**MNB: Explaining the profit after tax fluctuation of 10% over the same period and 5% compared to before the audit**

On March 28, 2024, Nhabe Garment Corporation Joint Stock Company announced Official Dispatch No. 23/2024/NBC as follows:

1. Explanation on the change in consolidated profit after tax in 2023 compared to 2022 by over 10% as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Target | In 2023 | In 2022 | Increase/decrease rate (%) |
| Profit after tax | 33,490,996,155 | 144,817,461,258 | 23% |

Reason: In 2023, the Corporation and its subsidiaries, joint ventures were affected by the global economic recession, especially inflation in the US and Europe. As a result, major export markets of the Corporation and Subsidiaries, joint ventures are affected accordingly. Therefore, revenue in 2023 decreased by 18% compared to 2022. In addition, some Subsidiaries and Joint Ventures have decreased profits due to the impact of increased interest costs and some operating costs over the same period, this is the main reason for the decrease in consolidated profit after tax by VND 111 billion, equivalent to a decrease of 77% over the same period.

1. Explanation on the change in profit after tax after the audit by over 5% compared to before the audit as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Targets | After audit | Before audit | Difference | Rate (%) |
| Profit after tax | 33,490,996,155 | 37,930,808,734 | (4,439,812,579) | (12%) |

Reason: Consolidated profit after tax after audit in 2023 decreased by 12% compared to before audit due to the impact of the business results after audit of the following subsidiaries: Gia Lai Garment Joint Stock Company, Công ty CP Giặt Tẩy (tentatively translated as Laundry Joint Stock Company), Tam Quan Garment Joint Stock Company, Binh Dinh Garment Joint Stock Company. These subsidiaries have additional records of cost of goods sold, financial reserve expenses and other operating expenses.