

THAI NGUYEN IRON AND STEEL JOINT
STOCK COMPANY
THAI TRUNG ROOLING JOINT STOCK
COMPANY

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No.: 06/CV-TTR
Re: Explanation related to
Company's Q4/2024 Financial Statements

Thai Nguyen, January 15, 2025

To: - The State Securities Commission;
- Ha Noi Stock Exchange

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

Based on the Financial Statements for Quarter 4 2024 of Thai Trung Rooling Joint Stock Company (stock symbol: TTS)

Thai Trung Rooling Joint Stock Company would like to explain the following contents:

1. Explanation of Loss Cause:

Total revenue and other income in the fourth quarter of 2024 amounted to 1.482.286.426.531 VND, while total expenses were: 1.483.985.824.122 VND, resulting in a loss of 1.699.397.591 VND, the corporate income tax adjustment led to a reduction of 326.188.577 VND (Due to the re-assessment of income tax for 2024), resulting in a loss after tax of 1.373.209.014 VND as follows:"

Total revenue and other income include:

Revenue from sales & services:

1.482.286.426.531 VND

Financial income:

1.482.270.513.917 VND

Other income:

376.251 VND

15.536.363 VND

Total cost includes:

1.483.985.824.122 VND

Cost of goods sold:

1.474.116.858.476 VND

Financial expenses:

6.890.377.436 VND

Selling expenses:

55.417.319 VND

Management expenses:

2.918.220.891 VND

Other expenses:

4.950.000 VND

2. Explanation of the reason for the difference in after-tax profit in the fourth quarter of 2024 compared to the same period in 2023: In the fourth quarter of 2024, the company lost 1.373.209.014 VND, while in the fourth quarter of 2023, the company made a profit of 7.813.458.841 VND:

- In the fourth quarter of 2024, despite a good steel consumption market and a 27.217-ton increase in consumption (equivalent to a 28,7% increase), the selling price of steel decreased by 7,2%, which led to a 19,2% increase in sales revenue compared to the same period last year.

- In the fourth quarter of 2024, the price of steel dropped by 7,2%, the price of the main raw material (steel billet) only decreased by 0,7%, the price of FO oil dropped by 2,04%, but the average electricity price increased by 5,5%. At the same time, the increase in consumption led to a 252,5 billion VND increase in total costs (equivalent to a 20,7% increase), which caused the company's gross profit to decrease by 13,4 billion VND compared to the same period last year.

- In the fourth quarter of 2024, Financial expenses decreased by 1,95 billion VND, equivalent to a 22% decrease, due to a reduction in short-term loan interest rates from 8% to 7%, as well as a decrease in long-term debt by 79,5 billion VND.

According to Decree 132/2020/ND-CP dated November 5, 2020 issued by the Government, after re-assessment of corporate income tax, the company recorded a loss after tax of 1,37 billion VND in the fourth quarter of 2024.

Thai Trung Roolling Joint Stock Company would like to explain to the State Securities Commission, Hanoi Stock Exchange and express our gratitude for their support and assistance in recent times, hoping to receive more support and guidance in disclosing information on the stock market.

Sincerely thank you!

Recipients:

- As above;
- Board of Directors, Supervisory Board of the Company;
- General Director, Deputy General Director of the Company;
- www.ttr.com.vn;
- Archived: Accounting and Finance Department (8b). 

GENERAL DIRECTOR

