

**DUONG HIEU TRADING AND MINING  
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness**

**No: AA.../CV-DHM**

*Re: Explanation of the Profit After Tax  
Difference in Q4/2024 Turning from Profit  
to Loss Compared to the Same Period*

*Thai Nguyen, 20 January 2025*

**Respectfully To:** - State Securities Commission of Vietnam  
- Ho Chi Minh Stock Exchange (HOSE)

- 1. Organization Name: Duong Hieu Trading and Mining Joint Stock Company (“Duong Hieu Company”)
- 2. Stock Code: DHM.
- 3. Head Office: Group 5, Gia Sang Ward, Thai Nguyen City, Thai Nguyen Province
- 4. Explanation Details:

Pursuant to Clause 4, Article 14, Chapter III of Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, providing guidelines on information disclosure in the securities market. Duong Hieu Company provides an explanation for the case where the profit after corporate income tax (CIT) on the Q4/2024 financial statements shifted from profit to loss compared to the same period as follows:

Indicator	Q4/2023	Q4/2024
Profit After Tax	3.558.613.338	(1.091.879.197)

**\* Reason:**

In Q4/2024, the steel industry faced significant challenges due to increased downward pricing pressure from Chinese steel, driven primarily by domestic demand in China. Additionally, major export markets such as the EU and the US initiated anti-dumping investigations. Although the Company's revenue increased compared to the same period last year, the gross profit margin from sales declined sharply (gross profit margin fell below 1% of net revenue). Furthermore, due to the overall economic difficulties, the collection of customer receivables also faced obstacles. As a result, the Company had to make provisions for doubtful debts in accordance with regulations, leading to a substantial increase in expenses during the period. Consequently, the Company's profit after tax recorded a loss for the period.

Duong Hieu Company respectfully submits the above explanation to the relevant authorities.

Sincerely!

Recipients:

- As stated in the header;
- Filed: Office Archives.

**GENERAL DIRECTOR**  
  
**Nguyễn Thị Dung**