**LAS: Explanation on profit difference in 2023 over the same period**

On March 05, 2024, Lam Thao Fertilizers & Chemicals Joint Stock Company announced Official Dispatch No. 189/SPLT-TCKT explaining the fluctuations in profit over the same period as follows:

Lam Thao Fertilizers & Chemicals Joint Stock Company has prepared the Financial Statements 2023 which were audited by Vietnam Auditing and Evaluation Co., Ltd with the following key figures:

|  |  |  |  |
| --- | --- | --- | --- |
| Target | In 2023 | In 2022 | Comparison |
| ± | % |
| Profit after tax | 148,538,242,312 | 93,707,521,783 | 54,830,720,529 | 158.5 |
| Gross profit from sales of goods | 556,883,468,842 | 458,135,769,137 | 98,747,699,705 | 121.5 |
| Net revenue | 3,440,291,813,598 | 3,155,706,395,995 | 284,585,417,603 | 109.0 |
| Revenue from financial activities | 14.399,429,442 | 13,069,905,347 | 1,329,524,095 | 110.2 |
| Cost of goods sold | 2,883,408,344,756 | 2,697,570,626,858 | 185,837,717,898 | 106.9 |
| Expenses for financial activities | 20,436,673,818 | 21,513,141,161 | (1,076,467,343) | 95.0 |
| Selling expense | 159,500,472,094 | 134,045,570,129 | 25,454,901,965 | 119.0 |
| General and administrative expense | 210,303,404,341 | 200,373,321,536 | 9,930,082,805 | 105.0 |

* According to data in the Financial Statements 2023, profit after tax in 2023 increased by VND 54.8 billion, equal to 158.5% compared to the same period in 2022. The Company explained this increase to the State Securities Commission, the Hanoi Stock Exchange and all shareholders as follows:
* The main reason why profit in 2023 increased by VND 54.8 billion compared to the same period in 2022 is because net revenue increased by VND 284.6 billion, and the Company's Executive Board during the year grasped the right time in order to import batches of raw materials at reasonable prices, the proportion of cost price on net revenue in 2023 is 1.67% lower than the same period in 2022, so gross profit from goods sales increases by VND 98.7 billion equal to 121.5%. Besides, cost factors such as financial costs decreased by VND 1.1 billion but general and administrative expenses increased by VND 9.9 billion, sales costs increased by VND 25.5 billion over the same period, so profits after tax in 2023 increased by VND 54.8 billion compared to 2022.