

**BAC KAN MINERALS
JOINT STOCK CORPORATION**

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Number: 346 /CV-BKC
*Re: Explanation for the variance in profit after
corporate income tax in the separate financial
statements for the third quarter of 2025*

Thai Nguyen, 30 October, 2025

To: STATE SECURITIES COMMISSION
HANOI STOCK EXCHANGE

Name of listed organization: Bac Kan Minerals Joint Stock Corporation.

Stock code: BKC.

Address: Group 4, Duc Xuan Ward, Thai Nguyen Province, Vietnam.

Phone: 0209.3812.399

Email: bkc@backanco.com

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding the disclosure of information on the stock market.

The Company hereby explains the variance in the profit after corporate income tax shown in the separate financial statements for the third quarter of 2025 compared to the third quarter of 2024 as follows:

Explanation of the differences in profit after corporate income tax:

| No. | Content | Q3/2025 | Q3/2024 | Difference |
|-----|--------------------------------------|-----------------|-----------------|-----------------|
| 1 | Net revenue from sales and services | 194.633.118.678 | 166.340.062.938 | 28.293.055.740 |
| 2 | Cost of goods sold | 125.840.575.994 | 133.099.931.183 | (7.259.355.189) |
| 3 | Gross profit from sales and services | 68.792.542.684 | 33.240.131.755 | 35.552.410.929 |
| 4 | Financial income / Finance income | 2.697.935.402 | 6.246.347 | 2.691.689.055 |
| 5 | Financial expenses / Finance costs | 2.283.099.079 | 4.208.847.611 | (1.925.748.532) |
| 6 | Selling expenses | 1.183.302.514 | 961.048.237 | 222.254.277 |
| 7 | General and administrative expenses | 4.052.618.353 | 3.564.182.746 | 488.435.607 |
| 8 | Other income | 1.406.193.470 | 1.206.816.116 | 199.377.354 |
| 9 | Other expenses | 596.118.814 | 1.838.808.038 | (1.242.689.224) |
| 10 | Profit after corporate income tax | 51.825.226.236 | 19.104.246.069 | 32.720.980.167 |



Explanation for the variance in profit after corporate income tax:

+ **Revenue** in Q3/2025 increased compared to Q3/2024 due to a higher sales volume and an increase in selling prices.

+ **Cost of goods sold** in Q3/2025 decreased compared to Q3/2024 as production costs were reduced and part of the raw materials used were from existing inventory at lower costs.

+ **Financial income** increased and **financial expenses** decreased in Q3/2025 compared to Q3/2024. In Q3/2025, foreign exchange rates rose, while in Q3/2024, exchange rates decreased and the Company had higher borrowings, resulting in higher financial expenses in Q3/2024.

+ **Selling expenses** and **general and administrative expenses** in Q3/2025 increased compared to Q3/2024 due to higher transportation costs (as more deliveries were made directly from the factory and at border gates). Administrative expenses also rose as a result of increased depreciation and general management costs.

+ **Other income** in Q3/2025 increased as the Company recorded gains from the disposal of unused assets, while **other expenses** decreased since, in Q3/2024, the Company had recorded an adjustment for prior-year corporate income tax.

The above factors resulted in the **profit after corporate income tax in Q3/2025 increasing by VND 32.72 billion** compared to Q3/2024.

This explanation is provided by **Bac Kan Mineral Joint Stock Corporation**.

Respectfully yours,

Recipients:

- As addressed;
- Archives – Accounting Department.



Đinh Văn Hiến