



ANNUAL REPORT 2024

STOCK CODE: **NKG**

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ZINMAG® COLOR

5-LAYER SYNERGISTIC PROTECTION

01.

GENERAL INFORMATION

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ELEVATING CORPORATE
VALUE ENHANCING
GOVERNANCE CAPACITY



QUALITY MINDSET, SUSTAINABLE LIFE

Ton Nam Kim believes that our constant growth is built on quality. Therefore, “**continuous quality improvement**” has become a consistent spirit in all aspects of Ton Nam Kim’s activities to enhance the values of our products and services to optimize customer’s benefits.



COMPANY INFORMATION



Nam Kim Steel Joint Stock Company (abbreviated as “**Ton Nam Kim**” or “**Company**”) is a leading coated steel manufacturer in Vietnam. With a motto of always being a pioneer in investing in new technology, Ton Nam Kim would like to offer our product to domestic and overseas customers with the best quality. Until now, our products have been fully trusted nationwide and exported to more than 65 countries worldwide.

COMPANY INFORMATION

Vietnamese name	CÔNG TY CỔ PHẦN THÉP NAM KIM
English name	NAM KIM STEEL JOINT STOCK COMPANY
Abbreviated name	NAKISCO
BusinessRegistration Certificate No.	3700477019
Charter capital	3.159.319.780.000 VND (As of December 31, 2024)
Owner’s invested capital	5.871.406.574.473 VND (As of December 31, 2024)
Stock code	NKG (Listed on HOSE)

CONTACT INFORMATION

Head office address	Lot A1, D2 Street, Dong An 2 Industrial Park, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam
Tel	0274 3748 848
Fax	0274 3748 868
Website	www.tonnamkim.com
Email	info@namkimgroup.vn

BUSINESS LINES:

Detailed in the Consolidated Financial Statements 2024

DEVELOPMENT ORIENTATIONS

VISION

Ton Nam Kim-branded products are acknowledged by domestic and international customers as premium-quality products in the high-end market segment.

CORE OBJECTIVES

With the motto “Continuous improvement and innovation in all business activities,” Ton Nam Kim is committed to delivering high-quality products accompanied by thoughtful customer care policies and competitive pricing. The Company will continuously strengthen and enhance its financial capacity, competitive advantage, management capabilities, and business model, while elevating product quality to international standards to meet the increasingly high demands of both domestic and international markets. Through these efforts, Ton Nam Kim aims to firmly maintain its position as one of the top three leading enterprises in the coated steel industry nationwide, targeting and sustaining a market share of over 20%.

MID- AND LONG-TERM DEVELOPMENT STRATEGY

- Focus on product quality.
- Enhance and affirm production capacity.
- Offer optimal business solutions and superior customer service.
- Deliver real value to partners across the value chain and end-users.

CORE VALUES

CULTURE OF CONTINUOUS LEARNING, IMPROVEMENT, AND INNOVATION

The spirit of continuous quality improvement is consistently embedded in all aspects of Ton Nam Kim’s operations, becoming a distinctive cultural identity across all departments and levels within the organization. Ton Nam Kim is committed to investing in modern technology, building a scientific management system, and implementing human resource development programs to preserve and promote these core values.

CULTURE OF LEARNING

Ton Nam Kim places great emphasis on training and development to enhance the competence and capabilities of all employees, thereby fostering long-term trust and commitment between employees and the Company. Every individual is encouraged and provided opportunities to learn and grow in all circumstances through various forms, including onboarding training, on-the-job training, professional training, and management training. Experienced employees mentor and share knowledge with younger generations to create a qualified successor workforce. Employees are also sent to study and exchange knowledge with leading corporations and companies around the world, as well as to participate in prestigious industry conferences both domestically and internationally. Being a member of the Vietnam Steel Association further creates opportunities for employees to connect and learn from peers in other enterprises within the country.

CONTINUOUS IMPROVEMENT AND INNOVATION

At Ton Nam Kim, every member is a pioneer in their respective fields and responsibilities – constantly innovating, generating new ideas, and actively seeking opportunities to apply them in practice to enhance work efficiency and quality. Our people are committed to adhering rigorously to established standards and processes across all production, business, and organizational activities. We lead the way in exploring and anticipating market trends to deliver products that meet international quality standards, with high aesthetic value and superior after-sales service.

Pioneering in investing in state-of-the-art machinery and technology, using raw materials from the world’s leading corporations, and proactively listening to customer needs and market trends are fundamental principles that Ton Nam Kim upholds in executing its core value of continuous improvement and innovation.



MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Valued Shareholders, Customers, Employees, and Partners,

The year 2024 marked significant positive shifts in the global economy as it embarked on a recovery journey following major disruptions. According to the Organization for Economic Co-operation and Development (OECD), global GDP growth is estimated to reach 3.2%, surpassing the 3.1% recorded in the previous year. Nevertheless, challenges stemming from geopolitical tensions, monetary policies, tariffs, and other macroeconomic factors continue to pose barriers to many countries and businesses worldwide.

Vietnam has emerged as a bright spot in the regional economic landscape, posting an impressive GDP growth rate of 7.09%, well exceeding the planned target of 6% - 6.5%. The industrial production sector in general, and the coated steel and steel pipe segment in particular, have witnessed encouraging signals. According to the Vietnam Steel Association (VSA), the consumption volume of coated steel products increased by 26.9%, while galvanized steel pipes grew by 5.5% compared to the previous year. However, the coated steel market continues to experience intense competition and remains subject to unpredictable fluctuations.

With a proactive, flexible, and decisive mindset, Ton Nam Kim has successfully overcome challenges and achieved remarkable accomplishments in 2024. The Company recorded total revenue of 20,707 billion VND, fulfilling 98.6% of the annual target, and profit before tax reached 558 billion VND, achieving 132.8% of the plan. Notably, profit after tax surged impressively to 453 billion VND, representing a 285.8% increase compared to the previous year. Total assets amounted to 13,519 billion VND, up 10.5% year-on-year.

These figures serve as a clear testament to the relentless efforts of the Ton Nam Kim team in seizing opportunities and mitigating risks, thereby sustaining growth momentum, contributing positively to the national budget, enhancing employee welfare, and creating long-term value for the community and society.

Entering 2025, amid intertwined opportunities and challenges, we have set forth strategic objectives aligned with the following directions:

- Continue to expand international markets, increasing our presence in high-potential regions;
- Implement the Ton Nam Kim Phu My Factory Project with a strong commitment to safety, quality, and operational efficiency;
- Enhance employee welfare, fostering innovation and work motivation;
- Adopt flexible business management, swiftly adapting to market fluctuations.

On behalf of the Board of Directors, Board of Management, and all employees of Ton Nam Kim, I would like to express my sincere gratitude to our esteemed Shareholders, Customers, and Partners for your unwavering trust and companionship. With a shared vision for sustainable growth, we believe that in 2025, the trust and support from all of you will remain a solid foundation for Ton Nam Kim to thrive alongside the nation, advancing toward prosperity and happiness.

Best regards,

HO MINH QUANG
Chairman of the Board of Directors



02.

INTRODUCTION TO TON NAM KIM

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**SHINING FROM INTRINSIC
STRENGTH TURNING CHALLENGES
INTO OPPORTUNITIES FOR GROWTH**



FORMATION AND DEVELOPMENT PROCESS

2002 - 2011



2011

STOCK LISTING

Ton Nam Kim was listed on the Ho Chi Minh City Stock Exchange with stock code "NKG".



2010

COMMENCEMENT OF NAM KIM COATING FACTORY #1

Commenced to construct Nam Kim coating factory #1 in Dong An 2 Industrial Park, Thu Dau Mot City, Binh Duong Province.



2002

ESTABLISHMENT

Ton Nam Kim was established with the first NOF (Non-Oxidizing Furnace) metal coating line in Vietnam.

2012 - 2016



2016

OPERATION OF NAM KIM COATING FACTORY #2

Nam Kim coating factory #2 began operation, total production capacity up to 650,000 tons/year.



2015

COMMENCEMENT OF NAM KIM LONG AN STEEL PIPE FACTORY

Commenced to construct Nam Kim Long An Steel Pipe Factory in Vinh Loc 2 Industrial Park, Long An Province.



2014

COMMENCEMENT OF NAM KIM COATING FACTORY #2

Commenced to construct Nam Kim coating factory #2 in Dong An 2 Industrial Park, Thu Dau Mot City, Binh Duong Province.

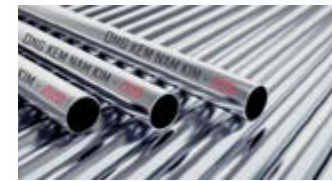


2012

OPERATION OF NAM KIM COATING FACTORY #1

Nam Kim coating factory #1 began operation and increased total production capacity up to 350,000 tons/year.

2018 - 2021



2021

COMMENCEMENT OF MY PHUOC PIPE FACTORY

Commenced to construct the centralized warehouse and My Phuoc Pipe Factory at My Phuoc 3 Industrial Park, Binh Duong.



2020

RECONSTRUCTION TO THE FUTURE

Ton Nam Kim successfully restructured, overcoming the challenging year of 2020 with impressive business performance. SAP HANA 4/S ERP system application.



2018

TOTAL PRODUCTION CAPACITY UP TO 1 MILLION TONS/YEAR

Continuous Galvanized/Galvalume Line Capacity: 1,000,000 tons/year.

Continuous Picking Line Capacity: 900,000 tons/year.

Galvanized Steel Pipe Capacity: 200,000 tons/year.

2022 - 2024



2024

COMMENCEMENT OF TON NAM KIM PHU MY FACTORY

Commenced to construct Ton Nam Kim Phu My Factory at My Xuan BI - Dai Duong Industrial Park, Ba Ria - Vung Tau.



2023

SUCCESSFUL RESEARCH AND DEVELOPMENT OF ZINMAG® COATED STEEL TECHNOLOGY

Ton Nam Kim successfully researched and developed the production technology for the ZINMAG® product line - magnesium alloy coated steel - with a warranty of up to 50 years.



2022

INCREASE VALUE, AFFIRM POSITION

Ton Nam Kim launched the AZ200 product line with a warranty of up to 25 years and streamlined its entire management system to enhance business and production efficiency.

TON NAM KIM'S 2024 MILESTONES



VIETNAM VALUE (2024 - 2026) AWARDED BY THE MINISTRY OF INDUSTRY AND TRADE

On November 4, 2024, at the Vietnam National Convention Center, Ton Nam Kim was honored for its outstanding construction materials, including Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized Steel Sheet in Coil, Pre-painted Galvanized Steel Sheet in Coil and Galvanized Steel Pipe. Notably, its ZINMAG® zinc-magnesium coated steel was recognized as a leading trend in steel sheet materials by the Ministry of Industry and Trade.

TOP 41 LARGEST ENTERPRISES IN VIETNAM

On January 8, 2025, at the Marriott Hotel, the announcement ceremony of the Top 50 Largest Enterprises in Vietnam (VNR50) 2024 took place in Hanoi. Ton Nam Kim was proud to be recognized among the Top 50 Largest Private Enterprises in Vietnam and Top 4 Largest Enterprises in the Metal and Steel Manufacturing and Processing Industry.



TOP 10 BEST WORKPLACES IN THE CONSTRUCTION MATERIALS INDUSTRY 2024

On December 12, 2024, in Hanoi, Ton Nam Kim made a significant mark by being honored among the Top 10 Best Workplaces in Vietnam 2024 in the construction materials industry.



TOP 2 MOST INNOVATIVE ENTERPRISES VIETNAM 2024



TOP 10 VALUE-CREATING ENTERPRISES IN VIETNAM 2024

In August 2024, Ton Nam Kim was honored among the Top 10 Value-Creating Enterprises in Vietnam – Construction Materials Sector, as identified and announced through a research program conducted by Viet Research in collaboration with the Investment Newspaper.



ZINMAG® WON "PRODUCT OF THE YEAR 2024" AGAIN

On June 24, 2024, at the Pullman Hotel in Hanoi, the Investment Newspaper, in collaboration with Viet Research, hosted an event to announce Top 10 Most Innovative Enterprises Vietnam 2024, alongside the awards ceremony of the Product of the Year 2024. ZINMAG® once again secured the prestigious "Product of the Year" title.



TOP 5 LEADING ENTERPRISES IN THE CONSTRUCTION MATERIALS INDUSTRY 2024

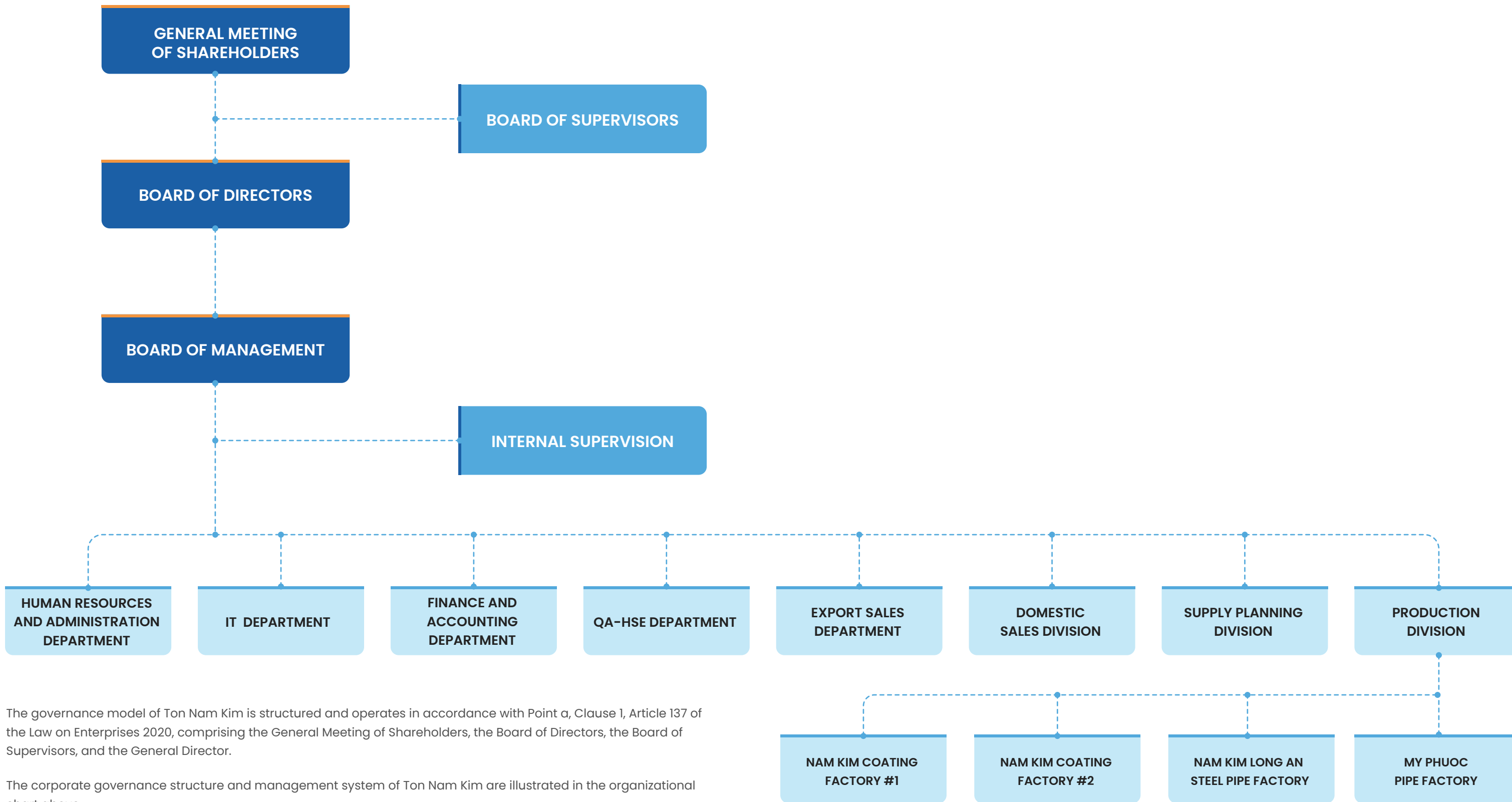
On April 24, 2024, at the Vietnam National Convention Center, the announcement event for the Top 5 Construction Materials Companies 2024 took place in a prestigious and successful atmosphere. This ranking was the result of an in-depth and independent study conducted by Vietnam Report JSC in collaboration with Vietnamnet, demonstrating credibility and accuracy in assessing corporate performance.

ACHIEVEMENTS AND AWARDS

<p>2024</p> <p>TOP 50</p> <p>LARGEST ENTERPRISES IN VIETNAM</p>	<p>Vietnam Value 2024, awarded by the Ministry of Industry and Trade.</p> <p>Top 50 Largest Enterprises in Vietnam (VNR50) 2024 (ranked 41).</p> <p>Top 2 Most Innovative Enterprises Vietnam 2024.</p>	<p>ZINMAG® Coated Steel honored as “Product of the Year” 2024.</p> <p>Top 10 Value-Creating Enterprises in Vietnam 2024.</p> <p>Top 10 Best Workplaces in the Construction Materials Industry 2024.</p>
<p>2023</p> <p>ZINMAG®</p> <p>PRODUCT OF THE YEAR 2023</p>	<p>Winner of the Innovative & Efficient Product and Service Award – “Product of the Year” 2023.</p> <p>VBE500 – Top 500 Leading Employers in Vietnam 2023.</p>	<p>Top 4 Leading Employers in the Steel and Metal Industry.</p>
<p>2022</p>	<p>Top 500 Largest Enterprises in Vietnam (VNR500) from 2010 to 2022.</p> <p>Vietnam Value 2022, awarded by the Ministry of Industry and Trade.</p>	<p>Top 50 Best Listed Companies in Vietnam 2022, selected by Forbes Vietnam.</p>
<p>2021</p>	<p>Top 2 Most Reputable Construction Materials Exporters in Vietnam, recognized by the Ministry of Industry and Trade.</p> <p>ISO/IEC 17025 Certification for the company’s laboratory, registered under VILAS 1417.</p>	<p>Top 500 Largest Enterprises in Vietnam (VNR500) from 2010 to 2021.</p>
<p>2020</p>	<p>Vietnam Value 2020 awarded by the Ministry of Industry and Trade.</p>	<p>Top 3 Most Reputable Construction Materials Exporters in Vietnam, recognized by the Ministry of Industry and Trade.</p>
<p>2019</p>	<p>Outstanding Achievement in Tax Declaration and Payment 2018, recognized by the Director of Binh Duong Customs Department for significant contributions to the department’s overall mission.</p>	

<p>2018</p>	<p>Top 50 Best Listed Companies in Vietnam 2018, selected by Forbes Vietnam.</p>
<p>2017</p> <p>TOP 50</p> <p>BEST ENTERPRISE IN VIETNAM</p>	<p>Top 100 Outstanding Entrepreneurs of Binh Duong Province 2017, awarded by the People’s Committee of Binh Duong Province.</p> <p>Certificate of Excellence in Tax Declaration and Payment 2016, awarded by the Binh Duong Customs Department.</p> <p>Enterprise Supporting Trade Union Operations, awarded by the Labor Federation of Thuan An Town.</p> <p>Top 50 Best-performing Companies in Vietnam 2017, awarded by Nhip Cau Dau Tu magazine</p> <p>Enterprise with the Best Financial Performance Index 2017, awarded by the Institute of Business Research and Development – Vietnam Association of Accountants and Auditors – Business Forum newspaper.</p> <p>Certificate of Appreciation for Sponsoring the 2nd National Don Ca Tai Tu Music and Song Festival – Binh Duong 2017, awarded by the Chairman of the People’s Committee of Binh Duong Province.</p> <p>Top 50 Outstanding Growth Enterprises 2017, Top 50 Best Enterprises in Vietnam 2017, Fast 500 – Fastest Growing Enterprises in Vietnam 2017, (ranked 317), Top 500 Most Profitable Enterprises in Vietnam 2017 (ranked 110).</p>
<p>2016</p> <p>TOP 500</p> <p>LARGEST ENTERPRISES IN VIETNAM</p>	<p>Outstanding Enterprise in Labor Law Compliance (2013-2015) and Labor Development Program (2014-2015), awarded by the People’s Committee of Binh Duong Province.</p> <p>Nam Kim Steel Joint Stock Company was honored for its numerous sponsorship activities supporting disadvantaged children in 2016 by the People’s Committee of Binh Duong Province.</p> <p>Top 500 Largest Enterprises in Vietnam VNR500 2016 (ranked 169), Top 500 Largest Private Enterprises in Vietnam VNR500 2016 (ranked 61), Top 50 Outstanding Enterprises in Vietnam 2016.</p> <p>Outstanding Enterprise in Employee Welfare 2016, awarded by the People’s Committee of Binh Duong Province.</p>
<p>2015</p>	<p>Vietnam Gold Star Award 2015 and Top 100 Vietnam Value in International Integration, awarded by the Viet Nam Young Entrepreneurs Association.</p> <p>Top 500 Largest Enterprises in Vietnam (VNR500) 2015 (ranked 174), and Fast 500 – Top Fastest-Growing Enterprises in Vietnam 2015 (ranked 297), awarded by Vietnam Report in collaboration with Vietnamnet.</p>

ORGANIZATIONAL STRUCTURE



The governance model of Ton Nam Kim is structured and operates in accordance with Point a, Clause 1, Article 137 of the Law on Enterprises 2020, comprising the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the General Director.

The corporate governance structure and management system of Ton Nam Kim are illustrated in the organizational chart above.

BOARD OF DIRECTORS



Mr. HO MINH QUANG

Chairman of the Board of Directors

As the Chairman of the Board of Directors, Mr. Ho Minh Quang has led and guided Ton Nam Kim to become a leading coated steel manufacturer in Vietnam.

Professional qualification:
Business Administration.

Positions at other organizations:

- Chairman and Director of NIHO CORPORATION Co., Ltd.
- Chairman of Ton Nam Kim Phu My Co., Ltd.



Mr. VO HOANG VU

Executive Member of the Board of Directors

Over 20 years of experience in the steel industry, holding various management, executive, and leadership positions in public companies.

Professional qualification:
Foreign Trade Business Administration.

Positions at other organizations:

- Chairman and Director of Nam Kim Chu Lai Steel Pipe One Member Limited Liability Company;
- General Director of Dae Myung Paper Viet Nam Co., Ltd;
- Director of Ton Nam Kim Phu My Co., Ltd.



Mr. NGUYEN VINH AN

Executive Member of the Board of Directors

Nearly 20 years of experience in the steel industry, specializing in project management, technical operations, maintenance, and R&D.

Professional qualification:
Industrial Engineering.

Positions at other organizations:

- Chairman of Nam Kim Steel Pipe One Member Limited Liability Company.



Mr. NGUYEN TRUNG TIN

Non-Executive Member of the Board of Directors

Over 15 years of management and executive experience in the real estate and construction sectors.

Professional qualification:
Information Technology.

Positions at other organizations:

- Chairman of the Board of Directors and General Director of Phuc Loc Khang Investment Joint Stock Company;
- Chairman of the Board of Directors of TT Capital Investment Corporation.



Mr. VO THOI

Independent Member of the Board of Directors

Extensive experience in business management, operations, and corporate leadership.

Professional qualification:
Business Administration.

Positions at other organizations:

- Deputy General Director of Nam Han Company Limited.

TÔN NAM KIM

BOARD OF MANAGEMENT



Mr. VO HOANG VU
General Director

Over 20 years of experience in the steel industry, holding various management, executive, and leadership positions in public companies.

Professional qualification:
Foreign Trade Business Administration.

Positions at other organizations:

- Chairman and Director of Nam Kim Chu Lai Steel Pipe One Member Limited Liability Company;
- General Director of Dae Myung Paper Viet Nam Co., Ltd;
- Director of Ton Nam Kim Phu My Co., Ltd.



Mr. NGUYEN VINH AN
Deputy General Director

Nearly 20 years of experience in the steel industry, specializing in project management, technical operations, maintenance, and R&D.

Professional qualification:
Industrial Engineering.

Positions at other organizations:

- Chairman of Nam Kim Steel Pipe One Member Limited Liability Company.



Mr. QUANG TRONG LANG
Deputy General Director

Over 20 years of experience in the steel industry across various management, executive, and production leadership roles.

Professional qualification:
Mechanical Engineer.

Positions at other organizations:
None.



Mr. LE MINH HAI
Deputy General Director

Over 14 years of experience in managing and leading production, engineering, maintenance, and R&D in the steel industry.

Professional qualification:
Mechanical Design Engineer.

Positions at other organizations:
None.



Ms. TRAN NGOC DIEU
Deputy General Director in charge of Finance

Over 20 years of executive and leadership experience in the steel industry, specializing in corporate finance and control.

Professional qualification:
Bachelor of Business Administration.

Positions at other organizations:
None.



Ms. NGUYEN THI NGOC LIEN
Deputy General Director

Nearly 20 years of experience in managing and leading export business operations, Ms. Nguyen Thi Ngoc Lien possesses in-depth knowledge of international markets and practices in the steel industry.

Professional qualification:
Bachelor of Foreign Languages.

Positions at other organizations:
None.



Ms. VU THI HUYEN
Chief Accountant

Nearly 20 years of management experience in the accounting and auditing sectors.

Professional qualification:
Bachelor of Accounting.

Positions at other organizations:
None.

BOARD OF SUPERVISORS



Ms. VO THI VUI
Head of the Board of Supervisors

Professional qualification:
Bachelor of Finance and Accounting.

Positions at other organizations:
None.



Mr. DANG VAN HOA
Member of the Board of Supervisors

Professional qualification:
Bachelor of Business Administration.

Positions at other organizations:
None.



Mr. LE NHAT TAN
Member of the Board of Supervisors

Professional qualification:
Bachelor of Accounting.

Positions at other organizations:
None.

FACTORY SYSTEM



NAM KIM COATING FACTORY #2

NAM KIM STEEL JOINT STOCK COMPANY

Area: 10 ha.
 Products: Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized Steel Sheet in Coil, Pre-painted Galvanized Steel Sheet in Coil.
 Address: Lot A1, D2 Street, Dong An 2 Industrial Park, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province.



NAM KIM LONG AN STEEL PIPE FACTORY

NAM KIM STEEL PIPE ONE MEMBER LIMITED LIABILITY COMPANY

Area: 3.2 ha.
 Products: Galvanized steel pipe.
 Address: Lot C2-16 to Lot C2-20, VL1 Street, Vinh Loc 2 Industrial Park, Long Hiep Commune, Ben Luc District, Long An Province.



NAM KIM COATING FACTORY #1

NAM KIM STEEL JOINT STOCK COMPANY

Area: 6.5 ha.
 Products: Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized Steel Sheet in Coil.
 Address: Lot B2.2 - B2.3, D3 Street, Dong An 2 Industrial Park, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province.



MY PHUOC PIPE FACTORY

DAE MYUNG PAPER VIET NAM CO.,LTD

Area: 5 ha.
 Products: Galvanized steel pipe.
 Address: Lot A-5F-CN, My Phuoc 3 Industrial Park, Chanh Phu Hoa Ward, Ben Cat City, Binh Duong Province.

FACTORY SYSTEM



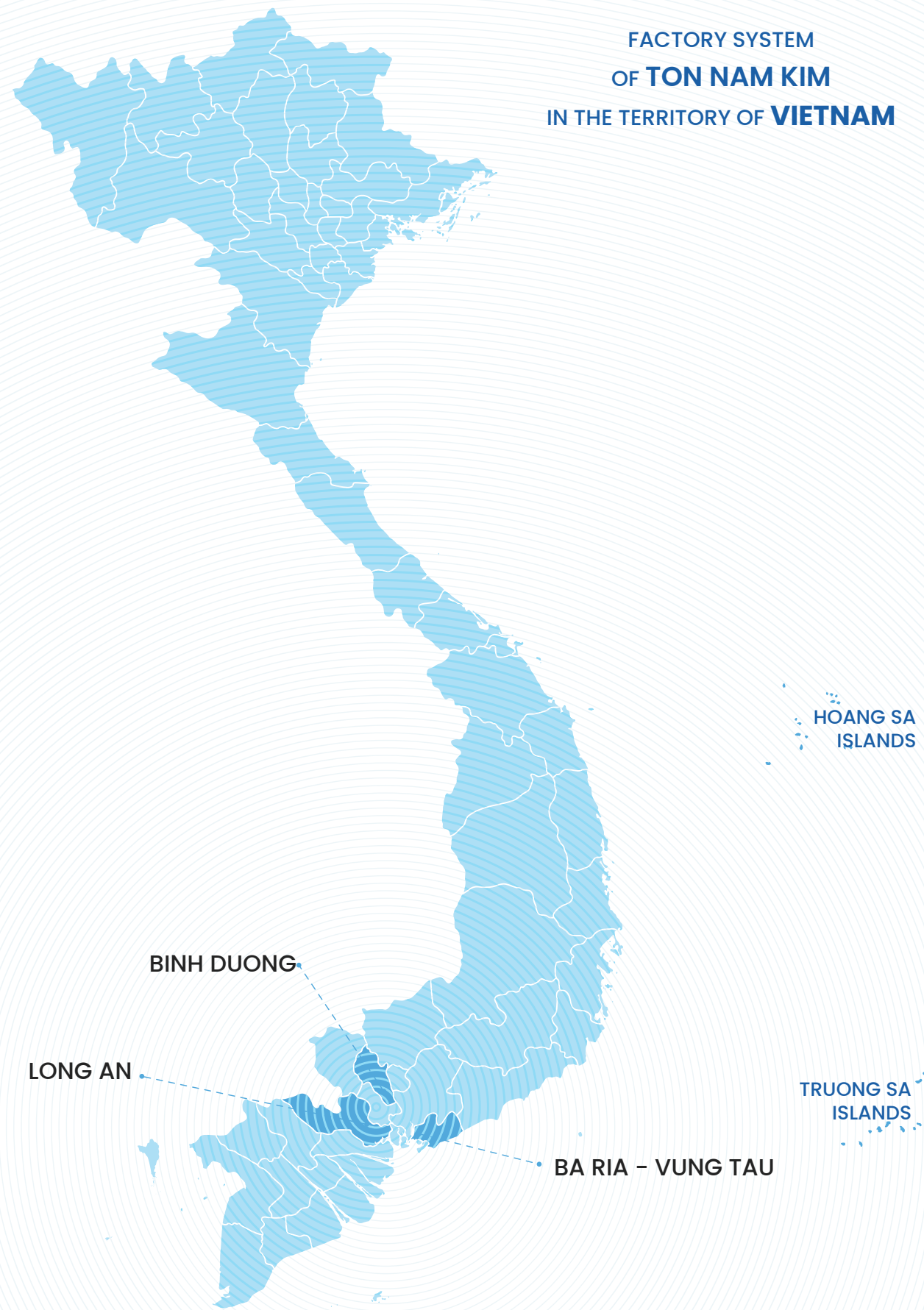
TON NAM KIM PHU MY FACTORY PROJECT

Ton Nam Kim Phu My Company Limited

Area: 32.7 ha.
 Products: PO, CRC, Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized Steel Sheet in Coil, Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil.
 Address: No. 1 Road, My Xuan B1 – Dai Duong Industrial Park, My Xuan Ward, Phu My City, Ba Ria – Vung Tau Province

(Detailed in Chapter 3: Business Performance in 2024 – Section: Nam Kim Steel 2024, page 81)

FACTORY SYSTEM OF TON NAM KIM IN THE TERRITORY OF VIETNAM



PRODUCTION LINES

CONTINUOUS PICKLING LINE

CAPACITY

1,000,000 TONS/YEAR

Thickness range of raw materials: 1.5 mm – 5.0 mm
 Width range: 750 mm – 1,300 mm

Hot rolled Steel coils are de-rusted by pickling line from SMS Group (Germany), an advanced production line.

With an immediate production process, Ton Nam Kim can allocate the factory's capacity and arrange different specification materials to be pickled. With Fluidized Bed technology, it recovers clean iron particles, a reusable material for steel mills, thereby contributing to environmental protection.



COLD ROLLING MILLS

CAPACITY

1,000,000 TONS/YEAR

Thickness of finished cold rolled steel: 0.15 mm – 3.0 mm
 Rolling speed: 1,400 meters/minute

Ton Nam Kim owns twin cold rolling mills with two stands, the first 6 - HI reversing cold rolling mills cvc in Vietnam, which helps not only to increase capacity by twice but also to reduce human resources and operation costs to a minimum.

The cold rolling technology with the AFC system will automatically calculate the most optimal flatness of the steel sheet at high speed. Supported by a strong pulling force while rolling, the rolling mill is strong enough to roll high tensile steel grades and give a more comprehensive product range to serve the diverse need of the market.

PRODUCTION LINES

CONTINUOUS GALVANIZED/ GALVALUME LINE OR ZINMAG®

CAPACITY

1,200,000 TONS/YEAR

Thickness range: 0.18 mm – 3.5 mm

Coating mass: AZ200 (Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet in Coil) (GL), Z600 (Hot dipped Galvanized steel Sheet in Coil) (GI)

Ton Nam Kim invests 5 metallic coating lines with NOF technology which can produce Galvanized and/or Aluminium-zinc steel product complying with various standards. The coating lines are manufactured by SMS Group (Germany) and integrated with modern technology of EMG (Germany), Drever (Belgium), Ajax (USA - Japan) to be able to control optimally flatness and uniformity of the coating surface.

The coating pans are applied ceramic and faradaic induction heating technology of AJax (USA). Especially, the L-shaped furnace allows heating equally 02 sides of the steel sheet and therefore be able to produce better product quality and higher aesthetics.



COLOR COATING LINE

CAPACITY

180,000 TONS/YEAR

Thickness range: 0.2 mm – 1.2 mm

Width: 860 mm – 1,250 mm

Paint thickness gauge: Up to 100 Micron/both sides

Ton Nam Kim owns two advanced color coating lines of Paco Engineering (Korea) and Shanghai JX with smart control system to ensure uniformity of quality and durability of paint layer. The color coating lines can meet any color matching requirement from the customer.

Ton Nam Kim's color coated steel products can meet any color's requirements from customers, with a warranty period of over 15 years.

QUALITY CONTROL AND STANDARDS

Ton Nam Kim pays special attention to quality control. At every stage, products must go through rigorous testing procedures to ensure the best quality.



Products are tested for tensile strength, hardness, and spectroscopic analysis of metal components.

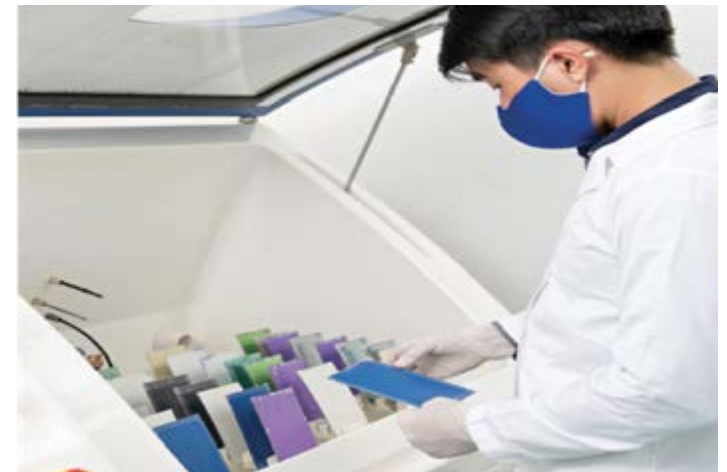
Adhesion test - the bond or tightness between the coating layer and the substrate.



Products are tested against staining, mold, corrosion reaction, and rust resistance of pre-painted galvalume (PPGL), pre-painted galvanized (PPGI), and galvalume under various standard and harsh environmental conditions.

Simulates the effects of uv rays and extreme weather conditions.

Products are checked for color indices and color deviations between standard samples and product samples.



PRODUCTS

Ton Nam Kim produces and distributes various types of aluminium-zinc steel, galvanized steel, color coated steel and other industrial steel products. Its products are diverse, highly durable and aesthetic; mainly applied in civil and industrial applications.



