

**PHUONG ANH INTERNATIONAL
JOINT STOCK COMPANY**

No.: 20/2025/CV-PAS

*Re Explanation of revenue and profit
variances for the first six months of 2025
compared to the first six months of 2024*

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

Hung Yen, August 29, 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, Duong Hao Ward, 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 first six months of 2025 compared to the same period in 2024 are as follows:

No.	Target	First six months of 2025	First six months of 2024	Difference Amount	Percentage rate
I	Parent company				
1	Revenue	846,679,860,230	581,091,997,835	265,587,862,395	46%
2	Profit after corporate income tax	3,920,022,894	1,810,202,703	2,109,820,191	117%
II	Consolidated company			-	
1	Revenue	846,679,860,230	581,091,997,835	265,587,862,395	46%
2	Profit after corporate income tax	1,764,102,962	1,810,202,703	(46,099,741)	-3%

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 the first six months of 2025 surged by 46% compared to the same period last year, exceeding the industry's average growth rate. This affirms the company's adaptability and effective execution of its business plan amid the steel industry's ongoing restructuring and significant differentiation.

Regarding consolidated profit, although revenue increased significantly, consolidated profit after tax in the first six months of 2025 recorded a slight decline, as the Company made provisions for long-term financial investments in subsidiaries and associates. These are strategic investments that are currently in the construction phase, thus not yet generating cash flows or actual profits during the period. Such provisioning is necessary to ensure the principle of prudence and compliance with accounting regulations, while at the same time laying the foundation for consolidated profit growth in the coming years once the projects become operational.

Results:

- Net revenue of the parent company and the consolidated group in the first six months of 2025 increased by more than 46%, equivalent to VND 265 billion, compared to the same period last year
- Parent company's profit after corporate income tax increased by 117%, equivalent to VND 2.1 billion
- 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