



THE SOCIALIST REPUBLIC OF VIETNAM
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No: 181/VC7-TCKT

Re: Explanation of the fluctuation in profit for the first six months of 2026 compared with the same period of the previous year

Hanoi, 27 August 2026

To: Hanoi Stock Exchange

Name of organization: BGI Group Joint Stock Company

Stock code: VC7

Based on the reviewed Separate Financial Statements for the first six months of 2026, BGI Group Joint Stock Company hereby provides an explanation of the fluctuation in profit after corporate income tax for the first six months of 2026 compared with the same period of the previous year, as well as the changes in profit before and after the financial statement review, as follows:

1. Changes in profit results

- Profit after corporate income tax for the first six months of 2025: VND 13,774,770,285.
- Profit after corporate income tax for the first six months of 2026 before review: VND 416,496,940.
- Profit after corporate income tax for the first six months of 2026 after review: (VND 274,314,284).

Accordingly, before the review, profit after corporate income tax for the first six months of 2026 decreased by approximately 97.0% compared with the same period of the previous year.

After the review, profit after corporate income tax for the first six months of 2026 changed from profit to loss.

The main reasons are as follows:

Net revenue for the first six months of 2026 reached VND 84.77 billion, a decrease of VND 40.57 billion, equivalent to approximately 32.4%, compared with the same period of the previous year. The main reason was that the volume of construction works eligible for acceptance, handover and revenue recognition during the period was lower than that of the same period of the previous year.

Gross profit decreased from VND 28.50 billion to VND 13.26 billion, a decrease of VND 15.23 billion, mainly due to the decrease in revenue and changes in the composition of construction works for which revenue was recognized during the period.

Financial expenses increased from VND 3.63 billion to VND 6.75 billion, mainly due to costs associated with funding requirements for production and business activities and the implementation of construction works and projects, as well as provision expenses.

Given the nature of the construction business, while certain construction works remain under implementation and have not yet met the conditions for acceptance and handover for revenue recognition, the Company continues to incur costs related to its production and business activities, thereby affecting the Company's profit for the period.

2. Main reasons for the fluctuation

2.1. Explanation of the difference in profit before and after the review

According to the Separate Financial Statements for the first six months of 2026:

- Profit after corporate income tax before review: VND 416,496,940;
- Profit after corporate income tax after review: (VND 274,314,284);

The change in profit mainly resulted from adjustments made by the Company in accordance with the findings and results of the financial statement review.



Based on the results of the review, the Company recognized an additional provision for the investment in Viet Yen Real Estate Company Limited. This provision increased financial expenses and correspondingly reduced the Company's accounting profit before tax and profit after corporate income tax.

In addition to the above-mentioned provision, the financial statements after the review include certain adjustments to revenue, cost of goods sold and expenses in accordance with the results of the financial statement review. Among these adjustments, the provision expense mentioned above had the most significant impact on the Company's profit.

2.2. Explanation of the change in profit after corporate income tax from profit to loss

Profit after corporate income tax for the first six months of 2026 before the review was VND 416.50 million. However, following the adjustments made in accordance with the results of the review, primarily the provision for the investment in Viet Yen Real Estate Company Limited, the Company's profit after corporate income tax changed to a loss of VND 274,314,284.

Accordingly, the change in profit after corporate income tax for the first six months of 2026 from profit before the review to loss after the review was mainly attributable to the additional provision expense recognized in accordance with the results of the review, in the context of a decrease in revenue and profit from business activities during the period compared with the same period of the previous year.

The above-mentioned provision is an accounting expense recognized based on the assessment at the time of preparation and review of the Financial Statements and does not represent any additional cash outflow during the period.

3. Conclusion

Profit after corporate income tax for the first six months of 2026 decreased significantly compared with the same period of the previous year, mainly due to the decrease in revenue and gross profit from business activities, while the Company continued to incur expenses related to its production and business activities and financial expenses.

In addition, following the review, the Company recognized an additional provision for the investment in Viet Yen Real Estate Company Limited, which had a significant impact on the Company's profit and was the primary reason for the change in profit after corporate income tax for the first six months of 2026 from profit before the review to loss after the review.

The Company continues to implement construction projects and production and business activities in accordance with its plan. In subsequent periods, as the construction works currently under implementation are completed and satisfy the conditions for acceptance, handover and revenue recognition in accordance with applicable regulations, the Company's business performance is expected to improve.

BGI Group Joint Stock Company hereby confirms that the above explanations are truthful and accurate and assumes full responsibility before the law for the information disclosed.

Recipients:

- As above;
- Archived.

BGI GROUP JOINT STOCK COMPANY



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