

**Kính gửi : STATE SECURITIES COMMISSION
HANOI STOCK EXCHANGE**

Company name: **Phu Bai Spinning Joint Stock Company**

Address: Phu Bai Industrial Zone, Phu Bai Ward, Hue City, Vietnam

Stock code: **SPB**

Tax code: **3300352720**

Pursuant to the provisions of Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance guiding information disclosure on the securities market, Phu Bai Spinning Joint Stock Company hereby provides an explanation of the change in profit after tax between the financial statements for Quarter IV Year 2025 and Quarter IV Year 2024 as follows::

Indicator	Quarter IV Year 2025	Quarter IV Year 2024	Increase (+), Decrease (-)
Net profit after tax	952.984.557	6.662.980.202	-85,70%

Explanation:

Compared to Quarter IV of 2024, the Company's net profit after tax in Quarter IV of 2025 decreased by 85.70%, equivalent to a decline of VND **5,709,995,645**. The decrease was mainly due to the following reasons.:

Sharp decline in yarn selling prices: During the period, the yarn industry continued to be negatively affected by weakening demand in both domestic and international markets, particularly as the Company's core business focuses on yarn export trading. Increased competitive pressure from yarn manufacturers forced the Company to reduce selling prices in order to maintain orders, resulting in a decrease in revenue compared with the same period last year. Meanwhile, raw material input prices remained largely unchanged, causing cost of goods sold not to decrease in line with the reduction in selling prices.

Taken together, the above factors indicate that profit after tax for the fourth quarter of 2025 declined sharply compared with the same period in 2024 and shifted from a profit to a loss, mainly due to a decline in yarn selling prices, high allocation of fixed costs, and a significant contraction in gross profit margin, reflecting the overall difficulties faced by the yarn industry in the current period.



The above constitutes the Company's explanation of the fluctuation in profit after tax between the Financial Statements for the fourth quarter of 2025 and the fourth quarter of 2024 of Phu Bai Yarn Joint Stock Company.

Respectfully,

GENERAL DIRECTOR



Trần Đình Hiệp

Recipients:
-As above
-Archive: Accounting Dept., Admin Dept.

