

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

Number : 607/2025/CV-BTĐĐ

Binh Duong, March 24th 2025

Re: Explanation of difference in the after
audit consolidate income statement compared
to the same period report of the previous year

**EXPLANATION OF THE COMPANY'S CONSOLIDATE INCOME STATEMENT
AFTER THE AUDIT OF THE 2024 FISCAL YEAR**

To:

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

Company Name: NAM KIM STEEL JOINT STOCK COMPANY
Head office: Lot A1, Road D2, Dong An 2 Industrial Park, Hoa Phu Ward, Thu Dau
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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 after audit consolidate income statement of 2024 compared to the same period of the previous year as follows:

Numerical order	Item	Accumulated in current year (01.01.2024- 31.12.2024)	Accumulated in previous year (01.01.2023- 31.12.2023)	Difference	
				Amount	Percent
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
1	Revenue from sales of goods and rendering of services	20,707,517,191,896	18,621,212,567,707	2,086,304,624,189	11.20%
2	Revenue deductions	98,495,001,819	25,238,314,620	73,256,687,199	290.26%
3	Net revenue from sales of good and rending of servies	20,609,022,190,077	18,595,974,253,087	2,013,047,936,990	10.83%
4	Cost of goods sold and services rendered	18,777,248,235,147	17,483,711,237,040	1,293,536,998,107	7.40%
5	Gross profit from sales of good and rendering of servies	1,831,773,954,930	1,112,263,016,047	719,510,938,883	64.69%
6	Financial income	340,616,629,555	230,378,542,142	110,238,087,413	47.85%
7	Financial expenses	477,097,484,465	426,154,979,605	50,942,504,860	11.95%
	<i>Including: Interest expense</i>	207,841,259,563	292,679,834,464	(84,838,574,901)	-28.99%
8	Selling expenses	1,017,598,597,652	609,117,894,559	408,480,703,093	67.06%

Numerical order	Item	Accumulated in current year (01.01.2024-31.12.2024)	Accumulated in previous year (01.01.2023-31.12.2023)	Difference	
				Amount	Percent
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
9	General and administration expenses	120,241,517,086	130,296,253,597	(10,054,736,511)	-7.72%
10	Net operating profit	557,452,985,282	177,072,430,428	380,380,554,854	214.82%
11	Other income	2,131,688,227	597,160,588	1,534,527,639	256.97%
12	Other expenses	1,414,688,014	358,676,837	1,056,011,177	294.42%
13	Net other income/(expenses)	717,000,213	238,483,751	478,516,462	200.65%
14	Accounting profit before tax	558,169,985,495	177,310,914,179	380,859,071,316	214.80%
15	Corporate income tax ("CIT") - current	106,682,329,798	60,755,885,161	45,926,444,637	75.59%
16	CIT - deferred	(1,520,488,743)	(853,536,140)	(666,952,603)	-78.14%
17	Profit after tax	453,008,144,440	117,408,565,158	335,599,579,282	285.84%

* The accumulated profit after tax (01.01.2024-31.12.2024) on the 2024 financial statement is 453,008,144,440 VND, increased by 285.84% compared to the same period in 2023 mainly due to:

- Revenue growth rate is 11.20%, which is the higher than 3.80% compared to the increase rate of cost of goods sold at 7.40% as the company enhances domestic and export sales channels. Cost of goods sold increases in line with sales volume; however, due to the increased production quantity, the average production cost decreased and then, cost of good sold only increases 7.40%. This also leads to the increase of 64.69%, in gross profit margin and 285.84% in profit after tax.

- Selling expenses increases by 67.06% corresponding to the quantity of goods sold and the rise in transportation costs during the period.

- The financial expenses increased by 11.95% 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



VŨ HOANG VU