

*Re: Explanation of difference in business results
Quarter 4/2024 compared to the same period*

**To: - State Securities Commission
- Hanoi Stock Exchange**

*Company name: Quang Ninh Construction and Cement Joint Stock Company
Stock code : QNC
Address : Hop Thanh Area, Phuong Nam Ward, Uong Bi City,
Quang Ninh Province*

Quang Ninh Construction and Cement Joint Stock Company would like to send our best regards to all agencies.

According to the Quarter 4/2024 Financial Report prepared on January 23, 2025 of QNC, including the Separate Financial Report and the Consolidated Financial Report.

With the business results compared to the same period last year, there is a difference in the indicators of Profit before tax and after corporate income tax of over 10%:

1. In Separate Financial Report:

+ Profit before tax in the fourth quarter of 2024 reached VND 5.73 billion, in the same period last year it lost VND 18.8 billion. Accumulated profit before tax for the whole year reached VND 51.37 billion, in the same period last year it reached VND 100.18 billion, compared to the same period it decreased by VND 48.81 billion, equivalent to a decrease of 48.72%.

+ Profit after corporate income tax of the Company in the fourth quarter of 2024 reached VND 5.06 billion, in the same period last year it lost VND 20.08 billion. Accumulated profit after tax for the whole year reached VND 40.40 billion, in the same period last year it reached VND 79.19 billion, compared to the same period it decreased by VND 38.79 billion, equivalent to a decrease of 48.98%.

2. In Consolidated Financial Report:

+ Pre-tax profit in Quarter 4/2024 reached VND 5.71 billion, in the same period last year it lost VND 18.86 billion. Accumulated pre-tax profit for the whole year reached VND 51.33 billion, compared to the same period a decrease of VND 52.57 billion, equivalent to a decrease of 50.59%.

+ Profit after corporate income tax distributed to shareholders of the parent company in Quarter 4/2024 reached VND 5.05 billion, in the same period last year it lost VND 20.07 billion. Accumulated profit after tax for the whole year of the parent company reached VND 40.34 billion, compared to the same period a decrease of VND 42.45 billion, equivalent to a decrease of 51.27%.

The main reason for the increase in Quarter 4/2024 profit compared to the same period last year, but the cumulative profit for the whole year decreased sharply, is:

- Although input costs of main raw materials such as coal, iron ore, silicon, additives, fuel, grease and other minerals in cement production increased compared to the same period last year, production output in the fourth quarter of 2024: Clinker increased by 58,530 tons, equivalent to an increase of 24% over the same period; cement increased by 30,518 tons, equivalent to an increase of 7.62%. Accumulated for the whole year, cement increased by 87,855 tons, equivalent to an increase of 5.8% over the same period. Therefore, fixed costs such as depreciation costs and financial costs decreased. Therefore, profit in the fourth quarter of 2024 increased compared to the same period.

- The cement supply forecast for the entire industry in 2025 is still around 120 million tons, while domestic and export demand is expected to be 70 million tons, with a surplus of 50 million tons. To compete with other companies in the same industry, the company has had to invest in improving technology, upgrading production lines, and using alternative materials to reduce production costs and increase competitiveness compared to other companies in the same industry.

We hereby commit that the information published above is true and we are fully responsible before the law for the content of the published information.

Recipients:

- As above;
- File in Finance & Accounting Dept. and Office.

GENERAL DIRECTOR



Tô Ngọc Hoàng