

No: **0271** /VC1-TCKT

Hanoi, March 19, 2025

Re: Explanation of the Profit Increase in 2024
Exceeding 10% Compared to 2023

To: - State Securities Commission
- Hanoi Stock Exchange

Construction Joint Stock Company No. 1 would like to provide an explanation to the esteemed authorities regarding the audited profit for 2023, which increased by more than 10% compared to the 2022 report, as follows:

Unit: VND (Vietnamese

Dong)

Content	Year 2023	Year 2024	Difference	Percentage
Net Revenue	222.687.685.088	508.497.357.574	285.809.672.486	128%
Cost of Goods Sold	205.969.311.003	477.647.503.859	271.678.192.856	132%
Financial Revenue	291.186.074	794.539.732	503.353.658	173%
Financial Expenses	9.396.553.943	10.541.952.480	1.145.398.537	12%
Selling Expenses	59.727.273	81.000.000	21.272.727	36%
Administrative Expenses	1.277.782.848	12.287.281.495	11.009.498.647	862%
Other Income	668.974.380	449.098.182	(219.876.198)	-33%
Other Expenses	2.048.259.940	3.019.509.866	971.249.926	47%
Profit Before Tax	4.896.210.535	6.163.747.788	1.267.537.253	26%
Corporate Income Tax Expense	2.275.596.206	2.575.810.172	300.213.966	13%
Profit After Tax	2.620.614.329	3.587.937.616	967.323.287	37%



+ Reasons for the Profit Increase:

In 2024, the company's revenue from construction projects increased by 128%, with the corresponding cost of goods sold rising by 132% compared to 2023, leading to higher operating profit. Additionally, financial income increased by 173% compared to the previous year, contributing to the overall profit growth.

+ Reasons for the Profit Decrease:

In 2024, interest expenses for business operations increased by 12% due to higher construction volume. Additionally, administrative expenses surged by 862% as the company incurred significant costs for debt recovery and an increase in the salary fund corresponding to the revenue realized during the year, which contributed to a reduction in profit.

Other income decreased by 33% compared to 2023 due to fewer debt write-offs from suppliers, further contributing to the decline in profit for 2024.

The factors contributing to profit growth in 2024 outweighed those leading to profit reduction, resulting in an overall profit increase of more than 10% compared to 2023.

Sincerely thank you!

Recipients:

- As addressed above;
- To be archived: Office, Finance and Accounting Department

**CONSTRUCTION JOINT STOCK
COMPANY NO. 1**



TỔNG GIÁM ĐỐC
Hồng Văn Trinh