ZINC- COATED STEEL SHEET IN COIL (GI)



ALUMINIUM-ZINC ALLOY COATED STEEL SHEET IN COIL (GL)



PRE-PAINTED ALUMINIUM-ZINC ALLOY COATED STEEL SHEET IN COIL



ZINMAG® MAGNESIUM ALLOY COATED STEEL IN COIL



ZINMAG® COLOR



GALVANIZED STEEL PIPE

TON NAM KIM'S PRODUCTS HAVE BEEN CERTIFIED BY THE STRICTEST QUALITY STANDARDS IN THE WORLD:



Japanese Industrial Standards



American Society for Testing and Materials



European Standards



Standards Australia



ISO 9001



ISO 14001



ISO 17025

CERTIFICATION GRANTED BY:



ZINC-COATED STEEL SHEET IN COIL (GI Z80-Z600)

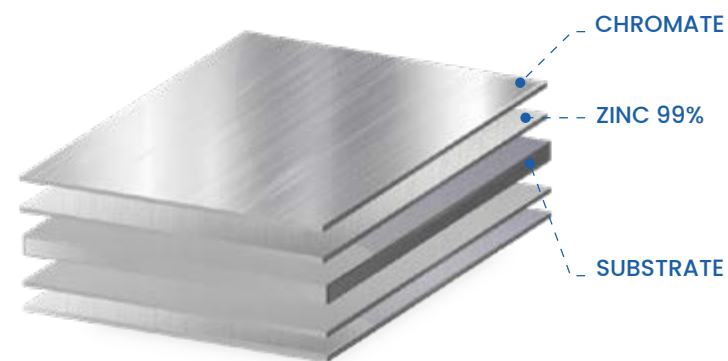


DESCRIPTION

Zinc coated (Galvanized) steel sheet is coil steel with 2 layers of pure zinc (99%), using continuous hot-dip technology, through NOF furnace temperature to control mechanical properties which are suitable for different applications.

TYPICAL APPLICATIONS

Pre-engineered steel buildings, purlins and grits, steel decking, HVAC pipes, details in household electrical products, interior decoration products and other construction products.



STANDARDS

JIS G3321	SGLCC, SGLCD, SGLC400, SGLC440, SGLC490, SGLC570
AS 1397	G250, G300, G350, G450, G500, G550
ASTM A792/A792M	CSA, CSB, SS33, SS37, SS40, SS50, SS60, SS70, SS80
EN 10346	DX51, S220GD, S250GD, S280GD, S320GD, S350GD, S550GD, DX52D, DX53D

PRODUCT SPECIFICATIONS

Substrate thickness	0.25 mm – 3.75 mm
Width	860 mm – 1,250 mm
Coating mass	50 – 200 g/m ² /2 sides
Surface processing	Skin pass, Non-skin pass
Coating protection	Cr ⁶⁺ , Cr ³⁺ Colorless anti-fingerprint Colored anti-fingerprint, Oiling

STANDARD STEEL DETAILS

STEEL GRADE	YS min, [N/mm ²]	TS min, [N/mm ²]	E min, [%]
EUROPE - EN 10346			
DX51D	-	270 ÷ 500	22
DX52	140 ÷ 300	270 ÷ 420	26
DX53	140 ÷ 260	270 ÷ 380	30
S220GD	220	300	20
S250GD	250	330	19
S280GD	280	360	18
S320GD	320	390	17
S350GD	350	420	16
S390GD	390	460	16
S420GD	420	480	15
S450GD	450	510	14
S550GD	550	560	-
AMERICA- ASTM A792/ A792M			
CS Type A	205 ÷ 410	-	20
CS Type B	245 ÷ 410	-	20
SS 33 [230]	230	310	20
SS 37 [255]	255	360	18
SS 40 [275]	275	380	16
SS 50 [340] Class 1	340	450	12
SS 50 [340] Class 2	340	410	12
SS 50 [340] Class 4	340	410	12
SS 60 [410]	410	480	10
SS 70 [480]	480	550	9
SS 80 [550] Class 1	550	570	-
AUSTRALIA - AS 1397			
G250	250	320	22
G300	300	340	18
G350	350	420	14
G450	450	480	9
G500	500	520	7
G550	550	550	2
JAPAN - JIS G 3321			
SGLCC	-	-	-
SGLC400	295	400	16:18
SGLC440	335	440	14:18
SGLC490	365	490	12:16
SGLC570	560	570	-

ALUMINIUM-ZINC ALLOY COATED STEEL (GL AZ70 – AZ200)

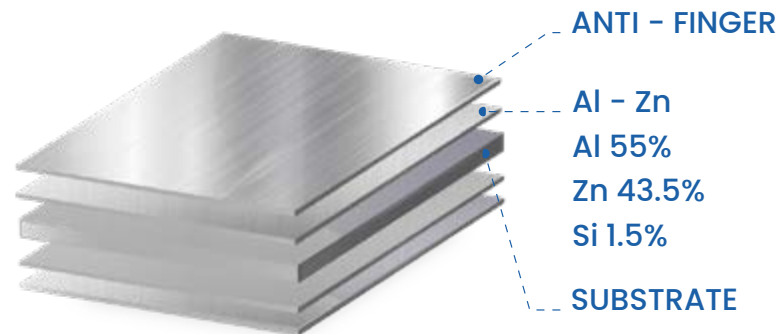


DESCRIPTION

Aluminium-Zinc alloy coated steel is coiled steel with a surface coated with two layers of alloy (55% Aluminum, 43.5% Zinc, 1.5% Silicon), offering superior corrosion resistance. The coating has excellent ductility and adhesion, ensuring excellent formability for various applications.

TYPICAL APPLICATIONS

Lightweight trusses, steel structure purlins, steel decking, wall cladding, roofing sheets, HVAC ducts, and components in household appliances, interior decoration products, and other building products.



STANDARDS

JIS G3302	SGLCC, SGLCD, SGLC400, SGLC440, SGLC490, SGLC570
AS 1397	G250, G300, G350, G450, G500, G550
ASTM A653/A653M	CSA, CSB, SS33, SS37, SS40, SS50, SS60, SS70, SS80
EN 10346	DX51, S220GD, S250GD, S280GD, S320GD, S350GD, S550GD, DX52D, DX53D

PRODUCT SPECIFICATIONS

Substrate thickness	0.18 mm – 2,00 mm
Width	860 mm – 1,250 mm
Coating mass	70 – 200 g/m ² /both sides
Surface processing	Skin pass, Non-skin pass
Coating protection	Cr ⁶⁺ , Cr ³⁺ Colorless anti-fingerprint Colored anti-fingerprint, Oiling

STANDARD STEEL DETAILS

STEEL GRADE	YS min, [N/mm ²]	TS min, [N/mm ²]	E min, [%]
EUROPE - EN 10346			
DX51D	-	270 ÷ 500	22
DX52	140 ÷ 300	270 ÷ 420	26
DX53	140 ÷ 260	270 ÷ 380	30
S220GD	220	300	20
S250GD	250	330	19
S280GD	280	360	18
S320GD	320	390	17
S350GD	350	420	16
S390GD	390	460	16
S420GD	420	480	15
S450GD	450	510	14
S550GD	550	560	-
AMERICA- ASTM A792/ A792M			
CS Type A	205 ÷ 410	-	20
CS Type B	245 ÷ 410	-	20
SS 33 [230]	230	310	20
SS 37 [255]	255	360	18
SS 40 [275]	275	380	16
SS 50 [340] Class 1	340	450	12
SS 50 [340] Class 2	340	-	12
SS 50 [340] Class 3	340	480	12
SS 50 [340] Class 4	340	410	12
SS 60 [410]	410	480	10
SS 70 [480]	480	550	9
SS 80 [550] Class 1	550	570	-
AUSTRALIA - AS 1397			
G250	250	320	22
G300	300	340	18
G350	350	420	14
G450	450	480	9
G500	500	520	7
G550	550	550	2
JAPAN - JIS G 3321			
SGLCC	-	-	-
SGC400	295	400	16 ÷ 18
SGC440	335	440	14 ÷ 18
SGC490	365	490	12 ÷ 16
SGC570	560	570	-

PRE-PAINTED ALUMINIUM-ZINC ALLOY COATED STEEL SHEET IN COIL

(PPGL – AZ100 – PE 17/8)

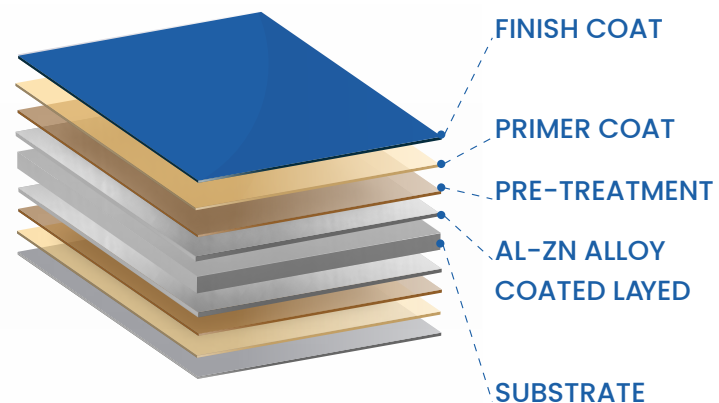


DESCRIPTION

Ton Nam Kim is a combination of high-class paint layers to ensure long-term color retention and superior corrosion resistance of Aluminum-Zinc alloy. The product is manufactured on the modern technological line of SMS Group - Germany.

TYPICAL APPLICATIONS

Flat roofing, Seamlock roofing, Kliplock roofing, walling or cladding, wall paneling, gutters, fittings and other construction applications in mild environments.



STANDARDS

JIS G3322
ASTMA755
AS 2728
EN 10169

WARRANTY

Warranty against perforation 15 years
Film integrity warranty 8 years
Warranty against paint color fading 5 years

PRODUCT SPECIFICATIONS

Substrate thickness	0.20 mm - 1.20 mm
Width	Max 1,250 mm
Coating mass (Al-Zn)	100 g/m ² /both sides
Top coat/ Back coat thickness	17/8 μm
Surface processing	Skin pass

PAINT SPECIFICATIONS

Top coat		
Finish coat:	Polyester	12 μm
Primer coat:	Polyester	5 μm
Pre-treatment:	Chemical	20 - 40 mg / m ²
Back coat		
Pre-treatment:	Chemical	20 - 40 mg / m ²
Primer coat:	Polyester	4 μm
Finish coat	Polyester	4 μm

Aluminum-Zinc alloy coated layer (Al 55% - Zn 43.5% - Si 1.5%) - coating mass 100g/m²/both sides. The above information is an approximate value; the actual warranty period depends on the paint system, paint thickness, environmental conditions, shape, and building function.

PRE-PAINTED ALUMINIUM-ZINC ALLOY COATED STEEL SHEET IN COIL

(PPGL AZ150 | PE 25/10 | SPE 25/10 | PVDF 25/12)



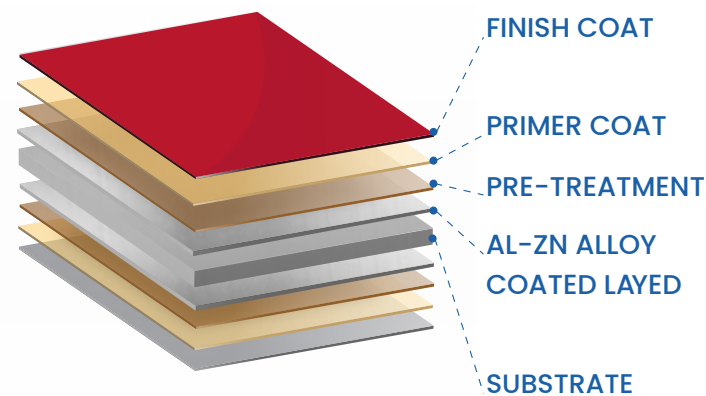
DESCRIPTION

Pre-painted Aluminum-Zinc alloy Coated Steel produced by Ton Nam Kim is a combination of high-class paint layers with Aluminum-Zinc alloy to ensure superior corrosion resistance and dirt resistance effectively maintaining the aesthetic, durability and effectiveness of the project.

The product is manufactured on the modern technological line of SMS Group - Germany.

TYPICAL APPLICATIONS

Flat roofing, Seamlock roofing, Kliplock roofing, walling or cladding, wall paneling, gutters, fittings and other construction applications in harsh environments.



STANDARDS	
JIS G3322	
ASTMA755	
AS 2728	
EN 10169	

WARRANTY	
	Warranty against perforation 20 years
PE paint	Film integrity warranty 10 years Warranty against paint color fading 8 years
SPE paint	Film integrity warranty 15 years Warranty against paint color fading 10 years
PVDF paint	Film integrity warranty 20 years Warranty against paint color fading 20 years

PRODUCT SPECIFICATIONS

Substrate thickness	0.20 mm - 1.20 mm
Width	Max 1,250 mm
Coating mass (Al-Zn)	150 g/m ² /both sides
Top coat/ Back coat thickness	25/10 μm / 25/12 μm
Surface processing	Skin pass

PAINT SPECIFICATIONS

Top coat	
Finish coat:	Polyester / Super Polyester / PVDF
Primer coat:	Polyester / Super Polyester / PVDF
Pre-treatment:	Chemical
Back coat	
Pre-treatment:	Chemical
Primer coat:	Polyester
Finish coat	Polyester

Aluminum-Zinc alloy coated layer (Al 55% - Zn 43.5% - Si 1.5%) - coating mass 150g/m²/both sides.
The above information is an approximate value; the actual warranty period depends on the paint system, paint thickness, environmental conditions, shape, and building function.

PRE-PAINTED ALUMINIUM-ZINC ALLOY COATED STEEL SHEET IN COIL

(PPGL AZ200 | SPE 25/10 | PVDF 25/12)



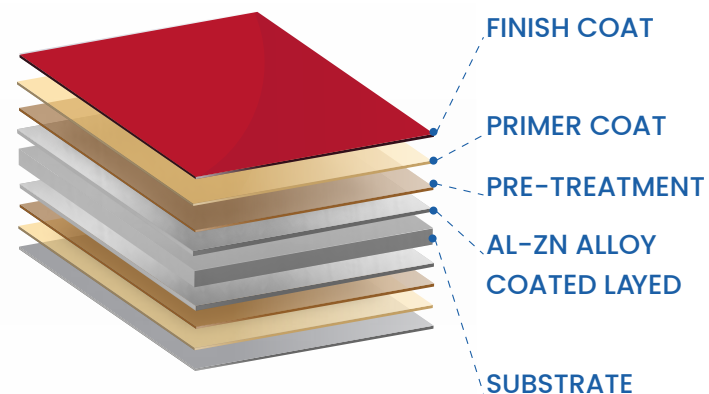
DESCRIPTION

Pre-painted Aluminum-Zinc alloy coated Steel produced by Ton Nam Kim is a combination of SPE of special PVDF with Aluminum-Zinc alloy is the optimal choice in the harshest environments.

The product is manufactured on the modern technological line of SMS Group - Germany.

TYPICAL APPLICATIONS

Flat roofing, Seamlock roofing, Kliplock roofing, walling or cladding, wall paneling, gutters, fittings and other construction applications in the harshest environments.



STANDARDS	
JIS G3322	
ASTMA755	
AS 2728	
EN 10169	

WARRANTY	
	Warranty against perforation 25 years
PE paint	Film integrity warranty 15 years
	Warranty against paint color fading 10 years
PVDF paint	BFilm integrity warranty 20 years Warranty against paint color fading 20 years

PRODUCT SPECIFICATIONS

Substrate thickness	0.20 mm - 1.20 mm
Width	Max 1,250 mm
Coating mass (Al-Zn)	200 g/m ² /both sides
Top coat/ Back coat thickness	25/10 μm / 25/12 μm
Surface processing	Skin pass

PAINT SPECIFICATIONS

Top coat		
Finish coat:	Super Polyester / PVDF	20 μm
Primer coat:	Super Polyester / PVDF	5 μm
Pre-treatment:	Chemical	20 - 40 mg / m ²
Back coat		
Pre-treatment:	Chemical	20 - 40 mg / m ²
Primer coat:	Polyester	5 μm
Finish coat	Polyester	7 μm

Aluminum-Zinc alloy coated layer (Al 55% - Zn 43,5% - Si 1,5%) - coating mass 200g/m²/both sides. The above information is an approximate value; the actual warranty period depends on the paint system, paint thickness, environmental conditions, shape, and building function.

ZINMAG® - MAGNESIUM ALLOY COATED STEEL



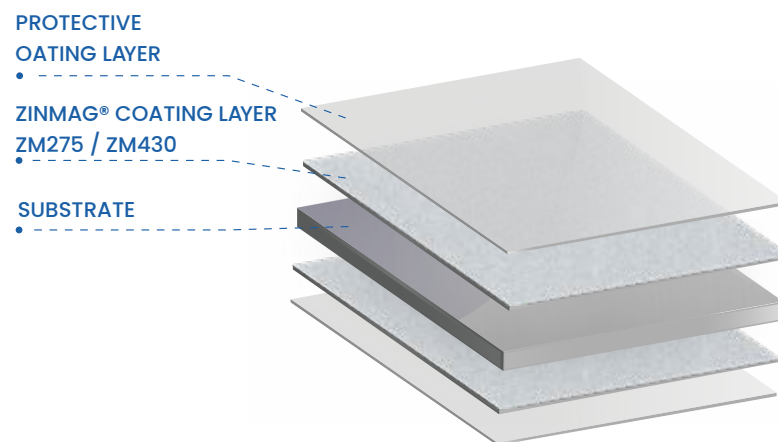
DESCRIPTION

ZINMAG® is a magnesium alloy coated steel developed by Ton Nam Kim in collaboration with MGK and Van Der Laan International Consultancy B.V.

With its unique Zn-Al55%-Mg3% coating, ZINMAG® provides a breakthrough solution for surface corrosion resistance and metal cutting edge protection, making it suitable even for the harshest environments (C5) such as livestock farming, chemical industries, and marine transportation.

TYPICAL APPLICATIONS

Coastal construction projects, materials for silo production, livestock farming facilities, household appliances, solar panel mounting structures, HVAC systems, purlins, metal floor decking, gutters, and highway guardrails.



STANDARDS

AS 1397	G350,...
ASTM A1046/A1046M	SS 340 Class 1/2/4,...
BS EN 10346	S350GD,...
JIS G 3323	SGMC340, SGMC570,...

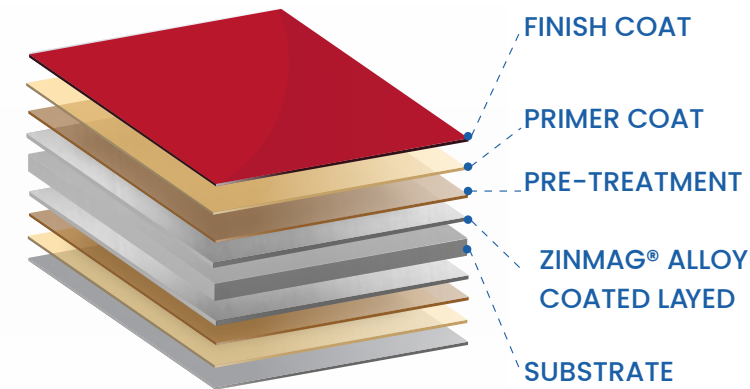
PRODUCT SPECIFICATIONS

Thickness	0.4 – 3.2mm
Width	900 – 1,260mm
Coating mass	ZM60 – ZM450



ZINMAG® COLOR - PRE-PAINTED MAGNESIUM ALLOY COATED STEEL

(PE ESY - CLEANING/ SPE / SMP / PVDF)



STANDARDS	
AS/NZS 2728	G350, G550,...
ASTMA755/A755M	SS 340 Class 1/2/3,...
BS EN 10169	S.350GD,...

PRODUCT SPECIFICATIONS

Substrate steel thickness	0.35 - 1.20 mm
Width	1,250 mm
Coating mass weight	110 ~ 430g / m ² /2 both sides
Thickness of top coat/ back coat	25 ~ 110 μm / 10 ~110 μm



DESCRIPTION

ZINMAG® COLOR Coated Steel is manufactured by Ton Nam Kim using a modern technology that minimizes environmental pollution. It combines a 3% Magnesium alloy coated base layer with premium coating systems such as PE Easy-Cleaning, SPE, SMP, and PVDF. Each coating layer plays a crucial role in ensuring product quality, protecting outstanding features such as anti-corrosion, dirt resistance, and color fading resistance, thereby providing long-lasting durability and significantly reducing maintenance costs for construction projects.

The ZINMAG® coating surface is completely free of spangles, a critical advantage over conventional Aluminium-Zinc alloy coated steel (AZ) and Magnesium alloy coated steel (AM). This ensures a uniform paint layer, enhances adhesion to the coating film, and improves the aesthetics of the product.

PRODUCTION CAPACITY

Ton Nam Kim possesses the production capability to meet a wide range of requirements in terms of color, size, and mechanical properties. This expands customer applications across project constructions, exterior and building structures, interior decorations, home appliances, etc.

Additionally, ZINMAG® can achieve a maximum coating mass of up to 450g/m² on both sides, surpassing the limitations of conventional Aluminium-Zinc alloy coated steel (AZ) and Magnesium alloy coated steel (AM) (maximum 200g/m² on both sides). This allows for more flexible designs in highly corrosive environments such as coastal construction, livestock farming, heavy industry, and chemical plants. As a result, ZINMAG® COLOR can offer a warranty of up to 50 years.

ZINMAG® COLOR ZM110

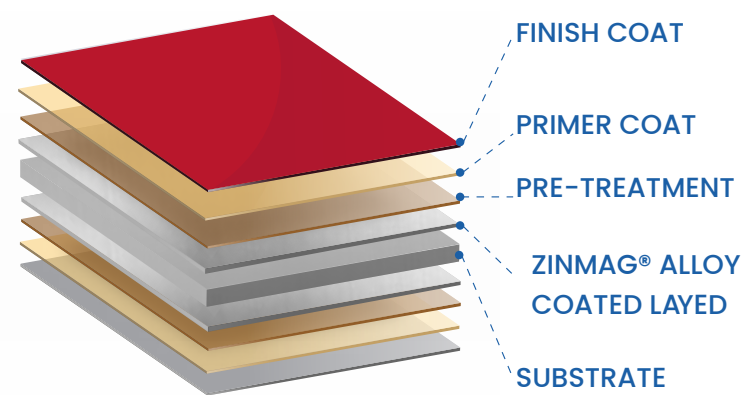
PE EASY CLEANING 25/10 µm



DESCRIPTION

ZINMAG® COLOR ZM110 utilizes the PE Easy-Cleaning coating system with a paint thickness of 25/10 µm, offering a cost-effective solution while ensuring durability and long-lasting color retention.

The ZINMAG® COLOR ZM110 product is an ideal solution for tropical monsoon climates with high airborne dust density.



PRODUCT SPECIFICATIONS

Substrate thickness	0.35 mm – 1.00 mm
Alloy coating	Zn; 5% Al; 3% Mg
Coating mass weight	110 g/m ² / 2 both sides

PAINT SPECIFICATIONS

Top coat		
Finish coat integrates the Easy-cleaning mechanism	Polyester	DFT ≥ 20µm
Anti-corrosion primer coat	Polyester	DFT ≥ 5µm
Anti-corrosion pre-treatment coat	Chemical	20 - 40 mg / m ²
Back coat		
Anti-corrosion pre-treatment coat	Chemical	20 - 40 mg / m ²
Anti-corrosion primer coat	Polyester	DFT ≥ 5µm
Finish coat	Polyester	DFT ≥ 5µm

WARRANTY

Warranty against perforation 25 years
Film integrity warranty 08 years
Warranty against paint color fading 08 years

TYPICAL APPLICATIONS



ZINMAG® COLOR ZM150

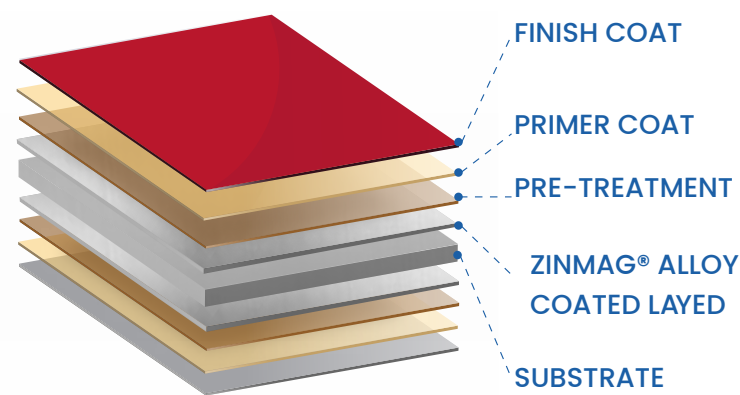
SPE 25/10 μm



DESCRIPTION

ZINMAG® COLOR ZM150 utilizes the PE Easy-Cleaning coating system with a paint thickness of 25/10 μm, offering a cost-effective solution while ensuring durability and long-lasting color retention.

The ZINMAG® COLOR ZM150 product is an ideal solution for tropical monsoon climates with high airborne dust density.



PRODUCT SPECIFICATIONS

Substrate thickness	0.35 mm – 1.00 mm
Alloy coating	Zn; 5% Al; 3% Mg
Coating mass weight	150 g/m ² / 2 both sides

THÔNG SỐ KỸ THUẬT SƠN

Top coat		
Finish coat integrates the Easy-cleaning mechanism	Supper Polyester	DFT ≥ 20μm
Anti-corrosion primer coat	Supper Polyester	DFT ≥ 5μm
Anti-corrosion pre-treatment coat	Chemical	20 - 40 mg / m ²
Back coat		
Anti-corrosion pre-treatment coat	Chemical	20 - 40 mg / m ²
Anti-corrosion primer coat	Polyester	DFT ≥ 5μm
Finish coat	Polyester	DFT ≥ 5μm

BẢO HÀNH

Warranty against perforation 35 years
Film integrity warranty 15 years
Warranty against paint color fading 10 years
Warranty against dirt staining 01 year

TYPICAL APPLICATIONS

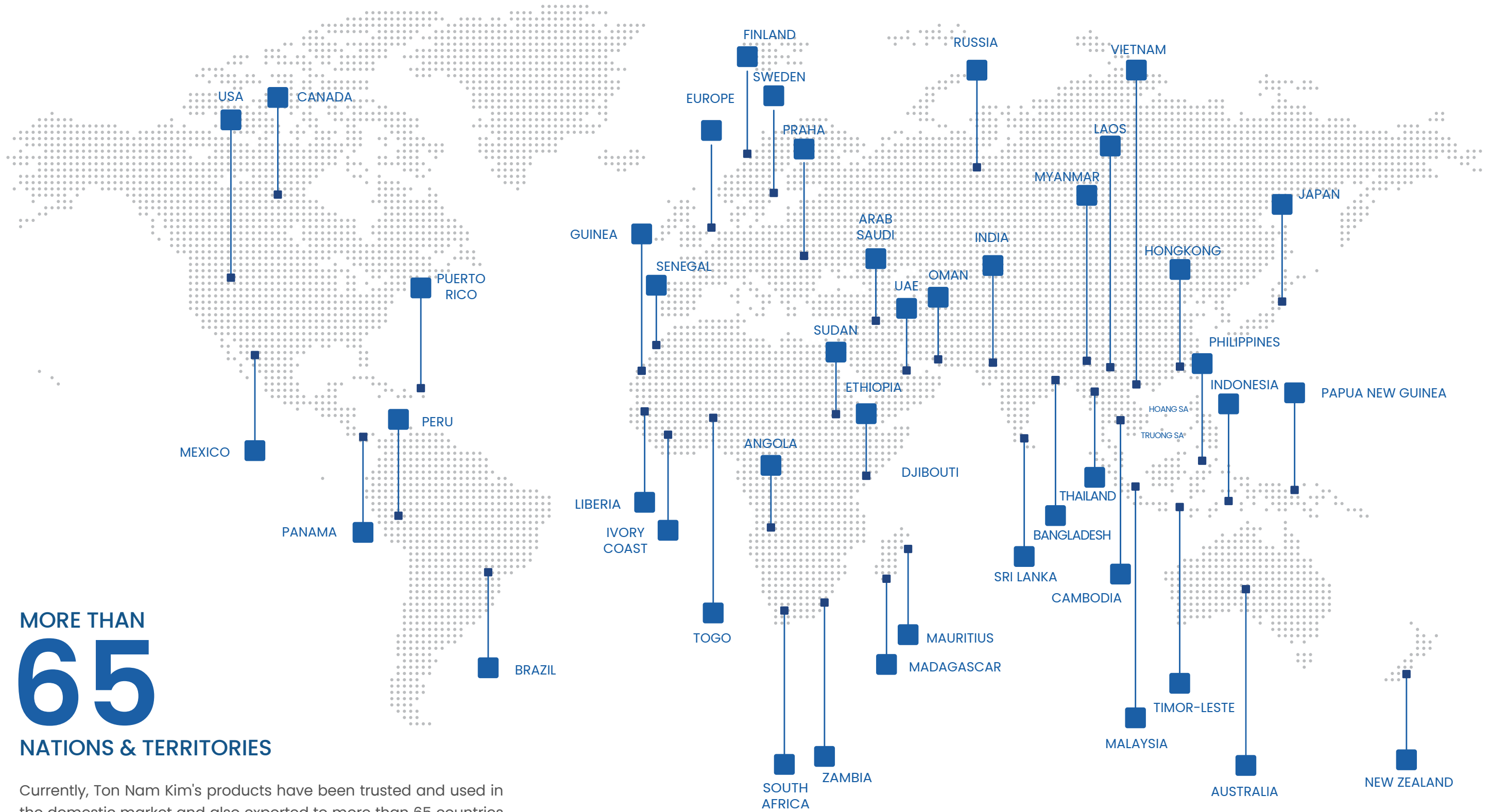


GALVANIZED STEEL PIPE

ASTM A500/A500M | COATING Z80 - Z275



MARKET AND DISTRIBUTION CHANNELS



MORE THAN
65
 NATIONS & TERRITORIES

Currently, Ton Nam Kim's products have been trusted and used in the domestic market and also exported to more than 65 countries around the world to Australia, Europe, America, Southeast Asia, South Asia, the Middle East, and Africa.



03.

OPERATING PERFORMANCE 2024

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OPTIMIZING USAGE VALUE
ON A TECHNOLOGY PLATFORM





MACROECONOMIC OVERVIEW 2024

I. GLOBAL MACROECONOMIC OVERVIEW 2024

The year 2024 can be considered a highly volatile year for the global economy, characterized by a mixture of bright and dark shades. The trend of interest rate cuts by major central banks has helped ease pressure on the global financial system. However, trade tensions between countries, aggressive economic growth stimulus measures in China, the U.S. presidential election at the end of the year, the booming digital economy, artificial intelligence (AI), and the resurgence of nuclear power have all contributed to shaping the global economic landscape.

Additionally, the world continues to face challenges such as aging populations, green transformation, and climate change. Strengthening resilience and improving the lives of vulnerable populations both within and across nations remain critical priorities. Many countries are implementing industrial and trade policy measures to protect their workforce and domestic industries.

GLOBAL ECONOMIC GROWTH

The global GDP in 2024 is projected to reach 3.2%, significantly surpassing the IMF's initial forecast (2.9%), demonstrating the resilience of the global economy. However, 2024 continues to witness disparities in growth prospects across different regions. Many developed

economies are at risk of declining growth, despite the commencement of monetary easing policies. While global economic activity has not entered a recession, it remains below its potential.

Source: IMF World Economic Outlook (January 2025)

Table: world economic growth (%)

	2022	2023	2024	2025 (Forecast)	2028 (Forecast)
IMF					
Global	3.50	3.30	3.20	3.20	3.10
Developed economies	2.60	1.70	1.80	1.80	1.70
Emerging and developing economies	4.10	4.40	4.20	4.20	3.90
WB					
Global	3.00	2.60	2.60	2.70	-
Developed countries	2.60	1.50	1.50	1.70	-
Emerging and developing countries	3.70	4.20	4.00	4.00	-
OECD					
Global		3.10	3.20	3.20	-
Eurozone		0.50	0.70	1.30	-
G20		3.40	3.20	3.10	-

Source: IMF, WB, OED.

GLOBAL INFLATION

A key highlight of the global economy this year is the progress in the fight against inflation. According to the IMF, global inflation declined to 5.80% in 2024, down from 6.7% in 2023, reflecting the effectiveness of tight monetary policies implemented by major central banks worldwide. While price pressures persist in certain countries, overall, global inflation has been effectively

Source: IMF World Economic Outlook (Oct, 2024)

contained, allowing central banks to ease monetary policies. The global economy has maintained a certain degree of flexibility throughout the disinflation process.

Despite the decline compared to 2023, inflation remains above target levels in many economies.

REGIONAL ECONOMIC PERFORMANCE

United States:

The U.S. recorded a GDP growth rate of 2.7% in 2024, the highest among developed countries. This was primarily driven by improved household spending, particularly during the year-end shopping season. However, growth momentum is expected to slow in 2025 due to the lagging effects of high interest rates, a potential weakening of the labor market, and consumer debt concerns. The U.S. growth

Source: IMF World Economic Outlook (Jan, 2025)

Eurozone:

Eurozone GDP growth stood at only 0.9% in 2024, constrained by high raw material costs and a lack of competitiveness, mainly due to Germany's economic slowdown and the prolonged impact of the war in Ukraine.

Source: European Central Bank (2024)

China:

According to the IMF, China's economy grew by 4.8% in 2024, while the National Bureau of Statistics of China (NBS) reported a growth rate of 5% as of January 17, 2025. Although the recovery has been somewhat slow, China achieved steady growth following the disruptions caused by the pandemic and

ASEAN:

ASEAN economies continued their recovery, with GDP growth recorded across all member states. Malaysia, the Philippines, Thailand, and Vietnam achieved the highest growth rates in the region. Key growth drivers for Southeast Asian economies included strong consumer demand, expanded manufacturing activity,

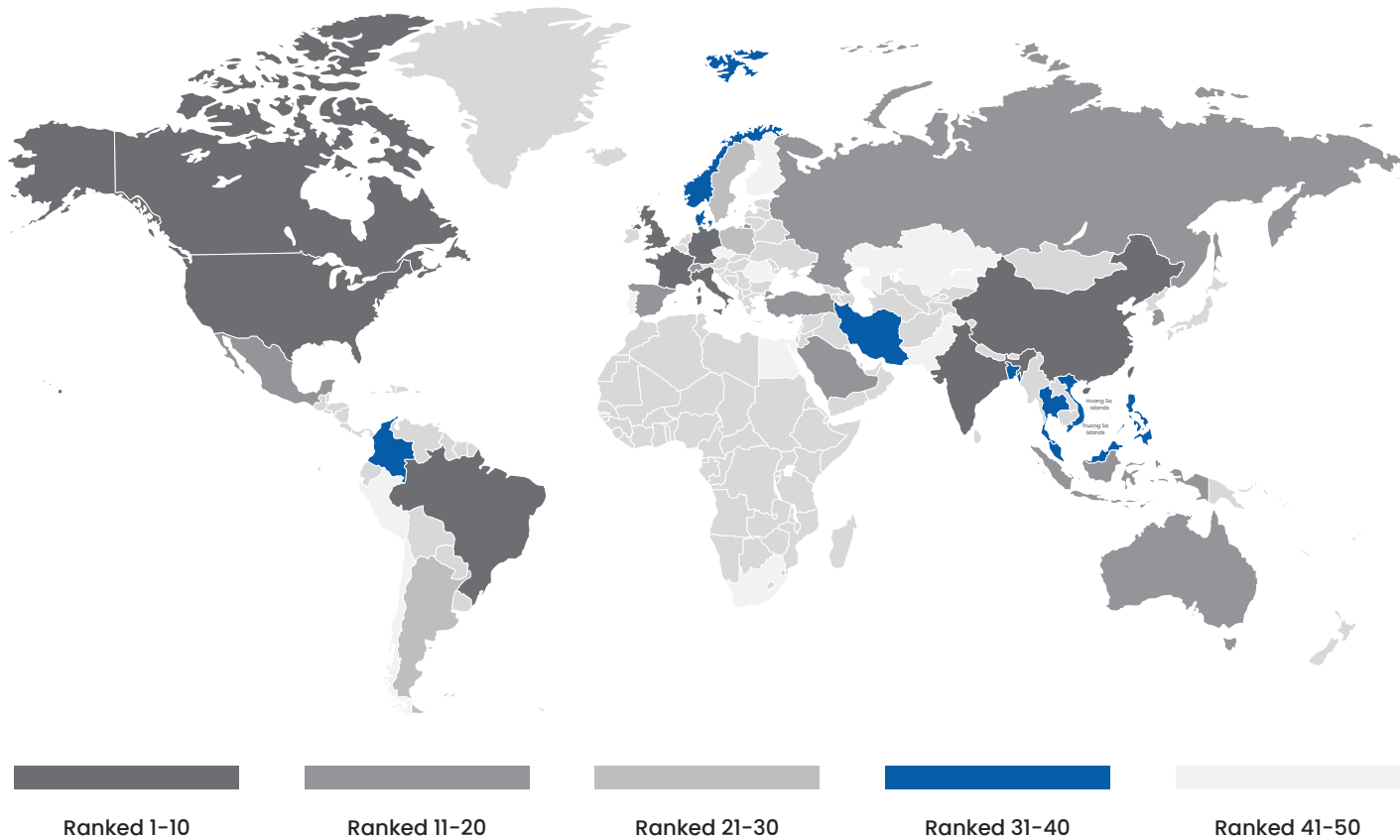
Source: National Bureau of Statistics of China (2024), IMF World Economic Outlook (January 2025).

and higher exports driven by improved global demand, particularly in the electronics sector. The region's economy continues to recover gradually from the downturn 2023 (which was largely driven by high energy prices and inflation). Growth is expected to accelerate in 2025 as interest rates decline and the economy emerges from stagnation.

previous stringent policies. Since late September 2024, China has introduced massive economic stimulus packages worth thousands of U.S. dollars, alongside interest rate cuts and reductions in reserve requirement ratios, aimed at bolstering economic activity.

