**TXM: Explanation on negative profit after tax in 2023**

On March 26, 2024, Vicem Gypsum and Cement Joint Stock Company announced Official Dispatch No. 538/TXM-KTTKTC on explaining the loss in profit after tax in 2023 as follows:

1. Explanation on the loss in profit after tax in 2023

Profit after tax in the Financial Statements 2023 of the company (Anviet Auditing Company Limited signed the auditor’s report on March 08, 2024): Loss of VND 4.667 billion mainly due to the following reasons:

* Total revenue: VND 111.617 billion, decreasing by VND 141.678 billion, equivalent to 44% of that in 2022 as the sale volume reduced
* Variable expenses: VND 101.752 billion, decreasing by VND 136.967 billion, equivalent to 42% of that in 2022, decreased accordingly to the revenue
* Fixed expense: VND 13.302 billion, increased by VND 0.875 billion year on year
* Financial expenses: VND 1.224 billion, decreasing by VND 0.704 billion compared to that in 2022

Sale volume sharply declined, which led to a decrease in revenue, the profit could not make up for fixed costs, which led to the loss in profit after tax in 2023

1. Measures for the securities put under alert

In 2024, the global security and politics are forecasted to continue to be complicated and unpredictable: Conflicts related to ethnicity and religion are happening in some nations; climate change, natural disasters, inflation, Covid-19 pandemic are still present. These will greatly affect the socio-economic development and pose a lot of difficulties and challenges for all fields in general and for the construction field in particular; the consumption of gypsum and cement (two main products of the Company) will certainly be affected.

That is why the Company has had policies, plan, and measures to improve the production and business, specifically:

* In the gypsum business:
* Balance the quantity from imported and domestic sources for purchasing, optimize the logistic routes to fully meet the demands of the customers, ensuring the economic efficiency between routes
* Diversify product sources and delivery points to meet the demands even at peak times; continue to implement the measures in transporting; flexibly operate the transporting routes in order to ensure the gypsum supply plans; continue to maximize the capacity of water transport from ports to increase the efficiency of gypsum consumption; find and exploit new and potential customers to increase the sale volume; increase the Company's market share of gypsum consumption.
* In the cement business: Build flexible sales mechanisms, timely policies, meet maximum demands of the customers; increase the promotion and search for new markets; minimize intermediate costs; deliver the cement product of the Company directly to the construction sites (focus on public construction), etc. to increase the sales volume and market share an effective business
* Other works:
* Minimize management expenses, circulation expenses; reform and strengthen the corporate governance.
* Exploit the fixed assets of the Company (lease the warehouse, house, structure, etc.) to increase the income.
* Organize and implement new business lines (implement after being approved by the Annual General Meeting 2024 of the Company, expected on April 10, 2024, and after the competent authority decides to supplement the Company’s business lines)