

**VNECO1 ELECTRICITY CONSTRUCTION
JOINT STOCK COMPANY**

No : 38 /VNECO1/TCKT

*Regarding: Explanation of the difference in business results
in the fourth quarter of 2025 compared to the same period
in the fourth quarter of 2024.*

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

Da Nang, 19 April, 2025

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

Company name: VNECO1 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY

Stock code: VE1

Address: No. 489 Nguyen Luong Bang, Lien Chieu District, Da Nang

Phone: 0236.3772001 Fax: 0236.3772006

VNECO1 Electricity Construction Joint Stock Company hereby provides an explanation for the change of 10% or more in business results on the Q1/2025 financial statements compared to the same period in Q1/2024 as follows:

Unit: VND

Target	Q1 2025 figures	Q1 2024 figures	Absolute difference
(1)	(2)	(3)	(4)=(2)-(3)
Gross profit from sales of merchandise and services	0	13.949840	- 13.949840
Finance cost	-263.488.660	184.506.415	-447.995.075
General and administration expenses	491.940.157	256.368.391	235.571.766
Profit after corporate income tax	-241.274.835	-365.438.316	124.163.481

1. Gross profit from sales and services

- In Q1/2025, gross profit was recorded at 0 VND, showing a slight decrease compared to the same period last year.
- The main reason was the stagnant situation in the electrical construction market: public investment projects were implemented more slowly than expected due to budget constraints and the government's tightening policies on public investment to control inflation. The Company faced difficulties in signing and executing new contracts.

2. Financial expenses

- Financial expenses in Q1/2025 decreased sharply by 447.995.075 VND compared to the same period, mainly due to the revaluation of the investment in MAS shares (Da Nang Airport Services Joint Stock Company).
- However, the overall domestic and global stock markets remained volatile. Interest rates stayed high to control global inflation, while geopolitical tensions (conflicts in certain regions, fluctuations in oil prices, and tightening monetary policies of major economies) adversely affected the value of financial investments.

3. Administrative expenses

- Administrative expenses increased by 235.571.766 VND due to the prolonged impact of inflation, rising prices of raw materials, transportation costs, and labor costs.
- In addition, maintaining the workforce while the workload had not yet recovered as expected caused a significant increase in fixed costs per unit of revenue.

4. Profit after corporate income tax

- Profit after tax in Q1/2025 was negative 241,274,835 VND, an improvement of 124.163.481 VND compared to the same period of 2024.
 - This result was achieved thanks to the Company's efforts in optimizing operational costs, restructuring inefficient financial investments, and strengthening internal control measures amid a challenging economic environment.
- ==>>In the context of an unstable macroeconomic environment, persistently high inflation, and a sluggish construction investment market, the Company has made continuous efforts to maintain production and business activities, gradually overcome difficulties, and minimize losses compared to the same period last year.

VNECO1 respectfully explains!

Company Director *Ha*

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