

No.: 1565/CV-QNC

Re: Explanation of differences in business
results Q2/2025 compared to the same period

Quang Ninh, July 30, 2025

To:

- The State Securities Commission of Vietnam;
- Hanoi Stock Exchange.

Company name: Quang Ninh Construction and Cement Joint Stock Company

Stock code: QNC

Address: Hop Thanh Area – Yen Tu Ward – Quang Ninh Province

Quang Ninh Construction and Cement Joint Stock Company respectfully sends its greetings to the Authorities.

According to the Q2/2025 Financial Statements prepared on July 30, 2025, which include both Separate and Consolidated Financial Statements,

The business results show a difference of more than 10% in pre-tax and post-tax profit indicators compared to the same period last year:

1. In the Separate Financial Statements:

- Profit before tax in Q2/2025 reached VND 9.88 billion, a decrease of VND 24.29 billion (down 71.08%) compared to the same period last year.
- Accumulated profit before tax for the first 6 months reached VND 17.15 billion, down VND 23.78 billion (down 58.10%) year-on-year.
- Profit after corporate income tax in Q2/2025 was VND 8.48 billion, down VND 18.54 billion (down 68.61%) compared to the same period last year.
- Accumulated after-tax profit for 6 months was VND 13.61 billion, a decrease of VND 18.65 billion (down 57.81%) year-on-year.

2. In the Consolidated Financial Statements:

- Profit before tax in Q2/2025 reached VND 9.88 billion, down VND 24.32 billion (down 71.11%) compared to the same period in 2024.
- Accumulated profit before tax for 6 months reached VND 17.15 billion, down VND 23.76 billion (down 58.07%) year-on-year.
- Profit after corporate income tax attributable to shareholders of the parent company in Q2/2025 was VND 8.48 billion, a decrease of VND 18.55 billion (down 68.62%) year-on-year.
- Accumulated after-tax profit for 6 months of the parent company was VND 13.61 billion, down VND 18.59 billion (down 57.73%) compared to the same period last year.

3. Main reasons for the significant decline in profit in Q2/2025:

- Input costs for key materials, fuels, lubricants, and other minerals used in cement production increased compared to the previous quarter. In addition, the electricity price increased by an average of 4.8% from May 10, 2025, causing the Company's monthly expenses to rise by VND 1.15 billion.

Moreover, the use of alternative materials in production remained limited.

- The production and consumption volume of cement in Q2/2025 and the first 6 months declined by **91.7 thousand tons**, equivalent to a **11.5%** decrease compared to the same period.

Product selling prices remained low, with average prices down **VND 150,000–170,000/ton** compared to the same period, thus significantly reducing profitability.

The domestic market in particular showed no improvement, with selling prices dropping even further due to market oversupply.

- To remain competitive in the industry, the Company invested in **technology upgrades** and **production line improvements** to ensure product quality stability.

This led to increased capital requirements and higher financial expenses. As a result, total financial expenses in the first 6 months increased by **VND 4.6 billion**, equivalent to a **17.84%** increase year-on-year.

We hereby certify that the disclosed information is true and we assume full legal responsibility for the accuracy and content of this disclosure.

GENERAL DIRECTOR ✓

Recipients:

- As above
- Filed at Finance –
- Accounting Dept. and Office
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To Ngọc Hoang