According to the IMF (2024), the ASEAN-5 economies are projected to grow by 4.5% in 2024, surpassing the 4% growth recorded in 2023.

GDP RANKINGS OF ASEAN COUNTRIES IN 2024



Source: IMF (Oct, 2024)

TRADE TENSIONS ON THE RISE

Global trade tensions, particularly between the United States and China as well as Russia and the West, continue to exert negative impacts on global economic growth. This situation necessitates decisive actions from governments to ensure public debt sustainability and maintain policy flexibility in responding to future shocks.

On October 31, 2024, the European Union (EU) announced tariffs of up to 45% on electric vehicles imported from China, citing unfair subsidies from Beijing. The United States, Canada, and Turkey have also imposed similar tariffs, ranging from 40% to 100%.

Meanwhile, U.S.-China trade tensions have further escalated as Washington tightened restrictions on the export of advanced chips (under 16 nanometers) to Beijing. In response, China imposed stricter controls on the export of critical minerals. These developments indicate that trade tensions will likely intensify and become even more complex in 2025, especially with the introduction of new U.S. policies.

II. VIETNAM'S MACROECONOMIC OVERVIEW 2024

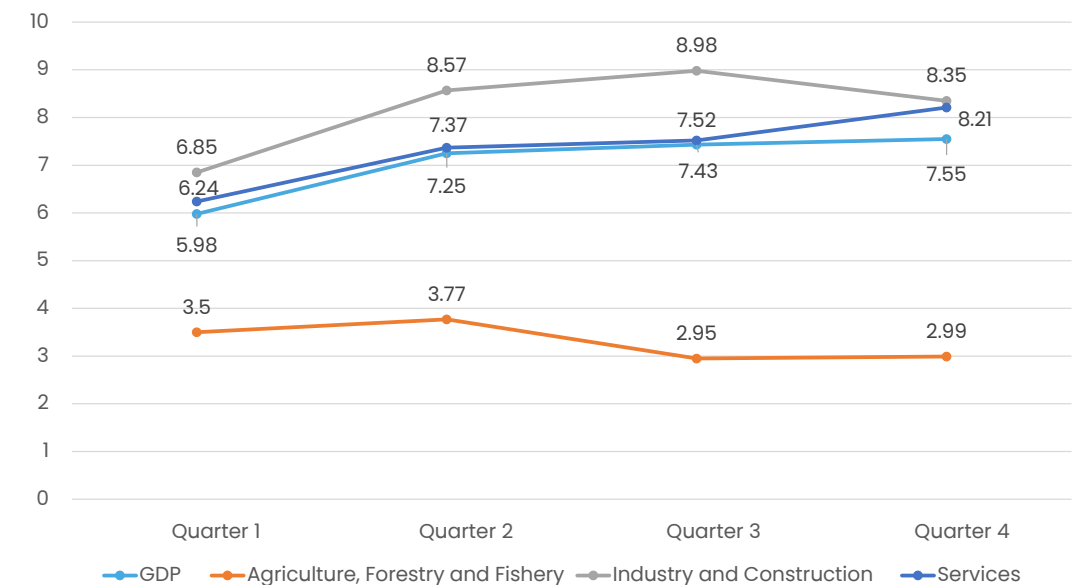
Vietnam's socio-economic situation in 2024 maintained a positive trajectory, with macroeconomic stability, inflation kept below the target level, and major economic balances ensured. Social welfare remained well-preserved, and key sectors achieved or exceeded their set targets, positioning Vietnam as a standout economy in both the region and the world in terms of growth.

ECONOMIC GROWTH

Amidst ongoing global economic uncertainties, where challenges outweigh opportunities, Vietnam's economy demonstrated positive growth in 2024, with each quarter surpassing the previous one (Q1: 5.98%; Q2: 7.25%; Q3: 7.43%; Q4: 7.55%). This performance exceeded

the National Assembly's target and placed Vietnam among the few countries with high growth rates in the region and worldwide. For the full year 2024, GDP grew by 7.09% compared to the previous year.

QUARTERLY GDP AND VALUE-ADDED GROWTH RATES BY SECTOR IN 2024 (%)



Source: General Statistics Office of Vietnam.

The agriculture, forestry, and fisheries sectors maintained stable growth in 2024. Export turnover of several key agricultural products saw a significant increase, while livestock production remained steady. Aquaculture recorded strong growth, driven by the application of advanced technological models that enhanced economic efficiency.

The industrial sector continued its positive recovery trend, with the industrial production index (IIP) estimated to increase by 8.4% compared to the previous year - the highest growth rate since 2020.

The trade and services sectors remained vibrant, sustaining a steady growth trajectory.

The recovery of business and production activities contributed to an increase in investment. Total realized social investment for

2024 grew by 7.5%, while foreign direct investment (FDI) inflows into Vietnam reached a record high of 25.35 billion USD.

Exports and imports were a key highlight and a major driver of economic growth in 2024, benefiting from the global market's ongoing recovery. The trade balance recorded a trade surplus of 24.77 billion USD (compared to 28.4 billion USD in the previous year). This marked the ninth consecutive year of trade surplus, contributing to exchange rate stability and an increase in foreign exchange reserves.



TOTAL IMPORT AND EXPORT TURNOVER
786.29 BILLION USD

EXPORT
405.53 BILLION USD
▲ 14.3%

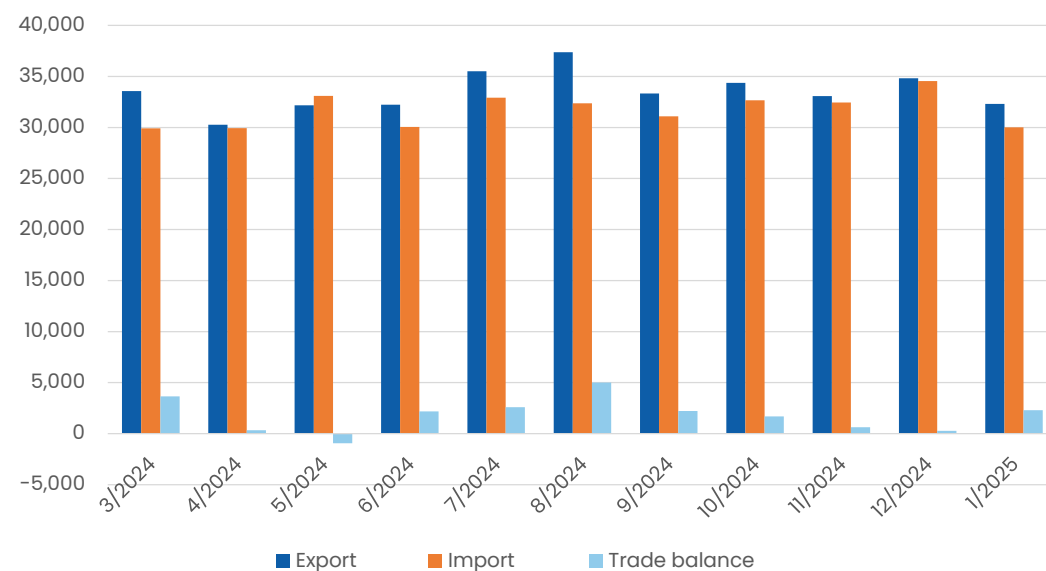
IMPORT
380.76 BILLION USD
▲ 16.7%

TRADE SURPLUS
24.77 BILLION

Inflation was effectively controlled at an appropriate level, providing strong support for economic growth. The average Consumer Price Index (CPI) in 2024 increased by 3.63% compared to the previous year, exceeding the target set by the National Assembly of 4% - 4.5%.

Employment and average income of workers in 2024 increased compared to the previous year. Social welfare policies were promptly addressed, while relief efforts for disadvantaged people and areas affected by natural disasters and storms were widely implemented by ministries, sectors, and local authorities in a practical and effective manner.

TOTAL EXPORT VALUE (MILLION USD)



Source: General Statistics Office of Vietnam

RISKS TO THE GLOBAL AND VIETNAMESE ECONOMY

Fluctuations in energy prices and external factors beyond control could disrupt the global economic recovery, particularly as major energy-producing countries such as Russia and Saudi Arabia may alter their supply

policies. Rising protectionism, especially from major economies like the United States, could impact international trade and pose challenges for export-driven economies such as Vietnam.

CONCLUSION

The year 2024 was a challenging one for the global economy, yet it also marked a gradual recovery from the shocks of the pandemic and previous crises. While global economic growth in 2025 is expected to rebound, significant risks

remain. Maintaining inflation stability and improving global supply chain conditions will be critical for sustainable development in the coming year.

Source: General Statistics Office of Vietnam.

III. GLOBAL ECONOMIC OUTLOOK FOR 2025

The global economic outlook for 2025 will be influenced by policy trends in countries and geopolitical developments in the world.

GLOBAL GROWTH, TRADE AND INVESTMENT OUTLOOK

According to the International Monetary Fund (IMF)'s forecast (October 2024), global economic growth in 2025 is expected to reach 3.2%, maintaining the same pace as in 2024. This forecast is based on the assumption that global interest rates will gradually return to normal as inflation declines. However, reductions in production and transportation of goods (especially oil), as well as conflicts and civil unrest, have led to downward adjustments in the regional outlook for the Middle East, Central Asia, and Sub-Saharan Africa. Meanwhile, soaring demand for semiconductors and electronics, driven by substantial investments in

artificial intelligence, has fueled stronger growth in emerging Asia.

Global oil prices are expected to continue cooling, as the United States plans to ramp up oil production. Concerns over OPEC+ production cuts and rising conflicts in the Middle East have driven recent volatility in Brent crude oil. However, the gradual decline in oil prices since Q2/2024 has pushed down annual average future oil prices in projections, largely due to expectations of weak global oil demand, particularly from China.

OUTLOOK FOR MAJOR ECONOMIES

According to Goldman Sachs (2024), the potential impact of new trade policies on U.S. GDP is expected to be modest and largely offset by other factors. Higher import tariffs would have a moderate effect on disposable personal income (inflation-adjusted) due to higher consumer prices. However, uncertainty remains regarding the extent to which trade tensions may escalate. On the other hand, domestic tax reductions in the U.S., including a potential corporate income tax cut from 21% to 20% (and possibly to 15% for certain industries), could stimulate domestic production and attract investment flows back to the United States.

Sachs has lowered its Eurozone growth forecast for 2025 by 0.5 percentage points (Q4 over Q4) following the U.S. election results and may cut projections further if the U.S. enacts comprehensive tariffs.

China is expected to be particularly affected due to the scale of proposed U.S. tariffs and the manufacturing sector's significance to its economy. In response, China may allow the Yuan to depreciate and introduce stronger fiscal and monetary stimulus measures.

Other countries are expected to experience greater impacts from U.S. trade policies. Higher U.S. import tariffs could deal a blow to the European Union (EU), which relies heavily on exports and is already facing sluggish growth alongside ongoing political crises. Goldman

Other countries may also be impacted by U.S. trade policies. Export-dependent economies are likely to experience negative effects, whereas some emerging markets could benefit by capturing export market share if trade shifts away from China. Meanwhile, importers may seek alternative sourcing from countries unaffected by U.S. tariffs.

(According to Journal of Economic Forecasting, Issue 02, January 2025).

STEEL INDUSTRY 2024

GLOBAL STEEL INDUSTRY 2024

A. OVERVIEW OF THE WORLD STEEL MARKET

PRODUCTION AND CONSUMPTION

According to the World Steel Association (WSA), global crude steel production in 2024 is estimated at 1.882 billion tons, marking a 0.8% decline compared to 2023. Of which:

- China: more than 1 billion tons (53.4% of global production)
- India: nearly 150 million tons (7.95%)
- Japan: more than 84 million ton (4.47%)
- US: more than 79 million tons (4.22%)
- Russia: nearly 71 million tons (3.76%)

WORLD CRUDE STEEL PRODUCTION TABLE 2024

Rank	Country	2024	2023	% 2024 / 2023
1	China	1,005	1,023	-1.7
2	India	150	141	6.3
3	Japan	84	87	-3.4
4	United States	80	81	-2.4
5	Russia (e)	71	76	-7.0
6	South Korea	64	67	-4.7
7	Germany	37	35	5.2
8	Turkiye	37	34	9.4
9	Brazil	34	32	5.3
10	Iran	31	31	0.8
11	Viet Nam (e)	22	19	14.9
12	Italy	20	21	-5.0
13	Taiwan. China (e)	19	19	-0.3
14	Indonesia (e)	17	17	0.9
15	Mexico (e)	14	16	-16.5
16	Canada (e)	12	12	0.1
17	Spain	12	11	3.3

Source: World Steel Association Monthly Statistics Report, January 2024

The world is currently undergoing unprecedented transformations not seen in a century, marked by intense political conflicts, trade tariff wars, and climate change, all of which continue to pose significant challenges to economic activities. A series of protective measures and anti-dumping policies implemented by developed countries

from late 2024 to early 2025, aimed at safeguarding domestic manufacturers, along with the depreciation of local currencies, have made the flow of goods between nations increasingly difficult.

B. OUTSTANDING EVENTS IN THE STEEL INDUSTRY IN 2024

1. GREEN STEEL TRANSITION

In 2024, significant global efforts were made to advance green steel production, aiming to substantially reduce the industry's carbon emissions. Key developments include:



Technological innovation

Steel companies have been increasing investments and research into new production technologies such as innovative electrochemical methods that utilize renewable energy to produce iron at lower

temperatures, significantly reducing or using green hydrogen produced with renewable electricity, which has the potential to reduce carbon emissions by 95% compared to traditional methods.

Policy and regulatory measures

India's Green Steel Mission: In December 2024, India announced the launch of its National Green Steel Mission to promote sustainable steel production. This initiative includes defining green steel products and reallocating approximately 30 billion Indian rupees (356.8 million USD) to support green steel production (according to Global Steel Web, October 2024).

EU's CBAM: The Carbon Border Adjustment Mechanism (CBAM), introduced by the European Union, has gained increasing prominence. CBAM imposes a carbon price on imports from countries with less stringent environmental regulations, providing additional incentives for steel manufacturers worldwide to adopt greener technologies to maintain their competitiveness in the global market.

Investments in the Steel Industry

UAE's Green Steel Project:

Emsteel, in collaboration with renewable energy company Masdar, has completed a pilot program exploring the use of green hydrogen for decarbonizing steel production. This aligns with the UAE's National Hydrogen Strategy 2050 and Abu Dhabi's Low-Carbon Hydrogen Policy (according to AGBI, October 2024).

POSCO (South Korea): HYREX™ Technology

POSCO began designing a pilot factory for HYREX technology in 2022 and aims to complete it by 2030 to assess its economic viability. HYREX uses hydrogen to produce steel, bringing CO₂ emissions close to zero.

ArcelorMittal: Carbon Emission Reduction Project

ArcelorMittal has set a group-wide target to reduce CO₂ emissions by 25% by 2030 and by 35% in its European operations. The company is actively developing renewable energy projects and CO₂ recovery technology, with a vision for global sustainability by 2050.

These projects are making significant progress and play a crucial role in minimizing the environmental impact of the steel industry.

ThyssenKrupp (Germany): Green Hydrogen Steel Project

ThyssenKrupp is implementing the tkH₂ Steel® project in Duisburg, Germany. This initiative will replace coal with hydrogen in steel production and is scheduled to commence operations in 2027. The project is expected to cut CO₂ emissions by approximately 3.5 million tons annually.

2. RAW MATERIAL PRICE VOLATILITY

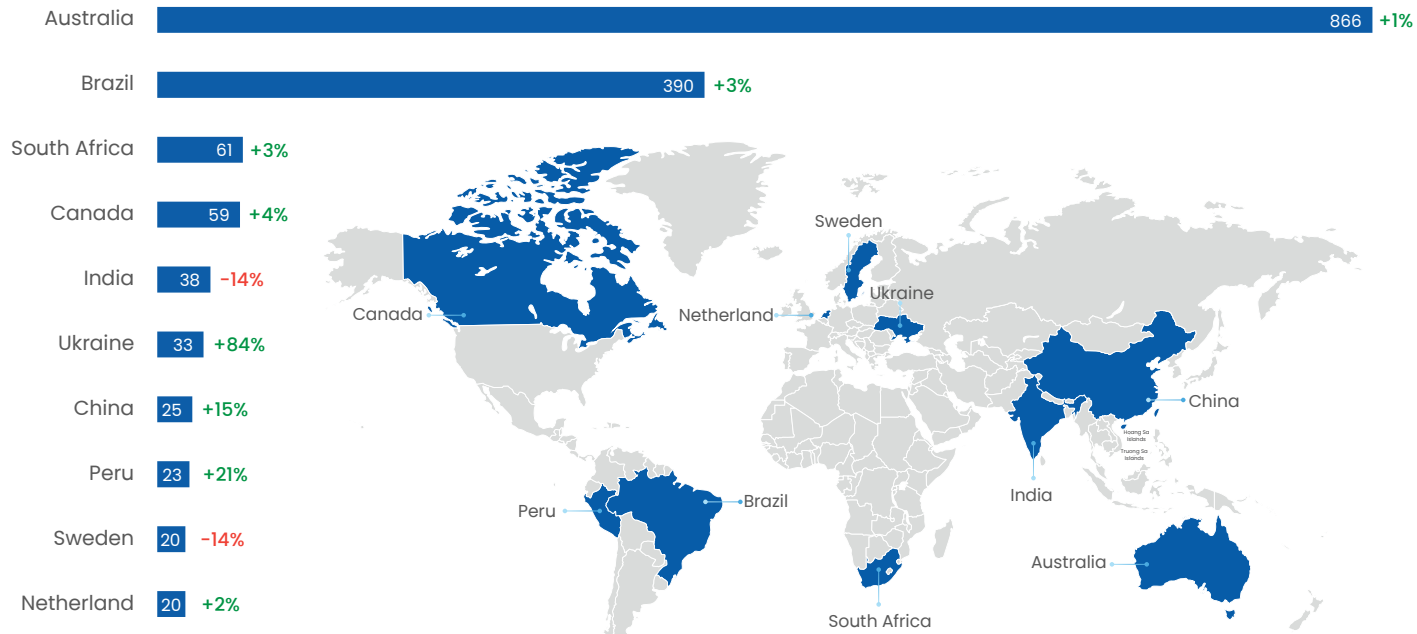
In 2024, global steel prices experienced significant fluctuations due to a combination of geopolitical tensions, economic challenges, and supply chain disruptions.

a. IRON ORE

According to BigMint, in 2024, global iron ore production increased. Specifically, BHP's iron ore production in Australia rose by 3% to 290 million tons. Total iron ore sales from Pilbara increased by 4% to 290 million tons. Fortescue Metals Group (FMG) recorded a 2% increase to 194 million tons. Vale's production in Brazil grew by 2% to 328 million tons—the highest level since 2018. China, the world's largest iron ore consumer and importer, saw a 5% increase in iron ore imports, reaching 1.237 billion tons in 2024. Several factors contributed to this increase:

- 1) Macroeconomic conditions improved in the second half of 2024 due to special support policies that boosted real estate and manufacturing, while the U.S. Federal Reserve's interest rate cuts affected purchasing sentiment and increased China's iron ore imports.
- 2) China's crude steel production, although slightly declining, remained relatively stable throughout the year, with a total output of 929 million tons, only a 3% decrease compared to the same period last year. As a result, iron ore stockpiles at Chinese ports increased to 143 million tons in 2024, up from 123 million tons in 2023.

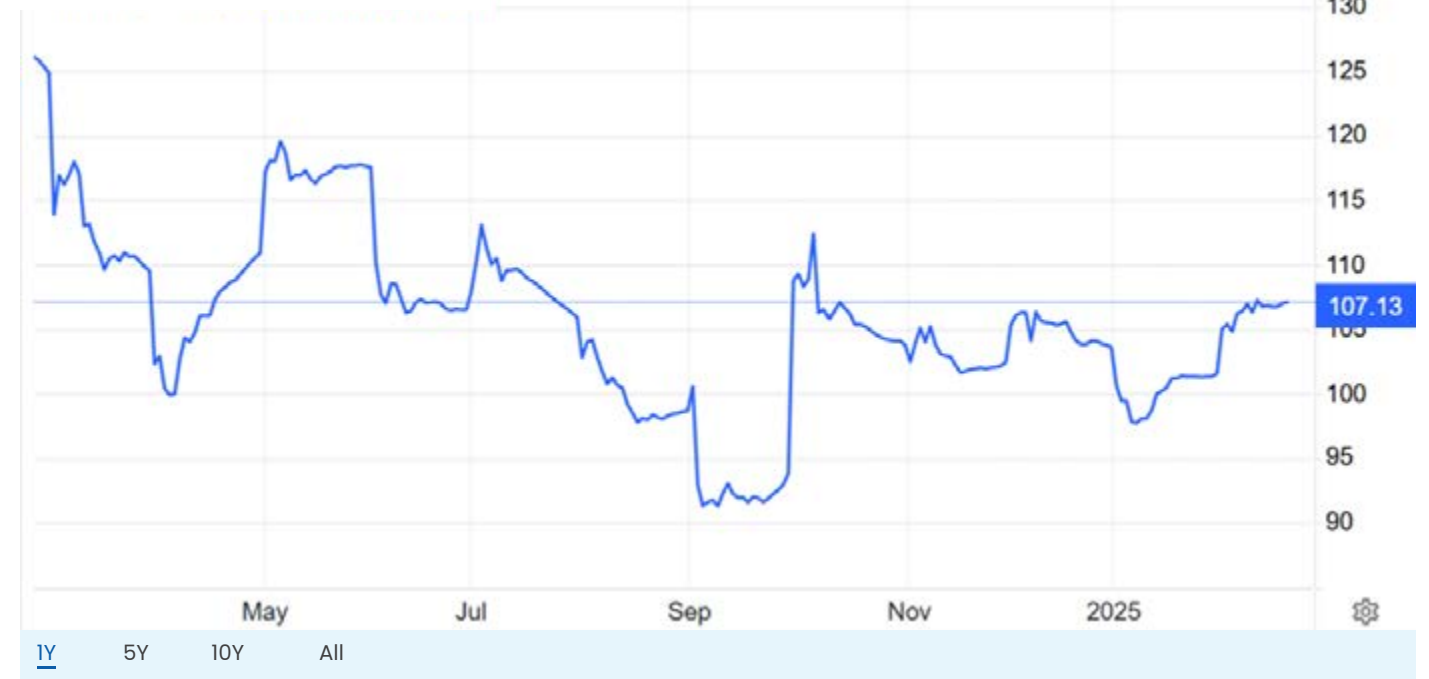
TOP 10 IRON ORE EXPORTING COUNTRIES IN 2024



Source: BigMint

According to forecasts from S&P Global Market Intelligence, S&P Global Market Intelligence Global Trade Analytics Suite, and Global Trade Tracker, the iron ore market will face a downturn, with prices reaching their lowest level in six years by 2025. Iron ore prices are entering a period of continuous decline due to decreasing demand in China and a growing supply surplus. China's steel industry remains the largest consumer; however, weak domestic demand, combined with global anti-dumping measures and potential U.S. tariffs, is expected to reduce China's iron ore imports.

Iron ore (USD/T) 107.13 +0,13 (+0,12%)



Source: www.tradingeconomics.com

b. COKING COAL

According to customs data, China's total coking coal export volume in 2024 reached 725,800 tons, an increase of 359,200 tons compared to 2023, representing a 97.98% year-over-year increase. Meanwhile, China's total coking coal import volume in 2024 was 121.895 million tons, up 19.72% year-over-year, according to SunSirs-China Commodity Data Group.

The sluggish steel demand has made steel mills more cautious in production, thereby reducing coking coal demand as well. The coking coal market is expected to face an oversupply situation, with an estimated production volume of around 560 million tons, while consumption is unlikely to exceed 550 million tons. The increase in production is mainly driven by the recovery of mining capacity at ore mines. Conversely, demand is under dual pressure from excess capacity in the coking coal sector and weak demand in the steel market.

Market Forecast 2025: The steel industry is facing a downward cycle, with no improvement in real estate demand and slowing production growth, leading to an overall decline in steel market

Coking coal (USD/T) 103.50

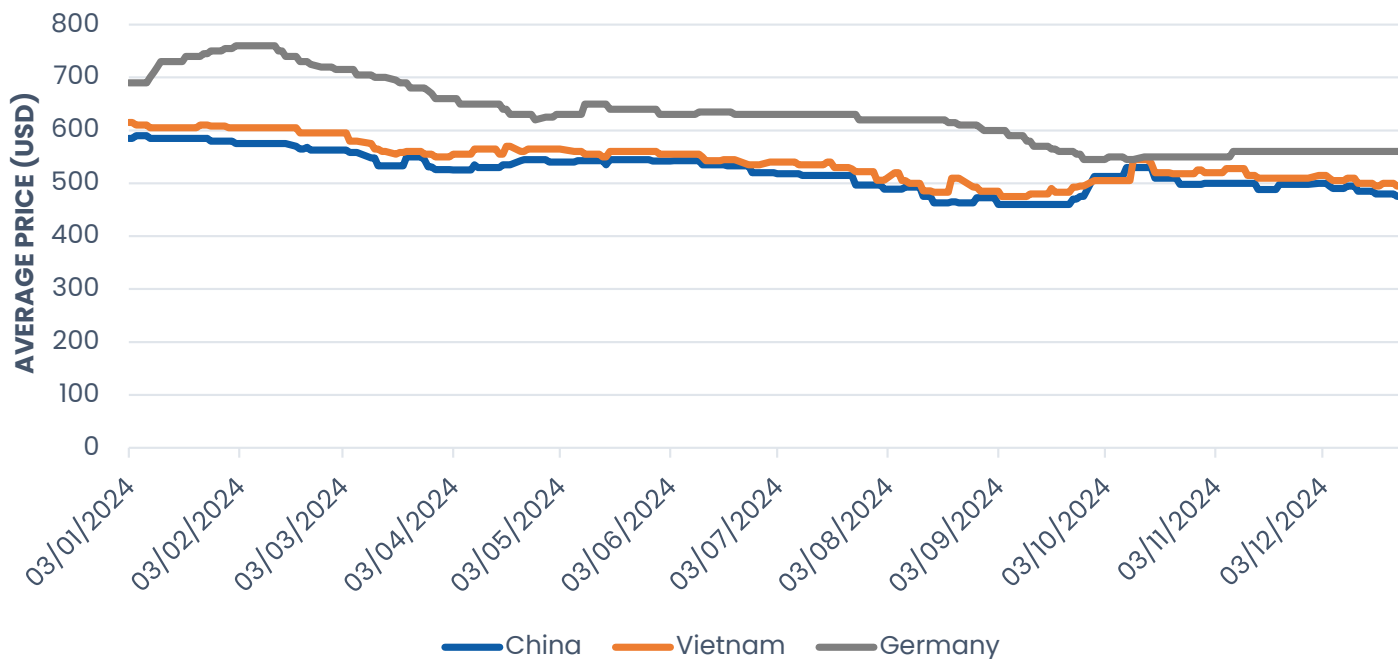


Source: www.tradingeconomics.com

c. HRC

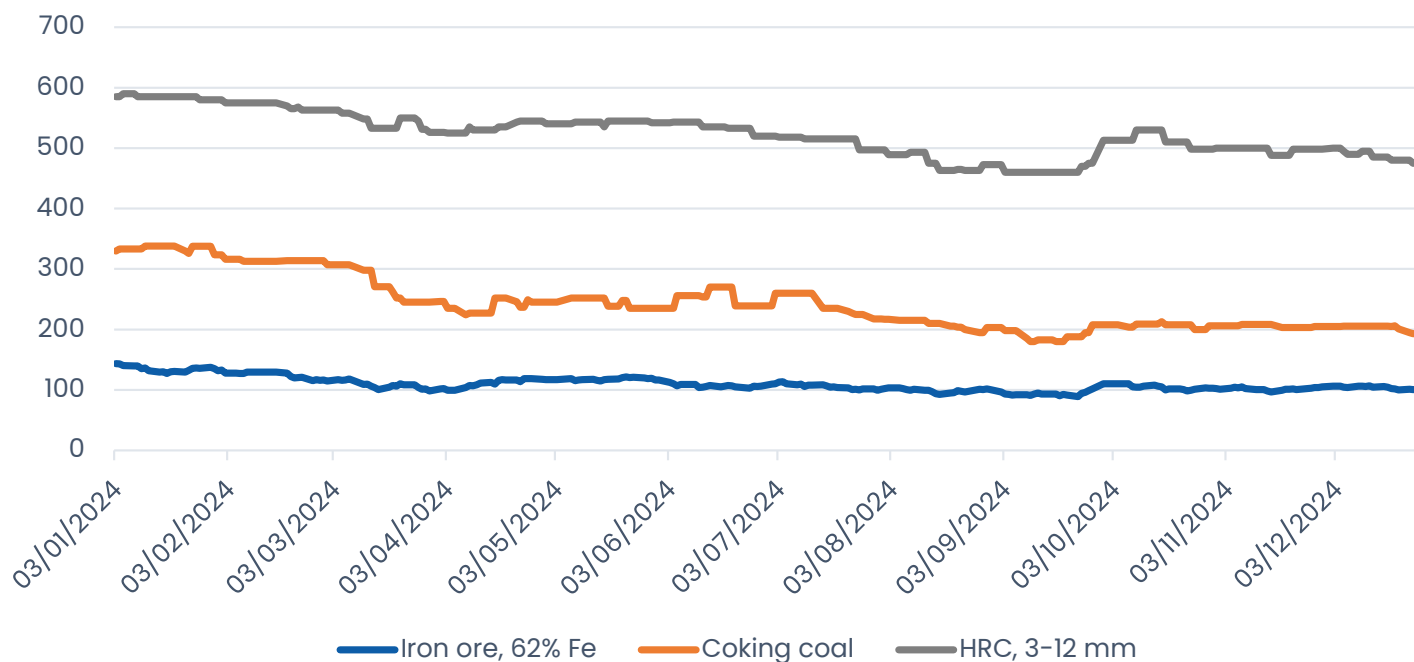
China's steel exports reached 110 million tons in 2024. The global steel capacity utilization rate fell below 75% at the beginning of 2025, down from 77.3% in Q4/2024, indicating a persistent oversupply situation. The downturn in China's real estate sector shows no significant signs of recovery, causing major manufacturers to continue facing liquidity challenges. This pressure forces Chinese manufacturers to shift towards exports to ease the burden of excess supply. In Europe, fundamental demand remains weak, particularly in the construction and automotive sectors. Former U.S. President Donald Trump announced a 25% tariff on all steel imported into the United States, which will lead to surplus steel flowing into other markets such as Europe, the Middle East, and South America. As a result, steel prices are unlikely to recover in early 2025.

AVERAGE PRICE OF HRC



Source: Metal Expert

AVERAGE PRICE OF MAIN MATERIALS (USD)



Source: Metal Expert

Middle East conflicts (Israel-Hamas, Hezbollah, Houthi): The escalation of the Israel-Hamas conflict and the involvement of Hezbollah and Houthi militants in late 2024 have had ripple effects on the global steel market. Since the Middle East is a key region for energy and raw material exports, these conflicts have caused oil price volatility and supply chain disruptions, leading to increased production costs for steel manufacturers. Steel prices in regions heavily dependent on imports have consequently faced upward pressure.

Syria and North Korea tensions: Political instability and conflict in Syria and the Korean Peninsula have further exacerbated global supply chain issues. These regions are critical for the

transit of raw materials and energy resources, and disruptions here have led to higher costs for steel manufacturers worldwide, particularly in Asia.

Energy crisis and Raw material prices: The ongoing energy crisis in Europe and Asia has disrupted the supply of key raw materials for steel production, such as coking coal and iron ore. As energy prices surge due to supply constraints and geopolitical instability, steel manufacturers face higher input costs, leading to price fluctuations. While this may drive prices up in the short term, the economic downturn has dampened overall demand.

3. DIGITAL TRANSFORMATION IN THE STEEL INDUSTRY

INTEGRATION OF AUTOMATION AND AI

Artificial Intelligence (AI): Steel manufacturers are increasingly adopting AI and machine learning algorithms to optimize production processes. AI is utilized for predictive maintenance, quality control, and energy efficiency improvements. By analyzing real-time data, AI systems help detect potential equipment failures before they occur, reducing downtime and enhancing operational efficiency.

Automation: Robotics and automated systems have become integral to steel production, streamlining everything from material handling to final processing. Automated systems in blast furnaces and rolling mills enhance precision, speed, and safety while cutting labor costs and minimizing human error.

IoT sensors: IoT sensors are widely deployed in steel mills to monitor and control production in real time. These sensors track critical parameters like temperature, pressure, and material flow, enabling manufacturers to optimize production parameters and minimize waste.

Smart factories: The concept of smart factories continues to evolve, where interconnected devices and systems communicate seamlessly to enhance operational efficiency. Data collected from IoT sensors enables dynamic decision-making, increasing the responsiveness of steel mills to market demands and production requirements.

FORECAST FOR 2025

Based on current events and trends, the steel industry in 2025 is expected to be influenced by several key factors:

1. TRANSITION TO GREEN PRODUCTION

Steel manufacturers will continue investing in low-carbon technologies, such as hydrogen-based steel production and the use of renewable energy. This shift is driven by increasingly stringent environmental regulations and growing customer demand for sustainable products.

2. RESTRUCTURING OF SUPPLY CHAINS

Geopolitical tensions and global market fluctuations are forcing steel companies to diversify their raw material sources and develop more resilient supply chains to mitigate risks from economic shocks.

3. ADVANCEMENT IN AUTOMATION AND DIGITAL TECHNOLOGIES

Artificial intelligence (AI), big data, and the Internet of Things (IoT) will be further integrated to optimize production, enhance inventory management, and improve market demand forecasting.

4. ONGOING VOLATILITY IN RAW MATERIAL PRICES

2025 may witness continued instability in the prices of iron ore, coking coal, and hot-rolled coil (HRC) due to global economic conditions, trade tensions, mining output levels, and environmental policies in major producing countries.

VIETNAM'S STEEL INDUSTRY IN 2024

The Vietnamese steel market in 2024 showed positive signs of recovery in Q1, Q2, and Q3 but began to slow down in Q4. The steel industry typically follows a five-year cycle and remains in the growth phase from 2022 to 2027, supported by increasing steel product consumption. After two consecutive years of negative growth in consumption, Vietnam's steel industry rebounded in 2024 with a 12.5% increase compared to 2023.

IMPORT AND EXPORT OF GOODS 2024

EXPORT
405.53 BILLION USD
 ▲ 14.3%

IMPORT
380.76 BILLION USD
 ▲ 16.7%

TRADE SURPLUS
24.77 BILLION USD

STEEL IMPORT AND EXPORT 2024

EXPORT
12.6 MILLION TONS
 ▲ 13.5%

IMPORT
17.7 MILLION TONS
 ▲ 33%



Source: VSA Report

DOMESTIC MARKET STEEL PRODUCTION IN 2024

According to the Vietnam Steel Association, crude steel output reached 21.98 million tons, marking a 14% increase from 2023. Domestic steel consumption and sales totaled 21.41 million tons, also up 14% year-on-year. Finished steel production stood at 29.443 million tons, reflecting a 6.1% growth compared to 2023. Among key product segments, galvanized and color-coated steel recorded the highest growth at 23.1%, followed by construction steel at 10.1%, galvanized steel pipes at 3.5%, and hot-rolled coil (HRC) at 1.5%. Cold-rolled coil

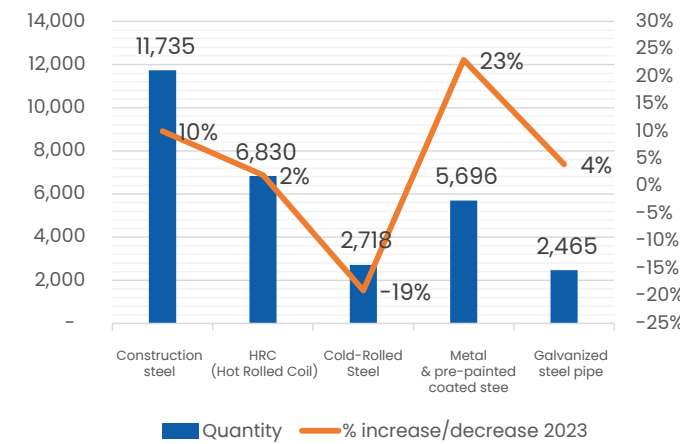
(CRC) was the only product to record negative growth, declining by 19.4%.

