

**JOINT STOCK COMPANY
NAM KIM STEEL**
**SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness**

Number: 438/2025/CV-BTGD
Re: Explanation of difference in separate
income statement compared to the same
period report of the previous year

Binh Duong, January 23rd 2025

To: - State Securities Commission;
- Ho Chi Minh City Stock Exchange.

Company Name: NAM KIM STEEL JOINT STOCK COMPANY

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Stock code: NKG

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To disclose information according to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance, by this document, Nam Kim Steel Joint Stock Company would like to explain the variations in its separate income statement of the fourth quarter in 2024 as follows:

Numerical order	Item	Quarter IV Current year (01.10.2024-31.12.2024)	Quarter IV Previous year (01.10.2023-31.12.2023)	Difference	
				Amount	Percent
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
1	1. Revenue from sales of goods and rendering of services	4,482,376,502,188	4,331,041,500,784	151,335,001,404	3.49%
2	2. Revenue deductions	23,916,090,427	2,674,828,700	21,241,261,727	794.12%
3	3. Net revenue from sales of good and rending of servies	4,458,460,411,761	4,328,366,672,084	130,093,739,677	3.01%
4	4. Cost of goods sold and services rendered	4,158,825,077,091	4,043,927,730,028	114,897,347,063	2.84%
5	5. Gross profit from sales of good and rendering of services	299,635,334,670	284,438,942,056	15,196,392,614	5.34%
6	6. Financial income	103,536,824,473	43,396,423,125	60,140,401,348	138.58%
7	7. Financial expenses	168,118,465,366	87,319,248,904	80,799,216,462	92.53%
	<i>Including: Interest expense</i>	67,377,079,938	58,311,531,599	9,065,548,339	15.55%
8	8. Selling expenses	191,754,331,777	175,294,181,163	16,460,150,614	9.39%
9	9. General and administration expenses	23,824,014,010	19,522,616,394	4,301,397,616	22.03%
10	10. Net operating profit	19,475,347,990	45,699,318,720	(26,223,970,730)	-57.38%
11	11. Other income	922,922,689	471,565,029	451,357,660	95.71%

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(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
12	12. Other expenses	851,955,069	45,689,561	806,265,508	1764.66%
13	13. Net other income/(expenses)	70,967,620	425,875,468	(354,907,848)	-83.34%
14	14. Accounting profit before tax	19,546,315,610	46,125,194,188	(26,578,878,578)	-57.62%
15	15. Corporate income tax ("CIT") - current	(2,196,897,825)	8,100,722,548	(10,297,620,373)	-127.12%
16	16. CIT - deferred	-	-	-	-
17	17. Profit after tax	21,743,213,435	38,024,471,640	(16,281,258,205)	-42.82%

* The profit after tax in the financial statement of Q4.2024 is 21,743,213,435VND, decreases 42.82% compared to the same period in 2023 mainly due to:

- Revenue growth rate is 3.49%, which is the higher than 0.65% compared to the increase rate of cost of goods sold at 2.84% as the company enhances domestic and export sales channels. Cost of goods sold increases in line with sales volume; however, due to the increase of produced quantity, the average production cost decreases and then, cost of good sold only increases 2.84%. This also leads to the increase of 5.34% in gross profit margin and to the decrease of 42.82% in profit after tax.

- Selling expenses increases by 9.39% corresponding to the quantity of goods sold and the rise in transportation costs during the period.

- The financial expenses increased by 92.53% due to the rise in interest expense and exchange rate fluctuations.

Nam Kim Steel Corporation commits to the reasons reported above and takes full responsibility for the content of the explanation.

Sincerely thank.

Best regards./.

Recipient:

- As above;
- Office.

NAM KIM STEEL JOINT STOCK COMPANY

LEGAL REPRESENTATIVE



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