

**VNECO1 ELECTRICITY CONSTRUCTION
JOINT STOCK COMPANY**

No : **31** /VNECO1/TCKT

Regarding: Explanation of the difference in business results
for Q3/2025 compared to the same period in Q3/2024.

FORM 01
THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

Da Nang, **16** October, 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 Q3/2025 financial statements compared to the same period in Q3/2024 as follows:

Unit: VND

Target	Q3 2025 figures	Q3 2024 figures	Absolute difference
(1)	(2)	(3)	(4)=(2)-(3)
Gross profit from sales of merchandise and services	36.764.619	-152.864.005	189.628.624
Finance cost	184.442.200	-368.897.720	553.339.920
General and administration expenses	1.328.861.431	502.015.672	826.845.759
Profit after corporate income tax	-1.419.365.788	-300.226.039	-1.119.139.749

1. Gross profit from sales and services

• In the third quarter of 2025, gross profit reached VND 189,628,624. The shift from a gross loss to a gross profit reflects the Company's recognition of revenue from several projects that were completed and handed over during the period. In contrast, in the same quarter of 2024, many projects were still under construction and not yet eligible for revenue recognition.

2. Financial expenses

• Financial expenses in Q3/2025 increased significantly by VND 553,339,920 compared to the same period last year, mainly due to the revaluation of the Company's investment in MAS shares (Danang Airport Services Joint Stock Company) amid sharp fluctuations in the stock market.

• However, both the domestic and international financial markets continued to experience negative volatility. Geopolitical tensions, global financial market instability, and monetary tightening policies by major economies have adversely affected the valuation of financial assets and created upward pressure on capital costs.

3. Administrative expenses

• General and administrative expenses increased by VND 826,845,759. The main reason is that the Company made a significant **provision for doubtful debts** during Q3/2025 in accordance with the principle of prudence, to reflect the recoverability of long-outstanding receivables.

4. Profit after corporate income tax

• Profit after tax in Q3/2025 recorded a loss of VND 1,119,139,749. The deeper loss was primarily due to financial and administrative expenses rising at a higher rate than the increase in gross profit.

→ In the context of macroeconomic instability, persistent inflation, and a sluggish construction investment market, the Company has made considerable efforts to maintain its business operations and gradually overcome difficulties.

VNECO1 respectfully explains!

Company Director



ĐỖ NHƯ HIỆP