Total sales reached 29.09 million tons, marking a 10.4% increase compared to 2023. Most product categories experienced growth, with CRC leading at 34.6%, followed by galvanized steel at 26.9%, construction steel at 9.3%, and galvanized steel pipes at 5.5%. However, hot-rolled coil (HRC) saw a decline of 3.3% compared to the previous year. Total exports amounted to 8.042 million tons.

PRODUCT	MANUFACTURE	SALES
Construction Steel	▲ 10.1%	▲ 9.3%
HRC (Hot Rolled Coil)	▲ 1.5%	▼ 3.3%
CRC (Cold Rolled Coil)	▼ 19.4%	▲ 34.6%
Coated Steel Sheet	▲ 23.1%	▲ 26.9%
Galvanized Steel Pipe	▲ 3.5%	▲ 5.5%

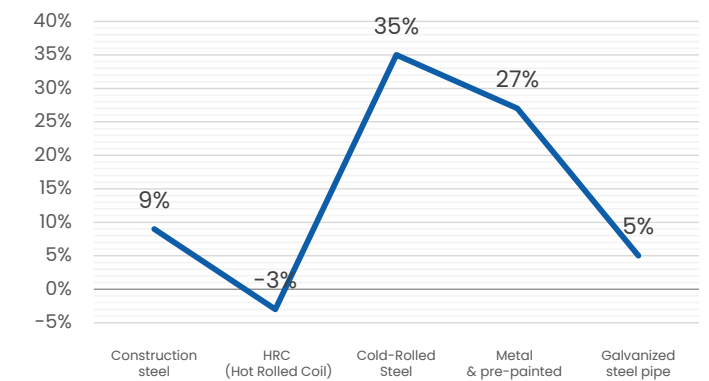
Source: VSA Report

STEEL PRODUCTION 2024



Source: VSA Report, January 2025

SALE RATIO 2024



THE REAL ESTATE MARKET SHOWS POSITIVE TRANSFORMATION

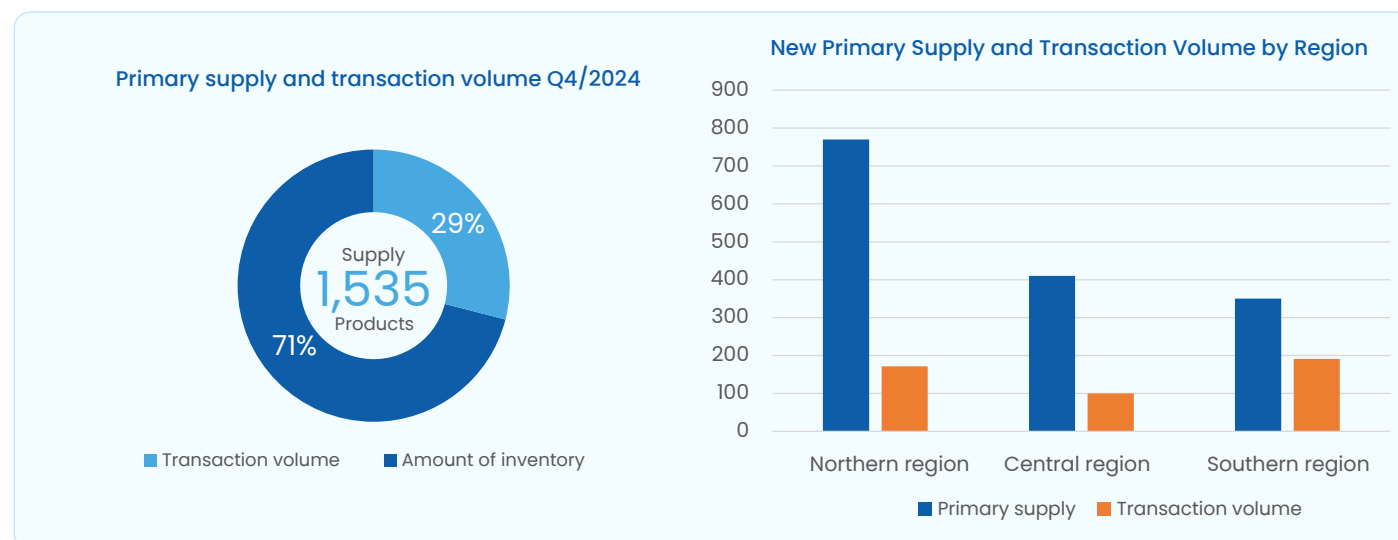
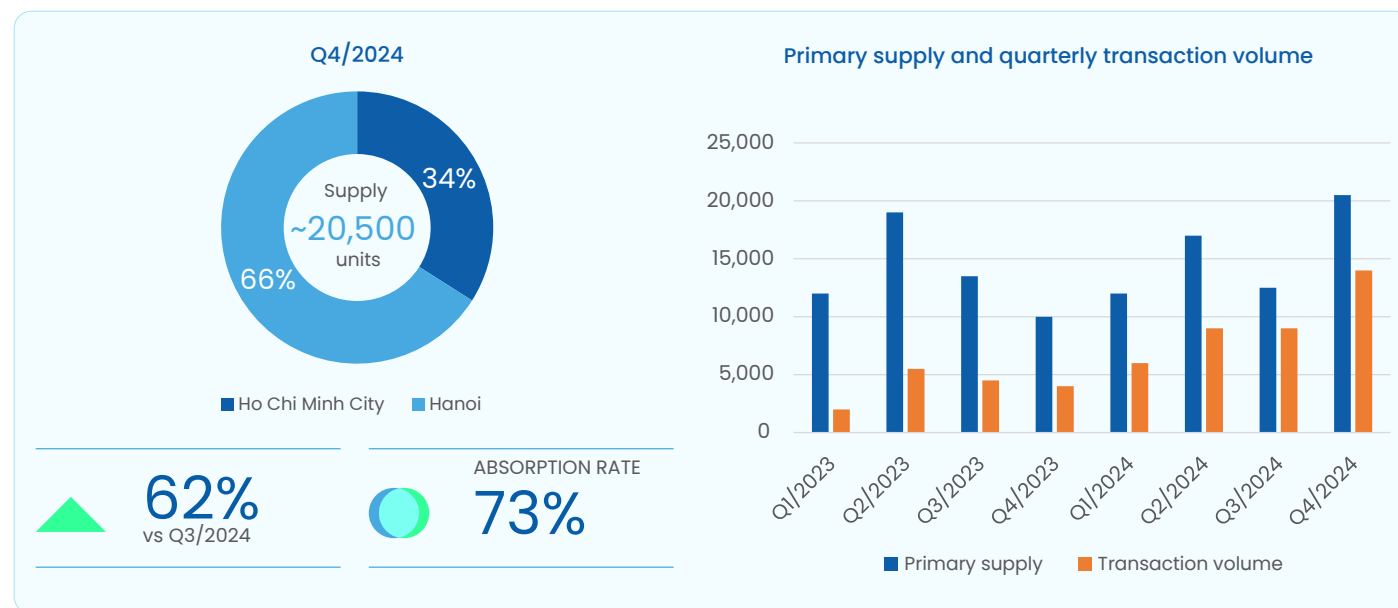
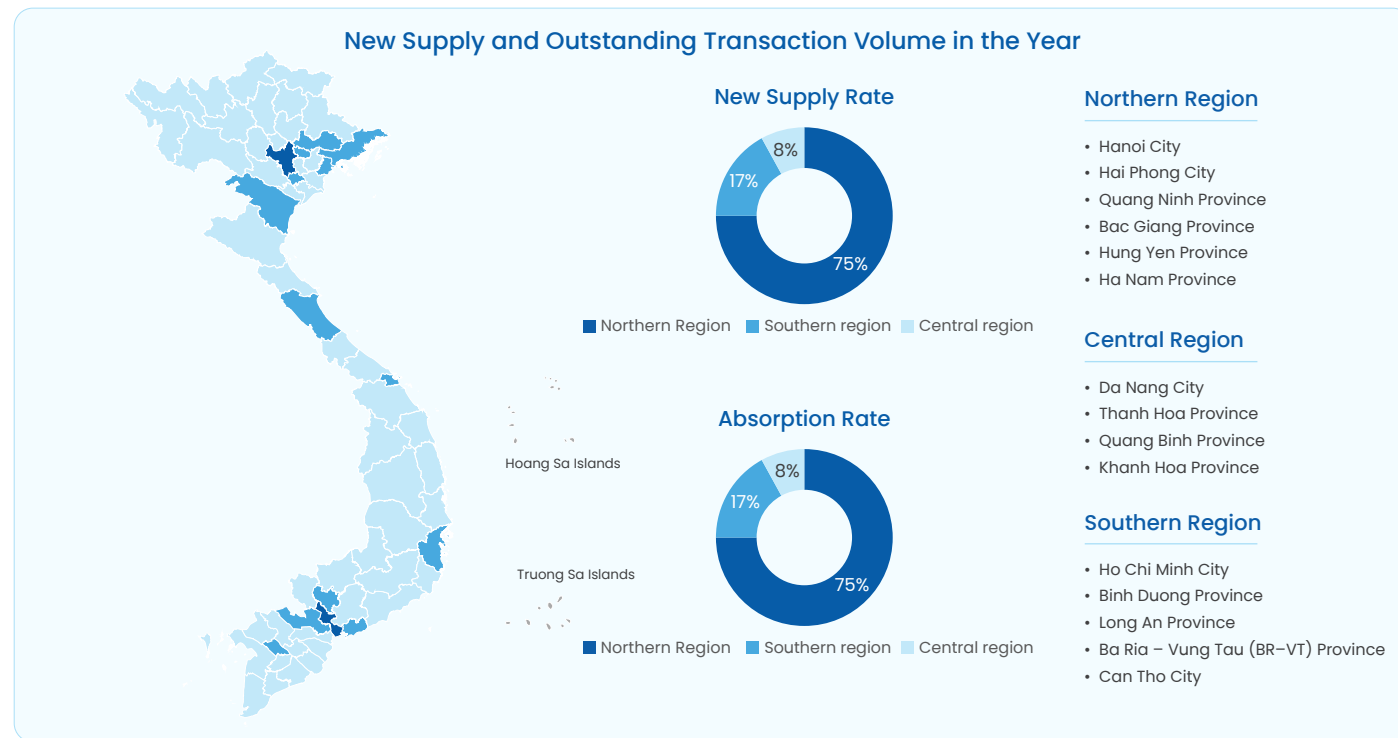
According to the Vietnam Association of Realtors (VARs), Vietnam's real estate market in 2024 has overcome its most challenging phase, showing significant signs of recovery. It remains on a steady path toward further growth, supported by macroeconomic factors, regulatory policies, and market demand.

Throughout 2024, the real estate market recorded nearly 81,000 properties listed for sale, marking an increase of over 40% compared to 2023. Among them, 65,376 were newly listed properties, approximately three times the number in 2023, but still only around 7% of the 2018 level - before the pandemic. In Q4/2024 alone, 28,000 new listings were recorded, doubling the previous quarter's figure and quadrupling that of Q4/2023. At the same time, land prices, particularly for subdivided plots with full legal documentation, saw strong recovery and growth amid a tightened regulatory environment on land subdivision and sale. Consequently, the residential construction market has

rebounded as building material prices remain low, driving demand for home construction after a period of waiting for material costs to decline. The market is gradually warming up and recovering after reaching its peak during a period of frozen real estate activity. As a result, this resurgence primarily addresses the backlog in the existing real estate segment rather than new developments, which has yet to create a significant boost for the steel market.

Overall, the real estate sector "closed" 2024 with a positive recovery, driven by major advancements in legal frameworks and a rebound from its lowest point. However, this recovery remains in its early stages and is not yet stable or sustainable, as market demand has not shown a substantial breakthrough. The recovery data is mainly based on comparisons with last year's low baseline. From an optimistic perspective, 2024 serves as a pivotal year, laying the foundation for further growth in the real estate market in 2025.





Data source from BHS group

THE FDI INVESTMENT LANDSCAPE & PUBLIC INVESTMENT – A BRIGHT SPOT IN 2024

According to the General Statistics Office of Vietnam, as of the end of 2024, total foreign direct investment (FDI) reached 38.23 billion USD. Notably, realized FDI in 2024 set a record, surpassing 25 billion USD. During the year, 3,375 new projects were granted investment licenses with a total registered capital of 19.73 billion USD, reflecting a 1.8% increase in the number of projects but a 7.6% decrease in registered capital compared to the same period last year. Significantly, key infrastructure projects such as the North-South Expressway, East-West routes, and major port projects like Can Gio (Ho Chi Minh City) and Nam Do Son (Hai Phong) are expected to serve as crucial drivers of steel demand. The FDI investment landscape in 2024 presents an extremely positive outlook, laying

the foundation for economic growth and paving the way for next-generation FDI attraction in 2025.

Amid the complex developments of global trade wars between the world's superpowers, leading industry experts forecast a resurgence of investment in 2025, as FDI enterprises continue to expand and relocate their production to Vietnam. This is seen as both an opportunity and a challenge for Vietnam to enter a phase of acceleration, narrow the gap, and catch up with the development of major ASEAN economies and other advanced nations. Contributing to improving competitiveness to help Vietnam realize its goal of becoming a key destination for new global FDI flows.

THE "EXCESS STEEL CRISIS" COMPETITION FROM CHINA

The Vietnamese steel industry is heavily influenced by China's steel industry. Currently, the country is grappling with an excess steel crisis, and its massive steel industry is in decline, with steel prices continuously plummeting to multi-year lows. As a result,

Vietnam is likely to face negative impacts, resembling a "domino effect." Furthermore, China's ongoing push to export cheap steel has created significant challenges for domestic enterprises in maintaining their market share.

EXPORT MARKET "TORCH" IN 2024 AND "DIM LIGHT" IN 2025

According to statistics from the Vietnam Steel Association, Vietnam has exported 12.62 million tons of steel, an increase of 13.47% compared to the same period last year. The export value reached 9.08 billion USD, up 8.78% compared to 2023. The year 2024 can be considered a favorable year for all Vietnamese steel manufacturers, as the export volume and profits achieved in 2024 helped steel mills overcome the difficulties of 2023.

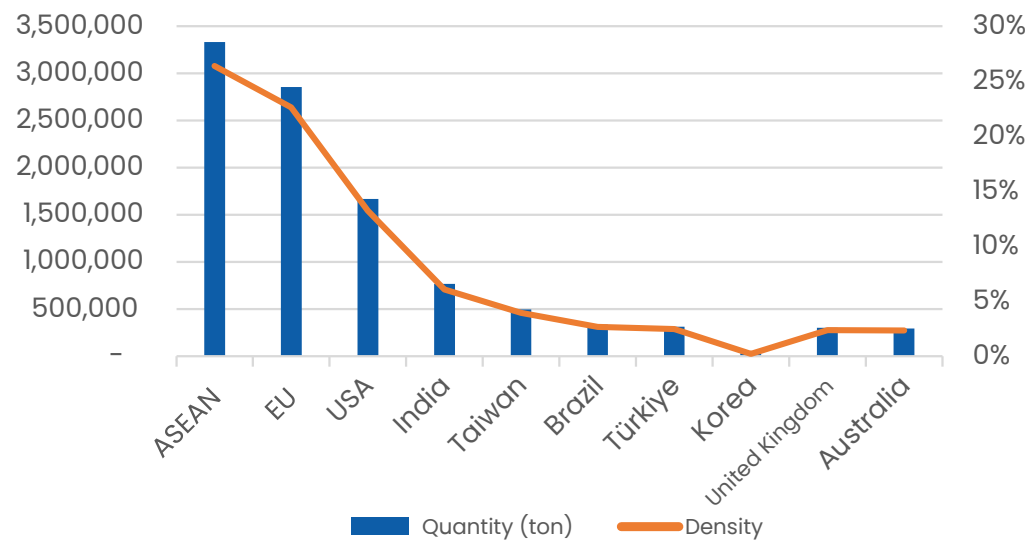
measures, and safeguards imposed by importing countries at the end of 2024 and the beginning of 2025. Notably, most of these lawsuits have occurred in our key steel export markets such as the United States, the European Union (EU), India, and other countries in Southeast Asia.

Vietnam's main export markets in 2024 are the ASEAN region (26.39%), the EU (22.63%), the United States (13.23%), India (6.09%), and Taiwan (3.95%).

Given these challenges, the Vietnamese steel industry is unlikely to achieve significant breakthroughs in the short term and is expected to remain in a subdued state at least during the first half of next year. However, from an opportunity perspective, this can be seen as a time for Vietnam's steel industry to make efforts to improve and seek more sustainable paths for the future.

However, the export market is facing many difficulties and challenges due to anti-dumping lawsuits, technical barriers, anti-subsidy

TOP 10 STEEL EXPORT MARKETS OF VIETNAM IN 2024



Source: Vietnam Steel Association

THE DOMESTIC MARKET COULD BE THE PILLAR OF EXPORTS IN 2025

With the 2025 GDP growth target set at over 8%, at the closing session of the 9th extraordinary meeting held this morning (February 19, 2025), public investment will be the key sector to stimulate economic growth, creating pressure on the progress of delayed projects, especially as the disbursement plan has been approved. According to FPTIS, the real growth in civil construction value (the largest steel consumption sector) is forecasted to accelerate in 2025, with a projected growth rate of 8.2% (an

increase from the expected 7.2% in 2024). Specifically, the growth rates for residential and non-residential construction are forecasted to be 4.0% and 13.8%, respectively, compared to the same period last year. The civil construction sector is expected to accelerate in 2025. However, supply and demand in the domestic market are still imbalanced, so it is forecasted that difficulties will continue to persist and weigh on the domestic market.

CHALLENGES AND PROSPECTS FOR THE STEEL INDUSTRY IN 2025

In 2025, the global economic situation is expected to remain challenging in the medium term, despite some global improvements in prospects:

- Ongoing wars and escalating security tensions worldwide;
- The risk of a global trade war, especially the trade conflict between the U.S. and China,

which could cause significant damage to the global economy;

- The IMF forecasts a downward revision of global growth in 2025, decreasing by 0.1 percentage point to 3.2%;
- Financial markets and investment channels, such as gold and stocks, will remain volatile due to geopolitical instability.

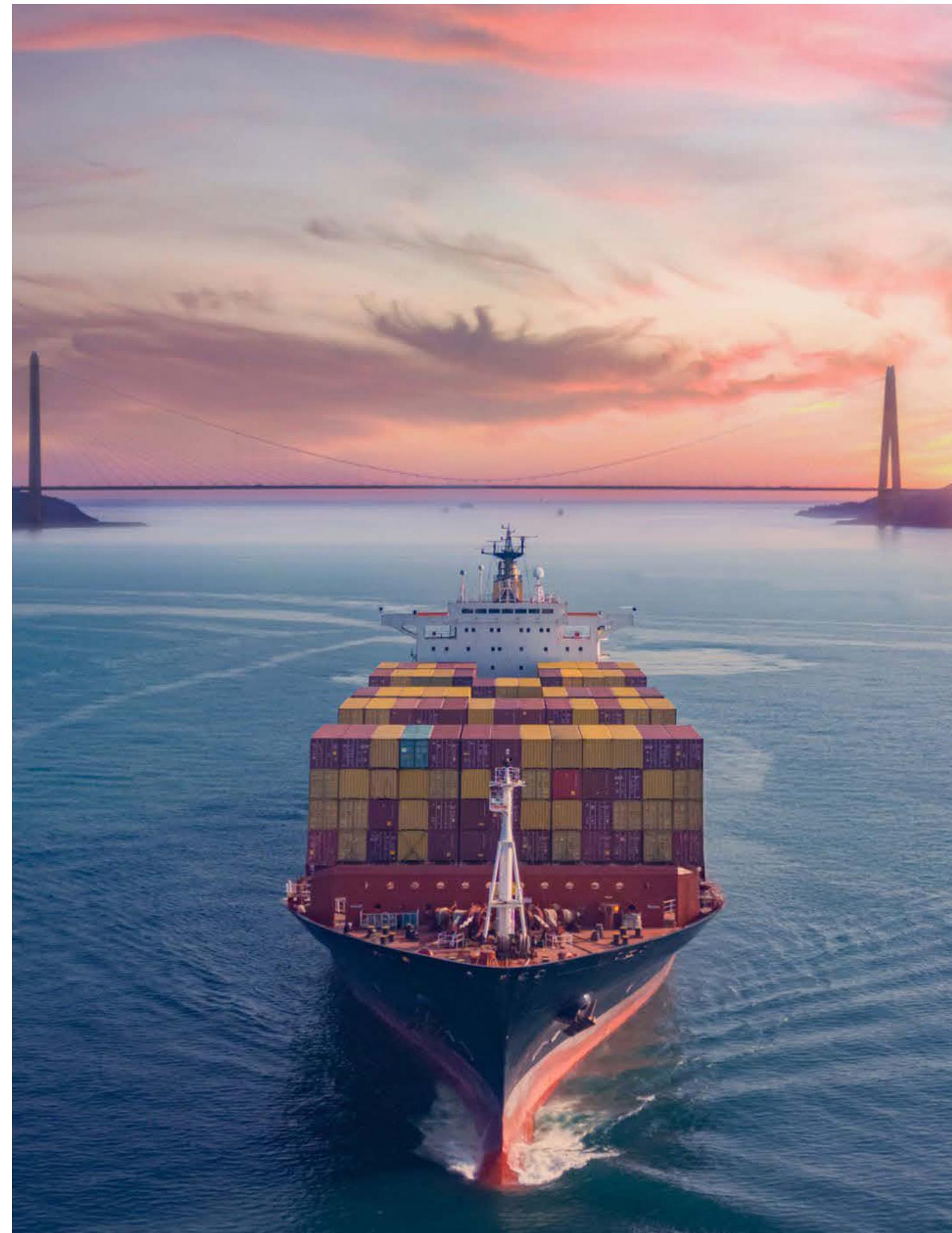
AT THE SAME TIME, VIETNAM'S ECONOMIC AND SOCIAL PROSPECTS SHOW SEVERAL POSITIVE SIGNS:

Inflation is expected to remain under control;

- Exports and FDI inflows are experiencing positive growth, with Vietnam attracting foreign investments in high-tech and semiconductor industries;
- Infrastructure continues to receive increasing investment and improvements (especially in expressways);
- Public investment and policy support for development are bolstered by the significant

increase in state budget revenue in 2024;

- Mergers and restructuring efforts contribute to creating a healthier business environment;
- The real estate market shows clear signs of recovery, and some laws passed in 2024 (Land Law, Housing Law, Law on Real Estate Business, and Bidding Law) will help establish a better institutional framework for economic development.



TON NAM KIM 2024



1. BUSINESS OPERATIONS OVERVIEW

As 2024 comes to a close, the global economy has maintained its growth momentum but continues to face numerous challenges and complexities. In this context, the Vietnamese steel market experienced strong growth in the early months of the year; however, the price of hot-rolled coil (HRC) continued to decline, posing difficulties for flat steel manufacturers (CRC, coated steel, galvanized steel pipes, etc.). The drop in raw material prices may necessitate the provisions for devaluation of inventories, significantly impacting gross profit margins. According to the Vietnam Steel Association (VSA), the average HRC price in 2024 reached 513.9 USD/ton, marking an 11.3% decrease compared to the same period last year.

Despite facing multiple challenges from the macroeconomic landscape in general and the steel industry in particular, Ton Nam Kim has demonstrated remarkable flexibility in responding to market fluctuations and has leveraged its internal capabilities to achieve its strategic objectives. By the end of the fiscal year 2024, Ton Nam Kim's business operations continued to maintain a growth trajectory. The company's total revenue reached 20,707 billion VND, marking an 11.2% increase compared to the same period last year and fulfilling 98.6% of the annual target. Meanwhile, profit before tax amounted to 558 billion VND, reflecting a substantial 214.8% increase year-over-year and achieving 132.8% of the target set.

Amid mounting pressure from exchange rate fluctuations and escalating shipping costs, Ton Nam Kim still recorded positive business results in 2024. By maintaining stringent cost controls in alignment with reasonable sales volumes, resulting in only a 7.4% increase in cost of goods sold compared to the same period last year, while benefiting from lower average production costs due to increased output, the company successfully improved its gross profit margin. As a result, gross profit surged by 64.7% year-over-year, while profit after tax reached 453 billion VND, an impressive increase of 285.8% compared to the same period last year.

Despite intense market competition, the total sales volume of coated steel and galvanized steel pipes in 2024 reached 1.02 million tons, up 18.8% from the same period last year, surpassing the target at 102.3%. Specifically, sales volume in the coated steel segment reached 892,252 tons, an increase of 23.5% year-over-year, reinforcing Ton Nam Kim's position as one of the top three enterprises in Vietnam's coated steel market. Meanwhile, sales volume in the galvanized steel pipe segment stood at 130,542 tons, reflecting a 5.9% decrease compared to the same period last year.

AT THE CONCLUSION OF 2024, TON NAM KIM ACHIEVED REMARKABLE BUSINESS RESULTS, ATTRIBUTED TO SEVERAL KEY FACTORS, INCLUDING:

Optimization of the Integrated operational management system based on the ERP – SAP S/4 HANA Platform, ensuring stable production, minimizing waste, and enhancing labor productivity.

- Effective inventory management, with close monitoring to reduce selling and general & administrative expenses, contributing to an improved gross profit margin.

- Leveraging market advantages and a robust distribution network, supported by flexible business strategies, effective marketing policies, and a diverse product portfolio that provides customers with comprehensive and high-quality solutions.

- Capitalizing on market recovery opportunities to accelerate distribution strategies across both domestic and export markets.

Notably, export revenue accounted for 64.8% of total revenue, reaching 13,409 billion VND, marking a 17.7% year-over-year increase.

In 2025, Ton Nam Kim aims to set business and production targets that adapt to real-world market conditions, with a strong focus on risk management and market expansion associated with sustainable growth. Simultaneously, the company is committed to executing its key project – the Ton Nam Kim Phu My Factory, ensuring its timely completion as planned. Looking ahead to 2027, Ton Nam Kim envisions expanding its production of high-quality steel products to serve as input materials for industrial production, automobiles and household appliances.

Indicator	Unit	Plan 2024	Performance 2023	Performance 2024	Performance 2024/ Plan 2024 (%)	Increase/decrease 2024/2023 (%)
Total output	Ton	1,000,000	861,228	1,022,794	102.3%	18.8%
Total revenue	Billion VND	21,000	18,621	20,707	98.6%	11.2%
Profit before tax	Billion VND	420	177	558	132.8%	214.8%
Profit after tax	Billion VND	-	117	453	-	285.8%

2. ORGANIZATION AND PERSONNEL

TOTAL WORKFORCE

1,515

EMPLOYEES

As of December 31, 2024, Ton Nam Kim had a total workforce of 1,515 employees, maintaining a stable headcount compared to the same period last year. Due to the nature of the industry, male employees account for more than 90% of the total workforce. Ton Nam Kim recognizes that human resources are the cornerstone of the company's success.

Therefore, the company is committed to building and developing a workforce that is both adequate in size and high in quality to support business operations and long-term growth strategies of the enterprise associated with the welfare benefits for employees, bringing sustainable values to the community and society.

SUMMARY OF POLICIES AND CHANGES IN POLICIES FOR EMPLOYEES IN 2024

- The company has realigned its human resources and rotated management personnel at various levels to better match the company's scale and operational characteristics.
- Labor recruitment continues to be conducted with a fair and well-structured approach, ensuring clear conditions, standards, and procedures for each job position. This guarantees the selection of a high-quality workforce that meets job requirements.
- An annual training plan has been established, maintaining programs on product knowledge, professional expertise, and skills development for employees in each period. Special emphasis is placed on occupational safety and fire prevention and control compliance, particularly for production workers.
- The company has evaluated salary structures, income policies, and incentive programs to ensure that wages and bonuses are fair and commensurate with job positions, individual contributions, and work performance, aligning with market salary trends.
- All employee-related policies and benefits are fully implemented in accordance with legal requirements, ensuring compliance with labor laws and the protection of employee rights.

3. INVESTMENT AND IMPLEMENTATION OF PROJECTS

3.1 MAJOR INVESTMENTS

TON NAM KIM PHU MY FACTORY PROJECT

Area:	32.7 ha.
Products:	PO, CRC, Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized Steel Sheet in Coil, Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil.
Location:	Street No. 1, My Xuan B1 - Dai Duong Industrial Park, My Xuan Ward, Phu My City, Ba Ria - Vung Tau Province.

Ton Nam Kim Phu My Roofing Steel Factory Project (hereinafter referred to as the "Ton Nam Kim Phu My Factory Project") is invested and developed by Ton Nam Kim Phu My Company Limited. Nam Kim Steel Joint Stock Company is holding 100% of the charter capital at Ton Nam Kim Phu My Company Limited. The total investment capital for Phase 1 of the project is 4,500 billion VND (excluding value-added tax), designed with a planned coating capacity of 400,000 tons per year. Once operating at full capacity, this project will increase Nam Kim's total coating capacity to 1.5 million tons per year.

Based on the Resolution of the Annual General Meeting of Shareholders 2024, Nam Kim Steel Joint Stock Company approved the plan to utilize capital raised from a public offering of additional shares to existing shareholders. The primary purpose of this capital allocation was to contribute investment capital to Ton Nam Kim Phu My Company Limited for the development of the Ton Nam Kim Phu My Factory Project. As of the preparation of the Annual Report 2024, Nam Kim Steel Joint Stock Company has successfully completed the capital contribution, ensuring that all proceeds from the public offering of additional shares to existing shareholders were fully allocated in accordance with the plan approved by the competent authority.

The project focuses on distributing and commercializing premium coated steel products, a market segment that remains untapped by domestic manufacturers due to technological constraints, high investment costs, and supplies mainly coming from imported sources. These products are applied in home appliances and electronics, automotive components, and other supporting mechanical industries. Additionally, the project aims to expand into higher-end segments in the construction market and develop diversified segments for semi-finished products catering to industries relocating from developed countries to Vietnam. Ton Nam Kim Phu My Company Limited targets an export ratio of 60% upon commencing operations, with a plan to gradually increase the export ratio to 80% within five years of operation. At present, the project has completed all legal procedures, is under construction, and is expected to commence operations in 2026.

COATING CAPACITY (PHASE 1)

400,000 TONS

TARGET INDUSTRIES:

Construction, home appliances and electronics, automotive components, furniture, and other supporting mechanical industries.



ADVANTAGES

- Proximity to seaports, facilitating import and export activities, minimizing logistics costs, and enhancing competitive positioning.
- Experienced workforce with extensive expertise in coating technology, capable of researching and developing new products in a shorter time frame than industry competitors.
- Clearly defined product strategy, reducing trial periods and ensuring timely supply during the initial phase of Ton Nam Kim Phu My Factory.

OPPORTUNITIES

- Transitioning into the high-quality segment, strengthening brand positioning in the domestic market, and replacing high-cost imported raw materials.
- Rapid urbanization and economic growth in regions like Asia-Pacific and Latin America are driving increased consumer spending on household appliances and the automotive industry.
- Trade wars facilitating industry shifts from China to Vietnam.

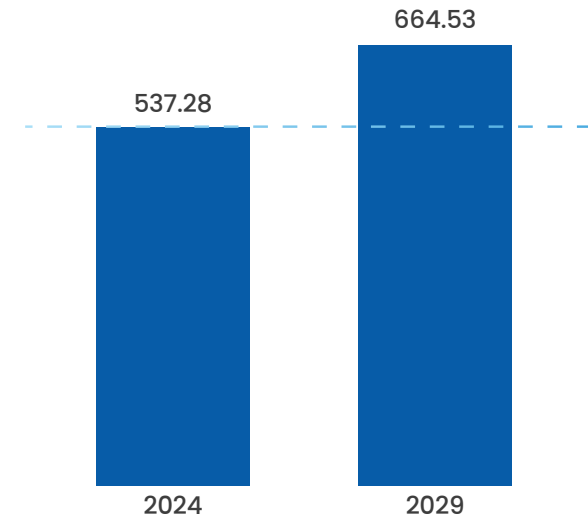
CHALLENGES

Market expansion delay due to entry into a new industry segment.

GROWTH FORECAST OF TARGET INDUSTRIES

HOME APPLIANCES MARKET

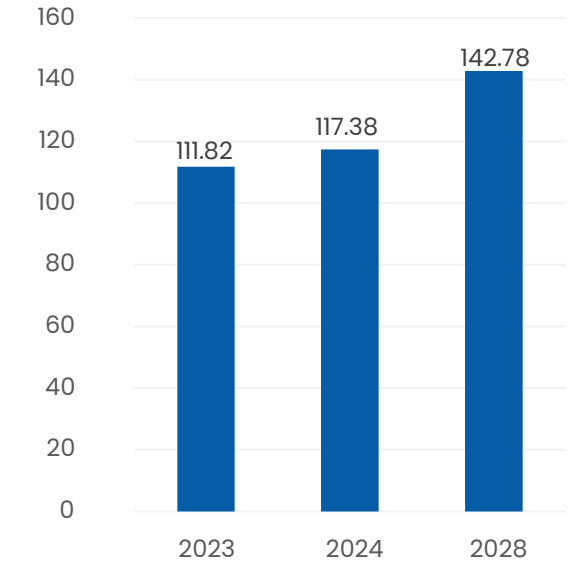
Market Size in USD Billion
CAGR: 4.34%



Source: Mordor Intelligence

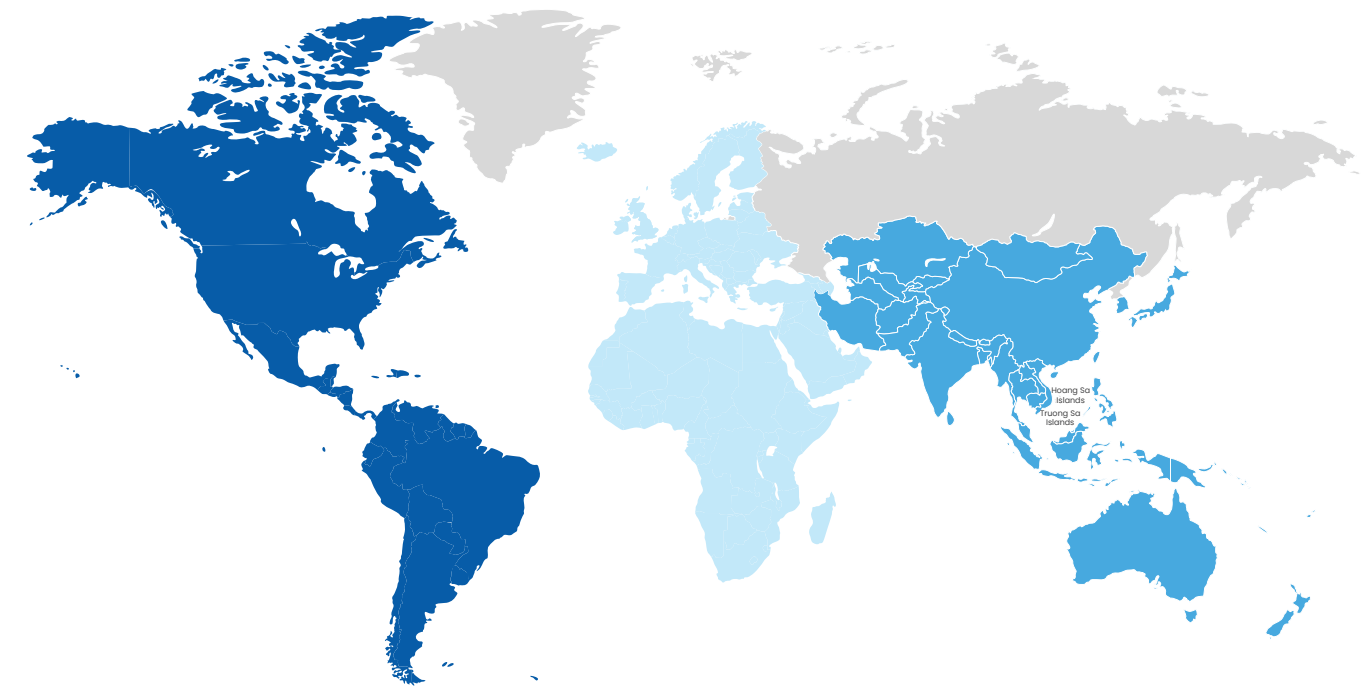
GLOBAL AUTOMOTIVE STEEL MARKET

USD Billion



Source: Mordor Intelligence

HOME APPLIANCES MARKET: FORECASTED FIVE-YEAR GROWTH RATE, BY REGION



Source: Mordor Intelligence

High Medium Low

3.2 SUBSIDIARY COMPANIES

NAM KIM STEEL PIPE ONE MEMBER LIMITED LIABILITY COMPANY

Address	Lot C2-16 to Lot C2-20, VLI Street, Vinh Loc 2 Industrial Park, Long Hiep Commune, Ben Luc District, Long An Province.
Primary business activities	Manufacturing various types of steel sheets: Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized Steel Sheet in Coil; trading all kinds of steel products.
Paid-in charter capital	79,000,000,000 VND (As of December 31, 2024)
Ownership by Ton Nam Kim	100% (As of December 31, 2024)

In 2024, Nam Kim Steel Pipe One Member Limited Liability Company recorded total revenue of 992 billion VND, a decrease of 21.5% compared to the same period last year. However, it achieved significant profit growth after tax, reaching 4 billion VND, reflecting a positive improvement. Financial management remained a key focus, with strict cost control and waste prevention measures implemented to enhance business efficiency.

