

No: 319CV/VNECO-TCKT

Da Nang, October 14th, 2026

Subject: Explanation for the variance in profit after corporate income tax before and after review for the accounting period ended June 30, 2026; variance in cumulative profit for the first 6 months of 2026 compared to the same period in 2025; and qualified conclusions and emphasis of matter paragraphs by the auditor in the reviewed semi-annual financial statements for the first 6 months of 2026.

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Respectfully to: - State Securities Commission of Vietnam
- Stock Exchange (HNX)

I. Vietnam Electricity Construction Corporation (hereinafter referred to as VNECO) explains the variance of 5% or more in profit after corporate income tax between the figures before and after review in the separate interim financial statements for the accounting period ended June 30, 2026:

Item	Reviewed Semi-Annual FS for the First 6 Months of 2026 (VND million)	Cumulative Figure for the First 6 Months in Q2/2026 FS (VND million)	Difference (VND million)	% Increase / (Decrease)
(1)	(2)	(3)	(4)=(2)-(3)	(5)=(4)/(3) x100
Profit after tax (PAT)	(64,150)	(53,773)	(10,377)	19.3%

Mainly due to post-audit adjustments of the following items:

- Increase in general and administrative expenses due to additional provisions for short-term doubtful debts amounting to VND 13,012 million;
 - Decrease in long-term investments impairment provision and decrease in financial expenses due to the reversal of provision amounting to VND 5,345 million;
 - Increase in financial expenses due to unrecorded borrowing costs amounting to VND 2,905 million.
- >>> The above factors resulted in a net loss after corporate income tax of VND 64,150 million on the reviewed interim financial statements, representing an increased loss of VND 10,377 million or equivalent to a 19.3% increase in loss compared to the cumulative figures for the first 6 months in the self- lập separate Q2/2026 financial statements.

II. VNECO explains the variance of 5% or more in profit after corporate income tax between the figures before and after review in the consolidated interim financial statements for the accounting period ended June 30, 2026:

Item	Reviewed Semi-Annual FS for the First 6 Months of 2026 (VND million)	Cumulative Figure for the First 6 Months in Q2/2026 FS (VND million)	Difference (VND million)	% Increase / (Decrease)
(1)	(2)	(3)	(4)=(2)-(3)	(5)=(4)/(3) x100
Profit after tax (PAT)	(70.604)	(56.911)	(13.693)	24,06%
PAT attributable to Parent Company	(70.604)	(56.911)	(13.693)	24,06%

Mainly due to post-audit adjustments of the following items:

- Increase in general and administrative expenses due to additional provisions for short-term doubtful debts amounting to VND 17,672 million;
- Increase in financial expenses at the Parent Company due to unrecorded borrowing costs amounting to VND 2,905 million;
- Increase in revenue from sales of goods and provision of services at the subsidiary due to unrecorded realized revenue amounting to VND 9,786 million;

>> The above factors resulted in a net loss after corporate income tax of VND 70,604 million on the reviewed consolidated interim financial statements for the accounting period ended June 30, 2026, representing an increased loss of VND 13,693 million or equivalent to a 24.06% increase in loss compared to the self-compiled Q2/2026 figures. Concurrently, the profit after tax of the Parent Company in the consolidated interim financial statements for the accounting period ended June 30, 2026 recorded a net loss of VND 70,604 million, an increased loss of VND 13,693 million or equivalent to a 24.06% increase in loss compared to the self-compiled financial statements.

III. VNECO explains the variance of 10% or more in profit after corporate income tax on the reviewed consolidated interim financial statements for the accounting period ended June 30, 2026 compared to the same period in 2025:

No	Item	Audited FY2025 (VND million)	2025 Pre- audit FS (VND million)	Difference (VND million)	% Increase / (Decrease)
(1)	(2)	(3)	(4)	(5)=(3)- (4)	(6)=(5)/(4) x100
1	Net revenue from sales and service provision	109.735	142.064	(32.329)	(22,76)%
2	Gross profit from sales and service provision.	32.956	(12.635)	45.591	(360,83)%
3	Profit after tax (PAT)	(70.604)	(104.787)	34.183	(32,62)%
4	PAT attributable to Parent Company	(70.604)	(88.280)	17.676	(20,02)%

Cumulative net revenue from sales of goods and provision of services for the first 6 months of 2026 after review reached VND 109,735 million, down by VND 32,329 million, equivalent to a decrease of 22.76% compared to the same period in 2025 (revenue for the first 6 months of 2025 was VND 142,064 million). Cumulative gross profit from sales of goods and provision of services for the first 6 months of 2026 reached VND 32,956 million, an increase of VND 45,591 million, equivalent to an increase of 360.83% compared to the same period in 2025 (gross loss for the first 6 months of 2025 was VND 12,635 million).

