**SSH: Explanation on profit after tax**

On March 28, 2024, Sunshine Homes Development Joint Stock Company announced Official Dispatch No. 11/2024/CV-SSH on explaining the Financial Statements 2023 as follows:

Table of comparing the profit after tax on the Audited Separate and Consolidated Financial Statements 2023 to that of 2022:

Unit: VND

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Targets | In 2023 | In 2022 | Difference | |
| Value | % |
| 1 | Profit after tax on the Separate Financial Statements | 30,679,077,835 | 62,741,720,774 | (32,062,642,939) | (51.1%) |
| 2 | Profit after tax on the Consolidated Financial Statements | 1,299,493,798,487 | 329,260,608,563 | 970,233,189,925 | 294.7% |

Reasons:

1. Profit after tax on the audited separate Financial Statements 2023 decreased by VND 32.1 billion, equivalent to a decrease of 51.1% compared to that of 2022, mainly due to following reasons:

* Gross profit on sales and service provision decreased by 92.3 billion, equivalent to a decrease of 92.2% over the same period last year, mainly due to the decrease in profits from real estate transfer activities.
* Financial profit decreased by VND 103.98 billion, equivalent to a decrease of 65.5% compared to the same period last year, mainly because the Company waived interest on deposits for Sunshine Group Joint Stock Company from July 1, 2023 due to converting the above deposits into share ownership at Sunshine Tay Ho Joint Stock Company, resulting in a decrease in financial revenue.
* Expenses decreased by VND 141.1 billion, equivalent to a decrease of 85.7% over the same period last year, mainly due to:
* Selling expenses decreased by VND 41.8 billion due to the decrease in real estate transfer activities.
* General and administrative expenses decreased by VND 34.95 billion and other expenses decreased by VND 64.4 billion due to the Company's cost savings.

However, the rate of decrease in gross profit on goods sales and service provision and financial profit of the Company is more than the decrease in expenses, leading to profit after tax on the audited separate Financial Statements 2023 decreased compared to that of 2022.

1. Profit after tax on the Company's audited consolidated Financial Statements 2023 increased by VND 970.2 billion, equivalent to an increase of 294.7% compared to that of 2022, mainly due to the following reasons:

* Gross profit on goods sales and service provision increased by VND 1,561.4 billion, equivalent to an increase of 648.8% over the same period last year, mainly coming from real estate transfer activities of projects implemented at the subsidiaries.
* Financial profit decreased by VND 303.8 billion, equivalent to a decrease of 58.5% compared to the same period last year, mainly due to a decrease in financial revenue of VND 580.5 billion, equivalent to 37.7% due to a decrease in interest rates from lending activities.
* Expenses increased by VND 92.9 billion, equivalent to 28.3% over the same period last year, mainly due to an increase in selling expenses of VND 172.6 billion, corresponding to 206.2% due to increased real estate transfer activities.

Therefore, although financial profit decreased and some expense items increased, because gross profit from goods sales and service provision increased significantly, profit after tax on the audited consolidated Financial Statements 2023 increased compared to that of 2022.

On March 28, 2024, Sunshine Homes Development Joint Stock Company announced Official Dispatch No. 12/2024/CV-SSH on explaining the difference between the Audited Financial Statements 2023 and the self-made Financial Statements 2023 as follows:

Table of comparing the profit after tax on the self-made Separate Financial Statements Q4/2023 and that on the audited separate Financial Statements 2023:

Unit: VND

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Targets | In 2023 (After audit) | In 2023 (On the self-made Financial Statements Q4/2023) | Difference | |
| Value | % |
| 1 | Profit after tax on the Separate Financial Statements | 30,679,077,835 | 32,975,657,908 | (2,296,580,073) | (6.96%) |

Reasons:

Profit after tax on the Company's audited separate Financial Statements 2023 decreased by VND 2.3 billion, equivalent to a decrease of 6.96% compared to the self-made separate Financial Statements Q4/2023, mainly due to the following reasons:

* General and administrative expenses increased by VND 1.33 billion, equivalent to 7.84% due to an increase in employee costs.
* Other expenses increased by VND 1.23 billion, equivalent to 30.1% due to increased expense accruals.