NAM KIM CHU LAI STEEL PIPE ONE MEMBER LIMITED LIABILITY COMPANY

Address	Street No. 01, Tam Hiep Port Logistics Industrial Park, Tam Hiep Commune, Nui Thanh District, Quang Nam Province.
Primary business activities	Manufacturing various types of steel sheets: Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized Steel Sheet in Coil; trading all kinds of steel products.
Paid-in charter capital	37,550,000,000 VND (As of December 31, 2024)
Ownership by Ton Nam Kim	100% (As of December 31, 2024)

As of December 31, 2024, Nam Kim Chu Lai Steel Pipe One Member Limited Liability Company had not yet commenced production and business operations or generated any revenue. It only recorded financial income and general & administrative expenses.

DAE MYUNG PAPER VIET NAM CO., LTD

Address	Lot A-5F-CN My Phuoc 3 Industrial Park, Chanh Phu Hoa Ward, Ben Cat City, Binh Duong Province.
Primary business activities	Manufacturing various types of steel sheets: Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized steel Sheet in Coil; trading all kinds of steel products
Paid-in charter capital	138,420,000,000 (As of December 31, 2024)
Ownership by Ton Nam Kim	100% (As of December 31, 2024)

As of December 31, 2024, Dae Myung Paper Viet Nam Co., Ltd had not yet commenced production and business operations or generated any revenue. It only recorded financial income and general & administrative expenses.

TON NAM KIM PHU MY CO., LTD

Address	Street No. 1, My Xuan B1 - Dai Duong Industrial Park, My Xuan Ward, Phu My City, Ba Ria - Vung Tau Province.
Primary business activities	Manufacturing various types of steel sheets: Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil, Hot dipped Galvanized steel Sheet in Coil; trading all kinds of steel products
Paid-in charter capital	500,000,000,000 (As of December 31, 2024)
Ownership by Ton Nam Kim	100% (As of December 31, 2024)

As of December 31, 2024, Ton Nam Kim Phu My Co., Ltd had not yet commenced production and business operations. It only recorded financial income and general & administrative expenses.

4. FINANCIAL SITUATION

LIQUIDITY INDICATORS

In 2024, Ton Nam Kim maintained strict and secure management of its short-term debt repayment capacity, ensuring the current ratio remained consistently above 1 (one). The current ratio and quick ratio for 2024 were 1.34 times and 0.46 times, respectively. The inventory-to-total assets ratio saw a slight increase to 49.5% in 2024 (compared to 46.7% in 2023). With a strategy focused on

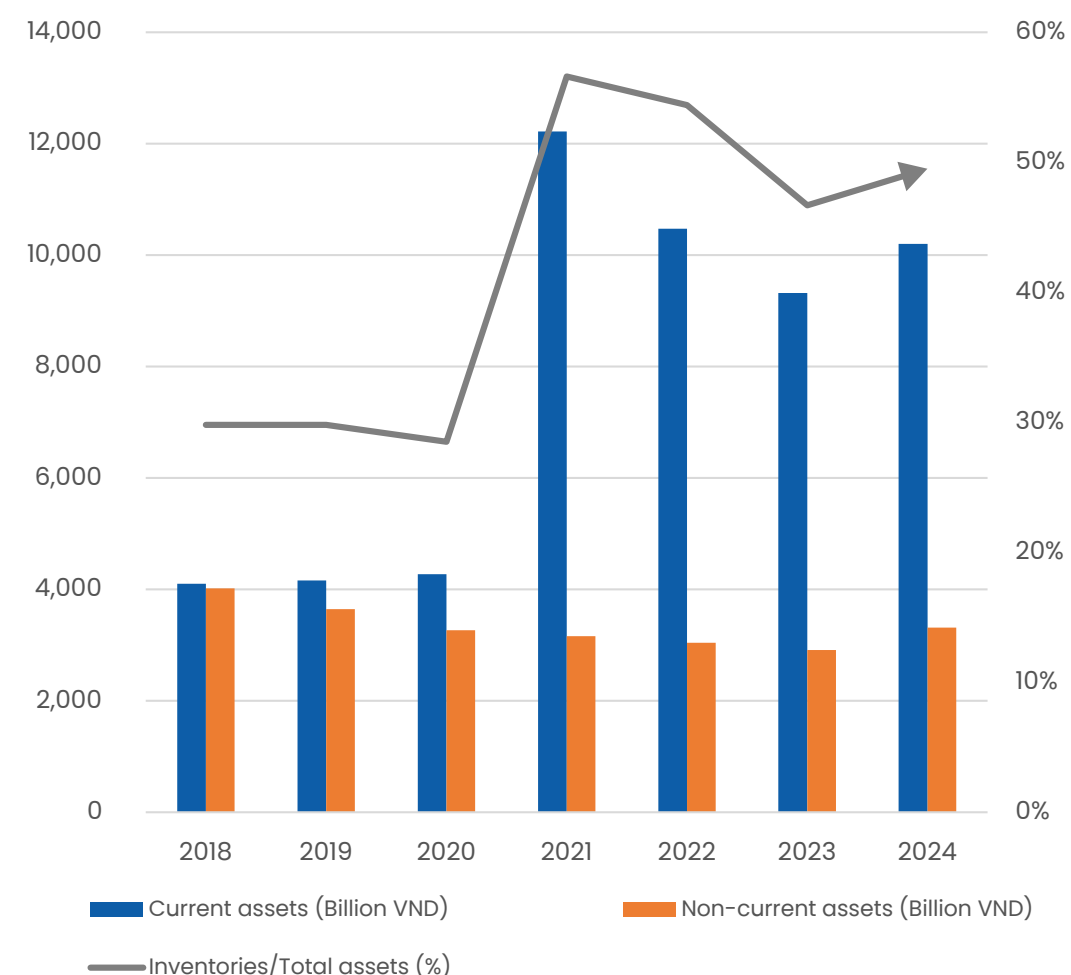
strengthening internal financial health, Ton Nam Kim has nearly eliminated long-term debt, with only a remaining balance of 26 billion VND. Notably, to support funding for the investment project in the Ton Nam Kim Phu My Factory, the company approved a capital-raising plan through a public offering of additional shares to existing shareholders.

CAPITAL STRUCTURE INDICATORS

Ton Nam Kim's financial structure remained stable in 2024, ensuring business efficiency and shareholder benefits. The debt-to-total assets ratio and the debt-to-equity ratio were 0.57 times and 1.30 times, respectively, showing no significant changes compared to the previous year. Additionally, the owner's contributed capital reached 3,159 billion VND, attributed to a capital

increase through a 20% stock issuance based on outstanding shares, funded by share premium. The total owner's equity for 2024 stood at 5,871 billion VND, marking an 8% year-over-year increase. Notably, undistributed profit after tax rose to 2,171 billion VND, accounting for 37% of total equity.

CORRELATION BETWEEN CURRENT ASSETS, NON-CURRENT ASSETS, AND INVENTORIES



OPERATING CAPACITY INDICATORS

Ton Nam Kim closely monitors and adjusts its operating capacity indicators to ensure stable production and business growth. In 2024, the inventory turnover ratio increased to 3.03 times, reducing the inventory turnover days by 13 days compared to the same period last year. Accounts receivable maintained reasonable liquidity based on a strategic incentive program for dealers with strong payment

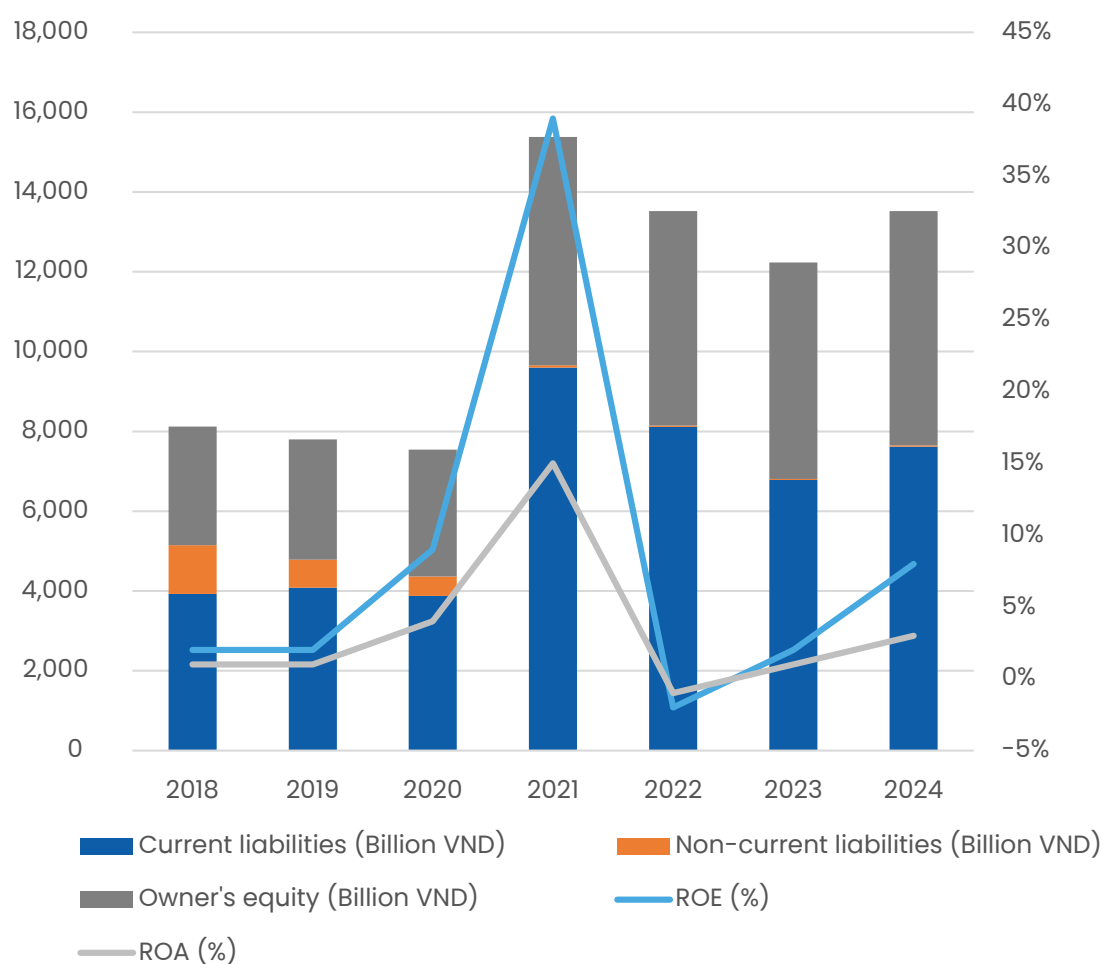
performance. The total asset turnover ratio increased from 1.45 times in 2023 to 1.60 times in 2024, reflecting effective inventory management and capital optimization. This contributed to a net revenue growth of 20,609 billion VND, an increase of 10.8% year-over-year, with profit before tax reaching 558 billion VND, 2.14 times higher than the previous year.

PROFITABILITY INDICATORS

Thanks to increased sales volume and well-managed cost of goods sold, Ton Nam Kim's profitability indicators improved significantly in 2024. The return on sales (ROS) increased to 2.2% from 0.63% in the same period last year. Additionally, return on equity (ROE) and return on assets (ROA) showed strong growth, reaching 7.71% and 3.35%, respectively

(compared to 2.16% and 0.95% in 2023). Despite significant fluctuations in transportation costs at the end of 2024, effective operational cost savings helped maintain a stable business profit margin of 2.70%, up from 0.95% in the same period last year.

DEBT STRUCTURE, OWNER'S EQUITY, ROE AND ROA



Indicator (Million VND)	2023	2024	% decrease/ increase 2024/2023
Total assets	12,235,401	13,519,085	10.5%
Net revenue	18,595,974	20,609,022	10.8%
Net operating profit	177,072	557,452	214.8%
Other profit	238	717	200.6%
Profit before tax	177,310	558,169	214.7%
Profit after tax	117,408	453,008	285.8%
Dividend payout ratio	-	-	-

Indicator	2023	2024
1. Liquidity ratios (Unit: times)		
Current ratio [Current assets/Current liabilities]	1.37	1.34
Quick ratio [(Current Assets - Inventory)/Current Liabilities]	0.53	0.46
2. Capital structure ratios (Unit: times)		
Debt-to-Total Assets Ratio	0.56	0.57
Debt-to-Equity Ratio	1.26	1.30
3. Operating efficiency ratios (Unit: turnover)		
Inventory turnover ratio [Cost of goods sold/Average inventory]	2.75	3.03
Total asset turnover ratio [Net revenue/Average total assets]	1.45	1.60
4. Profitability ratios (Unit: %)		
Return on Net Sales	0.63%	2.20%
Return on Equity (ROE)	2.16%	7.71%
Return on Assets (ROA)	0.95%	3.35%
Operating Profit/Net Revenue	0.95%	2.70%

REPORT OF THE BOARD OF MANAGEMENT

1. ASSESSMENT OF BUSINESS PERFORMANCE

In 2024, Vietnam’s steel industry overcame challenges and achieved remarkable milestones despite the global economic difficulties. The Board of Management (BOM) remained highly aware of potential risks, conducted thorough evaluations of market fluctuations, and aligned its strategies with the Board of Directors (BOD). At the same time, the company adopted a flexible and practical approach to production management, proactively seizing opportunities to achieve its business objectives and advance further along the value-added chain of the steel industry. By the end of 2024, Ton Nam Kim successfully attained key achievements in the following areas:

- Optimized production output in response to market developments;
- Business growth aligned with a sustainable economic model;
- A healthy financial structure, laying a solid foundation for future development;
- Research and development efforts to enhance the quality of coated steel products;
- Employee welfare ensured in conjunction with corporate social responsibility.

In 2024, both domestic and international markets experienced significant fluctuations, posing challenges to Ton Nam Kim’s objectives and operational strategies. However, with determination, effective management by the BOM, and continuous guidance from the BOD, Ton Nam Kim managed to maintain its growth momentum and successfully fulfill the business plan assigned by the General Meeting of Shareholders. Total sales volume in 2024 reached 1.02 million tons, an 18.8% increase compared to the same period last year, achieving 102.3% of the set target. The sales volume of coated steel and galvanized steel pipes reached 892,252 tons, up 23.5% year-on-year and 130,542 tons, down 5.9% year-on-year, respectively.

Regarding business performance, Ton Nam Kim recorded a total revenue of 20,707 billion VND in 2024, marking an 11.2% increase compared to the same period last year and fulfilling 98.6% of the target. Profit before tax reached 558 billion VND, representing a 214.8% increase year-on-year and achieving 132.8% of the target. Thanks to effective inventory management, strict cost control, and the ability to capitalize on steel price movements in the market, operating profit margin in 2024 maintained a stable upward trend at 2.70%, compared to 0.95% in 2023. Meanwhile, profit after tax for 2024 amounted to 453 billion VND, an impressive 285.8% increase compared to the same period last year.

Indicator (Million VND)	2023	2024	% decrease/ increase 2024/2023
Revenue from sale of goods and provision of services	18,621,212	20,707,517	11.2%
Net revenue from sale of goods and provision of services	18,595,974	20,609,022	10.8%
Gross profit from sale of goods and provision of services	1,112,263	1,831,773	64.6%
Net operating profit	177,072	557,452	214.8%
Profit before tax	177,310	558,169	214.8%
Profit after tax	117,408	453,008	285.8%
Number of outstanding shares	263,277,806	315,931,978	20.0%
Basic earnings per share (VND/share)	357	1.434	-

2. FINANCIAL SITUATION

2.1 ASSET SITUATION

In 2024, Ton Nam Kim’s total assets reached 13,519 billion VND, an increase of 10.5% compared to the same period last year. Current assets amounted to 10,202 billion VND, accounting for 75.5% of total assets. Inventories were adjusted to an appropriate level of 6,690 billion VND, representing 49.5% of total assets, ensuring stable business operations and growth. Amid fluctuations in HRC prices, which trended downward, particularly in the second

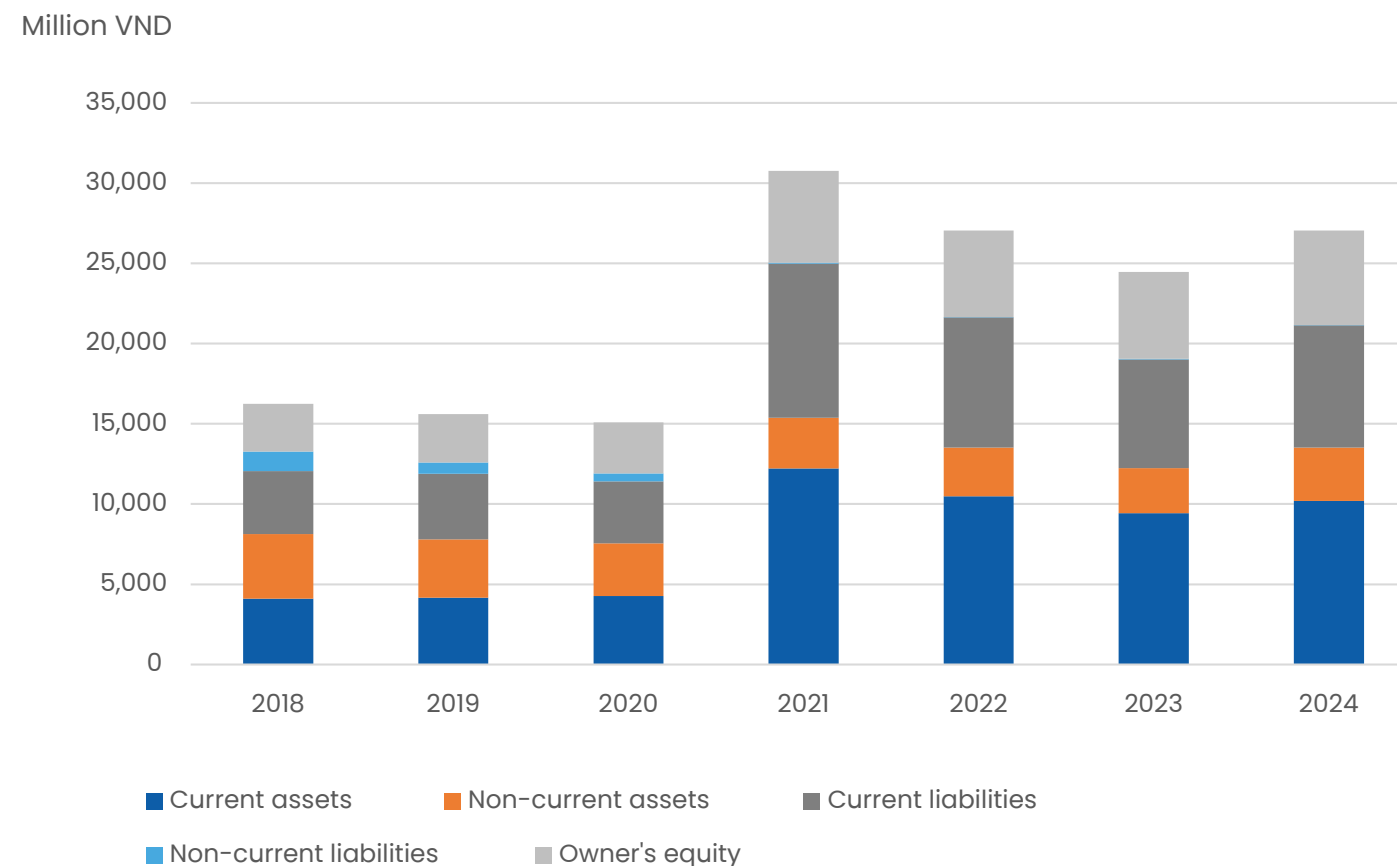
half of 2024, putting pressure on domestic steel manufacturers, Ton Nam Kim continued to maintain a provision for devaluation of inventories at 130 billion VND. Through a reasonable debt policy, the company successfully reduced short-term trade receivables to 1,129 billion VND, a 35% decrease compared to the same period last year, thereby enhancing asset utilization efficiency.

2.2 CAPITAL AND DEBT SITUATION

In 2024, Ton Nam Kim continued to implement a financial structure aligned with safety and efficiency, with most borrowings coming from current liabilities and no overdue liabilities. Specifically, current liabilities in 2024 amounted to 6,311 billion VND, equivalent to 46.7% of total assets, providing opportunities for utilizing working capital in line with business development and investment activities. Currently, Ton Nam Kim has almost no non-current liabilities, with a remaining balance of only 26 billion VND. Despite the

impact of exchange rate fluctuations increasing financial costs, maintaining a healthy balance sheet and securing short-term loans with preferential interest rates have contributed to financial cost optimization. In particular, it only increased from 426 billion VND in 2023 to 477 billion VND in 2024, while interest expenses in 2024 were recorded at 207 billion VND, a 29% decrease compared to the same period last year. Ton Nam Kim’s total equity in 2024 reached 5,871 billion VND, with retained earnings accounting for 37% of total equity.

ASSET STRUCTURE OF TON NAM KIM IN THE 2018 – 2024 PERIOD



3. IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT OPERATIONS

Recognizing the challenges to overcome and the opportunities to seize in the new landscape, Ton Nam Kim has continued to implement positive improvements in its organizational structure, policies, and management operations, as follows:

ENHANCING MANAGEMENT CAPABILITIES AND IMPROVING LABOR PRODUCTIVITY

The company has conducted a reassessment of its workforce, streamlining its organizational structure to maximize individual strengths and improve overall productivity. On-the-job training has been prioritized, expanding specialized knowledge from management to staff, ensuring cost efficiency while maintaining work effectiveness. Additionally, Ton Nam Kim

has continued to develop and refine operational processes based on the successful implementation of the comprehensive ERP management system – SAP S/4 HANA. Currently, all company operations are fully systematized on a unified data platform, ensuring efficiency and consistency.

SOLID FINANCIAL SUPPORT AND A FOUNDATION FOR SUSTAINABLE DEVELOPMENT

A strong focus on long-term strategy and diversification of capital sources has enabled Ton Nam Kim to establish a solid financial foundation, confidently navigating the challenges of an ever-evolving business environment. In 2024, Ton Nam Kim was granted a Public Offering Certificate by the State

Securities Commission. This milestone has facilitated the company's efforts in restructuring its investment capital to seize growth opportunities and optimize business performance, thereby delivering sustainable value to both shareholders and the broader investment community.

ENSURING COMPETITIVE BENEFITS AND FOSTERING CORPORATE CULTURE

Ton Nam Kim remains committed to creating a healthy and supportive working environment that values unity, fosters motivation, ensures optimal employee welfare, and upholds the company's core values in building a strong

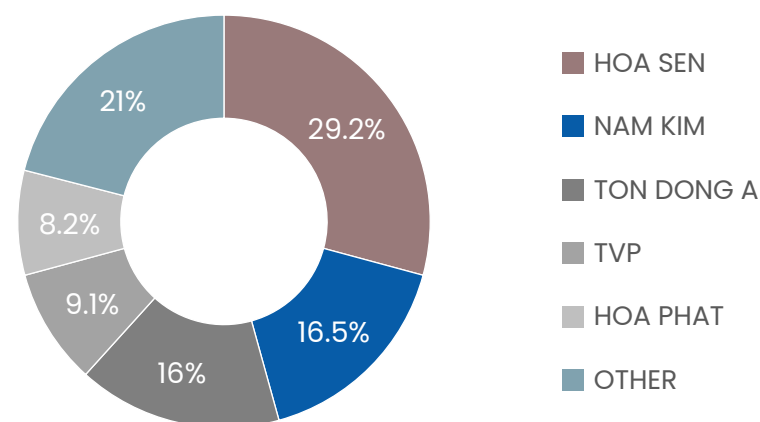
corporate culture. This commitment allows the Company to overcome challenges collectively, advance deeper into the steel industry's value chain, and achieve sustainable growth in harmony with the community and society.

MARKET DEVELOPMENT, PROTECTION, AND SUSTAINABLE MARKET SHARE

Leveraging its more than 20-year legacy as a national brand with a well-established reputation for product quality in key markets such as the United States, Mexico, Australia, Europe, and Southeast Asia, Ton Nam Kim continues to intensify its research efforts to enhance product quality and deliver outstanding value to customers. The core factors that differentiate Ton Nam Kim include (1) competing through

superior product quality, (2) competing through exceptional customer satisfaction, (3) competing through attractive pricing strategies, and (4) providing dedicated and comprehensive customer care services. As evidence of its market strength, in 2024, Ton Nam Kim successfully maintained its position as one of the top three companies in the coated steel industry nationwide.

MARKET SHARE OF THE COATED STEEL SHEET SEGMENT IN 2024



Source: Vietnam Steel Association (VSA)

4. BUSINESS PLAN AND STRATEGIC ORIENTATION FOR 2025

4.1. BUSINESS PLAN FOR 2025 (EXPECTED)

Building upon the achievements attained, the Board of Management aims to execute the business plan entrusted by the Board of Directors with the following indicators:

Total production volume

1,050,000 tons

Total revenue

23,000 billion VND

Profit before tax

440 billion VND

(Specifically implemented according to approval of the Annual General Meeting of Shareholders 2025)

4.2 STRATEGIC ORIENTATION FOR 2025

To accomplish the business plan for 2025, the Board of Management has outlined the following strategic solutions:

- Optimizing resource utilization to enhance productivity, reduce operating costs, and strengthen competitive positioning;
- Developing an efficient inventory management policy, diversifying raw material supply sources, and effectively mitigating price fluctuation risks;
- Focusing on research and development of high-end coated steel products for applications in industrial production, the automotive industry, and household appliances;
- Expanding the domestic market and diversifying export markets, with the goal of penetrating deeper into the value chain of the coated steel segment in the European and North American markets;
- Executing investment and construction plans for the key project – Ton Nam Kim Phu My Factory, ensuring timely completion as scheduled;
- Maintaining a robust financial structure, strengthening internal capabilities, and striving for sustainable growth and international integration.



04.

CORPORATE GOVERNANCE

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ENHANCING INNER STRENGTH
STRIVING FOR GROWTH



REPORT OF THE BOARD OF DIRECTORS

1. GENERAL SITUATION

The global economic landscape in 2024 continued its recovery trend, with inflationary pressures gradually easing and financial market conditions loosening. However, it remained subject to various risks, including military conflicts, strategic competition among major powers, trade protectionist policies, and climate change, all of which had an impact on economic growth. In Vietnam, the economy and society recorded remarkable achievements across various sectors, creating a solid foundation for acceleration and breakthrough growth in a new era. According to the General Statistics Office, Vietnam's GDP growth rate in 2024 was estimated at 7.09% compared to the previous year. The total import and export turnover reached 786.29 billion USD, reflecting a 15.4% increase year-over-year. Foreign direct investment disbursed in Vietnam in 2024 was estimated at 25.35 billion USD, up 9.4% from the previous year, marking the highest level since 2020.

Facing intense competition, pressure from trade defense policies, and an unpredictable macroeconomic environment, Vietnam's steel market still achieved remarkable growth in 2024. According to the Vietnam Steel Association (VSA), total finished steel production in 2024 reached 29.443 million tons, an increase of 6.1%

year-over-year. Total sales of finished steel products reached 29.09 million tons, marking a 10.4% growth compared to the same period last year. Notably, the coated steel and galvanized steel pipe segments showed positive signs in 2024, as the consumption of coated steel reached 5.4 million tons, up 26.9% year-over-year, with exports accounting for 2.9 million tons, an impressive increase of 34.7%. Meanwhile, galvanized steel pipe consumption reached 2.5 million tons, reflecting a 5.5% rise compared to the same period last year. However, the average HRC price in 2024 stood at 513.9 USD per ton, representing an 11.3% decline from the same period last year, which may require businesses to make provisions for devaluation of inventories.

Entering 2025, the Board of Directors anticipates that the steel industry will continue its recovery; however, the growth outlook remains uncertain, especially amid persistent risks of a global economic downturn. Therefore, the Board of Directors emphasizes that the business strategy 2025 must focus on enhancing competitiveness, optimizing cost efficiency, diversifying consumption markets, and proactively addressing trade barriers. These will be the key factors in shaping Ton Nam Kim's path toward sustainable development.

2. BUSINESS PERFORMANCE ASSESSMENT

In 2024, Ton Nam Kim achieved a total revenue of 20,707 billion VND and a profit before tax of 558 billion VND, reaching 98.6% and 132.8% of the set targets, respectively. This outstanding business performance exceeded expectations, the Board of Directors highly appreciates the remarkable efforts and dedication of the Board of Management and all employees of Ton Nam Kim.

3. PRODUCTION PERFORMANCE ASSESSMENT

In 2024, Ton Nam Kim's total sales volume reached 1.02 million tons, achieving 102.3% of the set target. This included 892,252 tons of coated steel products and 130,542 tons of various steel pipe products. Ton Nam Kim continuously strives to enhance product quality to strengthen its competitive position in the industry. The

4. SALES PERFORMANCE ASSESSMENT

To optimize business efficiency, maintain, and expand market share, Ton Nam Kim has implemented the following sales strategies:

- Continuously conducting market research to promptly understand customer demands;
- Regularly updating market fluctuations to swiftly develop appropriate plans;
- Strengthening the Ton Nam Kim brand and expanding the customer network in both domestic and international markets;

Their success in inventory management, cost control, and seizing market opportunities contributed to an impressive profit after tax of 453 billion VND in 2024, marking a significant 285.8% increase compared to the same period last year.

company has invested in modern production lines utilizing advanced technology from South Korea, Taiwan, Germany, and other European countries to improve productivity and efficiency.

- Continuously researching and developing new products with superior quality and attractive designs to meet market demands;
- Meeting the requirements for the origin of raw materials when exporting, with raw materials purchased from Formosa and Nippon Steel (providing a competitive advantage for the Company).

5. RESPONSIBILITY TOWARD EMPLOYEES, THE ENVIRONMENT, AND SOCIETY

In 2024, Ton Nam Kim contributed 1,092 billion VND to the state budget. Additionally, the Company is providing employment for over 1,500

workers, thereby contributing to local social welfare and strictly complying with all relevant environmental protection regulations.

6. BOARD OF DIRECTORS' SUPERVISION OF THE BOARD OF MANAGEMENT

The Board of Directors conducts regular and periodic supervision of the General Director and members of the Board of Management through reports presented at Board of Directors meetings, supplementary reports, monthly reports, and ad-hoc reports on the implementation of approved business strategies

and plans. Based on this supervision, the Board of Directors provides timely assessments and conclusions, enabling the General Director and members of the Board of Management to effectively implement and manage business operations.

7. BOARD OF DIRECTORS' ASSESSMENT OF THE BOARD OF MANAGEMENT

The Board of Directors acknowledges that the General Director and members of the Board of Management have effectively developed and adapted business strategies in response to market fluctuations. They have prioritized management efficiency, optimized financial, production, and sales costs, and successfully organized export activities by diversifying markets and minimizing risks associated with trade defense and anti-dumping measures.

Additionally, the General Director and members of the Board of Management have strictly complied with legal regulations, the Company's Charter, and operational guidelines, while continuously improving the management and control system. The Board of Directors highly appreciates the Executive Board's efforts in overcoming numerous challenges, making timely decisions, and successfully fulfilling their assigned responsibilities.

8. REMUNERATION, OPERATING EXPENSES, AND OTHER BENEFITS OF THE BOD

Members of the Board of Directors receive salaries, remuneration, allowances, bonuses, and other benefits in accordance with the Company's Charter, Corporate Governance Regulations, Board of Directors' Operational

Regulations, and resolutions of the Annual General Meeting of Shareholders. Detailed information is provided in the Company's Consolidated Financial Statements 2024 and the Annual Report 2024.

9. TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

The approval process and procedures for transactions between the Company and related parties have been carried out in full compliance with legal regulations, the Company's Charter, and resolutions approved by the

General Meeting of Shareholders. Detailed information is provided in the Company's Consolidated Financial Statements 2024 and the Corporate Governance Report 2024.

10. ACTIVITIES OF THE BOD'S SUBCOMMITTEES

In 2024, the Internal Audit Committee successfully completed its internal audit plan as approved. The Committee assessed compliance with internal processes, regulations, and policies across various departments and conducted periodic reviews of the Company's financial information. Through this process, the Committee evaluated the effectiveness of the internal control system and identified potential risks in the Company's operations.

Based on its oversight, the Internal Audit Committee recommended corrective measures to mitigate risks and enhance the internal control system. With continuous improvement efforts, the Board of Directors highly appreciates the Internal Audit Committee's contributions in assisting both the Board of Directors and the Board of Management in closely monitoring the Company's production and business activities.

11. ASSESSMENT BY INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

In 2024, the independent members of the Board of Directors fully participated in the responsibilities entrusted by the General Meeting of Shareholders. Additionally, they effectively fulfilled their supervisory function, ensuring the Company's compliance with legal regulations, the Company's Charter, internal regulations, and the implementation progress of the Resolutions adopted by the General Meeting of Shareholders. Furthermore, the independent members of the Board of Directors provided objective and timely contributions to the Board of Directors and the Board of Management in corporate governance and strategic planning.

Regarding the performance of the Board of Directors, the independent members of the Board of Directors highly appreciate the Board of Directors' contributions. Specifically, they recognize the Board of Directors' strong focus on corporate governance, especially in the context of intense market competition. Through periodic reports and both in-person and online meetings, the Board of Directors has demonstrated effective oversight in implementing the resolutions set by the General Meeting of Shareholders. Additionally, the independent members of the Board of Directors acknowledge the Board of Directors' steadfast commitment to ensuring legal compliance, actively coordinating with subcommittees in supervising the Company's operations.

12. BUSINESS PLAN OF THE BOARD OF DIRECTORS FOR 2025 (EXPECTED)

Total production volume	1,050,000 tons
Total revenue	23,000 billion VND
Profit before tax	440 billion VND

(Specifically implemented according to approval of the Annual General Meeting of Shareholders 2025)

13. ORIENTATION OF THE BOARD OF DIRECTORS FOR 2025

To maximize the internal potential of Ton Nam Kim and seize opportunities for sustainable development, the Board of Directors proactively and actively implements the following strategic directions:

- Restructuring resources and supplementing regulations on the appointment, reappointment, and rotation of management personnel at all levels to align with the Company's scale and characteristics;
- Conducting corporate financial management in compliance with current legal regulations and the Company's financial policies, ensuring the rational use of loan capital;
- Researching investment plans and reasonably implementing the construction of the Ton Nam Kim Phu My Factory Project;

- Closely monitoring and supervising production, business, and investment costs to achieve efficiency;
- Enhancing the effectiveness of sales channels by expanding and seeking new markets and customers while continuously researching market trends to capture customer preferences;
- Increasing the proportion of high-margin products through a closed production process, particularly high-value-added products such as Pre-painted Aluminium-Zinc Alloy Coated Steel Sheet in Coil and Alloy Coated Steel Sheet;
- Monitoring production volume, selling prices, profitability, inventory, and specifications of each product in each market to develop appropriate production plans, adjust product distribution, and propose timely solutions.

