

**VNECO1 ELECTRICITY CONSTRUCTION
JOINT STOCK COMPANY**

No : 50/VNECO1/TCKT

Regarding: Explanation of the difference in business results
for Q2/2025 compared to the same period in Q2/2024.

THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Da Nang, 14 July, 2025

**Kính gửi: State Security Commission of Vietnam - SSC
Hanoi Stock Exchange – HNX**

Company name: VNECO1 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY

Stock code: VE1

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VNECO1 Electricity Construction Joint Stock Company hereby provides an explanation for the change of 10% or more in business results on the Q2/2025 financial statements compared to the same period in Q2/2024 as follows:

Unit: VND

Target	Q2 2025 figures	Q2 2024 figures	Absolute difference
(1)	(2)	(3)	(4)=(2)-(3)
Gross profit from sales of merchandise and services	735.140.053	0	735.140.053
Finance cost	237.143.760	-210.796.490	447.940.250
General and administration expenses	923.059.750	1.653.932.153	-730.872.403
Profit after corporate income tax	-335.774.121	-1.407.272.571	1.071.498.450

1. Gross profit from sales and services

- In the second quarter of 2025, gross profit reached VND 735,140,053, while in the same period of 2024, there was no corresponding revenue or expense recorded (no gross profit).
- This result reflects the gradual recovery of construction activities, especially in the context of the Government accelerating public investment disbursement and the resumption of power and energy projects after a period of stagnation.

2. Financial expenses

- Financial expenses in Q2/2025 increased significantly by VND 447,940,250 compared to the same period, mainly due to the revaluation of the investment in MAS shares (Da Nang Airport Services Joint Stock Company), amid strong fluctuations in the stock market.
- However, the overall situation of both domestic and international stock markets remains volatile. High interest rates are being maintained to control global inflation, along with geopolitical instability (conflicts in certain regions, oil price fluctuations, and monetary tightening policies by major economies), which have negatively impacted the value of financial investments.

3. Administrative expenses

- General and administrative expenses decreased by VND 730,872,403. The main reason is that the Company did not make any provision for doubtful debts during the period, indicating positive signals in tight receivables control, improved cash flow, and enhanced credit risk management.

4. Profit after corporate income tax

- After-tax profit in Q2/2025 was negative VND 335,774,121, an improvement of VND 1,071,498,450 compared to the same period in 2024.
- This result was achieved thanks to the Company's efforts in optimizing operating costs, restructuring inefficient financial investments, and tightening internal controls amidst a challenging economic environment. → In the context of an unstable macroeconomic situation, persistently high inflation, and a sluggish construction investment market, the Company has strived to maintain its business operations, gradually overcome difficulties, and minimize losses compared to the same period.

VNECO1 respectfully explains!



Company Director

GIÁM ĐỐC
ĐỖ NHƯ HIỆP