

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

Number: 606/2025/CV-BTGĐ

Binh Duong, March 24th 2025

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

**EXPLANATION OF THE PARENT COMPANY'S SEPARATE 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
Mot City, Binh Duong Province.

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 separate income statement of 2024 compared to the same period of the previous year as follows:

Numerical order	Item	Accumulated in current year (January 1, 2024- December 31, 2024)	Accumulated in previous year (January 1, 2023- December 31, 2023)	Difference	
				Amount	Percent
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
1	Revenue from sales of goods and rendering of services	20,661,909,458,301	18,426,740,344,544	2,235,169,113,757	12.13%
2	Revenue deductions	80,959,799,594	17,280,732,718	63,679,066,876	368.50%
3	Net revenue from sales of good and rendering of services	20,580,949,658,707	18,409,459,611,826	2,171,490,046,881	11.80%
4	Cost of goods sold and services rendered	18,763,690,324,964	17,232,068,110,177	1,531,622,214,787	8.89%
5	Gross profit from sales of good and rendering of services	1,817,259,333,743	1,177,391,501,649	639,867,832,094	54.35%
6	Financial income	343,902,266,311	230,352,795,963	113,549,470,348	49.29%
7	Financial expenses	477,017,181,148	411,148,106,931	65,869,074,217	16.02%
	<i>Including: Interest expense</i>	207,761,366,091	277,673,662,130	(69,912,296,039)	-25.18%
8	Selling expenses	1,017,423,640,564	608,919,348,911	408,504,291,653	67.09%



Numerical order	Item	Accumulated in current year (January 1, 2024- December 31, 2024)	Accumulated in previous year (January 1, 2023- December 31, 2023)	Difference	
				Amount	Percent
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(5)/(4)
9	General and administration expenses	104,710,686,178	116,840,722,168	(12,130,035,990)	-10.38%
10	Net operating profit	562,010,092,164	270,836,119,602	291,173,972,562	107.51%
11	Other income	2,131,682,075	595,565,117	1,536,116,958	257.93%
12	Other expenses	1,396,151,480	358,083,056	1,038,068,424	289.90%
13	Net other income/(expenses)	735,530,595	237,482,061	498,048,534	209.72%
14	Accounting profits before tax	562,745,622,759	271,073,601,663	291,672,021,096	107.60%
15	Corporate income tax ("CIT") - current	106,682,329,798	60,755,885,161	45,926,444,637	75.59%
16	CIT - deferred	-	-	-	-
17	Profit after tax	456,063,292,961	210,317,716,502	245,745,576,459	116.84%

* The accumulated profit after tax (01.01.2024-31.12.2024) on the 2024 financial statement is 456,063,292,961 VND, increased by 116.84 % compared to the same period in 2023 mainly due to:

- Revenue growth rate is 12.13%, which is the higher than 3.24% compared to the increase rate of cost of goods sold at 8.89% 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 8.89%. This also leads to the increase of 54.35% in gross profit margin and 116.84% in profit after tax.

- Selling expenses increases by 67.09% corresponding to the quantity of goods sold and the rise in transportation costs during the period.

- The financial expenses increased by 16.02% 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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