**LBE: Explanation of the difference in profit after tax in 2023 compared to that in 2022**

On February 19, 2024, Long An Book and Educational Equipment Joint Stock Company announced Official Dispatch No. 15/CV-TBTH explaining the difference in the profit after tax in 2023 compared to that in 2022 as follows:

Long An Book and Educational Equipment Joint Stock Company explained the difference in the profit after tax in 2023 compared to that in 2022:

|  |  |  |  |
| --- | --- | --- | --- |
| Profit after tax in 2023 | Profit after tax in 2022 | Difference | Rate |
| VND 1,565,580,175 | VND 2,144,844,306 | VND -579,264,131 | -27.00% |

The profit after tax in 2023 decreased by VND 579,264,131 because:

* In 2021 due to the COVID-19 pandemic, the enrollment of Kindergarten and Primary students for the 2021-2022 school year was from February 2022. This led to a significant increase in revenue in 2022. In 2023, students returned to schools normally.
* Revenue decreased, so gross profit from sales and service provision decreased
* Other items increased or decreased according to revenue.

As a result of the above factors, the total profit after tax for 2023 decreased compared to 2022.

On February 19, 2024, Long An Book and Educational Equipment Joint Stock Company announced Official Dispatch No. 14/CV-TBTH explaining the difference in profit after tax in 2023 between the Audited Financial Statements and the Self-made Financial Statements as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Profit after tax in 2023 according to the Self-made Financial Statements | Profit after tax in 2023 according to the audited Financial Statements | Difference | Rate |
| VND 1,566,890,666 | VND 1,565,580,175 | VND - 1,310,491 | -0.08% |

The audited Financial Statements for 2023 changed with the following reasons:

* Value-added tax increased and was not deductible: VND 220,205, reduced expenses.
* Increase in the cost of goods sold: VND 5,186,111
* From the above reason, recalculate the salary fund and corporate income tax.
* As a result, profit after tax decreased by VND 1,310,491.