EXECUTIVE ACTIVITIES OF THE BOARD OF DIRECTORS

The Board of Directors continues to play a strategic advisory role and provide guidance to the Board of Management in business operations. During regular meetings, each member closely monitors the Company's business performance to make timely and well-informed decisions. The Board of Directors remains focused on the objectives and responsibilities assigned by the General Meeting of Shareholders, while also maintaining strict oversight over the Board of Management's activities. In 2024, the Board of Directors' activities were centered on the following contents:

- Providing strategic guidance to the Board of Management in developing business plans and actively seeking new markets;
- Supervising and advising on corporate governance and ensuring the Company's compliance with legal regulations;
- Supporting the Board of Management and relevant departments in formulating medium- and long-term strategic plans;
- Overseeing and advising on production operations, contributing insights for cost-saving initiatives in manufacturing;

SUB-COMMITTEES UNDER THE BOARD OF DIRECTORS

The Internal Audit Committee, under the Board of Directors of Nam Kim Steel Joint Stock Company, serves as an advisory body to the Board of Directors through the inspection, evaluation, and supervision of the adequacy, appropriateness, and effectiveness

LIST OF MEMBERS OF THE BOARD OF DIRECTORS HOLDING CORPORATE GOVERNANCE CERTIFICATES

None.

RESOLUTIONS/DECISIONS OF THE BOARD OF DIRECTORS

The Board of Directors issued 22 Resolutions to provide timely guidance and direction on critical matters of the Company. The list of Resolutions/Decisions is presented in the table below:

OPERATIONS OF THE BOARD OF DIRECTORS

MEETINGS OF THE BOARD OF DIRECTORS

In 2024, the Board of Directors held 25 meetings with a 100% attendance rate.

No.	Members of the Board of Directors (*)	Number of the BOD meetings attended	Attendance rate	Reason for non-attendance
1	Mr. Ho Minh Quang	25/25	100%	
2	Mr. Vo Hoang Vu	25/25	100%	
3	Mr. Nguyen Vinh An	25/25	100%	
4	Mr. Nguyen Trung Tin	21/25	100%	Appointed from April 26, 2024
5	Ms. Nguyen Ngoc Y Nhi	4/25	100%	Dismissed from April 26, 2024
6	Mr. Vo Thoi	25/25	100%	

(*) The members of the Board of Directors for the 2020–2025 term were elected on June 18, 2020. According to the resolution of the Annual General Meeting of Shareholders 2024, the dismissal and supplementary election of members of the Board of Directors for the 2020–2025 term were approved as follows:

- Ms. Nguyen Ngoc Y Nhi - Member of the Board of Directors was dismissed from April 26, 2024.
- Mr. Nguyen Trung Tin - Member of the Board of Directors was appointed from April 26, 2024.

No.	Resolution/Decision No.	Date	Content	Approval rate
1	01/2024/NQ-HDQT	31/01/2024	Approval of contracts and transactions with related parties	100%
2	02/2024/NQ-HDQT	05/02/2024	Approval of the 3rd advance payment of remuneration of the Board of Directors and the Board of Supervisors for 2021	100%
3	03/2024/NQ-HDQT	27/02/2024	Approval of the organization of the Annual General Meeting of Shareholders 2024	100%
4	03A/2024/NQ-HDQT	15/03/2024	Approval of the internal audit plan 2024	100%
5	1005/2024/NQ-HDQT	10/05/2024	Approval of bank loans	100%
6	04/2024/NQ-HDQT	17/05/2024	Approval of the appointment of the Chairman of Ton Nam Kim Phu My Company Limited	100%
7	05/2024/NQ-HDQT	17/05/2024	Approval of the appointment of the Deputy General Director of Nam Kim Steel Joint Stock Company	100%
8	2005NKG/2024/NQ-HDQT	20/05/2024	Approval of bank loans	100%
9	06/2024/NQ-HDQT	21/06/2024	Approval of the selection of an independent auditing firm for the financial year 2024	100%
10	07/2024/NQ-HDQT	05/07/2024	Approval of the detailed implementation of the plan for public offering of additional shares to existing shareholders	100%
11	08/2024/NQ-HDQT	05/07/2024	Approval of the detailed utilization plan for funds raised from public offering of additional shares to existing shareholders	100%
12	09/2024/NQ-HDQT	05/07/2024	Approval of the implementation plan for issuing shares to increase charter capital from owner's equity	100%
13	10/2024/NQ-HDQT	09/07/2024	Approval of the dossier for public offering of additional shares to existing shareholders	100%
14	1091D/2024/NQ-HDQT	19/07/2024	Approval of bank loans	100%
15	11/2024/NQ-HDQT	06/09/2024	Approval of the change of address for Dae Myung Paper Viet Nam Co., Ltd.	100%
16	12/2024/NQ-HDQT	25/09/2024	Approval of additional details for the implementation plan for public offering of additional shares to existing shareholders	100%
17	13/2024/NQ-HDQT	25/09/2024	Approval of the execution sequence of share offering and issuance plans as approved by the General Meeting of Shareholders	100%
18	14/2024/NQ-HDQT	26/09/2024	Approval of the dossier for public offering of additional shares to existing shareholders	100%
19	15/2024/NQ-HDQT	03/10/2024	Approval of the dismissal of the Deputy General Director of Nam Kim Steel Joint Stock Company	100%
20	16/2024/NQ-HDQT	04/11/2024	Approval of the corporate bond purchase plan	100%
21	18/2024/NQ-HDQT	05/12/2024	Approval of the last registration date to exercise the right to purchase additional shares for existing shareholders and receiving shares issued to increase charter capital from owner's equity	100%
22	19/2024/NQ-HDQT	25/12/2024	Approval of the results of the issuance of shares to increase charter capital from owner's equity	100%

REPORT OF THE BOARD OF SUPERVISORS

1. PERSONNEL OF THE BOARD OF SUPERVISORS

- Ms. Vo Thi Vui - Head
- Mr. Dang Van Hoa - Member
- Mr. Le Nhat Tan - Member

2. ACTIVITIES OF THE BOARD OF SUPERVISORS

In 2024, the Board of Supervisors conducted inspections and supervisions through the following main activities:

- Participating in the Company's Leadership meetings regarding project implementation, project progress monitoring, as well as monthly and quarterly business plans and performance reporting.
- Monitoring the progress of project execution.
- Inspecting accounting, statistical activities, and financial statement preparation to ensure completeness, systematic consistency, and accuracy.

- Overseeing compliance with financial obligations towards the State and employees.

- Monitoring the implementation of Resolutions passed by the General Meeting of Shareholders and the Board of Directors, as well as adherence to the Company's Charter and the Internal Regulations on Corporate Governance.

- Supervising the organization of the Annual General Meeting of Shareholders.

- Inspecting and overseeing the activities of the Board of Directors, the General Director, and other executives.

3. MEETINGS OF THE BOARD OF SUPERVISORS

Between the two Annual General Meetings of Shareholders in 2024 - 2025, the Board of Supervisors held four meetings with full participation of its members and agreed on the following issues:

- Assessment of the reviewed semi-annual financial statements 2024 of the Parent Company and the consolidated financial statements for the first half of 2024.
- Assessment of the audited financial statements 2024 of the Parent Company and the

audited consolidated financial statements 2024.

- Appointment of the Head of the Board of Supervisors for the 2020 - 2025 term following the operational regulations approved by the General Meeting of Shareholders.

- Approval of the Board of Supervisors' report on its performance and results in 2024 to be submitted to the Annual General Meeting of Shareholders 2025.

Member of the Board of Supervisors (*)	Number of meetings attended	Attendance rate	Voting rate	Reason for non - attendance
Ms. Nguyen Thi Bich Nhi	1/4	100%	100%	Dismissed from April 26, 2024
Ms. Vo Thi Vui	4/4	100%	100%	
Mr. Dang Van Hoa	3/4	100%	100%	Appointed from April 26, 2024
Mr. Le Nhat Tan	4/4	100%	100%	

(*) The members of the Board of Supervisors for the 2020 - 2025 term were elected on June 18, 2020. According to the resolution of the Annual General Meeting of Shareholders 2024, the dismissal and supplementary election of members of the Board of Supervisors for the 2020-2025 term were approved as follows:

- Ms. Nguyen Thi Bich Nhi - Head of the Board of Supervisors was dismissed from April 26, 2024.
- Mr. Dang Van Hoa - Member of the Board of Supervisors was appointed from April 26, 2024.

According to the Board of Supervisors' Resolution No. 01/2024/NQ-BKS dated April 26, 2024, Ms. Vo Thi Vui was elected as Head of the Board of Supervisors for the 2020 - 2025 term, effective from April 26, 2024.

4. SELF-ASSESSMENT REPORT ON THE PERFORMANCE OF THE BOARD OF SUPERVISORS AND EACH SUPERVISOR

- The Board of Supervisors has diligently fulfilled its functions and duties in strict compliance with the Company's Charter, internal regulations, and legal provisions.
- The Supervisors have consistently strived to apply their professional expertise, accounting and financial experience, and legal knowledge in their monitoring activities.
- The Supervisors have actively participated in all Board of Supervisors meetings and designated representatives to attend most Board of Directors meetings as observers.

5. SUPERVISION RESULTS ON THE COMPANY'S OPERATIONS AND FINANCIAL PERFORMANCE

- The Board of Supervisors has closely monitored the Board of Directors and the Board of Management in executing the business strategies and objectives approved by the General Meeting of Shareholders, and continuously tracked the implementation of business objectives and targets assigned by the Board of Directors and the Board of Management to units in the entire system to achieve the goals assigned by the General Meeting of Shareholders.
- In accordance with legal regulations, the Board of Supervisors has conducted reviews of the Company's quarterly, semi-annual, and annual financial statements to assess the accuracy, transparency, and reasonableness of financial data presented to the Annual General Meeting of Shareholders, ensuring compliance with applicable laws and internal regulations.
- No significant changes in accounting systems, accounting standards, or tax policies were identified that could materially impact the Company's financial position or published financial statements.
- No material misstatements or unreasonable accounting estimates (such as provisions, goodwill calculations, etc.) were detected in the financial statements
- All related-party transactions have been conducted in full compliance with the provisions of law and the Company's Charter.
- The Board of Supervisors has ensured strict adherence to the General Meeting of Shareholders' Resolutions regarding remuneration, operational expenses, and other benefits for the Board of Supervisors and each of its members.
- A summary of key figures achieved in 2024:

Business Performance

• Net revenue	20,609,022,190,077 (VND)
• Total profit before tax	558,169,985,495 (VND)
• Profit after tax	453,008,144,440 (VND)

Company Assets

• Total assets	13,519,085,552,805 (VND)
• Current assets	10,202,370,500,547 (VND)
• Non-current assets	3,316,715,052,258 (VND)

Owner's equity

• Beginning balance (January 1, 2024)	5,423,073,956,647 (VND)
• Ending balance (December 31, 2024)	5,871,406,574,473 (VND)

6. REPORT ON THE EVALUATION OF THE COORDINATION BETWEEN THE BOARD OF SUPERVISORS, THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT, AND SHAREHOLDERS

- The Board of Supervisors has always worked closely with the Board of Directors and the Board of Management, while ensuring independence in accordance with the principle of maximizing shareholder interests and adhering to legal regulations. Through participation in key meetings, the Board of Supervisors has kept up-to-date with the Company's strategies, objectives, and business investment plans. This enables the Board of Supervisors to contribute ideas and effectively perform the tasks assigned by the General Meeting of Shareholders.
- In the past year, the Board of Directors, Board of Management, and departments have facilitated the Board of Supervisors in gathering information and documents. The Board of Directors has received all Resolutions of the Board of Directors promptly and in full.
- In 2024, the Board of Supervisors did not receive any requests from shareholders or shareholder groups directed to the Company.



7. OPERATIONAL PLAN FOR 2025 OF THE BOARD OF SUPERVISORS

- Review the annual, semi-annual, and quarterly financial statements before submitting them to the competent authorities for review and approval.
- Examine the management letter from the independent auditor and the feedback from the Company's management, while monitoring

the implementation of corrective actions based on the recommendations from the auditing firm.

- Discuss any difficulties or unresolved issues identified in the interim or year-end audit results, as well as any matters that the independent auditor wishes to address.

8. RECOMMENDATIONS FROM THE BOARD OF SUPERVISORS TO THE GENERAL MEETING OF SHAREHOLDERS, THE BOARD OF DIRECTORS, AND THE BOARD OF MANAGEMENT

- Strengthen the management of operational costs in accordance with the set plan.
- Enhance internal control and supervision activities to detect, warn, and take timely corrective and preventive measures.

- Continue to review and improve the Company's regulations and policies to ensure compliance with current legal documents and adjustments in the Company's business objectives.

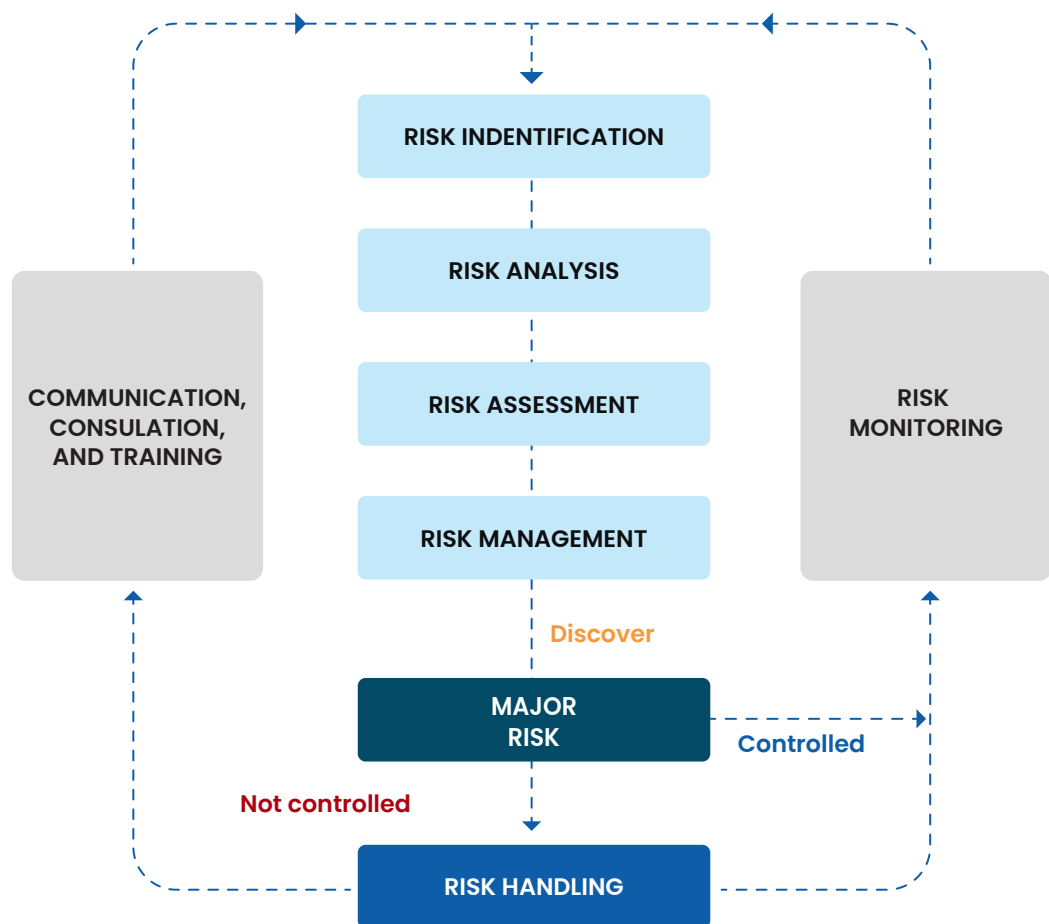
RISK MANAGEMENT

RISK MANAGEMENT PROCESS

As a company specializing in the production of coated steel, Ton Nam Kim’s products are essential materials for infrastructure construction, and the quality of these products significantly impacts the quality of the projects. Therefore, it can be said that Ton Nam Kim constantly faces specific and on going risks.

For this reason, risk management has always been considered one of Ton Nam Kim’s top strategic priorities. The company places great emphasis on forecasting the market for raw materials, domestic and international market demand, in order to implement quick adaptation policies. In addition,

the entire operational management of the company is carried out through the ERP system – SAP S/4 HANA, which is continually improved to ensure that all activities are recorded promptly, and data is analyzed in a timely manner, enabling the most accurate planning and decision-making. Furthermore, Ton Nam Kim has established a comprehensive and effective risk management process that adheres to international standards, such as ISO 31000:2018 on risk management and the COSO framework for internal auditing.



Risks are classified according to the guidelines of the COSO framework for internal control. The criteria of “probability” and “impact” are measured on a scale from 1 to 5, with increasing levels of severity.

STRATEGIC RISKS

IDENTIFICATION	ANALYSIS	EVALUATION		RISK MANAGEMENT
		IMPACT	PROBABILITY	
Macroeconomic risks	Geopolitical fluctuations, national conflicts, sanctions, or internal instability in Vietnam’s economy directly affecting business operations. Negative impact from the real estate market.	5	4	Continuously monitor and supervise economic, political, and social changes both domestically and internationally. Analyze and assess scenarios of macroeconomic fluctuations to make appropriate decisions. Develop contingency plans to avoid the worst-case scenario if real estate companies face bankruptcy.
Strategic direction risks	Ton Nam Kim’s strategy may not align with practical circumstances. Key products may not be in line with global trends.	5	1	Develop long-term strategies. Have financial contingency plans in place for all risks.
Competitive risks	Dealers exert pressure, reducing product profit margins. Competitors in other countries implement price competition strategies.	4	3	Regularly monitor and analyze the business environment. Proactively survey and research market supply and demand. Maintain and develop internal competitive advantages, improve product quality, build the brand, and ensure market share retention and expansion.
Communication risks	Negative information that has not been addressed in a timely manner. Impact of unverified information.	2	2	Continuously update external information and take timely and appropriate actions. Carry out effective PR and IR activities. Maintain good relations with media agencies.

OPERATIONAL RISKS

IDENTIFICATION	ANALYSIS	EVALUATION		RISK MANAGEMENT
		IMPACT	PROBABILITY	
Raw material risks	Geopolitical fluctuations, national conflicts, sanctions, or internal instability in Vietnam’s economy directly affecting business operations. Negative impact from the real estate market.	5	3	Continuously monitor and supervise economic, political, and social changes both domestically and internationally. Analyze and assess scenarios of macroeconomic fluctuations to make appropriate decisions. Develop contingency plans to avoid the worst-case scenario if real estate companies face bankruptcy.
Quality risks	Ton Nam Kim’s strategy may not align with practical circumstances. Key products may not be in line with global trends.	3	1	Develop long-term strategies. Have financial contingency plans in place for all risks.
Execution risks	Dealers exert pressure, reducing product profit margins. Competitors in other countries implement price competition strategies.	2	1	Regularly monitor and analyze the business environment. Proactively survey and research market supply and demand. Maintain and develop internal competitive advantages, improve product quality, build the brand, and ensure market share retention and expansion.
Information technology risks	Negative information that has not been addressed in a timely manner. Impact of unverified information.	1	1	Continuously update external information and take timely and appropriate actions. Carry out effective PR and IR activities. Maintain good relations with media agencies.

ENVIRONMENTAL, HEALTH, AND SAFETY RISKS

IDENTIFICATION	ANALYSIS	EVALUATION		RISK MANAGEMENT
		IMPACT	PROBABILITY	
Occupational safety risks	Labor accidents occurring during production.	2	1	<p>Conduct annual training on occupational safety standards.</p> <p>Equip employees with all necessary safety gear during production.</p> <p>Standardize procedures and enforce strict compliance</p>
Environmental risks	Environmental pollution. Unexpected fire or explosion incidents.	4	1	<p>Ensure the fire prevention and fighting system is fully operational and comply with government fire safety regulations.</p> <p>Leverage natural advantages and maintain a complete waste treatment system that complies with the Law on Environmental Protection.</p>

FINANCIAL RISKS

IDENTIFICATION	ANALYSIS	EVALUATION		RISK MANAGEMENT
		IMPACT	PROBABILITY	
Interest rate risks	Fluctuations in interest rates will impact Ton Nam Kim's financial costs.	5	3	<p>Monitor interest rate fluctuations, plan cash flows, and manage debt payments.</p> <p>Negotiate to maintain or reduce loan interest rates with credit providers.</p> <p>Focus on balancing liquidity ratios, reducing financial leverage, and minimizing debt.</p>
Trade credit risks	Ton Nam Kim may face difficulties in collecting trade credit from partners.	2	1	<p>Closely monitor trade credit accounts. Actively follow up on overdue debts. Assess partner capabilities carefully before making decisions.</p> <p>Require customers to open Letters of Credit (LC) for imports.</p> <p>Reduce receivables time and strengthen financial contingency planning.</p>

LEGAL RISKS

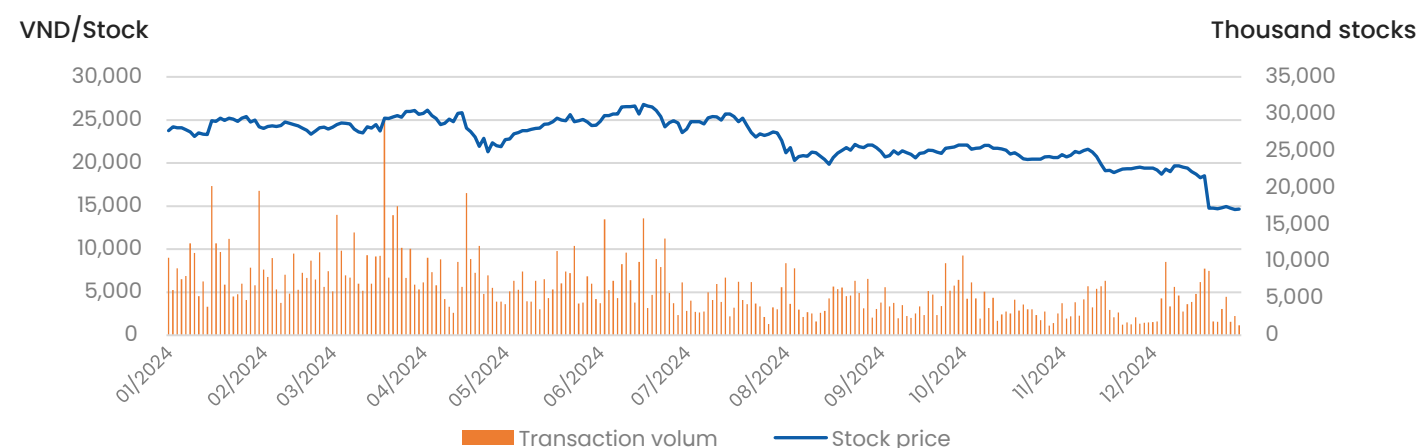
IDENTIFICATION	ANALYSIS	EVALUATION		RISK MANAGEMENT
		IMPACT	PROBABILITY	
Compliance risks	<p>Ton Nam Kim is subject to the Vietnamese legal system, including the Enterprise Law, Investment Law, tax policies, and customs regulations. Additionally, as a publicly listed company, Ton Nam Kim is also affected by the legal framework of the Vietnamese Stock Market.</p> <p>In addition to the general legal framework, Ton Nam Kim must comply with specific industry regulations, such as environmental protection laws.</p>	3	1	<p>Ton Nam Kim has a Legal Department that regularly updates legal documents to ensure the company complies with applicable laws.</p>
Customs risks	Steel is an industry protected by many countries. Ton Nam Kim frequently faces the risk of governments in export markets imposing customs barriers (e.g., anti-dumping duties).	4	2	<p>The Legal Department continuously monitors developments and regulations regarding customs duties in export markets. Research and negotiations with stakeholders to limit and address issues when faced with inappropriate customs regulations.</p> <p>Optimize production output and costs. Regularly update on customs conditions, and develop the domestic market to mitigate risks in the export market</p>

TAX RATE TABLE FOR TRADE REMEDY MEASURES APPLIED TO COATED STEEL PRODUCTS FROM CERTAIN COUNTRIES TO VIETNAM

TT	COUNTRY	CASE	YEAR	PRODUCT	NAM KIM	HOA SEN	DONG A	HIGHEST TAX RATE	EFFECTIVE DATE	STATUS	
1	MALAYSIA	AD	2016	PPGI, PPGL	0%	34.85%	34.85%	Maruichi: 12.06% Khác: 34.85%	19/01/2016	Periodic review continues to apply tax until 19/07/2026	
2	MALAYSIA	AD	2020	GL, GL Slitting	5.04%	0% (previously 16.55%)	0% (previously 15.87%)	Other: 37.14% Tan Phuoc Khanh: 0% (previously 4.22%) – 27/06/2023	12/12/2020	Valid until 12/02/2026	
3	THAILAND	AD	2017	PPGI, PPGL	4.30%	6.63%	60.26%	Other: 60.26%	24/03/2017	Periodic review continues to apply tax for 5 more years from 09/05/2023	
4	THAILAND	AD	2020	GI Pipe	9.10%	9.10%	51.61%	Other: 51.61%	13/02/2020	Valid until 12/02/2026	
5	AUSTRALIA	AD, CVD	2017	GI	0%	0%	Other: floor price	Other: 14.2%	16/08/2017	Valid	
6	AUSTRALIA	AD, CVD	2021	GL Master width	AD: -9.6% CVD: 0%	AD: 8.1% CVD: 0%	AD: 20.9% CVD: 0%	Other: 20.9%	24/12/2021	Valid	
7	CANADA	AD, CVD	2019	GI, GL Slitting	AD: 2.3% CVD: 0%	AD: 11.0% CVD: 0%	AD: 16.2% CVD: 0%	Other: AD: 71.1% CVD: 0%	16/10/2020	Valid (Applies new Normal value table from 17/07/2023)	
8	MEXICO	AD	2023	GI, GL, PPGL	6.40%	7.00%	10.84%	Other: 10.84%	24/02/2023	Valid	
9	UNITED STATES	AD, CVD	2024	CORE	Ongoing investigation						



NKG STOCK



STOCK INFORMATION (As of December 31, 2024)

Total number of outstanding shares	315,931,978 shares, including:
Number of free-transferable shares	315,931,978 shares
Number of restricted shares	0 shares
Type of outstanding shares	common shares
Number of treasury shares	None. The Company did not have treasury stock transactions during the year.
Other securities	None
Maximum foreign ownership ratio at the Company	50%

SHAREHOLDER STRUCTURE (As of December 20, 2024)

Type of shareholder	Number of shareholders	Number of shares	Percentage
State-owned shareholders	-	-	-
Foreign shareholders	263	23,413,223	7.41%
♦ Organization	32	21,457,293	6.79%
♦ Individual	231	1,955,930	0.62%
Domestic shareholders	34,071	292,518,755	92.59%
♦ Organization	57	2,559,305	0.81%
♦ Individual	34,014	289,959,450	91.78%
Total	34,334	315,931,978	100.00%
Total number of shares issued		315,931,978	

LIST OF MAJOR SHAREHOLDERS (As of December 20, 2024)

Shareholders	Number of stocks	Percentage
Ho Minh Quang	44,869,315	14.20%
UNICOH SPECIALTY CHEMICALS CO., LTD	15,897,600	5.03%

CHARTER CAPITAL INCREASE HISTORY

Unit: thousand VND

Time	Charter capital	Additional charter capital	Form of capital increase
2002	60,000,000	-	Establishment of the Company
2006	69,000,000	9,000,000	Additional issuance to existing shareholders
2007	71,000,000	2,100,000	Additional issuance to in-company shareholders
2009	150,000,000	78,900,000	Additional issuance to in-company shareholders
2010	200,000,000	50,000,000	Additional issuance to existing shareholders
2010	230,000,000	30,000,000	Private placement
2011	299,000,000	69,000,000	Dividend in shares
2014	399,000,000	100,000,000	Private placement
2015	430,919,200	31,919,200	Dividend in shares
2015	438,899,200	7,980,000	ESOP share issuance
2016	500,343,610	61,444,410	Bonus share issuance
2016	660,343,610	160,000,000	Private placement
2017	990,514,550	330,170,940	Dividend in shares
2017	1,000,000,000	9,485,450	ESOP share issuance
2017	1,300,000,000	300,000,000	Private placement
2018	1,819,998,680	519,998,680	Dividend in shares
2021	2,183,985,680	363,987,000	Dividend in shares and Bonus share issuance
2022	2,193,985,680	10,000,000	ESOP share issuance
2022	2,632,778,060	438,792,380	Dividend in shares
2024 (i)	3,159,319,780	526,541,720	Bonus share issuance
2025 (ii)	4,475,708,810	1,316,389,030	Public offering of additional shares

*ESOP (Employee Stock Ownership Plan): Stocks granted through an employee stock option plan

(i) According to the Board of Directors' Resolution No. 19/2024/NQ-HDQT dated December 25, 2024, the Board of Directors approved the results of the share issuance to increase the share capital from owner's equity, with a total number of distributed shares of 52,654,172 shares. On January 12, 2025, the Business Registration Office of Binh Duong Province issued the Business Registration Certificate No. 3700477019, marking the 29th change of registration, acknowledging the Company's charter capital as 3,159,319,780,000 VND.

(ii) According to the Board of Directors' Resolution No. 06/2025/NQ-HDQT dated February 27, 2025, the Board of Directors approved the results of the public offering of additional shares to existing shareholders, with a total number of distributed shares of 131,638,903 shares. On March 13, 2025, the Business Registration Office of Binh Duong Province issued the Business Registration Certificate No. 3700477019, marking the 30th change of registration, acknowledging the Company's charter capital as 4,475,708,810,000 VND.

IR ACTIVITIES

PROVISION OF TRANSPARENT AND TIMELY INFORMATION

Ton Nam Kim ensures the transparency of information to all shareholders and investors. The company proactively discloses timely information regarding its business operations, financial status, and any other significant irregularities through financial statements,

management reports, annual reports, press releases on the Company's website at www.tonnamkim.com, website of the State Securities Commission, Ho Chi Minh City Stock Exchange, and other communication channels.

REGULAR INTERACTION, COMMUNICATION, AND LISTENING TO SHAREHOLDERS

The Leadership of Ton Nam Kim maintains regular interaction, directly exchanging and listening to shareholders' opinions through the annual General Meeting of Shareholders, face-to-face meetings, phone calls, and emails

to help shareholders and investors stay up-to-date with accurate, objective, and comprehensive information about the Company's operations and development prospects.

CONTACT INFORMATION FOR SHAREHOLDER RELATIONS AND INFORMATION DISCLOSURE

Email: congbothongtin@namkimgroup.vn

SHARE OWNERSHIP OF THE BOARD OF DIRECTORS

(As of December 31, 2024)

Member of the Board of Directors	Position	Number of shares	Ownership percentage
Ho Minh Quang	Chairman of the Board of Directors	44,869,315	14.20%
Vo Hoang Vu	Member of the Board of Directors	11,249,280	3.56%
Nguyen Vinh An	Member of the Board of Directors	390,955	0.12%
Nguyen Trung Tin	Member of the Board of Directors	0	0%
Vo Thoi	Independent Member of the Board of Directors	0	0%

SHARE OWNERSHIP OF THE BOARD OF MANAGEMENT

(As of December 31, 2024)

Member of the Board of Management	Position	Number of shares	Ownership percentage
Vo Hoang Vu	General Director	11,249,280	3.56%
Nguyen Vinh An	Deputy General Director	390,955	0.12%
Quang Trong Lang	Deputy General Director	108,000	0.03%
Tran Ngoc Dieu	Deputy General Director	1,683,512	0.53%
Nguyen Thi Ngoc Lien	Deputy General Director	329,347	0.10%
Le Minh Hai	Deputy General Director	0	0%
Vu Thi Huyen	Chief Accountant	24,360	0.01%

CHANGES IN THE BOARD OF MANAGEMENT IN 2024:

- Mr. Le Minh Hai - appointed as Deputy General Director of Nam Kim Steel Joint Stock Company from May 17, 2024.
- Mr. Nguyen Minh Hung - dismissed from the position of Deputy General Director in charge of Domestic Sales of Nam Kim Steel Joint Stock Company from October 10, 2024.

SHARE OWNERSHIP OF THE BOARD OF SUPERVISORS

(As of December 31, 2024)

Member of the Board of Supervisors	Position	Number of shares	Ownership percentage
Vo Thi Vui	Head of the Board of Supervisors	56,784	0.02%
Dang Van Hoa	Member of the Board of Supervisors	0	0%
Le Nhat Tan	Member of the Board of Supervisors	5,760	0%

EVALUATION OF THE IMPLEMENTATION OF CORPORATE GOVERNANCE REGULATIONS

Ton Nam Kim always complies with and properly implements current legal regulations, the Company's Charter, and internal regulations on corporate governance.

TRANSACTIONS OF SHARES DURING THE PERIOD BY INTERNAL SHAREHOLDERS AND RELATED PARTIES

(From January 1, 2024 to December 31, 2024)

No.	Person conducting transaction	Relationship with Insider	Shares held at the beginning of period (i)		Shares held at the end of period (ii)		Reason for Increase/Decrease (purchase, sale, conversion, bonus, etc.)
			Number of shares	Percentage	Number of shares	Percentage	
1	Ho Minh Quang	Chairman of the Board of Directors	37,391,097	14.20%	44,869,315	14.20%	Received 7,478,218 shares from the share issuance to increase share capital from equity capital.
2	Vo Hoang Vu	Member of the Board of Directors	9,374,400	3.56%	11,249,280	3.56%	Received 1,874,880 shares from the share issuance to increase share capital from equity.
3	Nguyen Vinh An	Member of the Board of Directors	325,796	0.12%	390,955	0.12%	Received 65,159 shares from the share issuance to increase share capital from equity.
4	Vo Thi Vui	Head of the Board of Supervisors	46,320	0.02%	56,784	0.02%	- Number of shares traded: bought 1,000 shares. - Received 9,464 shares from the share issuance to increase share capital from equity.
5	Le Nhat Tan	Member of the Board of Supervisors	4,800	0%	5,760	0.00%	Received 960 shares from the share issuance to increase share capital from equity.
6	Quang Trong Lang	Deputy General Director	90,000	0.03%	108,000	0.03%	Received 18,000 shares from the share issuance to increase share capital from equity.
7	Tran Ngoc Dieu	Deputy General Director in charge of Finance	1,424,428	0.54%	1,683,512	0.53%	- Number of shares traded: sold 21,500 shares. - Received 280,584 shares from the share issuance to increase share capital from equity.
8	Nguyen Thi Ngoc Lien	Deputy General Director	274,456	0.10%	329,347	0.10%	Received 54,891 shares from the share issuance to increase share capital from equity.
9	Vu Thi Huyen	Chief Accountant	8,300	0%	24,360	0.01%	- Number of shares traded: sold 4,000 shares, bought 16,000 shares. - Received 4,060 shares from the share issuance to increase share capital from equity.
10	Nong Bich Hien	Head of Internal Audit Committee	588	0%	705	0.00%	Received 117 shares from the share issuance to increase share capital from equity.

(i) As of January 1, 2024 (The percentage is based on the total number of shares of 263,277,806 shares)

(ii) As of December 31, 2024 (The percentage is based on the total number of shares of 315,931,978 shares)



05.

SUSTAINABLE DEVELOPMENT

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SUSTAINABLE DEVELOPMENT
ENSURING BENEFITS FOR
STAKEHOLDERS ALONG
WITH ENVIRONMENTAL PROTECTION





ZINMAG®

Superior Anti-corrossion Coated Steel

Retrenchment in expenses,
Environment protection

SUSTAINABLE VISION

For the past decade, the topic of CO2 reduction to mitigate global warming has always been one of the most prominent items on the agenda. In the spirit of not sacrificing the economy for environmental pollution, at the COP26 Conference in 2021, Prime Minister Pham Minh Chinh committed to achieving net-zero CO2 emissions for Vietnam by 2050. In 2022, Deputy Prime Minister Le Minh Khai signed Decision 687/QĐ-TTg, approving the Circular Economy Development Plan in Vietnam.

Currently, Europe has introduced an extremely important policy of imposing carbon taxes on imported products, known as the Carbon Border Adjustment Mechanism (CBAM), which will be piloted in 2024 and fully implemented by 2026.

As one of the leading coated steel enterprises in Vietnam, Ton Nam Kim clearly understands the importance of a green and ethical economy. Ton Nam Kim recognizes that greening production activities is not only beneficial for the company's economic interests but also brings positive impacts linked to human development, ensuring worker safety, and contributing to the common welfare of the community. Therefore, Ton Nam Kim has formulated a sustainable development strategy, which includes four main pillars:

01. CONSOLIDATION AND DEVELOPMENT OF HUMAN RESOURCES

Ton Nam Kim identifies "People as the core element" as the key factor determining the company's existence and development.

03. ECONOMIC EFFICIENCY OPTIMIZATION

It is not only a responsibility to bring the highest economic value to shareholders, but optimizing economic efficiency and production business performance is the foundation for Ton Nam Kim's sustainable development process.

