

EXPLANATION OF FINANCIAL STATEMENT VARIANCES

To: - The State Securities Commission
- The Hanoi Stock Exchange

Company Name: Pomina Steel Corporation

Stock Code: POM

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Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance providing guidelines on information disclosure on the securities market;

Pomina Steel Corporation (Stock Code: POM) would like to provide an explanation for the fluctuations in its business results for the year 2024 compared with those of 2023, based on the independently audited financial statements for the fiscal year ended 31 December 2024, as follows:

I. EXPLANATION OF BUSINESS RESULT FLUCTUATIONS IN 2025 COMPARED TO 2024 (AUDITED FIGURES)

According to the independently audited financial statements, the Company's profit or loss results were as follows:

Financial Statement Indicator (Audited)	FY 2025 (VND)	FY 2024 (VND)	Loss Increase/Decrease (VND)	Variance Percentage
1. CONSOLIDATED REPORT				
- Net revenue	2,206,456,067,167	2,377,855,649,860	-171,399,582,693	-7.21%
- Gross profit from sales	132,919,031,228	(26,323,481,833)	+159,242,513,061	Shifted to gross profit
- Corporate income tax PAT	(836,447,305,513)	(1,010,747,603,000)	+174,300,297,487	-17.24% (Loss reduced)
2. PARENT COMPANY REPORT				
- Net revenue	226,969,170,391	71,692,313,817	+155,276,856,574	+216.59%
- Gross profit from sales	25,789,841,968	(51,641,442,309)	+77,431,284,277	Shifted to gross profit
- Corporate income tax PAT	(798,720,139,049)	(1,009,813,684,935)	+211,093,545,886	-20.90% (Loss reduced)



Primary causes of fluctuations between the two financial years:

- **For the Consolidated Financial Statements:** Although net revenue decreased slightly due to the continued challenges in both domestic and export steel markets, the reduction in net loss was mainly attributable to the optimization of raw material costs and effective control over the cost of goods sold.
- **For the Parent Company Financial Statements:** The Parent Company's loss after tax decreased by VND 211.1 billion, equivalent to a 20.90% reduction compared to 2024. This improvement was primarily attributable to higher net revenue, together with the implementation of cost-saving measures and the optimization of administrative and general management expenses.

Meanwhile, the profits generated by the Company's dependent units and subsidiaries were not sufficient to offset the fixed costs borne by the Company, including interest expenses. This was the primary reason why the Company continued to record a loss in 2025.

II. EXPLANATION OF THE BASIS FOR THE QUALIFIED AUDIT OPINION

To address the Company's liquidity constraints and support the recovery of its production operations, the Board of Directors and the Board of Management have been actively implementing a number of significant remedial and restructuring measures during 2026, including the following:

1. Signing a strategic cooperation agreement to secure long-term working capital: On January 31, 2026, the Company entered into Cooperation Agreement No. 3101/2026/HĐK/VHM-POMINA with Vinhomes Joint Stock Company. Under the agreement, Vinhomes committed to providing comprehensive financial support for the production and business operations of Pomina Group (including the Company and its affiliated entities: Pomina 1, Pomina 2 and Pomina 3) for a period of two years commencing from 2026. This agreement represents a key source of financial support that is expected to substantially address the Group's working capital shortage.
2. The Company continues to actively work with investors and strategic partners to secure medium- and long-term funding, with the objective of gradually restoring its full production capacity and business operations.

Pomina Steel Corporation hereby commits that all explanations and aggregated figures presented above are entirely truthful and accurate, and the Company bears full legal responsibility for the contents of this information disclosure.

Recipients:

- As above;
- Board of Management, Board of Supervisors (for report);
- Archived: Clerical, General Accounting Dept.

LEGAL REPRESENTATIVE OF THE COMPANY

