

**THANH NAM GROUP JOINT  
STOCK COMPANY**

**THE SOCIALIST REPUBLIC OF VIETNAM**  
**Independence – Freedom – Happiness**

NO: 07/2025/CV-TNI  
*Subject: Explanation of the  
Difference in Revenue and Profit  
for 2024 Compared to 2023*

*Hanoi, March 29, 2025*

**Kính gửi:** - State Securities Commission  
- Ho Chi Minh Stock Exchange

Company: THANH NAM GROUP JOINT STOCK COMPANY  
Stock Code: TNI  
Stock exchange: HOSE

Business registration number: 0101515686 issued by the Hanoi Department of Planning and Investment on July 17, 2009.

Head Office Address: 3rd Floor, Tower A, Golden Palace Building, No. 99 Me Tri Road, Me Tri Ward, Nam Tu Liem District, Hanoi, Vietnam

Our company would like to extend our respectful greetings to your esteemed agencies!

Based on :

- Circular No. 96/2020/TT-BTC dated November 16, 2020, by the Ministry of Finance on the guidance for information disclosure on the stock market.
- The financial report for 2024 of Thanh Nam Group Joint Stock Company.

Thanh Nam Group Joint Stock Company (Stock code TNI) would like to provide an explanation to your esteemed agencies regarding the changes in revenue and profit after corporate income tax in the 2024 income statement compared to 2023 as follows:

No.	Indicator	2024	2023	Difference (%)
1	Parent company revenue	767,034,496,179	654,912,642,137	17%
2	Consolidated company revenue	992,703,709,958	761,387,124,989	30%
3	Parent company profit after tax	- 21,777,957,551	1,897,499,333	-1048%
4	Consolidated company profit after tax	- 27,761,176,731	478,172,346	-5706%

### **Reasons:**

The main reason for the change in revenue and profit after tax in 2024 compared to 2023 is as follows:

In 2024, the Vietnamese steel market recorded a recovery and positive growth after the previous difficult period. Specifically, finished steel production reached 26.9 million tons, up by 7.7% compared to 2023, while finished product consumption reached 26.7 million tons, up 13% year-on-year. Steel exports reached 7.6 million tons, up 2.8% compared to the previous year. In February 2025, the Vietnam Steel Association proposed that the government impose anti-dumping duties on imported galvanized steel from China and Korea due to increased competitive pressure. Prior to that, Vietnam had applied temporary anti-dumping duties ranging from 19.38% to 27.83% on some hot-rolled coil steel products from China, effective from March 7, 2025.

In 2024, in addition to maintaining strong relationships with long-standing traditional partners, the company expanded into manufacturing businesses and foreign companies relocating to Vietnam under FDI. As a result, the revenue for this year has significantly increased. However, despite the increase in revenue, the gross profit margin has decreased sharply, accounting for approximately 50% compared to the same period last year. The main reasons for this include: high input material costs, large purchasing expenses, and high financial costs, which have eroded profits due to the high outstanding bank loans.

### **Results:**

- Parent company revenue: Increased by 17%, from VND 654 billion to VND 767 billion.
- Consolidated company revenue: Increased by 30%, from VND 761 billion to VND 993 billion

The profit after tax for both the parent company and the consolidated company has decreased sharply. In light of the above financial picture, the company's management has identified key priorities for 2025 and has developed a specific action plan to improve profitability and offset the losses from previous years. This plan includes:

Reviewing costs and finding ways to optimize material costs and manage inventory effectively.

Managing cash flow and ensuring timely collection of receivables to avoid capital being tied up.

Strictly controlling debt, with a focus on reducing outstanding loans to safe levels to reduce financial costs.

Reviewing sales prices and profit margins to ensure better business results in the coming year.

We sincerely thank you for your attention!

ON BEHALF OF THE BOARD OF  
DIRECTORS  
CHAIRMAN



NGUYEN HUNG CUONG

