

**VIETNAM ELECTRONICS & INFORMATICS
JOINT STOCK CORPORATION**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness

No: **097**...CV/ĐT-TCKT

(Explanation of the audited consolidated financial
statements for 2024)

Hanoi, March 24, 2025

**To: - The State Securities Commission of Vietnam
- Hanoi Stock Exchange**

In accordance with Article 14, Chapter III of Circular 96/2020/TT-BTC issued by the Ministry of Finance on November 16, 2020, regarding information disclosure in the securities market, Vietnam Electronics and Informatics Joint Stock Corporation (Viettronics), whose stock code on the UPCOM exchange is VEC, has prepared its audited financial statements for 2024 and submitted them to the aforementioned authorities. Viettronics hereby provides explanations regarding fluctuations in financial indicators as required by law as follows:

1. Regarding the net profit after corporate income tax in 2024 being negative:

The net profit after tax in 2024 recorded a loss of VND 27,308 million, primarily due to the significant decline in the stock prices of subsidiaries in which the corporation had invested. This led to a substantial increase in provisions for long-term financial investments when preparing the financial statements as of December 31, 2024.

2. The net profit after tax in 2024 changed by 10% or more compared to 2023.

The net loss after tax in 2024 increased by VND 18,488 million, a fluctuation of 209.61%, mainly due to the following reasons:

- Revenue from sales and services and cost of goods sold in 2024 decreased compared to 2023, resulting in a decrease in gross profit by VND 1,825 million, equivalent to a 17.17% decline. This was due to:

Increasing competition in bidding activities while the corporation's resources remain limited and dependent on partners, making it difficult to secure projects while maintaining financial prudence.

Some project owners faced land clearance issues, causing delays in contracted projects, leading to revenue shortfalls in 2024.

- Financial income decreased by VND 3,516 million, equivalent to a 28.29% decline, mainly due to:

- A reduction in dividends received from subsidiaries and lower interest income from deposits.

Financial expenses increased by VND 13,053 million, equivalent to a 144.57% rise, mainly due to:



Significant fluctuations in the domestic stock market, particularly sharp declines in the last months of the year, necessitating substantial provisioning for financial investments (particularly VTB stock), which affected reported profits.

3. Regarding exclusions in the audited financial statements for 2024:

In the audited financial statements for 2024, CPA VIETNAM Auditing Company noted the following exclusions:

- As of December 31, 2024, the corporation had not yet assessed provisions for doubtful receivables on overdue debts amounting to VND 43.6 billion. Based on the documents provided, the auditors could not estimate the necessary provisions (if any) and therefore could not determine whether adjustments were required.

→ The corporation's management believes that these overdue receivables are still recoverable in the coming years, so provisions have not been recorded.

- As of December 31, 2024, the work-in-progress cost of the project "Design, supply of materials and equipment, transportation to the site, installation, inspection, testing, handover, and warranty of the ash and slag discharge system for the Thai Binh 2 Thermal Power Plant project" amounted to VND 2,691,835,668. The auditors were unable to estimate the necessary provisions for inventory impairment (if any) and therefore could not determine whether adjustments were required.

→ This project has existed for a long time due to difficulties encountered by the investor. As of now, the corporation has not been able to finalize the contract. The corporation continues to urge the investor to complete the review and acceptance process so the project can be put into operation.

Vietnam Electronics and Informatics Joint Stock Corporation provides these explanations to clarify fluctuations in key indicators of its audited financial statements as of December 31, 2024, for the relevant authorities, shareholders, and investors.

Respectfully!

Recipients:

- As above
- Store in documents, finance and accounting

GENERAL DIRECTOR



TỔNG GIÁM ĐỐC
Vũ Hải Vĩnh