**VC3: Explanation on Financial Statements 2023**

On March 26, 2024, Nam Mekong Group Joint Stock Company announced Official Dispatch on explaining the Separate and Consolidated Audited Financial Statements as follows:

 Profit after tax changed by 10% or more year-on-year:

Unit: Million VND

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| No. | Target | In 2023 | In 2022 | Increase (+)/Decrease (-) | Rate of change (%) |
| 1 | Profit after tax in the Separate Financial Statements | 140,128 | 73,148 | 66,980 | 91.57% |
| 2 | Profit after tax in the Consolidated Financial Statements | 141,148 | 73,439 | 67,709 | 92.20% |

* The Profit after tax in the Separate Financial Statements increased y VND 66,980 million, equivalent to the increase of 91.57% over the same period due to the following reasons:
* Gross profit from goods sale and services provision

Revenue increased by VND 292,113 million equivalent to the increase of 56.81% and gross profit increased by VND 107,608 million equivalent to the increase of 68.87% year-on-year: Mainly arising from the Company recording revenue and profits from real estate products of the Bao Ninh 2 Urban Area Project in Dong Hoi City, Quang Binh Province handed over to customers during the period.

* Financial activities:

Revenue from financial activities decreased by VND 29,930 million, equivalent to the decrease of 88.11% year-on-year: During the period, the Company recovered loans and settled term deposit contracts.

* Financial expenses decreased by VND 7,616 million, equivalent to a decrease of 31.18% year-on-year because the Company paid part of the principal during the period.
* Profit after tax of the Consolidated Financial Statement increased by VND 67,709 million, equivalent to an increase of 92.20% year-on-year due to similar reasons with the different in profit after tax in the Separate Financial Statements: the Company's subsidiaries and affiliated companies are all in the process of making investments and have not generated much revenue or operating expenses.
* Gross profit from goods sale and services provision:

Gross profit increased by VND 107,609 million, equivalent to 68.87% year-on-year due to the same reasons of the increase in the Separate Financial Statements above.

* Financial activities:

Revenue from financial activities decreased by VND 29,113 million, equivalent to the decrease of 84.98% year-on-year:

* Financial expenses decreased by VND 7,616 million, equivalent to 31.18% year-on-year because the Company paid part of the loan principal during the period.