**THD: Explanation on difference in profit after tax 2023**

On April 01, 2024, Thaiholdings Joint Stock Company announced Official Dispatch No. 07/2024/THD-CV on explaining the difference in profit after tax in 2023 as follows:

1. Audited Separate Financial Statements in 2023.

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| --- | --- | --- | --- | --- | --- |
| No. | Targets | In 2023 | In 2022 (adjusted) | Difference | Difference between 2023 and 2022 (%) |
| 1 | Net revenue from goods sales and service provision | 1,249,108,266,314 | 1,819,098,893,513 | -569,990,627,199 | -31.33% |
| 2 | Cost of goods sold | 1,185,505,142,124 | 1,637,816,520,422 | -452,311,378,298 | -27.62% |
| 3 | Gross profit from goods sale and services provision | 63,603,124,190 | 181,282,373,091 | -117,679,248,901 | -64.91% |
| 4 | Revenue from financial activities | 24,949,019,515 | 177,388,717,237 | -152,439,697,722 | -85.94% |
| 5 | Selling expense | 1,288,656,984 | 917,136,348 | 371,520,636 | 40.51% |
| 6 | General and administrative expense | 26,091,857,611 | 20,135,126,537 | 5,956,731,074 | 29.58% |
| 7 | Profit after tax | 123,001,570,654 | 231,031,063,448 | -108,029,492,794 | -46.76% |

The profit after tax in the Separate Financial Statement 2023 decreased by VND 108 billion, equivalent to a decrease of 46.76% year on year, due to the following reasons:

* In 2023, the net revenue from goods sales and service provision decreased by VND 569.9 billion, equivalent to a decrease of 31.33%, while the cost of goods sold decreased by 27.62%, which is lower than the decrease rate of the net revenue, leading to the decrease of 64.91% in the gross revenue from goods sales and service provision year on year.
* Revenue from financial activities in 2023 decreased by VND 152.4 billion, equivalent to a decrease of 85.94% year on year.
* The selling expense and general and administrative expense in 2023 increased by VND 371 million and VND 5.9 billion, respectively, equivalent to the increase year on year of 40.51% and 29.58%, respectively.

2. Audited Consolidated Financial Statements 2023:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Target | In 2023 | In 2022 (adjusted) | Difference | Difference between 2023 and 2022 (%) |
| 1 | Net revenue from goods sales and service provision | 1,870,236,357,826 | 4,112,639,747,243 | -2,242,403,389,417 | -54.52% |
| 2 | Cost of goods sold | 1,838,402,236,656 | 3,803,505,852,254 | -1,965,103,615,598 | -51.67% |
| 3 | Gross profit from goods sale and services provision | 31,834,121,170 | 309,133,894,989 | -277,299,773,819 | -89.70% |
| 4 | Revenue from financial activities | 298,162,913,092 | 570,918,008,687 | -272,755,095,595 | -47.77% |
| 5 | Profit after tax | 224,505,007,760 | 310,304,758,682 | -85,799,750,922 | -27.65% |

The profit after tax in the Consolidated Financial Statement 2023 decreased by more than VND 85.7 billion, equivalent to a decrease of 27.65% year on year, due to the following reasons:

* The net revenue from goods sales and service provision decreased by VND 2,242 billion, equivalent to a decrease of 54.52%, while the cost of goods sold decreased by 51.67%, which is lower than the decrease rate of the net revenue, leading to the decrease of 89.70% in the gross revenue from goods sales and service provision year on year.
* Revenue from financing activities decreased by VND 272.7 billion, equivalent to a decrease of 47.77% over the same period last year.