02. ACCOMPANYING THE COMMUNITY AND SOCIETY

Serving the community and society is not only a noble responsibility but also a great honor for Ton Nam Kim through meaningful activities that contribute practically to customers, partners, the community, society, and the nation.

04. NATURAL ENVIRONMENTAL PROTECTION

Recognizing the importance of the environment to production activities and aiming for sustainable development, Ton Nam Kim strives to implement solutions for the economical and effective use of energy and resources to minimize the impact on the natural environment.

ECONOMIC EFFICIENCY OPTIMIZATION

Ton Nam Kim, based on the actual development situation of the company, combines the standards set by the United Nations' Sustainable Development Goals (SDG 17) to build a process for optimizing economic efficiency.

As one of Vietnam's leading enterprises in the steel industry, Ton Nam Kim is always aware of the importance of sustainable development goals. The company always considers sustainable development as a guiding principle throughout all business activities.

ECONOMIC DEVELOPMENT AS A FOUNDATION TOWARDS SUSTAINABILITY

A solid economic foundation is a prerequisite for sustainable development. Understanding this, Ton Nam Kim always strives to optimize production and business activities to create the best benefits for employees, generate value for

shareholders and investors, and contribute to the country's economic development. In doing so, it creates many jobs for local communities, increases contributions to the state budget, and fosters the prosperity of local communities

CREATING VALUE FOR SHAREHOLDERS AND INVESTORS

With the motto "Quality mindset, sustainable life," Ton Nam Kim always operates with the goal of ensuring the sustainable development of the business and the long-term benefits of shareholders and investors. From 2021 to 2023, the global economy in general, and the steel industry in particular, faced unprecedented challenges due to the impacts of the pandemic, wars, and global monetary markets.

response to market developments. These include strengthening restructuring efforts, leveraging core strengths, staying ahead of trends, and proactively creating a stable cash flow by maintaining and developing effective business operations.

However, Ton Nam Kim has made flexible and timely business decisions and strategies in

As a result, Ton Nam Kim has not only protected shareholders' assets but also increased value for shareholders and investors. Ton Nam Kim ensures fairness and benefits for all shareholders, including small shareholders.

IMPROVEMENT OF ECONOMIC EFFICIENCY WITH PRACTICAL SOLUTIONS

Continuous quality improvement is a consistent spirit in all aspects of Ton Nam Kim's operations, aimed at enhancing the value of products and

services and increasing customer benefits. This, in turn, leads to sustainable growth for the company.

STRENGTHENING OF INNER STRENGTH

After more than 20 years of formation and development, Ton Nam Kim has become a leading enterprise in Vietnam's steel industry, a prestigious "National Brand" with a modern factory system and high market share. This immense internal strength is the foundation for the Company's rapid and sustainable development in the future.

Therefore, "STRENGTHENING OF INNER STRENGTH" is considered a key mission and strategic objective for the Company during the 2023-2025 period, with specific directions as follows:

- Enhancing management and operational capacity;
- Improving labor productivity and reducing costs;
- Maximizing the capacity of equipment and technical human resources to produce high-quality products, meet domestic demand, and boost exports to high-end markets such as the United States and Europe.



FOCUS ON R&D - INVESTMENT IN NEW PRODUCT DEVELOPMENT

To deeply integrate into the global value chain, R&D plays a pivotal role in the development orientation of Ton Nam Kim's leadership. Over the years, Ton Nam Kim has continuously researched and successfully developed new products, advancing further into the value chain. Notably, in 2022, Ton Nam Kim successfully developed high-galvanized Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet, including the AZ200 Hot dipped Aluminium-Zinc Alloy Coated Steel Sheet product with a premium coating, offering durability up to 25 years, suitable for projects in highly corrosive environments. In 2023, Ton Nam Kim launched the Zinmag product line, coated with magnesium alloy

and rare earth materials, offering a lifespan of over 50 years, which was immediately embraced by the Australian market.

These successes in research and development once again demonstrate the Company's internal strength and affirm Ton Nam Kim's position in the Vietnamese steel industry and the region. Looking ahead, with Ton Nam Kim Phu My Factory, the Company will continue to heavily invest in R&D to develop even higher-grade products, serving industries such as machinery manufacturing and household appliances to the highest standards.

ADOPTION OF INTERNATIONAL INITIATIVES AND STANDARDS

In line with the spirit of "CONTINUOUS QUALITY IMPROVEMENT," ensuring effective governance, rational resource use, and controlling the business production process is always a key focus for Ton Nam Kim. All of the Company's products are manufactured using the most advanced machinery and equipment, adhering to the highest quality standards.

capacity and quality management system to provide accurate and reliable test results. The laboratory's test results are widely recognized globally within the ILAC - International Laboratory Accreditation Cooperation, including organizations such as A2LA (USA), SAC-SINGLAS (Singapore), NATA (Australia), etc.

In 2021, Ton Nam Kim's laboratory was accredited by the Bureau of Accreditation (BoA) under the Ministry of Science and Technology with ISO/IEC 17025:2017 certification in the fields of Mechanics and Chemistry (VILAS 1417). This certification recognizes that Ton Nam Kim's laboratory possesses the full technical

The Company also implements many international governance initiatives and standards, notably the SAP HANA S/4 ERP management system.

CONSOLIDATION AND DEVELOPMENT OF HUMAN RESOURCES

Human resources are the foundation of a company's success, ensuring creativity and directly operating the organization's operating apparatus. Recognizing this principle, Ton Nam Kim places particular importance on developing personnel policies and creating a high-quality, safe, and efficient working environment.

EFFECTIVE HUMAN RESOURCE MANAGEMENT

Human resources play a critical role in the operation of a business. Therefore, effectively utilizing and managing these resources is an important aspect of business management and operation.

Human resource management must create conditions for individuals to fully unleash their potential, reduce resource waste, and increase organizational effectiveness. For this reason, Ton Nam Kim proactively analyzes the need for labor with the criteria of ensuring that the company meets its human resource requirements accurately and fully.

The company also focuses on improving its human resource policies to strengthen and develop the workforce, retain talent, and ensure the capability of management in human resource management. Ton Nam Kim's leadership and management teams possess deep expertise, long-term commitment, and always embody the spirit of "Standard management. Responsibility control. Professional operation. Dedicated training."

STAFF STRUCTURE IN 2024

Criteria	Quantity	Percentage
By education level		
University and higher	342	22.57%
College/Vocational Intermediate	387	25.54%
Elementary and Technical Workers	60	3.96%
Unskilled Labor	720	47.92%
By Labor Contract		
Full-time	1,515	100%
Part-time	-	-
By Gender		
Male	1,371	90.50%
Female	144	9.50%
TOTAL NUMBER OF EMPLOYEES	1,515	

RECRUITMENT POLICY

The Company's recruitment goal is to attract capable workers to meet the growing demand for business and production expansion. Depending on the specific position, the Company establishes appropriate recruitment standards, but all positions must meet basic requirements such as: professional

qualifications, career development awareness, good ethical attitude towards the Company's objectives, professionalism, and high discipline. Ton Nam Kim values diversity and ensures Transparency – Fairness – Equality for all suitable candidates.

TRAINING POLICY

Ton Nam Kim focuses on improving the qualifications, knowledge, and experience of its workforce, especially engineers, specialists, and young workers, to meet the human resource demands for operating production lines, mastering production technology, and expanding scale. Continuous on-the-job training is organized not only for engineers and workers but also for managers and the Leadership to master production technology, learn about management, and improve operations.

This is demonstrated by the Company's continuous organization of outsourced and in-house training programs, supporting training expenses for employees to improve professional and technical skills; organizing courses and skill improvement exams, and promoting the culture of learning combined with creativity in production work, all of which serve the Company's long-term development goals.

OCCUPATIONAL SAFETY

With the goal of protecting workers from harmful hazardous factors and creating favorable working conditions to ensure their health, increase productivity, quality, and efficiency, which contribute to the Company's overall development process, ensuring

occupational safety is a major policy of the Company. It is an essential part of the Company's development strategy.

QUALITY, SAFE, AND EFFECTIVE WORKING ENVIRONMENT

Ton Nam Kim strives to build a quality, safe, and effective working environment. The company's salary, bonus, and welfare policies are implemented fully, fairly, and transparently based on labor productivity and contribution to the Company. Each year, the Company organizes health check-ups for

all employees. In addition, the Company always prioritizes occupational safety. The working environment is equipped with all necessary tools, especially protective equipment and fire prevention equipment.

EMPLOYEE HEALTH CARE

To attract and retain the most talented individuals, reduce absenteeism, prevent employees from working while sick, and increase employee engagement, the Company organizes annual health check-ups for employees. Based on the results of these health check-ups, the Company arranges

suitable work for employees and promptly detects any abnormalities in their health. This is the most effective measure to ensure the "health capital" of the Company and to provide accident insurance coverage 24/7 for all employees.

EMPLOYEE ENGAGEMENT ACTIVITIES

In addition to the Company's emulation and commendation programs, Ton Nam Kim's Trade Union Executive Board regularly launches emulation movements depending on the production and business situation and offers rewards to employees who excel in these activities to motivate and encourage them. Every year, the Trade Union also reviews and evaluates the performance of employees, offering awards such as: Outstanding

Individual Union Member, Union Member in Difficult Circumstances, and Outstanding Collective Union Member. The Company also organizes gift-giving for International Women's Day (March 8) and Vietnamese Women's Day (October 20), presents gifts to the children of employees on Children's Day (June 1), provides Lunar New Year gifts and organizes the "Tet Bus Journey" for all union members, among other activities.

REWARD AND REMUNERATION POLICY

Ton Nam Kim's reward and remuneration policy is designed to motivate individuals and teams to maximize their potential, thereby increasing the work efficiency of each person and the overall productivity of the company. At the same time, it aims to recognize and appropriately reward employees for their skills, efforts, and contributions to the overall effectiveness and growth of the Company.

Every month, the Company conducts emulation evaluation to reward outstanding workers. From these monthly results, the Company consolidates the data and the Emulation Council reviews and approves the annual performance of individuals and teams to determine year-end rewards, especially the Outstanding Individual and Outstanding Collective awards. Currently, Ton Nam Kim implements the following reward and remuneration policies for employees:

- Monthly and quarterly reward policies based on work performance.
- Annual reward policies for individuals and teams based on work performance.
- Reward policies for holidays, Tet, the Company's anniversary, etc.
- Reward policy for individuals who have contributed to the development of the Company (based on years of service).

- Exceptional reward policies: for ideas, solutions, or initiatives that enhance the Company's performance; significant contributions or outstanding achievements in implementing the Company's policies and guidelines; excellent completion of tasks, programs, or projects assigned by the Board of Directors or the Board of Management.
- ESOP share reward policy.
- Competitive income based on job position, including time-based salary, productivity-based salary, housing, health, and travel allowances. Full participation in labor law benefits: social insurance, health insurance, and unemployment insurance.
- Mid-shift meal allowance.
- Free 24/7 accident insurance for all employees.
- State-of-the-art production technology at the factory, with regular job training to enhance skills.
- Many opportunities for promotion and long-term career development. The reward and remuneration policies will be designed to align with the Company's capabilities and specific goals.

NATURAL ENVIRONMENTAL PROTECTION

THE SAVING OF ENERGY AND NATURAL RESOURCES TO REDUCE THE IMPACT ON THE ENVIRONMENT

In its industrial production operations, Ton Nam Kim inevitably has an impact on the environment. Therefore, the Company places great importance on environmental protection, as the environment is one of the most critical factors influencing sustainable development. The Company consistently engages in

practical activities to protect the environment, striving to create a green and clean production and working environment.

Ton Nam Kim believes that the Company will not compromise the environment for growth at any cost.

GENERAL INITIATIVES AND SOLUTIONS

- Using modern, environmentally friendly technology lines, in order to save fuel and reduce material waste.
- Researching and improving systems, with regular maintenance during the production process, to minimize environmental impact.
- In addition to machinery solutions, the Company combines human factors by continuously building and improving the

workforce to enhance professional expertise; regularly holding regular training courses to ensure that every employee of Ton Nam Kim is imbued with the shared environmental commitments.

SPECIFIC INITIATIVES AND SOLUTIONS

- Strictly implementing the preservation of raw materials and waste treatment of the factory.
- Controlling emissions below the discharge standards prescribed by the State, reusing water after the wastewater treatment system for the raw material washing process.
- Installing a waste acid regeneration system, with the input being waste acid from the continuous pickling process.

- The product of the system is 18% HCL acid which is supplied back as raw material for the pickling process at the continuous pickling line.
- Ton Nam Kim implements paper saving by printing double-sided documents. The Company has deployed the Sustainable Development Report and other documents and reports in soft copy on electronic devices, limiting printing, avoiding paper waste.

GREEN PRODUCTION TO PROTECT THE ENVIRONMENT

Ton Nam Kim has invested in an advanced acid regeneration line from SMS - Germany. As a result, no acid waste is generated in any of the Company's factories. Additionally, through the regeneration line, all steel rust scales are

recovered to meet product standards and are supplied to other companies for reuse in steelmaking or other industries, rather than being treated reprocessed waste.

COMPLIANCE WITH ENVIRONMENTAL LAWS

Ton Nam Kim strictly adheres to the State regulations regarding the environment and continuously updates itself with the latest legal requirements related to environmental

activities. Throughout the year, the Company has had no violations of environmental laws.

ACCOMPANYING THE COMMUNITY AND SOCIETY

CREATING JOBS AND CONTRIBUTING TO THE LOCAL AND NATIONAL ECONOMY

The growth and prosperity of Ton Nam Kim are closely linked with its responsibility towards the community, society, and the country. The Company's business operations have provided stable employment for over 1,500 people.

Each year, the Company fully fulfills its tax obligations to the State. In 2024, Ton Nam Kim contributed a total of 1,092 billion VND to the State budget, making it one of the companies with the highest revenue and tax contributions in Binh Duong Province, thus contributing to the country's economic development.

ALWAYS ACCOMPANYING THE HAPPINESS OF THE COMMUNITY

A stable and prosperous society forms the foundation for economic growth and creates opportunities for businesses to develop. Therefore, in addition to the goal of optimizing profits, the Company always places great importance on its responsibility to the community. Ton Nam Kim is always ready to share part of its profits to contribute to the development of society through practical actions.

- Supporting and helping people in difficult circumstances, creating opportunities for families and individuals to rise up;
- Organizing volunteer and social welfare programs alongside other businesses to improve the living environment;
- Joining hands to help those in need, further enhancing the Company's image in the hearts of consumers.

CONTRIBUTION TO THE STATE BUDGET
1.092 BILLION VND

CREATING MORE STABLE JOBS
1.500 EMPLOYEES



06.

CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements and Separate Financial Statements 2024 are published on the Company's website at: www.tonnamkim.com

**STRONG INTERNAL FOUNDATION
FLEXIBLE ADAPTATION
OVERCOMING ALL CHALLENGES**



NAM KIM STEEL JOINT STOCK COMPANY

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

NAM KIM STEEL JOINT STOCK COMPANY

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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NAM KIM STEEL JOINT STOCK COMPANY

CORPORATE INFORMATION

Enterprise registration certificate	No. 3700477019 dated 23 December 2002 was initially issued by the Department of Planning and Investment of Binh Duong Province with the latest 30th amended Enterprise registration certificate dated 13 March 2025 was issued by the Binh Duong Department of Finance.	
Board of Directors	Mr. Ho Minh Quang Mr. Nguyen Vinh An Mr. Vo Hoang Vu Mr. Vo Thoi Mr. Nguyen Trung Tin Ms. Nguyen Ngoc Y Nhi	Chairperson Member Member Member Member (from 26 April 2024) Member (until 25 April 2024)
Board of Supervision	Ms. Vo Thi Vui Ms. Nguyen Thi Bich Nhi Mr. Le Nhat Tan Mr. Dang Van Hoa	Chief Supervisor (from 26 April 2024) Member (until 25 April 2024) Chief Supervisor (until 25 April 2024) Member Member (from 26 April 2024)
Board of Management	Mr. Vo Hoang Vu Mr. Quang Trong Lang Ms. Nguyen Thi Ngoc Lien Mr. Nguyen Vinh An Ms. Tran Ngoc Dieu Mr. Le Minh Hai Mr. Nguyen Minh Hung	General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director (from 17 May 2024) Deputy General Director (until 10 October 2024)
Legal representative	Mr. Vo Hoang Vu	General Director
Registered office	Lot A1, D2 Street, Dong An 2 Industrial Park, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam	
Auditor	PwC (Vietnam) Limited	

NAM KIM STEEL JOINT STOCK COMPANY

STATEMENT OF THE BOARD OF MANAGEMENT

Statement of responsibility of the Board of Management of the Company in the respect of the consolidated financial statements

The Board of Management of Nam Kim Steel Joint Stock Company ("the Company") is responsible for preparing consolidated financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Management of the Company is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management of the Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and which enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Board of Management of the Company is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or error.

Approval of the consolidated financial statements

We hereby, approve the accompanying consolidated financial statements as set out on pages 5 to 47 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.

On behalf of the Board of Management



Vo Hoang Vu
General Director

Binh Duong Province, SR Vietnam
24 March 2025



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF NAM KIM STEEL JOINT STOCK COMPANY**

We have audited the accompanying consolidated financial statements of Nam Kim Steel Joint Stock Company ("the Company") and its subsidiaries (together, "the Group") which were prepared on 31 December 2024 and approved by the Board of Management of the Company on 24 March 2025. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 47.

The Board of Management's Responsibility

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these consolidated financial statements of the Group in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements, and for such internal control which the Board of Management of the Company determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements of the Group are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Quach Thanh Chau
Audit Practising Licence No.
0875-2023-006-1
Authorised signatory

Report reference number: HCM16431
Ho Chi Minh City, 24 March 2025

Nguyen Vu Anh Tuan
Audit Practising Licence No.
3631-2021-006-1

CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2024 VND	2023 VND
100	CURRENT ASSETS		10,202,370,500,547	9,322,639,041,423
110	Cash and cash equivalents	3	391,783,760,846	785,479,050,340
111	Cash		391,783,760,846	748,979,050,340
112	Cash equivalents		-	36,500,000,000
120	Short-term investments		247,130,402,390	289,613,600,644
121	Trading securities	4(a)	9,353,176	9,353,176
123	Investments held to maturity	4(b)	247,121,049,214	289,604,247,468
130	Short-term receivables		1,942,938,034,495	1,926,737,095,556
131	Short-term trade accounts receivable	5	1,129,072,791,514	1,741,024,306,210
132	Short-term prepayments to suppliers	6	811,919,388,493	179,230,779,567
136	Other short-term receivables	7	15,741,713,905	17,179,219,247
137	Provision for doubtful debts - short-term	8	(13,795,859,417)	(10,697,209,468)
140	Inventories	9	6,690,482,934,519	5,718,699,385,156
141	Inventories		6,820,816,327,463	5,849,032,778,100
149	Provision for decline in value of inventories		(130,333,392,944)	(130,333,392,944)
150	Other current assets		930,035,368,297	602,109,909,727
151	Short-term prepaid expenses	10(a)	29,405,775,095	16,586,369,709
152	Value added tax ("VAT") to be reclaimed	15(a)	900,629,593,202	585,451,185,075
153	Tax and other receivables from the State	15(a)	-	72,354,943

The notes on pages 10 to 47 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at 31 December	
			2024 VND	2023 VND
200	LONG-TERM ASSETS		3,316,715,052,258	2,912,762,205,168
210	Long-term receivables		1,337,705,464	5,500,000
216	Other long-term receivables		1,337,705,464	5,500,000
220	Fixed assets		2,021,344,676,318	2,358,754,796,405
221	Tangible fixed assets	11(a)	1,700,297,737,520	1,989,130,813,078
222	Historical cost		5,084,074,628,216	5,012,381,146,321
223	Accumulated depreciation		(3,383,776,890,696)	(3,023,250,333,243)
224	Finance lease fixed assets	11(b)	-	37,360,217,531
225	Historical cost		-	41,899,309,383
226	Accumulated depreciation		-	(4,539,091,852)
227	Intangible fixed assets	11(c)	321,046,938,798	332,263,765,796
228	Historical cost		391,098,129,684	391,098,129,684
229	Accumulated amortisation		(70,051,190,886)	(58,834,363,888)
240	Long-term asset in progress		285,776,095,884	311,996,159,857
242	Construction in progress	12	285,776,095,884	311,996,159,857
250	Long-term investments		524,521,155,000	3,180,000,000
255	Investments held to maturity	4(b)	524,521,155,000	3,180,000,000
260	Other long-term assets		483,735,419,592	238,825,748,906
261	Long-term prepaid expenses	10(b)	483,735,419,592	238,825,748,906
270	TOTAL ASSETS		13,519,085,552,805	12,235,401,246,591

The notes on pages 10 to 47 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at 31 December	
			2024 VND	2023 VND
300	LIABILITIES		7,647,678,978,332	6,812,327,289,944
310	Short-term liabilities		7,620,886,731,385	6,784,014,554,254
311	Short-term trade accounts payable	13	855,939,492,291	1,631,419,258,076
312	Short-term advances from customers	14	78,931,822,145	146,991,086,289
313	Tax and other payables to the State	15(b)	180,369,131,204	59,572,559,601
314	Payables to employees	16	38,474,688,388	29,241,503,610
315	Short-term accrued expenses	17	32,534,395,279	23,317,598,074
319	Other short-term payables	18	10,914,837,151	13,681,782,893
320	Short-term borrowings	19	6,311,656,122,900	4,767,655,010,639
322	Bonus and welfare fund	20	112,066,262,027	112,135,755,072
330	Long-term liabilities		26,792,246,947	28,312,735,690
337	Other long-term payables		900,000,000	900,000,000
341	Deferred income tax liabilities		25,892,246,947	27,412,735,690
400	OWNERS' EQUITY		5,871,406,574,473	5,423,073,956,647
410	Capital and reserves		5,871,406,574,473	5,423,073,956,647
411	Owners' capital	21, 22	3,159,319,780,000	2,632,778,060,000
411a	- Ordinary shares with voting rights		3,159,319,780,000	2,632,778,060,000
412	Share premium	22	259,365,552,279	785,907,272,279
418	Investment and development fund	22	191,701,386,132	185,830,957,874
420	Other fund	22	89,440,070,324	87,091,899,021
421	Undistributed earnings	22	2,171,579,785,738	1,731,465,767,473
421a	- Undistributed post-tax profits of previous years		1,718,571,641,298	1,614,057,202,315
421b	- Post-tax profits of current year		453,008,144,440	117,408,565,158
440	TOTAL RESOURCES		13,519,085,552,805	12,235,401,246,591


Nguyen Ngoc Bao Chau
Preparer



Vu Thi Huyen
Chief Accountant


Vo Hoang Vu
General Director
24 March 2025

The notes on pages 10 to 47 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

Code	Note	For the year ended 31 December	
		2024 VND	2023 VND
01	Revenue from sales of goods and rendering of services	20,707,517,191,896	18,621,212,567,707
02	Less deductions	(98,495,001,819)	(25,238,314,620)
10	Net revenue from sales of goods and rendering of services	20,609,022,190,077	18,595,974,253,087
11	Cost of goods sold and services rendered	(18,777,248,235,147)	(17,483,711,237,040)
20	Gross profit from sales of goods and rendering of services	1,831,773,954,930	1,112,263,016,047
21	Financial income	340,616,629,555	230,378,542,142
22	Financial expenses	(477,097,484,465)	(426,154,979,605)
23	- Including: Interest expense	(207,841,259,563)	(292,679,834,464)
25	Selling expenses	(1,017,598,597,652)	(609,117,894,559)
26	General and administration expenses	(120,241,517,086)	(130,296,253,597)
30	Net operating profit	557,452,985,282	177,072,430,428
31	Other income	2,131,688,227	597,160,588
32	Other expenses	(1,414,688,014)	(358,676,837)
40	Net other income	717,000,213	238,483,751
50	Accounting profit before tax	558,169,985,495	177,310,914,179
51	Corporate income tax ("CIT") - current	(106,682,329,798)	(60,755,885,161)
52	CIT - deferred	1,520,488,743	853,536,140
60	Profit after tax	453,008,144,440	117,408,565,158
61	Attributable to: Shareholders of the Company	453,008,144,440	117,408,565,158
70	Basic earnings per share	1,434	357
71	Diluted earnings per share	1,434	357


Nguyen Ngoc Bao Chau
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Chief Accountant


Vo Hoang Vu
General Director
24 March 2025

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CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

Code	Note	For the year ended 31 December	
		2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		558,169,985,495	177,310,914,179
	Accounting profit before tax		
	Adjustments for:		
02	Depreciation and amortisation	370,170,393,724	375,827,491,258
03	Provisions/(reversal of provisions)	3,098,849,949	(204,626,164,184)
04	Unrealised foreign exchange losses/(gains)	35,110,279,363	(408,428,885)
05	Profits from investing activities	(29,170,507,815)	(18,761,438,448)
06	Interest expense	207,841,259,563	292,679,834,464
08	Operating profit before changes in working capital	1,145,220,060,279	622,022,208,384
09	Decrease/(increase) in receivables	306,719,987,110	(481,686,910,694)
10	(Increase)/decrease in inventories	(971,783,549,363)	1,488,237,159,941
11	Decrease in payables	(763,297,846,297)	(1,044,847,057,433)
12	Increase in prepaid expenses	(12,275,802,692)	(11,277,888,244)
14	Interest paid	(203,919,377,714)	(292,679,834,464)
15	CIT paid	(53,374,624,491)	(7,381,260,670)
17	Other payments on operating activities	(7,251,488,221)	(3,830,261,000)
20	Net cash (outflows)/inflows from operating activities	(559,962,641,389)	268,556,155,820
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(884,430,184,417)	(130,230,497,335)
22	Proceeds from disposals of fixed assets	954,545,455	-
23	Term deposits placed at banks	(811,821,155,000)	(40,200,000,000)
24	Collection of term deposits at banks, bonds and short-term lendings	340,068,051,493	15,000,000,000
27	Interest received from bank deposits, bonds and short-term lendings	15,114,296,049	9,721,817,773
30	Net cash outflows from investing activities	(1,340,114,446,420)	(145,708,679,562)
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from short-term borrowings	20,726,005,630,841	18,142,141,256,975
34	Repayments of short-term borrowings	(19,215,841,932,506)	(18,450,727,988,434)
35	Finance lease principal repayments	(3,072,616,017)	(33,798,776,242)
40	Net cash inflows/(outflows) from financing activities	1,507,091,082,318	(342,385,507,701)
50	Net decrease in cash and cash equivalents	(392,986,005,491)	(219,538,031,443)
60	Cash and cash equivalents at beginning of year	785,479,050,340	1,005,403,528,970
61	Effect of foreign exchange differences	(709,284,003)	(386,447,187)
70	Cash and cash equivalents at end of year	391,783,760,846	785,479,050,340

Additional information relating to the consolidated cash flow statement is presented in Note 34.


Nguyen Ngoc Bao Chau
Preparer


Vu Thi Huyen
Chief Accountant


Vo Hoang Vu
General Director
24 March 2025

The notes on pages 10 to 47 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1 GENERAL INFORMATION

Nam Kim Steel Joint Stock Company ("the Company") is a joint stock company established in SR Vietnam pursuant to Enterprise registration certificate for joint stock company No. 3700477019 which was initially issued by the Department of Planning and Investment of Binh Duong Province on 23 December 2002 and the latest 30th amended Enterprise registration certificate for joint stock company dated 13 March 2025 was issued by the Binh Duong Department of Finance to update the change of charter capital of the Company.

Owners of the Company and details of the capital contribution are presented in Note 21(b).

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with the stock trading code NKG on 14 January 2011 in accordance with Decision No. 05/2011/QĐ-SGDHCM issued by HOSE.

The principal activities of the Company and its subsidiaries (together, "the Group") are:

- Manufacturing of other metal products, production of steel tole: galvanized, aluminium-zinc alloy coated, steel sheets (galvalume), steel sheets coated, galvanized coating;
- Production of iron, steel, cast iron, production of steel pipes, steel and rolled steel products, cold rolled steel, galvanized steel, black steel tape, galvanized steel tape;
- Wholesale of metals and metals ores, details: wholesale iron and steel;
- Mechanical processing, handling and metal coating (not processing at its headquarter location); and
- Trading scrap (not containing, sorting, processing and recycling at its headquarter location).

The normal business cycle of the Group is 12 months.

As at 31 December 2024 and 31 December 2023, the Company had 4 subsidiaries as follows:

Subsidiaries	Place of operation	Principal activities	Percentage of ownership and voting rights	
			2024 %	2023 %
Nam Kim Steel Pipe One Member Limited Liability Company	Long An Province, Vietnam	Production of steel tole: galvanized, aluminium-zinc alloy coated; trading of steel.	100	100
Nam Kim Chu Lai Steel Pipe One Member Limited Liability Company	Quang Nam Province, Vietnam	Production of steel tole: galvanized, aluminium-zinc alloy coated; trading of steel.	100	100
Dae Myung Paper Vietnam Limited Liability Company	Binh Duong Province, Vietnam	Production of steel tole: aluminium-zinc alloy coated; color coated corrugated iron.	100	100
Ton Nam Kim Phu My Limited Liability Company	Ba Ria – Vung Tau Province, Vietnam	Production of steel tole: galvanized, aluminium-zinc alloy coated; trading of steel.	100	100

1 GENERAL INFORMATION (continued)

As at 31 December 2024, the Group had 1,515 employees (as at 31 December 2023: 1,336 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, consolidated financial performance and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated financial statements in Vietnamese language are the official statutory consolidated financial statements of the Group. The consolidated financial statements in English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December.

2.3 Currency

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND"), which is the Group's accounting currency.

2.4 Exchange rates

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised as income or expenses in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the consolidated balance sheet date of the commercial banks with which the Group regularly transacts. Foreign currencies deposited in banks at the consolidated balance sheet date are translated at the buying exchange rate of the commercial banks where the Group opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation****Subsidiaries**

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the subsidiaries are prepared for the same fiscal year of the Group for the consolidation purpose. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting period and that of the Group's. The length of the reporting period and differences in reporting date must be consistent between year.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and other short-term investments with an original maturity of three months or less.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Receivables**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties) or based on the estimated loss that may arise. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of general and administrative expenses in the year. Bad debts are written off when identified as uncollectable.

Receivables are classified into short-term and long-term receivables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other directly-related costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual system for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year are recognised as an increase or decrease of cost of goods sold in the year.

2.9 Investments**(a) Trading securities**

Trading securities are securities which are held for trading to earn profit.

Trading securities are initially recorded at historical cost including cost of acquisition and any expenditure that is directly attributable to the acquisition. Subsequently, the Board of Management of the Company reviews all outstanding investments to determine the amount of provision to recognise at the year end. The provision for diminution in value of trading securities is made when their carrying value is higher than its market value. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Investments (continued)****(a) Trading securities (continued)**

The Group recognises trading securities when it has ownership of the assets, specifically as follows:

- Listed securities are recognised at the time of order matching; and
- Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

Profit or loss from liquidation or disposal of trading securities is recognised in the consolidated income statement. The costs of trading securities disposed are determined by using the moving weighted average method.

(b) Investments held to maturity

Investments held to maturity are investments which the Group has a positive intention and ability to hold until maturity.

Investments held to maturity include term deposits and bonds which the issuer is required to buy back in the future. Those investments are initially accounted at cost. Subsequently, the Board of Management of the Company reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the consolidated balance sheet based on remaining period from the consolidated balance sheet date to the maturity date.

2.10 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to their suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred in the year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Fixed assets (continued)

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the historical cost of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the consolidated financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Buildings and structures	5 – 25 years
Machinery and equipment	2 – 25 years
Motor vehicles	6 – 25 years
Office equipment	5 – 10 years
Land use rights	33 – 44 years
Computer software	5 – 6 years
Other tangible fixed assets	10 – 40 years

Land use rights comprise of land use rights acquired in a legitimate transfer which land use right certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consists of its purchased prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line basis over the terms of the land use right certificates.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; compensation and resettlement costs; project management expenditures; construction consulting expenditures; and capitalised borrowing costs for qualifying assets in accordance with the Group's accounting policies. Depreciation or amortisation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

2.11 Leased assets

Leases of property, plant and equipment where the lessor has transferred the ownership at the end of the lease period, and transferred substantially the risks and rewards, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased assets or the present value of the minimum lease payments.

Each lease payment is separated between the liability and finance charges to achieve a constant rate on the outstanding finance lease balance. The corresponding rental obligations, net of finance charge, are included in long-term borrowings.

The interest element of the finance cost is charged to the consolidated income statement over the lease term. The equipment acquired under finance leasing contracts are depreciated on a straight-line basis over the shorter of the estimated useful life of the assets or the lease term. However, if there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, depreciation is calculated over the estimated useful life of the assets.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Leased assets (continued)

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

2.12 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the consolidated balance sheet. Short-term prepaid expenses reflect prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayments. Long-term prepaid expenses reflect prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayments. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible fixed assets as described in Note 2.10 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.

2.13 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables and payables not related to purchases of goods and services.

Payables are classified into short-term and long-term payables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.14 Borrowings and finance lease liabilities

Borrowings and finance lease liabilities include borrowings and finance leases from banks and financial companies.

Borrowings and finance lease liabilities are classified into short-term and long-term borrowings and finance lease liabilities on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which is used for the purpose of construction or production of any qualifying assets, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Group's borrowings that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.15 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the fiscal year.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the accounting period are recorded as an increase or decrease in operating expenses.

2.17 Capital and reserves

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Other fund represents other capital held by the owners at the reporting date.

Undistributed earnings record the Group's result after CIT at the reporting date.

2.18 Appropriation of net profit

The Group's dividends are recognised as a liability in the consolidated financial statements in the period in which the dividends are approved by the Company's General Meeting of Shareholders.

Net profit after CIT could be distributed to shareholders after approval at a General Meeting of Shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Appropriation of net profit (continued)**

The Group's funds are as below:

(a) Bonus and welfare fund

Bonus and welfare fund is appropriated from the Group's profit after CIT and subject to shareholders' approval at the Company's Annual General Meeting of Shareholders. This fund is presented as a liability on the consolidated balance sheet. This fund is used for the purpose of rewarding, encouragement, increasing common benefits and improvement of the employees' welfare.

(b) Investment and development fund

Investment and development fund is appropriated from the Group's profit after CIT and approved by the shareholders at the Company's Annual General Meeting of Shareholders. This fund is used for the Group's expansion or in-depth investments.

(c) Other fund

Other fund is appropriated from the Group's profit after CIT and approved by the shareholders at the Company's Annual General Meeting of Shareholders. This fund is used for supplementing the charter capital.

2.19 Revenue recognition**(a) Revenue from sales of goods**

Revenue from sale of goods is recognised in the consolidated income statement when all five (5) of the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sale obligation. If the Group gives promotional goods to customers associated with their customers' purchases, the Group allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Revenue recognition (continued)****(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the consolidated income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(c) Interest income

Interest income is recognised in the consolidated financial statements on the basis of the actual time and interest rates for each period when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Group; and
- Income can be measured reliably.

(d) Dividend income

Income from dividends is recognised in the consolidated financial statements when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Group; and
- Income can be measured reliably.

Income from dividends is recognised when the Group has established receiving rights from investees.

2.20 Sale deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period of the related revenue from sales of products, goods and rendering of services are recorded as deduction of revenue of that period.

Sales deductions for sales of products, goods or rendering of services which are sold or rendered in the period but are incurred after the consolidated balance sheet date but before the issuance of the consolidated financial statements are recorded as deduction of revenue of the year.

2.21 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandise, materials sold and services rendered during the year, and recorded on the basis of matching with revenue and on a prudent basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Financial expenses**

Financial expenses are expenses incurred in the year for financial activities including expenses or losses related to expenses of borrowing and losses from foreign exchange differences.

2.23 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods, and providing services.

2.24 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes.

2.25 Current and deferred income tax

Income taxes includes all income taxes which is based on taxable profits. Income tax expense comprises current income tax expense and deferred tax income expense.

Current income tax is the amount of income tax payable or recoverable in respect of the current period taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit. Deferred income tax is determined at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

2.26 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the Board of Directors of the Company, the Board of Management of the Company, the Board of Supervision of the Company, and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Group considers the substance of the relationship not merely the legal form.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.27 Segment reporting**

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services ("business segment"), or sales of goods or rendering of services within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. The Board of Management of the Company has determined that the business's risk and profitability are primarily influenced by the fact that the Group operates in various geographical areas. As a result, the primary segment reporting of the Group is presented in respect of the Group's geographical segments.