>> The sharp increase in reviewed cumulative gross profit from sales of goods and provision of services for the first 6 months of 2026 contributed to improving operating efficiency, resulting in a net loss after corporate income tax on the reviewed cumulative consolidated financial statements for the first 6 months of 2026 of VND 70,604 million, reducing the loss by VND 34,183 million compared to the same period in 2025 (loss of VND 104,787 million in the first 6 months of 2025). Concurrently, the aforementioned causes also resulted in a net loss after tax of the Parent Company on the reviewed consolidated financial statements for the first 6 months of 2026 of VND 70,604 million, reducing the loss by VND 17,676 million compared to the same period in 2025 (loss of VND 88,280 million in the first 6 months of 2025).

IV. Explanation for the Qualified Opinion:

1. Explanation of the auditor's qualified conclusion on the reviewed interim financial statements:

- a. Regarding the basis for the qualified conclusion: "In the previous financial year, the Corporation transferred its investments in subsidiaries and associates to VNECCO Energy Joint Stock Company through capital contribution transfer contracts with a total value of VND 193 billion, for which legal procedures regarding the transfer of ownership of the contributed capital have not been completed and payment has not been made on due date according to the payment terms. Based on the provided documents, we were unable to assess these transfer transactions and the recoverability of related receivables. Consequently, we were unable to determine whether any adjustments might be necessary to the aggregate financial statements of the Corporation for the financial year ended December 31,

2025. This matter continues to affect the interim financial statements for the period ended June 30, 2026.."

Regarding the basis for the qualified conclusion in Section IV.1.a: Implementing the policy set forth in Resolution No. 29 NQ/VNECO-HĐQT dated December 29, 2025, on restructuring investments to enhance capital use efficiency, VNECO agreed to transfer capital contributions to the partner to restructure its operations and focus on core business areas. Although bank cash settlement flows had not occurred at the time of the audit, VNECO has established complete supporting dossiers, including contracts clearly defining the scope of authority, 10% VAT invoices, and irrevocable authorization documents transferring ownership to the buyer to ensure legal validity. Currently, the parties are cooperating to finalize the transfer procedures in accordance with the committed roadmap; meanwhile, the arising receivables are being closely monitored and urged for recovery.

- b. Regarding the basis for the qualified conclusion: "In the previous financial year, the Corporation transferred the brand name and development rights of My Thuong Project, Hue City with a value of VND 150 billion, for which legal procedures regarding the transfer have not been completed and payment has not been made on due date according to the payment terms of the transfer contract. Based on the provided documents, we were unable to assess the recoverability of related receivables. Consequently, we were unable to determine whether any adjustments might be necessary to the aggregate financial statements of the Corporation for the financial year ended December 31, 2025. This matter continues to affect the interim financial statements for the period ended June 30, 2026."

Regarding the basis for the qualified conclusion in Section IV.1.b: The transfer of project development rights at Lots CT2, CT3, and CT4 of the My Thuong Project is a business activity consistent with current regulations and VNECO's strategic objectives. Since these development rights are transferred in the form of intangible assets, with preferential implementation rights attached to the VNECO brand without including land use rights, the generated income is determined as ordinary operating revenue. This approach allows VNECO ability to offset losses from other activities in accordance with the Corporate Income Tax Law and aligns with market realities. Although bank cash settlement flows had not occurred at the time of the audit, VNECO has established complete supporting dossiers, including contracts clearly defining the scope of authority and 10% VAT invoices to ensure legal validity. These receivables are currently being closely monitored and urged for recovery in accordance with the committed roadmap.

- c. Regarding the basis for the qualified conclusion: "In the previous financial year, the Corporation transferred the debt obligations and work-in-progress values of certain construction works and projects under transfer contracts with Vietnam Enterprise Structure Solutions Joint Stock Company, with a transfer value of VND 450.69 billion. We have not obtained audit evidence regarding the existence of the debts at the time of the transfer and the debt-transfer acceptance confirmations with the creditors/debtors. Consequently, we were unable to determine the effects of these transfer transactions on the aggregate financial statements of the

Corporation for the financial year ended December 31, 2025. This matter continues to affect the interim financial statements for the period ended June 30, 2026.":

Regarding the basis for the qualified conclusion in Section IV.1.c: To accelerate the recovery of receivables, VNECO transferred the debts to the partner to shift outstanding debts to the buyer for quick cash collection. From a legal perspective, the rights and obligations of the transaction have been clearly established through the transfer contract; simultaneously, VNECO has properly issued invoices to ensure transparency and regulatory compliance. To date, VND 66.7 billion has been recovered; the remaining receivables are being closely monitored in accordance with the committed roadmap.

2. Explanation of the auditor's qualified conclusion on the reviewed consolidated financial statements:

- a. Regarding the basis for the qualified conclusion: "In the previous financial year, the Corporation transferred its investments in subsidiaries and associates to VNECCO Energy Joint Stock Company through capital contribution transfer contracts with a total value of VND 193 billion, for which legal procedures regarding the transfer of ownership of the contributed capital have not been completed and payment has not been made on due date according to the payment terms. Based on the provided documents, we were unable to assess these transfer transactions and the recoverability of related receivables. Consequently, we were unable to determine whether any adjustments might be necessary to the consolidated financial statements of the Corporation for the financial year ended December 31, 2025. This matter continues to affect the interim financial statements for the period ended June 30, 2026.":

This matter has been explained in Section IV.1.a above and summarizes the basis for the auditor's qualified conclusion on the audited financial statements of the subsidiaries.

