 2025 (which recorded a loss of VND 38,438 million). This was mainly because the Company significantly reduced financial expenses incurred during the period (decreasing from VND 38,477 million to VND 31,653 million).

==>> *The positive recovery of gross profit (turning from loss to profit) and the narrowing of net loss from financial activities partially offset the incurred expenses, thereby reducing the loss after tax in Q2/2026 on the financial statements to only VND 33,459 million, a decrease in loss of VND 47,874 million compared to the same period in 2025.*

2. Profit after tax on the Consolidated Financial Statements for the first 6 months of 2026 recorded a loss of VND 56,911 million, a decrease in loss of VND 47,876 million compared to the same period in 2025 (which recorded a loss of VND 104,787 million), mainly due to the following reasons:

Unit: million VND

No.	Items	6T/2026	6T/2025	+/-	%
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
1	Gross profit from sales and rendering of services	23,246	(12,635)	35,881	(284.0)
2	Net profit from financial activities	(62,182)	(69,004)	6,822	(9.9)
3	Profit after tax	(56,911)	(104,787)	47,876	(45.7)

In the first 6 months of 2026, gross profit from sales of goods and rendering of services reached VND 23,246 million, while the same period in 2025 recorded a loss of VND 12,635 million (an increase of VND 35,881 million). This result was achieved as the Company effectively managed the proportion of cost of goods sold to revenue (cost of goods sold dropped sharply from VND 154,699 million to VND 76,703 million), helping to significantly improve the gross profit margin

In addition, net profit from financial activities in the first 6 months of 2026 was negative VND 62,182 million, an improvement of VND 6,822 million compared to the same period in 2025 (which recorded a loss of VND 69,004 million). This was mainly thanks to the Company reducing the burden of financial expenses (in which, specifically, interest expenses decreased by more than VND 2,440 million compared to the same period).

==>> The return to gross profitability of the core business operations, along with efforts to reduce financial expenses, significantly offset operating expenses, thereby bringing the loss after tax for the first 6 months of 2026 on the financial statements down to VND 56,911 million, a decrease in loss of VND 47,876 million compared to the same period in 2025.

Sincerely!

Preparer



Nguyen Giang Nam

Chief Financial Officer



Do Thanh Khiet

Chairman



Nguyen Anh Tuan

Recipients:

- As above;
- Save at VNECO;