

*(Re: Explanation of variance in
business results between the current
period and the prior period)*

To:

- State Securities Commission of Vietnam (SSC);
- Ho Chi Minh City Stock Exchange (HOSE).

Van Phat Hung Corporation (Stock symbol: **VPH**) presents its respectful compliments to the Authorities.

In compliance with periodic information disclosure regulations, Van Phat Hung Corporation hereby submits a detailed explanatory report regarding variances in key financial indicators presented in the Income Statement (both Separate and Consolidated Financial Statements) for the third quarter of 2026 compared to the third quarter of 2025 as follows:

**I. VARIANCES IN KEY INDICATORS ON THE CONSOLIDATED
FINANCIAL STATEMENTS**

Unit: VND

Items	Quater III/2026	Quater III/2025	Variance (Increase/Decrease)	Percentage (%)
Net revenue	10.467.609.063	38.578.994.138	-28.111.385.075	-72,87%
Gross profit	489.664.674	381.944.634	+107.720.040	+28,20%
Financial income	7.920.233.979	5.288.423.185	+2.631.810.794	+49,77%
Financial expenses	13.072.971.209	7.366.534.648	+5.706.436.561	+77,46%
General and administrative expenses	8.341.264.129	9.254.442.662	-913.178.533	-9,87%
Corporate income tax after tax profit	-13.710.316.023	-10.169.044.125	-3.541.271.898	+34,82% (Increased loss)
PAT attributable to shareholders of the Parent Company	-13.709.259.583	-10.166.561.081	-3.542.698.502	+34,85% (Increased loss)



Detailed Explanation of Causes for Variances (Consolidated):

In the third quarter of 2026, the Company recorded a net loss after tax of VND 13.71 billion, representing an increased loss of VND 3.54 billion (equivalent to a 34.82% increase in loss) compared to a loss of VND 10.17 billion in the third quarter of 2025. This outcome was primarily driven by the following core factors:

a) Sharp decline in revenue from real estate handovers (-72.87%)

Net revenue for Q3/2026 reached VND 10.47 billion, a decrease of more than VND 28.11 billion year-over-year. This reduction reflects the broader market impact from real estate sector challenges, including liquidity constraints, tighter homebuyer cash flows, and prolonged legal bottlenecks in project approval processes. Due to the specific nature of the industry, revenue is officially recognized only upon final handover of products to customers. During the period, no major projects reached the handover phase, resulting in a sharp revenue decline while fixed operational costs were continuously maintained.

b) Increasing pressure from interest expenses (+77.46%)

Financial expenses during the period (100% of which were interest expenses) rose significantly to VND 13.07 billion, up by VND 5.71 billion compared to the same period of the previous year. This factor exerted the greatest pressure on the Company's financial standing and bottom-line loss. The market slowdown prolonged project execution timelines. Credit facilities utilized for land fund development and infrastructure construction—where projects are not yet eligible for handover or revenue recognition—do not meet capitalization criteria under accounting rules, thus requiring direct recognition into operating expenses during the period.

c) Highlights from cost optimization efficiency and financial operations:

Financial income: Reached VND 7.92 billion (up by VND 2.63 billion, or +49.77% year-over-year), contributing to partially offsetting operational cash flows.

General and administrative (G&A) expenses: The Company proactively streamlined its operational structure, reducing G&A costs by VND 913.18

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