**MSN123009: Explanation on the profit fluctuations in Financial Statements**

On March 08, 2024, Masan Group Corporation announced Official Dispatch No. 101/2024/CV-MSN on explaining the fluctuation in profit after corporate income tax as follows:

Difference in profit after corporate income tax on a consolidated basis compared to the same period last year

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Targets | In 2023 | In 2022 | Difference | |
| Million VND | Million VND | Value | Increase (decrease) rate |
| 1 | Net revenue | 78,251,619 | 76,189,225 | 2,062,394 | 3% |
| 2 | Gross profit | 22,121,112 | 21,035,024 | 1,086,088 | 5% |
| 3 | Net financing expense | (5,724,308) | (3,786,079) | (1,938,229) | 51% |
| 4 | Profits or losses in the joint ventures and affiliated companies | 3,895,982 | 4,339,650 | (443,668) | (10%) |
| 5 | Selling expense | (14,192,355) | (12,511,539) | (1,680,816) | 13% |
| 6 | General and administrative expenses | (3,750,002) | (3,854,314) | 104,312 | (3%) |
| 7 | Profit after tax in the Consolidated Financial Statements | 1,869,927 | 4,754,384 | (2,884,457) | (61%) |

Net profit after tax (on a consolidated basis) is a profit of VND 1,870 billion compared to the same period last year (profit of VND 4,754 billion), down 61% mainly due to fluctuations from the following targets:

* In 2022, the Corporation recorded a one-time profit related to the merger of a new subsidiary.
* The profit from affiliated companies in 2023 was lower than that of 2022.
* Selling expenses increased due to the intensified sales activities.
* The above effects were partially offset by revenue growth and gross profit of the consumer business.

Difference in profit after tax on a separate basis compared to the same period last year

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Targets | In 2023 | In 2022 | Difference | |
| Million VND | Million VND | Value | Increase (decrease) rate |
| 1 | Revenue from financial activities | 3,377,401 | 2,118,484 | 1,258,917 | 59% |
| 2 | Expenses for financial activities | (3,208,276) | (2,780,872) | (427,404) | 15% |
| 3 | Net loss after tax in the Separate Financial Statements | (112,295) | (871,388) | 759,093 | (87%) |

The Company's loss after tax in 2023 was VND 112 billion compared to loss after tax of VND 871 billion in 2022, mainly due to increased financial income.