

VNECO4 ELECTRICITY CONSTRUCTION JSC

THE SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

No.: 95 CV/VNECO4-HĐQT

(Re: Measures and roadmap

to remedy the warning status of securities)

Nghe An, April 02, 2026

**To: - State Securities Commission
- Hanoi Stock Exchange (HNX)**

Company Name: VNECO4 ELECTRICITY CONSTRUCTION JOINT STOCK COMPANY, stock code VE4 respectfully send our greetings to the Authorities.

On March 31, 2026, VNECO4 Electricity Construction JSC received Decision No. 255/QĐ-SGDHN issued by the Hanoi Stock Exchange (regarding maintaining the warning status) due to negative retained earnings as of December 31, 2025.

VNECO4 Electricity Construction JSC hereby provides explanations and reports on the remedial measures and roadmap as follows:

1- Regarding negative retained earnings as of December 31, 2025:

In previous years, the Company operated profitably, however, in 2022 and 2023, the Company recorded losses. In 2024 and 2025, the Company has gradually recovered and returned to profitability. However, due to the low profits of previous years, the Company has not yet fully offset the losses, due to the following reasons:

- Low bid prices for construction contracts, along with additional costs incurred to accelerate project progress; input material prices increased significantly and were scarce compared to previous years.

- Interest expenses increased due to late payments from investors and main contractors.

- Costs from previous projects were handled and recorded as losses in 2024.

- Due to limited capital and low bank credit limits, the Company faced difficulties in bidding and finding projects, leading to a decrease in revenue.

- Certain risks arising in production, business operations, and corporate governance.

2- Remedial measures and implementation roadmap:

2.1. Remedial measures:

+ Promote production and business activities to increase revenue: In 2026, the Company will actively participate in bidding and seek new projects to enhance revenue and profitability.

+ Implement strict cost-saving measures throughout production and business operations.

+ Closely monitor the market to procure materials and supplies at the most competitive prices, thereby reducing input expenses and optimizing operational efficiency.



+ Strengthen management, especially in Fuel, Materials, Spare parts, and maintenance of Fixed assets and tools to minimize replacement and repair costs.

+ The Company actively seeks projects, directly participates in bidding with project owners (group A), selects projects with reasonable prices, and combines good management to ensure profitable business operations.

+ Focus on projects from project owners (group A) in the power sector to reduce receivables risk and accelerate cash recovery.

+ Gradually diversify into new business areas with higher profit margins and lower risks.

2.2. Implementation roadmap

With the above measures and the current capacity of the Company, VNECO4 Electricity Construction JSC believes in sustainable development and ability to generate profits in the coming years. Accordingly, the Company will gradually reduce accumulated losses on financial statements in the shortest time.

The above is the Company's explanation, measures and roadmap to remedy the warning status of securities.

We respectfully submit to the State Securities Commission and Hanoi Stock Exchange to consider and support the Company.

Sincerely yours!

Recipients:

-As above;

-Archive: Office, BOD, BOS

VNECO4 ELECTRICITY CONSTRUCTION JSC
AUTHORIZED PERSON FOR
INFORMATION DISCLOSURE



Le Thi Kieu Oanh

