

Ho Chi Minh City, April, 18 2025

No: 124/CV-TNB

*Re: Explanation of the Income Statement
for Quarter 1 of 2025*

**To: The State Securities Commission of Viet Nam
Ha Noi Stock Exchange.**

VNSTEEL – Nha Be Steel Joint Stock Company (Stock symbol: TNB) provides an explanation for the profit in Quarter 1 of 2025 compared to Quarter 1 of 2024 as follows:

Items	Profit before Tax (VND)	Profit after tax (VND)
Quarter 1 of 2024	958,750,320	767,000,247
Quarter 1 of 2025	93,847,070	74,277,654
Comparison (+/-)	(864,903,250)	(692,722,593)

⇒ Profit after tax for Quarter 1 of 2025: compared to the same period last year decreased by 0.693 billion VND (90,32%).

Reason:

- Revenue from sale of goods and rendering of services in Q1/2025 was 337.381 billion VND compared to 296.084 billion VND in Q1/2024, an increase of 41.297 billion VND (an 13.91% increase). However, the cost of goods sold in Q1/2025 compared to the same period last year increased by 42.866 billion VND (an 15.35% increase), resulting in a gross profit decrease of 1.558 billion VND (10.97% decrease). In the context of production and consumption facing many difficulties, with fluctuating input material prices, the company has implemented various cost – cutting measures to reduce production costs.
- Financial expenses in Q1/2025 decreased compared to the same period last year by 0.178 billion VND because: The company has accelerated the collection of receivables and appropriately balanced inventory, while interest rates from banks have decreased compared to the same period last year.





- Selling expenses in Q1/2025 decreased by 0.508 billion VND due to a reduction in branding costs compared to the same period last year.
- Administrative expenses in Q1/2025 not much increased by 0.063 billion VND compared to the same period last year.
- Other profit in Q1/2025 decreased by 0.435 billion VND compared to the same period last year due to other expense (pay the fine, corporate income tax arrears, late payment of corporate income tax arrears) increasing compared to the same period.

Sincerely.

Recipient:

- As above.
- Archive TC-KT, VP

Deputy General Director 

Nguyen Hữu Khánh

C.P. * H.A.