

**PHUONG ANH INTERNATIONAL JOINT
STOCK COMPANY**
No.:07/2025/CV-PAS

**SOCIALIST REPUBLIC OF
VIETNAM**
Independence - Freedom - Happiness

Re: Explanation of Revenue and Profit Differences in 2024 Compared to 2023

**To: - STATE SECURITIES COMMISSION
- HANOI STOCK EXCHANGE**

Name of listed organization: *PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY*
Stock code: *PAS*

Trading office: UPCOM

Number 0900613295 issued by the Department of Planning and Investment and Investment of Hung Yen province, first registered on August 30, 2010, 19th change registered on January 24, 2024.

Head office address: No. 60 Pham Ngu Lao Street, Tu My Residential Area, Phung Chi Kien Ward, My Hao Town, Hung Yen Province.

Our company would like to send our best regards to all agencies!

Pursuant to:

- Circular 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the stock market.

- The 2024 Financial Statements of Phuong Anh International Joint Stock Company

Phuong Anh International Joint Stock Company (Stock code: PAS) would like to provide an explanation to the relevant authorities regarding the fluctuations in revenue and profit after corporate income tax in the 2024 income statement compared to 2023 as follows:

Numerical order	Target	2024	2023	Difference Amount	Percentage
I	Parent company				
1	Revenue	1.068.089.717.388	683.162.687.450	384.927.029.938	56%
2	Profit after corporate income tax	2.913.806.355	(288.942.602)	3.202.748.957	1.108%
II	Consolidated company				
1	Revenue	1.068.089.717.388	683.162.687.450	384.927.029.938	56%
2	Profit after corporate income tax	4.216.840.592	(288.942.602)	4.505.783.194	1.559%

Reasons:

The main reason for the fluctuation in revenue and net profit after tax in 2024 compared to 2023 is due to the following key factors in Vietnam's steel market:

1. Production and Consumption

- **Finished steel production:** Reached nearly **26.9 million tons**, increasing **7.7%** compared to 2023.
- **Finished steel consumption:** Reached **26.7 million tons**, increasing **13%** year over year.

2. Import and Export

- **Steel exports:** Approximately **12.62 million tons**, up **13.47%**, with a value of **\$9.08 billion**, up **8.78%** from 2023.
- **Steel imports:** In the first nine months of 2024, Vietnam imported **12.299 million tons** of finished steel, up **31.65%** in volume and **18.95%** in value compared to the same period in 2023.

3. Market Prices

- **Construction steel prices:** At the end of 2023, prices ranged from **13.8 to 15.3 million VND/ton**. At the beginning of 2024, prices increased by **150,000 – 370,000 VND/ton**, reaching **14 – 14.5 million VND/ton**, and remained stable until the end of the month.
- **Price fluctuations throughout the year:** The global and domestic steel markets faced upward price pressure due to macroeconomic factors, with domestic steel prices increasing by nearly **500 VND/kg** in September 2024, following the upward trend of Chinese steel prices.

4. Policies

- **Anti-dumping measures:** In February 2025, Vietnam decided to impose temporary anti-dumping tariffs ranging from **19.38% to 27.83%** on some hot-rolled coil steel products from China, effective from **March 7, 2025**, for **120 days**.
- **Import pressure:** The Vietnam Steel Association (VSA) urged the government to impose tariffs on imported galvanized steel from China and South Korea due to a surge in imports, accounting for **64% to 67%** of total imports in 2022–2023, putting significant pressure on the domestic steel industry.

5. Outlook and Forecast

- **Production growth:** Domestic steel production is on a strong growth trajectory. The Vietnam Steel Association (VSA) estimates that production could grow by **up to 8% in 2025**.
- **Challenges from international markets:** The U.S. will impose a **25% tariff on all imported steel products starting March 4, 2025**, which may impact Vietnam's steel exports, requiring strategic adaptations by the industry.

Overall, 2024 marked a **recovery and growth** for Vietnam's steel industry, with **significant increases** in production, consumption, and exports. However, the sector also faced challenges from **low-cost imported steel and international trade defense measures**.

Company Performance

At **Phuong Anh Company**, the leadership closely monitored domestic and global market trends, strengthened market exploration efforts, and sought new customers. The company also proactively developed **strategic purchasing plans**, carefully selecting sources that meet quality and pricing standards.

Additionally, **import operations** and **inventory management** were efficiently managed, ensuring stock levels were aligned with actual business needs to **minimize excess inventory**. The company also maintained **strict cost control**, focusing on key expenses to **maximize profitability**.

Results

1. Strong Revenue Growth

- **Net revenue for both the parent company and the consolidated group reached 1.068 trillion VND**, increasing **56%**.



- This indicates **expansion in core business operations and strong revenue growth.**

2. Impressive Profit Turnaround

- **Net profit after tax (Parent company):** Increased from a loss of 288 million VND to 2.913 trillion VND, a 1,108% increase.
- **Net profit after tax (Consolidated group):** Increased from a loss of 288 million VND to 4.216 trillion VND, an increase of 4.505 trillion VND 1,559%.

2024 was a **breakthrough year** for the company, with **strong revenue and profit growth**. However, the company is also analyzing the key factors behind this growth to ensure **long-term sustainability**. **Leveraging this momentum**, Phuong Anh Company aims to continue **expanding market share and achieving further growth in the coming years**.

Recipients:

- As sent;
- TC-KT storage

**Phuong Anh International
Joint Stock Company**



CHỦ TỊCH HĐQT.
Nguyễn Hùng Cường

