

**PHUONG ANH INTERNATIONAL
JOINT STOCK COMPANY**

No.: 20/2025/CV-PAS

Re: Explanation of revenue and profit
discrepancies in Q2/2025 compared to Q2/2024

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

Hung Yen, July 28, 2025

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

Listed Organization: **PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY**

Stock Code: **PAS**

Exchange: **UPCOM**

Business Registration Certificate No. 0900613295 issued by the Hung Yen Department of Planning and Investment for the first time on August 30, 2010, amended for the 19th time on January 24, 2024

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

We respectfully send our greetings to your esteemed agencies!

Under:

- Circular No. 96/2020/TT-BTC dated November 16, 2020, of the Ministry of Finance guiding information disclosure on the securities market.

- Q2/2025 Financial Statements of Phuong Anh International Joint Stock Company.

Phuong Anh International Joint Stock Company (stock code PAS) hereby explains the differences in revenue and after-tax profit in the Q2/2025 business performance report compared to the same period in 2024 as follows:

No.	Item	Q2.2025	Q2.2024	Difference Amount	Percentage (%)
I	Parent Company				
1	Revenue	579,974,889,087	353,598,923,035	226,375,966,052	64%
2	Profit after Corporate Income Tax	1,238,545,916	792,921,655	445,624,261	56%
II	Consolidated Company				
1	Revenue	579,974,889,087	353,598,923,035	226,375,966,052	64%
2	Profit after Corporate Income Tax	9,127,073	792,921,655	(783,794,582)	-99%

Reasons:

Although Vietnam's steel industry in the first 6 months of 2025 continued to face many challenges in terms of exports due to falling global steel prices, rising logistics costs, and trade barriers in many markets, domestic consumption demand has shown a strong recovery, especially in the industrial and civil construction sectors, as well as public investment projects.

According to the Vietnam Steel Association (VSA), domestic finished steel consumption increased by more than 10% year-on-year, with construction steel alone increasing by nearly 20%. This presented an opportunity for enterprises with a wide domestic distribution network and the ability to quickly respond to consumption trends — such as Phuong Anh International Joint Stock Company — to effectively capitalize on and expand revenue.



In this context, the Company proactively implemented a series of measures to seize the domestic market recovery momentum, specifically:

- Restructuring the customer portfolio, prioritizing customers with stable demand, good cash flow, and long-term growth potential;
- Strengthening the multi-channel sales strategy by combining the traditional commercial network with digital transformation in order management and customer tracking (CRM);
- Increasing the volume of outsourced processing products to maximize capacity and control costs;
- Optimizing inventory and flexibly coordinating production, improving capital turnover, and enhancing asset utilization efficiency.

Thanks to a strategy aligned with market realities, the parent company's revenue in Q2/2025 increased sharply by 64% compared to the same period last year, surpassing the industry average growth rate. This affirms the Company's adaptability and the effective implementation of its business plan while the steel industry is undergoing significant restructuring and differentiation.

Regarding consolidated profit, despite the sharp increase in revenue, consolidated after-tax profit in Q2/2025 recorded a significant decrease as the Company made provisions for long-term financial investments in subsidiaries and associates. These are strategic investments that are still in the investment and construction phase and have not generated actual cash flows or profits during the period. This provisioning is necessary to ensure prudence and compliance with accounting regulations, while laying the foundation for consolidated profit growth in the coming years when projects come into operation.

Results:

- The parent company and consolidated net revenue in Q2/2025 increased by more than 64%, equivalent to VND 226 billion, compared to the same period last year.
- The parent company's after-tax profit increased by 56%, equivalent to VND 445 million.
- Consolidated after-tax profit decreased compared to the same period due to the impact of provisions for financial investments in projects under development, which have not yet generated revenue or profit. These are strategic projects expected to deliver positive results in the medium and long term once completed and put into operation.

We sincerely thank you!

Recipients:

- As above;
- Accounting – Finance Department
- Administration Department

PHUONG ANH INTERNATIONAL
JOINT STOCK COMPANY



CHỦ TỊCH HĐQT
Nguyễn Hùng Cường