

**TU HAI HA NAM
JOINT STOCK COMPANY**

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

No.: 1707/2025/CV-THM

Ninh Binh, July 17th, 2025

Re: Explanation for the fluctuation of
profit after tax in the Q2.2025
Financial Statement

To: - State Security Commission of Vietnam;
- Hanoi Stock Exchange

Pursuant to:

- Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, guiding disclosure of information in the securities market;
- The Q2.2025 Financial Statement of the Company.

Tu Hai Ha Nam Joint Stock Company (Stock code: THM) ("Company") would like to explain the case where the Profit after Corporate Income Tax ("PIT") in the business performance report of the reporting period (Quarter II, 2025) changed by 10% or more compared to the report of the same period last year (Quarter II, 2024), and at the same time, the Profit after Tax in the reporting period changed from loss in the report of the same period last year to profit in this period, specifically as follows:

1. Performance Results:

	Q2.2025	Q2.2024	Difference	Difference Percentage
Profit after tax	2.474.686.761	(918.942.619)	3.393.629.380	369,30%

2. Causes of the fluctuation:

The main reason for the above difference in net profit after tax comes from increased revenue and reduced management costs, specifically: Thanks to the increase in order value in 2025, Sales revenue and service provision increased by VND 3.39 billion, equivalent to an increase of 9.28%; Cost of goods sold increased by VND 1.96 billion, equivalent to an increase of 6.50%, leading to an increase in Gross profit of VND 1.43 billion, equivalent to an increase of 22.33%; on the contrary, Management costs decreased by VND 906 million, equivalent to an increase of 18.30%, largely due to a decrease in management salary costs of VND 650 million (due to a reduction in some office staff and transfer of office staff to the factory) and in the second quarter



of 2024, VND 240 million was recorded as land rent while in the second quarter of 2025, the company did not have to pay this amount (extended). In addition, the arising of other income of VND 500 million, which is the value of the batch of sewing machines donated by foreign partners, is also a factor that causes the profit in the second quarter of 2025 to increase compared to the second quarter of 2024.

Due to the characteristics of the industry, plus the characteristics of customers being mostly foreign organizations, the number of orders and actual deliveries according to customer requirements in the first two quarters of the year were lower than the last two quarters of the year. Partly because in the second quarter of 2024, the control of management costs and cost of goods sold was not really good, leading to a negative net profit from business activities, a loss after tax, however, the loss was quite small, so the increase in net profit from business activities in the second quarter of 2025 helped the company to have a profit in the second quarter as well as the last 6 months of the year.

Above is the explanation of Tu Hai Ha Nam Joint Stock Company about the fluctuation of after-tax profit in the Company's Financial Report for the first quarter of 2025 with a difference of more than 10% compared to the same period in 2024, at the same time, the after-tax profit in the reporting period changed from loss in the report of the same period last year to profit in this period.

Sincerely,

Recipients:

- As stated above;
- Kept at Archive.

LEGAL REPRESENTATIVE

DIRECTOR



Nguyễn Thị Mai Hương

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CÔNG TY
CỔ PHẦN
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