2.28 Critical accounting estimates

The preparation of consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements requires the Board of Management of the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are assessed by the Board of Management of the Company to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	2024 VND	2023 VND
Cash on hand	607,992,041	14,491,712,793
Cash at banks	391,175,768,805	734,487,337,547
Cash equivalents (*)	-	36,500,000,000
	<u>391,783,760,846</u>	<u>785,479,050,340</u>

(*) As at 31 December 2023, cash equivalents included term deposits at banks with original maturity of three months or less and earn interest at the rate of 2.6% per annum. These term deposits were settled in 2024.

4 INVESTMENTS**(a) Trading securities**

	2024		2023	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV")	9,353,176	49,641,100	9,353,176	40,535,600

4 INVESTMENTS (continued)**(b) Investments held to maturity**

	2024		2023	
	Cost VND	Book value VND	Cost VND	Book value VND
(i) Short-term Term deposits (*)	247,121,049,214	247,121,049,214	289,604,247,468	289,604,247,468
(ii) Long-term Bonds (**)	524,521,155,000	524,521,155,000	3,180,000,000	3,180,000,000

(*) As at 31 December 2024, the balance represents term deposits at banks with original maturity of more than 3 months and less than 12 months and earn interest at the rates ranging from 2.8% per annum to 4.5% per annum (as at 31 December 2023: 3.8% per annum to 6.4% per annum).

(**) As at 31 December 2024, the balance represents bonds issued by Vinfast Trading and Production Joint Stock Company maturing in October 2026 and earns interest at the rate of 13.5% per annum. The fair value of these bonds is determined as approximately their cost because the bond is not publicly listed.

The balance as at 31 December 2023 represents bonds issued by commercial banks in Vietnam, earn interest at the rates of 6.95% per annum, which have been redeemed by the issuing party during the year on the maturity date.

As at 31 December 2024, investments held to maturity including term deposits with cost of VND156,018,431,630 were pledged with banks as collateral assets for short-term borrowings from banks (as at 31 December 2023: term deposits and bank with cots of VND292,784,247,468) (Note 19).

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2024 VND	2023 VND
Steel & Alloy	125,493,081,839	59,851,906,870
Aveiro Coated	123,212,434,084	-
Others	880,367,275,591	1,681,172,399,340
	<u>1,129,072,791,514</u>	<u>1,741,024,306,210</u>

As at 31 December 2024 and 31 December 2023, the balances of short-term trade accounts receivable which were doubtful, amounted to VND34,027,559,708 and VND8,985,064,672, respectively, and were provisioned amounted to VND12,019,724,978 and VND8,921,075,029, respectively, as presented in Note 8.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2024 VND	2023 VND
Wisdri Engineering and Research Incorporation Limited	435,269,064,920	-
QH Plus Corporation	106,639,062,355	-
K.N.G Construction Company Limited	127,065,102,453	1,350,000,000
Dai Duong Investment Construction Entertainment Corporation	-	145,386,429,616
Others	142,946,158,765	32,494,349,951
	<u>811,919,388,493</u>	<u>179,230,779,567</u>

7 OTHER SHORT-TERM RECEIVABLES

	2024 VND	2023 VND
Third parties		
Accrued interest income from deposits and bonds	12,704,435,470	6,571,776,759
Advances	599,302,494	709,756,774
Deposits	465,300,000	2,789,662,017
Others	1,972,675,941	2,077,023,697
Related parties (Note 35(b))	-	5,031,000,000
	<u>15,741,713,905</u>	<u>17,179,219,247</u>

As at 31 December 2024 and 31 December 2023, the balances of other short-term receivables which were doubtful amounted to VND1,776,134,439 and were fully provisioned.

8 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM

	2024			Number of overdue days
	Cost VND	Recoverable amount VND	Provision VND	
i- Short-term trade accounts receivable that were past due				
Phu My Construction Service Trading Company Limited	16,681,445,874	15,387,243,538	1,294,202,336	From 6 months to under 1 year
Cuu Long Hung Trading Investment Joint Stock Company	6,100,154,090	3,045,577,045	3,054,577,045	From 6 months to under 2 years
Thai Binh Trading and Production Joint Stock Company	1,455,478,000	-	1,455,478,000	Over 3 years
Others	9,790,481,744	3,575,014,147	6,215,467,597	From 1 year to under 3 years
ii- Other short-term receivables that were past due				
Nam Kim Steel Joint Venture Company	1,776,134,439	-	1,776,134,439	Over 3 years
	<u>35,803,694,147</u>	<u>22,007,834,730</u>	<u>13,795,859,417</u>	

8 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM (continued)

	2023			Number of overdue days
	Cost VND	Recoverable amount VND	Provision VND	
i- Short-term trade accounts receivable that were past due				
Thai Binh Trading and Production Joint Stock Company	1,455,478,000	-	1,455,478,000	Over 3 years
Bui Minh Thanh Business Household	2,914,366,529	-	2,914,366,529	From 2 years to over 3 years
Others	4,615,220,143	63,989,643	4,551,230,500	From 2 years to over 3 years
ii- Other short-term receivables that were past due				
Nam Kim Steel Joint Venture Company	1,776,134,439	-	1,776,134,439	Over 3 years
	<u>10,761,199,111</u>	<u>63,989,643</u>	<u>10,697,209,468</u>	

9 INVENTORIES

	2024		2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	1,567,959,747,459	-	1,191,383,047,259	-
Raw materials	1,865,468,172,730	(1,696,360,672)	1,654,419,532,288	(1,696,360,672)
Tools and supplies	214,542,991,674	-	208,194,716,511	-
Finished goods	2,982,650,369,412	(128,637,032,272)	2,768,478,898,413	(128,637,032,272)
Merchandise	112,324,933	-	332,441,558	-
Goods on consignment	190,082,721,255	-	36,224,142,073	-
	<u>6,820,816,327,463</u>	<u>(130,333,392,944)</u>	<u>5,849,032,778,100</u>	<u>(130,333,392,944)</u>

As at 31 December 2024, inventories with cost of VND5,762 billion were pledged with the banks as collateral assets for short-term borrowings from banks (as at 31 December 2023: VND5,620 billion) (Note 19).

9 INVENTORIES (continued)

Movements in the provision for decline in value of inventories during the year were as follows:

	2024 VND	2023 VND
Beginning of year	130,333,392,944	336,852,723,536
Reversal (Note 26)	-	(206,519,330,592)
End of year	<u>130,333,392,944</u>	<u>130,333,392,944</u>

10 PREPAID EXPENSES

(a) Short-term

	2024 VND	2023 VND
Tools and supplies	22,938,380,780	12,509,995,596
Insurance fee	3,877,678,732	3,971,923,834
Advertising expenses	1,650,000,000	
Others	939,715,583	104,450,279
End of year	<u>29,405,775,095</u>	<u>16,586,369,709</u>

Movements in the short-term prepaid expenses during the year are as follows:

	2024 VND	2023 VND
Beginning of year	16,586,369,709	16,774,143,093
Increase	50,327,475,980	30,128,988,695
Allocation	(37,508,070,594)	(30,316,762,079)
End of year	<u>29,405,775,095</u>	<u>16,586,369,709</u>

10 PREPAID EXPENSES (continued)

(b) Long-term

	2024 VND	2023 VND
Land lease expenses (*)	395,476,565,797	154,963,253,020
Tools and supplies	75,532,206,073	68,337,836,847
Factory overhaul expenses	11,458,843,255	10,304,417,582
Others	1,267,804,467	5,220,241,457
End of year	<u>483,735,419,592</u>	<u>238,825,748,906</u>

Movements in the long-term prepaid expenses during the year are as follows:

	2024 VND	2023 VND
Beginning of year	238,825,748,906	227,360,087,278
Transfer from construction in progress (Note 12)	245,334,585,780	-
Increase	63,469,122,427	59,859,631,382
Allocation	(63,894,037,521)	(47,340,995,727)
Disposal	-	(1,052,974,027)
End of year	<u>483,735,419,592</u>	<u>238,825,748,906</u>

(*) As at 31 December 2024, land use rights with carrying amounts of VND245 billion were pledged with the banks as collateral assets for borrowing agreement with bank.

11	FIXED ASSETS	Buildings and structures and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
(a)	Tangible fixed assets						
	Historical cost						
	As at 1 January 2024	771,055,691,669	3,939,255,796,073	284,712,532,343	16,631,372,756	725,753,480	5,012,381,146,321
	New purchases	-	5,266,718,741	7,341,995,181	-	-	12,609,713,922
	Transfers from construction in progress (Note 12)	-	20,287,405,354	-	-	-	20,287,405,354
	Transfer from finance lease fixed assets (Note 11(b))	-	41,899,309,383	(3,101,946,764)	-	-	41,899,309,383
	Disposals	-	-	-	-	-	(3,101,946,764)
	As at 31 December 2024	771,055,691,669	4,006,709,229,551	288,952,580,760	16,631,372,756	725,753,480	5,084,074,628,216
	Accumulated depreciation						
	As at 1 January 2024	396,250,195,036	2,470,170,078,269	144,957,225,519	11,362,088,247	510,746,172	3,023,250,333,243
	Charge for the year	47,477,145,192	289,730,892,146	20,266,464,344	1,402,732,566	7,456,901	358,884,691,149
	Transfer from finance lease fixed assets (Note 11(b))	-	4,607,967,429	-	-	-	4,607,967,429
	Disposals	-	-	(2,966,101,125)	-	-	(2,966,101,125)
	As at 31 December 2024	443,727,340,228	2,764,508,937,844	162,257,588,738	12,764,820,813	518,203,073	3,383,776,890,696
	Net book value						
	As at 1 January 2024	374,805,496,633	1,469,085,717,804	139,755,306,824	5,269,284,509	215,007,308	1,989,130,813,078
	As at 31 December 2024	327,328,351,441	1,242,200,291,707	126,694,992,022	3,866,551,943	207,550,407	1,700,297,737,520

11 FIXED ASSETS (continued)

(a) Tangible fixed assets (continued)

As at 31 December 2024, tangible fixed assets with net book of VND1,207 billion were pledged with banks as collateral assets for short-term borrowings from banks (as at 31 December 2023: VND1,634 billion) (Note 19).

The historical cost of tangible fixed assets that were fully depreciated but still in use as at 31 December 2024 was VND568.5 billion (as at 31 December 2023: VND254.08 billion).

(b) Finance lease assets

	Machinery and equipment VND
Historical cost	
As at 1 January 2024	41,899,309,383
Transfer to tangible fixed assets (Note 11(a))	(41,899,309,383)
As at 30 June 2024	-
Accumulated depreciation	
As at 1 January 2024	4,539,091,852
Charge for the year	68,875,577
Transfer to tangible fixed assets (Note 11(a))	(4,607,967,429)
As at 31 December 2024	-
Net book value	
As at 1 January 2024	37,360,217,531
As at 31 December 2024	-

11 FIXED ASSETS (continued)

(c) Intangible fixed assets

	Land use rights VND	Computer software VND	Total VND
Historical cost			
As at 1 January 2024 and as at 31 December 2024	381,121,111,684	9,977,018,000	391,098,129,684
Accumulated amortisation			
As at 1 January 2024	53,335,343,221	5,499,020,667	58,834,363,888
Charge for the year	9,724,161,220	1,492,665,778	11,216,826,998
As at 31 December 2024	63,059,504,441	6,991,686,445	70,051,190,886
Net book value			
As at 1 January 2024	327,785,768,463	4,477,997,333	332,263,765,796
As at 31 December 2024	318,061,607,243	2,985,331,555	321,046,938,798

As at 31 December 2024, land use rights with net book value of VND221 billion were pledged with the banks as collateral assets for short-term borrowings from banks (as at 31 December 2023: VND172 billion) (Note 19).

The historical cost of intangible fixed assets that were fully amortised but still in use as at 31 December 2024 and 31 December 2023 was VND206,842,000.

12 CONSTRUCTION IN PROGRESS

	2024 VND	2023 VND
Construction of steel factory	282,809,732,248	311,795,472,257
Others	2,966,363,636	200,687,600
	<u>285,776,095,884</u>	<u>311,996,159,857</u>

Movements in the construction in progress during the year are as follows:

	2024 VND	2023 VND
Beginning of year	311,996,159,857	219,720,614,905
New purchase	239,401,927,161	226,850,012,030
Transfers to tangible fixed assets (Note 11(a))	(20,287,405,354)	(73,812,377,078)
Transfers to intangible fixed assets	-	(60,762,090,000)
Transfers to long-term prepaid expenses (Note 10(b))	(245,334,585,780)	-
End of year	<u>285,776,095,884</u>	<u>311,996,159,857</u>

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13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2024		2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Formosa Ha Tinh Steel Corporation	217,107,288,101	217,107,288,101	351,355,380,229	351,355,380,229
Hoa Phat Dung Quat Steel Joint Stock Company	107,787,644,932	107,787,644,932	75,434,188,269	75,434,188,269
Jfe Shoji Corporation	96,286,511,300	96,286,511,300	-	-
Kim Quoc Steel Company Limited	-	-	309,737,250,827	309,737,250,827
Win Faith Trading Limited	-	-	501,945,188,006	501,945,188,006
Others	434,758,047,958	434,758,047,958	392,947,250,745	392,947,250,745
	<u>855,939,492,291</u>	<u>855,939,492,291</u>	<u>1,631,419,258,076</u>	<u>1,631,419,258,076</u>

As at 31 December 2024 and 31 December 2023, there was no balance of short-term trade accounts payable that was past due or not past due but unable-to-pay.

14 SHORT-TERM ADVANCES FROM CUSTOMERS

	2024 VND	2023 VND
Century Metals	-	17,457,038,053
SK International	-	21,730,131,100
Others	78,931,822,145	107,803,917,136
	<u>78,931,822,145</u>	<u>146,991,086,289</u>

As at 31 December 2024, there were no third-party customers who had a balance accounting for 10% or more of the total balance of short-term advances from customers.

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15 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in tax and other receivables from/payables to the State during the year were as follows:

	As at 1.1.2024 VND		Receivables during the period VND		Collected during the year VND		Net-off during the year VND		Refund during the year VND		As at 31.12.2024 VND	
(a) Tax and other receivables												
VAT to be reclaimed	585,451,185,075	2,097,626,817,081	-	(816,816,408,954)	-	-	(965,632,000,000)	-	-	900,629,593,202	-	-
Personal income tax ("PIT")	72,354,943	-	-	(72,354,943)	-	-	-	-	-	-	-	-
	<u>585,523,540,018</u>	<u>2,097,626,817,081</u>					<u>(816,888,763,897)</u>			<u>(965,632,000,000)</u>		<u>900,629,593,202</u>
(b) Tax and other payables												
VAT on domestic sales	-	816,816,408,954	-	-	-	-	(816,816,408,954)	-	-	-	-	-
VAT on importation	5,283,034,432	1,092,665,400,323	(1,027,206,541,648)	-	-	-	-	-	-	-	-	70,741,893,107
Import, export duties	148,584,109	2,575,594,987	(2,374,625,652)	-	-	-	-	-	-	-	-	349,553,444
CIT	53,374,624,491	106,593,705,219	(53,385,999,912)	-	-	-	-	-	-	-	-	106,682,329,798
PIT	766,316,569	9,781,598,992	(7,933,907,273)	-	-	-	(72,354,943)	-	-	-	-	2,541,653,345
Others	-	1,466,141,999	(1,412,440,489)	-	-	-	-	-	-	-	-	53,701,510
	<u>59,572,559,601</u>	<u>2,029,998,850,474</u>	<u>(1,092,313,514,974)</u>				<u>(816,888,763,897)</u>					<u>180,369,131,204</u>

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16 PAYABLES TO EMPLOYEES

As at 31 December 2024 and 31 December 2023, payables to employees represent salaries payable to employees of the Group.

17 SHORT-TERM ACCRUED EXPENSES

	2024 VND	2023 VND
Transportation	12,458,733,491	6,971,891,735
Electricity	12,401,856,210	11,777,701,730
Others	7,673,805,578	4,568,004,609
	<u>32,534,395,279</u>	<u>23,317,598,074</u>

18 OTHER SHORT-TERM PAYABLES

	2024 VND	2023 VND
Remuneration of the Board of Directors and Board of Supervision	9,825,220,234	12,292,082,582
Union fees	545,376,760	776,040,691
Others	544,240,157	613,659,620
	<u>10,914,837,151</u>	<u>13,681,782,893</u>

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19 SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	As at 1.1.2024 VND	Increase VND	Decrease VND	Foreign exchange revaluation VND	As at 31.12.2024 VND
Bank borrowings (*)	4,764,582,394,622	20,726,005,630,841	(19,215,841,932,506)	36,910,029,943	6,311,656,122,900
Finance lease liabilities	3,072,616,017	-	(3,072,616,017)	-	-
	<u>4,767,655,010,639</u>	<u>20,726,005,630,841</u>	<u>(19,218,914,548,523)</u>	<u>36,910,029,943</u>	<u>6,311,656,122,900</u>

19 SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(*) Details of short-term bank borrowings as at 31 December 2024 are as follows:

Bank	Amount VND	Original currency	Maturity date	Pledged assets
Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Nhuan Branch	1,411,921,870,659 1,695,053,777,277	USD VND	June 2025 June 2025	Inventory; land use rights; buildings and structures; tangible fixed assets; investment in its subsidiary; term deposits; and personal property
Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City 2 Branch	920,538,733,731 296,386,724,103	VND USD	June 2025 June 2025	Term deposits, inventories; land use rights and tangible fixed assets
Joint Stock Commercial Bank for Foreign Trade of Vietnam - North Binh Duong Branch	182,529,668,637 1,093,983,985,449	VND USD	June 2025 June 2025	Term deposits; tangible fixed assets; and inventories
Vietnam Technological and Commercial Joint Stock Bank	14,333,000,000 256,871,331,729	VND USD	June 2025 June 2025	Inventories
Vietnam Maritime Commercial Joint Stock Bank - Ho Chi Minh City Branch	208,269,425,305	VND	April 2025	Unsecured Inventories
Vietnam International Commercial Joint Stock Bank	231,767,606,010	VND	February 2025	Inventories
	<u>6,311,656,122,900</u>			

Interest rates for the short-term bank borrowings in VND and USD are ranging from 3.5% per annum to 5.4% per annum and from 3.4% per annum to 5.4% per annum, respectively (as at 31 December 2023: from 3% per annum to 5.8% per annum and from 3.8% per annum to 4.8% per annum, respectively).

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20 BONUS AND WELFARE FUND

Movements of bonus and welfare fund during the year are as follows:

	2024 VND	2023 VND
Beginning of the year	112,135,755,072	114,147,355,072
Appropriated (Note 22)	3,522,256,955	-
Utilised	(3,591,750,000)	(2,011,600,000)
End of year	<u>112,066,262,027</u>	<u>112,135,755,072</u>

21 OWNERS' CAPITAL

(a) Number of ordinary shares

	2024 Ordinary shares	2023 Ordinary shares
Number of shares registered, issued and in circulation	<u>315,931,978</u>	<u>263,277,806</u>

(b) Details of owners' shareholding

	2024		2023	
	Ordinary shares	%	Ordinary shares	%
Mr. Ho Minh Quang	44,869,315	14.20	37,391,097	14.20
Unicoh Specialty Chemical Co., Ltd	15,897,600	5.03	13,248,000	5.03
Kim Vietnam Fund Management Group (i)	-	-	13,700,000	5.20
SMC Trading Investment Joint Stock Company (ii)	-	-	13,104,000	4.98
Others	255,165,063	80.77	185,834,709	70.59
Number of shares	<u>315,931,978</u>	<u>100</u>	<u>263,277,806</u>	<u>100</u>

(i) During the year, Kim Vietnam Fund Management Group registered to dispose all of its shares held in Nam Kim Steel Joint Stock Company. As of the date of these consolidated financial statements, the above transactions were completed.

(ii) On 29 January 2024, SMC Trading Investment Joint Stock Company registered to dispose all of its shares held in Nam Kim Steel Joint Stock Company. As at the date of these consolidated financial statements, the above transaction was completed.

(c) Movement of share capital

	Ordinary shares	
	Number of shares	VND
As at 1 January 2023 and 31 December 2023	263,277,806	2,632,778,060,000
New shares issued (Note 22)	52,654,172	526,541,720,000
As at 31 December 2024	<u>315,931,978</u>	<u>3,159,319,780,000</u>

Par value per share: VND10,000 per share. The Company has no preference share.

22 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Investment and development fund VND	Other fund VND	Undistributed earnings VND	Total VND
As at 1 January 2023	2,632,778,060,000	785,907,272,279	185,830,957,874	87,091,899,021	1,628,041,945,897	5,319,650,135,071
Net profit for the year	-	-	-	-	117,408,565,158	117,408,565,158
Compensation for Board of Directors and Board of Supervision	-	-	-	-	(13,984,743,582)	(13,984,743,582)
As at 31 December 2023	2,632,778,060,000	785,907,272,279	185,830,957,874	87,091,899,021	1,731,465,767,473	5,423,073,956,647
Capital increase (**)	526,541,720,000	(526,541,720,000)	-	-	453,008,144,440	453,008,144,440
Appropriation to bonus and welfare fund (Note 19) (*)	-	-	-	-	(3,522,256,955)	(3,522,256,955)
Appropriation to investment and development fund (*)	-	-	5,870,428,258	-	(5,870,428,258)	-
Appropriation to other fund (*)	-	-	-	2,348,171,303	(2,348,171,303)	-
Compensation for Board of Directors and Board of Supervision (*)	-	-	-	-	(1,174,085,652)	(1,174,085,652)
Others	-	-	-	-	20,815,993	20,815,993
As at 31 December 2024	3,159,319,780,000	259,365,552,279	191,701,386,132	89,440,070,324	2,171,579,785,738	5,871,406,574,473

(*) In accordance with the Resolution No. 001/2024/NQ-DHDCD dated 26 April 2024 of the Annual General Meeting of Shareholders, the General Meeting of Shareholders approved the distribution plan of profit after CIT for the year 2023 as follows:

- Appropriation from the profit after CIT for the year 2023 to Bonus and welfare fund, Investment and development fund and Other fund amounting to 3%, 5% and 2%, respectively, of consolidated profit after CIT; and
- Appropriation from the profit after CIT for the year 2023 the remuneration of Board of Directors and Board of Supervision amounting to 1% of consolidated profit after CIT.

22 MOVEMENTS IN OWNERS' EQUITY (continued)

(**) In accordance with the Resolution No. 001/2024/NQ-DHDCD dated 26 April 2024 of the Annual General Meeting of Shareholders, the General Meeting of Shareholders also approved the plan to increase the charter capital in 2024 as follows:

- The Company will issue shares to increase the charter capital from the owners' equity with the expected issuance rate of 20% of the shares in circulation, equivalent to VND526,555,610,000, from Share premium. According to Resolution No. 19/2024/NQ-HDQT dated 25 December 2024, the Board of Directors of the Company approved the results of the share issuance to increase the share capital from the owners' equity with total shares distributed to shareholders at a ratio of 100:20 of 52,654,172 shares;
- The Company will issue shares to existing shareholders to increase the charter capital with the expected issuance rate of 50% of the shares in circulation at the issue price of VND12,000 per share, equivalent to VND1,579,666,836,000. On 5 December 2024, the Company announced that the last registration date to exercise the right to purchase shares offered to existing shareholders was 20 December 2024 and the period for registration and payment for share purchase is from 31 December 2024 to 24 January 2025 (Note 37).

23 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year. At the same time, the average number of outstanding shares in 2023 has also been adjusted according to the number of recently issued shares from Share premium according to Resolution of the Annual General Meeting of Shareholders No. 001/2024/NQ-DHDCD dated 26 April 2024. The details were as follows:

	2024	2023 (Restated)
Net profit attributable to shareholders (VND)	453,008,144,440	117,408,565,158
Less amount allocated to bonus and welfare fund and compensation for Board of Directors and Board of Supervision (VND) (*)	-	(4,696,342,607)
	<u>453,008,144,440</u>	<u>112,712,222,551</u>
Weighted average number of ordinary shares in issue (shares)	315,931,978	315,931,978
Basic earnings per share (VND)	<u>1,434</u>	<u>357</u>

(*) As at the date of these consolidated financial statements, the Group has not appropriated the bonus and welfare fund for the year ended 31 December 2024.

23 EARNINGS PER SHARE (continued)

(a) Basic earnings per share (continued)

During the year, the Group re-determined the amounts appropriated to bonus and welfare fund and Compensation for Board of Directors and Board of Supervision in accordance with the Resolution No. 001/2024/NQ-DHDCD dated 26 April 2024 of the Annual General Meeting of Shareholders. Accordingly, the basic earnings per share of the year ended 31 December 2023 were restated as below:

	For the year ended 31 December 2023		
	As previously reported	Adjustment	As restated
Net profit attributable to shareholders (VND)	117,408,565,158	-	117,408,565,158
Less amount allocated to bonus and welfare fund and compensation for Board of Directors and Board of Supervision (VND)	-	(4,696,342,607)	(4,696,342,607)
	<u>117,408,565,158</u>	<u>(4,696,342,607)</u>	<u>112,712,222,551</u>
Weighted average number of ordinary shares in issue (shares)	<u>263,277,806</u>	<u>52,654,172</u>	<u>315,931,978</u>
Basic earnings per share (VND)	<u>446</u>	<u>(89)</u>	<u>357</u>

(b) Diluted earnings per share

The Group did not have any ordinary shares potentially diluted during the period and up to the date of these consolidated financial statements. Therefore, the diluted earnings per share is equal to the basic earnings per share.

24 OFF CONSOLIDATED BALANCE SHEET ITEMS

(a) Foreign currency

As at 31 December 2024, included cash and cash equivalents were balances held in foreign currency of US\$11,654,733.35 (as at 31 December 2023: US\$27,026,949).

(b) Operating leases commitments

The future minimum lease payments under non-cancellable operating leases are presented in Note 36(a).

(c) Other commitments

The Group has other commitments related to its investments activities, as presented in Note 36(b).

25 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2024 VND	2023 VND
Revenue		
Revenue from sales of goods	20,707,151,218,238	18,617,853,620,547
Revenue from rendering of services	365,973,658	3,358,947,160
	<u>20,707,517,191,896</u>	<u>18,621,212,567,707</u>
Sales deductions		
Trade discounts	(90,695,297,648)	(19,463,621,089)
Sales allowances	(3,199,209,989)	(12,418,203)
Sales returns	(4,600,494,182)	(5,762,275,328)
	<u>(98,495,001,819)</u>	<u>(25,238,314,620)</u>
Net revenue		
Net revenue from sales of goods	20,608,656,216,419	18,592,615,305,927
Net revenue from rendering of services	365,973,658	3,358,947,160
	<u>20,609,022,190,077</u>	<u>18,595,974,253,087</u>

26 COST OF GOODS SOLD AND SERVICES RENDERED

	2024 VND	2023 VND
Cost of goods sold and service rendered	18,777,248,235,147	17,690,230,567,632
Reversal of provision for decline in value of inventories (Note 9)	-	(206,519,330,592)
	<u>18,777,248,235,147</u>	<u>17,483,711,237,040</u>

27 FINANCIAL INCOME

	2024 VND	2023 VND
Realised foreign exchange gains	311,772,918,668	210,070,628,355
Interest income from deposits, bonds and lendings	28,351,807,999	18,761,438,448
Net gain from foreign currency translation at year-end	-	408,428,885
Others	491,902,888	1,138,046,454
	<u>340,616,629,555</u>	<u>230,378,542,142</u>

28 FINANCIAL EXPENSES

	2024 VND	2023 VND
Realised foreign exchange losses	234,145,826,487	133,475,062,463
Interest expense	207,841,259,563	292,679,834,464
Net loss from foreign currency translation at year-end	35,110,279,363	-
Others	119,052	82,678
	<u>477,097,484,465</u>	<u>426,154,979,605</u>

29 SELLING EXPENSES

	2024 VND	2023 VND
Transportation	955,876,033,957	547,586,817,504
Staff costs	28,812,960,423	25,555,915,894
Outside services	26,237,429,242	28,929,461,897
Others	6,672,174,030	7,045,699,264
	<u>1,017,598,597,652</u>	<u>609,117,894,559</u>

30 GENERAL AND ADMINISTRATIVE EXPENSES

	2024 VND	2023 VND
Staff costs	59,739,643,813	50,728,842,441
Outside services	39,724,092,807	61,559,661,258
Depreciation and amortisation	5,715,347,902	5,292,329,077
Provision for doubtful debts	3,098,649,949	1,893,166,408
Audit fee	670,000,000	637,000,000
Others	11,293,782,615	10,185,254,413
	<u>120,241,517,086</u>	<u>130,296,253,597</u>

31 CORPORATE INCOME TAX ("CIT")

The CIT on the Group's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	2024 VND	2023 VND
Accounting profit before tax	558,169,985,495	177,310,914,179
Tax calculated at a rate of 20%	111,633,997,099	35,462,182,836
Effect of:		
Expenses not deductible for tax purposes	449,931,882	477,071,362
Tax adjustment in the previous year	-	7,381,260,670
Tax adjustment for utilised interest expense not deductible in previous years carried forward (i)	(7,146,989,317)	1,805,088,397
Tax losses which no deferred income tax asset was recognised (ii)	231,374,054	14,776,745,756
Utilisation of tax losses from previous years (ii)	(6,472,663)	-
CIT charge (iii)	<u>105,161,841,055</u>	<u>59,902,349,021</u>
Charged/(credit) to the consolidated income statement:		
CIT – current	106,682,329,798	60,755,885,161
CIT – deferred	(1,520,488,743)	(853,536,140)
CIT charge	<u>105,161,841,055</u>	<u>59,902,349,021</u>

(i) According to current applicable tax regulations, the interest expense that excess of 30% of EBITDA of reporting year is carried forward to the next tax years for a maximum period of no more than 5 consecutive years when determining the total deductible interest expense if the Group has related party transactions. During the year ended 31 December 2024 and 31 December 2023, the Group utilised VND50,893,674,308 and VND5,968,405,113, respectively, from excessive interest expense of VND56,862,079,421 carried forward from previous years.

31 CORPORATE INCOME TAX (“CIT”) (continued)

(ii) The Group’s tax losses can be carried forward to offset against future taxable profits for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented in financial statements. The estimated amount of tax losses available for offset against the Group’s future taxable profit is:

Year of tax loss	Status of tax authorities’ review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2020	Outstanding	53,391,571	(32,363,315)	21,028,256
2021	Outstanding	348,378,321	-	348,378,321
2022	Outstanding	174,911,804,801	-	174,911,804,801
2023	Outstanding	73,883,728,783	-	73,883,728,783
2024	Outstanding	1,156,870,270	-	1,156,870,270

The Group did not recognise deferred income tax assets relating to the above tax losses carried forward as the realisation of the related tax benefits through future taxable profits currently cannot be assessed as probable.

(iii) The current CIT charge for the period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

32 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the period from the Group’s operating activities, excluding cost of merchandise for trading activities. The details are as follows:

	2024 VND	2023 VND
Raw materials	17,250,900,298,981	17,222,374,567,613
Transportation	955,876,033,957	547,586,817,504
Outside services	604,655,637,090	555,191,238,858
Depreciation and amortisation	370,170,393,724	375,827,491,258
Staff costs	317,447,569,937	260,744,725,494
Others	38,008,366,015	34,490,085,725
	<u>19,537,058,299,704</u>	<u>18,996,214,926,452</u>

33 SEGMENT REPORTING

Business activity segment:

Production of iron, steel, cast iron, steel pipes, steel and rolled steel products are the main activities that generate revenue and profit for the Group, while the other revenue streams only account for a small portion of the Group’s total revenue; therefore, the Board of Management of the Company has determined that the Group has operates in only one business segment.

Geographical segment:

For the segment reporting by geographical area, revenue by segment is presented based on the geographical locations of the customers which are in Vietnam (“Domestic”) or in countries other than Vietnam (“Export”). Segment assets and cost incurred to acquired segment assets are not presented as the assets and the production facility are primarily based in Vietnam. Segment assets and cost incurred to acquired segment assets by geographical locations of the customer are not maintained by the Group.

Segment information based on the geographical location of the Group is as follows:

	2024 VND	2023 VND
Export	13,408,221,304,308	11,036,492,072,088
Domestic	7,200,800,885,769	7,559,482,180,999
Net revenue from sales of goods and rendering of services	<u>20,609,022,190,077</u>	<u>18,595,974,253,087</u>

34 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED OF CASH FLOW STATEMENT

Non-cash transactions affect the consolidated cash flows statement

	2024 VND	2023 VND
Transfer from construction in progress to long-term prepaid expenses	245,334,585,780	-
Transfer from prepayment to construction in progress	136,986,351,206	-
Interest income compounded to initial term deposits	<u>7,104,853,239</u>	<u>7,843,782,207</u>

35 RELATED PARTY DISCLOSURES

Details of the subsidiaries are presented in Note 1.

Details of the key related parties and relationship are below:

Related party	Relationship
Mr. Ho Minh Quang	Chairman
Ms. Nguyen Thi Ngoc Lien	Deputy General Director
Mr. Nguyen Vinh An	Deputy General Director

(a) Related party transactions

The primary transactions with related parties incurred in the year are as follows:

	2024 VND	2023 VND	
i) Advances			
Mr. Ho Minh Quang - Chairman			
Advance	-	10,000,000,000	
Advance repayment	(5,000,000,000)	(20,000,000,000)	
Mrs. Nguyen Thi Ngoc Lien - Deputy General Director			
Advance	1,023,900,000	632,812,621	
Advance repayment	(1,054,900,000)	(830,324,621)	
Mr. Nguyen Vinh An - Deputy General Director			
Advance	-	20,000,000	
Advance repayment	-	(20,000,000)	
ii) Compensation of key management			
Mr. Ho Minh Quang	Chairman	2,899,330,020	2,395,416,385
Mr. Vo Hoang Vu	Member of Board of Directors cum General Director	2,498,968,454	2,061,211,000
Mr. Nguyen Vinh An	Member of Board of Directors cum Deputy General Director	1,348,145,827	1,090,845,000
Mr. Vo Thoi	Member of Board of Directors	100,000,000	100,000,000
Mrs. Nguyen Ngoc Y Nhi	Member of Board of Directors (until 25 April 2024)	100,000,000	100,000,000
Ms. Vo Thi Vui	Board of Supervision (from 26 April 2024)	503,513,879	378,717,294
Ms. Nguyen Thi Bich Nhi	Board of Supervision (until 25 April 2024)	147,487,722	298,803,293
Mr. Le Nhat Tan	Member of Board of Supervision	340,074,574	295,868,230
Mr. Dang Van Hoa	Member of Board of Supervision (from 26 April 2024)	187,780,984	-
Other members	Members of the Board of Management	8,276,897,450	6,492,562,764
		<u>16,402,198,910</u>	<u>13,213,423,966</u>

35 RELATED PARTY DISCLOSURES (continued)

(b) Year-end balances with related parties

	2024 VND	2023 VND
Other short-term receivables (Note 7)		
Mr. Ho Minh Quang - Advances	-	5,000,000,000
Mrs. Nguyen Thi Ngoc Lien - Advances	-	31,000,000
	<u>-</u>	<u>5,031,000,000</u>

36 COMMITMENTS

(a) Commitment under operating leases

The future minimum lease payments under non-cancellable office leases are as follows:

	2024 VND	2023 VND
Within one year	4,240,747,140	236,372,640
Between one and five years	14,101,702,858	-
Total minimum payments	<u>18,342,449,998</u>	<u>236,372,640</u>

(b) Capital commitments

Capital expenditure contracted for at the consolidated balance sheet date but not recognised in the consolidated financial statements was as follows:

	2024 VND	2023 VND
Construction in progress	<u>2,839,133,937,814</u>	<u>53,191,241,058</u>

37 SUBSEQUENT EVENTS

Shares issuance to existing shareholders

On 26 February 2025, the Group completed issuing 131,638,903 shares, equivalent to 100% of the total shares registered for the offering. On 27 February 2025, the Board of Directors of the Company issued Resolution No. 06/2025/NQ-HDQT approving the results of the public offering of shares to existing shareholders with 131,638,903 shares successfully issued at the offering price of VND12,000 per share, amounting to VND1,579,666,836,000. The total number of shares after the offering is 447,570,881 shares. After the share issuance, Unicoh Specialty Chemical Co., Ltd is no longer a major shareholder of Nam Kim Steel Joint Stock Company as its shareholding in the Company decreased to less than 5%.

The consolidated financial statements were approved by the Board of Management of the Company on 24 March 2025.



Nguyen Ngoc Bao Chau
Preparer



Vu Thi Huyen
Chief Accountant



Vo Hoang Vu
General Director

Binh Duong, April 10, 2025

ON BEHALF OF THE COMPANY'S LEGAL REPRESENTATIVE


GENERAL DIRECTOR



VO HOANG VU



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