

Vinh Phuc, March 26, 2024

To :

- State Securities Commission of Vietnam
- Hanoi Stock Exchange

- Listed Organization: **Nagakawa Group Joint Stock Company**
- Stock Code: **NAG**
- Head Office: **Zone 9, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province.**

Nagakawa Group Joint Stock Company would like to explain the differences in net revenue and post-tax profit in the consolidated and combined audited financial statements for 2024 compared to the same period last year as follows:

Summary of Combined Business Results Report:

No.	Indicator	2024	2023	Increase/Decrease (+/-)	Rate (+/-)
1	Net Revenue	2.644.545.900.751	2.056.572.188.378	587.973.712.373	28,59%
2	Post-Tax Profit	26.142.820.143	35.895.084.995	-9.752.264.852	-27,17%

Summary of Consolidated Business Results Report:

No.	Indicator	2024	2023	Increase/Decrease (+/-)	Rate (+/-)
1	Net Revenue	2.723.254.612.787	2.118.135.624.311	605.118.988.476	28,57%
2	Post-Tax Profit	26.944.177.745	25.150.148.589	1.794.029.156	7,13%

The percentage change in net revenue and post-tax profit of the company in 2024 compared to 2023 is detailed as follows:

Combined Business Results Report: Net revenue increased by VND 579 billion, equivalent to a 28,59% increase. Post-tax profit decreased by VND 9,8 billion, equivalent to a 27,17% decrease. The decline in post-tax profit was due to the strong growth in the air conditioning sector in 2024, with the company's strategic products achieving significant market penetration. However, due to the company's nationwide business model, which includes distributing products from the parent company to its subsidiaries under comprehensive sales support policies to help them maximize market share, the post-tax profit in the combined report decreased. Nevertheless, in the consolidated report, post-tax profit still showed growth.

Consolidated Business Results Report: Net revenue increased by VND 605 billion, equivalent to a 28,57% increase. Post-tax profit increased by VND 1,79 billion, equivalent to a 7,13% increase. The increase in post-tax profit was due to the strong growth of the air conditioning sector in 2024, with the company's strategic products achieving significant market penetration, leading to relatively good revenue growth. However, due to the competitive nature of the market, although the company was able to capture market share in the industry, it did not achieve a corresponding level of profit growth.

Nagakawa Group Joint Stock Company respectfully requests the State Securities Commission of Vietnam and the Hanoi Stock Exchange to disclose this explanation to ensure that investors have complete information about the company's audited 2024 financial statements.

Sincerely!

Recipients:

- As above
- Internal archives (KT, VT)

NAGAKAWA GROUP JOINT STOCK COMPANY