- b. Regarding the basis for the qualified conclusion: "In the previous financial year, the Corporation transferred the brand name and development rights of My Thuong Project, Hue City with a value of VND 150 billion, for which legal procedures regarding the transfer have not been completed and payment has not been made on due date according to the payment terms of the transfer contract. Based on the provided documents, we were unable to assess the recoverability of related receivables. Consequently, we were unable to determine whether any adjustments might be necessary to the consolidated financial statements of the Corporation for the financial year ended December 31, 2025. This matter continues to affect the interim financial statements for the period ended June 30, 2026."

This matter has been explained in Section IV.1.b above.

- c. Regarding the basis for the qualified conclusion: "In the previous financial year, the Corporation transferred the debt obligations and work-in-progress values of certain construction works and projects under transfer contracts with Vietnam Enterprise Structure Solutions Joint Stock Company, with a transfer value of VND

519.6 billion (of which the Corporation accounts for VND 450.69 billion and subsidiaries account for VND 68.91 billion). We have not obtained audit evidence regarding the existence of the debts at the time of the transfer and the debt-transfer acceptance confirmations with the creditors/debtors. Consequently, we were unable to determine the effects of these transfer transactions on the consolidated financial statements of the Corporation for the financial year ended December 31, 2025. This matter continues to affect the interim financial statements for the period ended June 30, 2026.":

This matter was explained in Section IV.1.c above.

VI. Explanation for Emphasis of Matter:

1. Explanation of the auditor's emphasis of matter on the reviewed separate interim financial statements:

- a. Regarding the emphasis of matter: " - As disclosed in Note VIII.3, relating to Criminal Judgment No. 618/2018/HS-PT dated November 2, 2018 of the High People's Court in Ho Chi Minh City. On February 8, 2022, the Civil Judgment Enforcement Department of Da Nang City issued a decision on the postponement of judgment enforcement against the Corporation. Currently, the Corporation is carrying out procedures to request competent authorities to settle the case in accordance with cassation procedures."

Regarding the emphasis of matter in Section V.1.a: VNECO continues to closely monitor and strictly implement procedures to request competent authorities to resolve the case under cassation procedures to thoroughly handle the matter in accordance with regulations.

- b. Regarding the emphasis of matter: " - As disclosed in Note VIII.5, as of the end of the interim accounting period on June 30, 2026, overdue principal and loan interest amounted to VND 987,256,316,007, and operating cash flows were negative. This indicates the existence of a material uncertainty that may cast significant doubt on the Corporation's ability to continue as a going concern."

Regarding the emphasis of matter in Section V.1.b: Facing objective risks directly impacting VNECO since the Covid pandemic to date, VNECO's Board of Management has been proactively and flexibly responding through:

- Focusing on construction execution and accelerating the acceptance and finalization of national key projects.
- Working closely with banks to restructure repayment schedules and extend debt terms in accordance with Circular No. 02/2023/TT-NHNN and Circular No. 06/2024/TT-NHNN.
- Restructuring business operations toward a lean model, reducing operating expenses, shifting the industry structure appropriately, enhancing debt collection, and strictly controlling cash flow. VNECO is confident in gradually overcoming difficulties, ensuring going concern capability, and steadily recovering.

2. Explanation of the auditor's emphasis of matter on the reviewed interim consolidated financial statements:

- a. Regarding the emphasis of matter: " - As disclosed in Note VIII.3, relating to Criminal Judgment No. 618/2018/HS-PT dated November 2, 2018 of the High People's Court in Ho Chi Minh City. On February 8, 2022, the Civil Judgment Enforcement Department of Da Nang City issued a decision on the postponement of judgment enforcement against the Corporation. Currently, the Corporation is carrying out procedures to request competent authorities to settle the case in accordance with cassation procedures."

Regarding the emphasis of matter in Section V.2.a: This matter has been explained in Section V.1.a above.

- b. Regarding the emphasis of matter: " - As disclosed in Note VIII.5, as of the end of the interim accounting period on June 30, 2026, the Corporation's current liabilities exceeded its current assets by VND 140,552,842,250, and overdue principal and loan interest amounted to VND 987,256,316,007. This indicates the existence of a material uncertainty that may cast significant doubt on the Corporation's ability to continue as a going concern."

Regarding the emphasis of matter in Section V.2.b: This matter has been explained in Section V.1.b above.

VNECO respectfully submits this explanation!

CHIEF FINANCIAL OFFICER



Do Thanh Khiết



CHAIRMAN



Nguyen Anh Tuan

Recipients:

- As above;
- Archived: Finance & Accounting Dept.;

