**HVT: Explanation on the difference in profit compared to that of 2022**

On March 6, 2024, Viet Tri Chemicals JSC announced Official Dispatch No. 111/HCVT-CBTT on the explanation of profit fluctuations as follows:

Viet Tri Chemicals JSC prepares the Financial Statements 2023 with the main figures as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Targets | 2023 (VND billion) | 2022 (VND billion) | Comparison |
| ± | % |
| 1 | Net revenue | 1,258.7 | 1,376.2 | (117.5) | (8.5) |
| 2 | Cost of goods sold  | 1,027.4 | 1,010.8 | 16.6 | 1.6 |
| 3 | Financial revenue | 9.7 | 7.4 | 2.3 | 31.1 |
| 4 | Financial expense | 17.4 | 17.7 | (0.3) | (1.7) |
| 5 | Selling expense | 87.4 | 89.7 | (2.3) | (2.6) |
| 6 | General and administrative expense | 52.2 | 47.4 | 4.8 | 10.1 |
| 7 | Profit after tax | 67.7 | 177.0 | (109.3) | (61.8) |

According to the data in the Audited Financial Statements 2023, profit after tax in 2023 decreased by 61.8%, equivalent to an amount of VND 109.3 billion compared to 2022, mainly due to the decrease in revenue, specifically as follows:

Revenue in 2023 reaches VND 1,258.7 billion, decreased by VND 117.5 billion, equivalent to 8.5% compared to 2022. From the beginning of 2023, the Chinese Government removed the Zero Covid policy and fully restored import and export activities between Vietnam and China. Since then, Chinese goods, especially imported NaOH products, flooded into the market, and supply has increased sharply, while demand does not fluctuate much. Faced with fierce market competition, the Company advocates reducing selling prices to maintain market share. Therefore, although sales volume remained stable compared to the previous year, selling prices fell sharply, leading to reduced revenue, along with that, production and business efficiency also decreased.