

No: 22/2024/DGW-DT

HCMC, March 28<sup>th</sup>, 2024

Regarding: Result Explanation for  
the Audited Consolidated Financial  
Statements 2023

To: - The State Securities Commission  
- Ho Chi Minh Stock Exchange

First of all, Digiworld Corporation ("Company") would like to send to the Commission and Exchange respectful greetings and cooperation.

Based on the Consolidated business result of 2023 of the Audited Consolidated Financial Statements prepared by the Company on March 28, 2024. The company explains the reasons for the change in some indicators of this report in 2023, compared with the same period in 2022, the details are as follows:

Indicators	2023 (VND)	2022 (VND)	Increase/decrease (%)
Net revenue	18,817,475,347,721	22,028,134,929,534	-15%
Profit after tax	354,392,478,066	683,783,287,082	-48%

Reasons:

- In 2023, total revenue reached VND 18,817 billion, down 15% over the same period and completing 94% of the plan. Profit after tax reached VND 354 billion, down 48% compared to 2022, equivalent to completing 89% of the year plan. 2023 was a tough year for the Vietnamese economy in general and Digiworld in particular when the economy was gloomy and unemployment rates increased, leading to a sharp decrease in consumer demand.
- Laptop and tablet contributed 31% of the company's total revenue, reaching VND 5,906 billion, down 16% compared to 2022 and completing 107% of the year plan. The reason was that the trend of working and studying at home has decreased significantly compared to the period 2020-2022, along with 2023 being a year of weak economic, leading consumers were limited in replacing equipment. However, Digiworld still remain the largest distributor in the Vietnamese market.
- The mobile phone segment has always contributed the largest revenue to Digiworld in recent years. In 2023, this segment had revenue of VND 8,067 billion, down 25% compared to 2022, completing 92% of the year plan. As every year, the fourth quarter was expected to be the peak quarter for this segment with the launch of iPhone 15, however, similar to laptops, consumers were also tightening their spending, leading to lower consumption than expected.
- In 2023, the Office Equipment segment grew by 4%, reaching VND 3,441 billion, completing 90% of the year plan. The main customers of this segment are businesses and organizations, so the gloomy economy caused not only individual consumers but businesses to limit device spending and replacement. The revenue of this segment was contributed by Achison company when DGW completed the acquisition of 75% shares. Achison is a company specializing in distributing labor protection equipment.
- Home appliances contributed VND 728 billion in revenue, achieving 31% growth over the same period and completing 80% of the year plan. In 2023, Digiworld cooperated with new brand Westinghouse to

provide kitchen appliances. In addition, Whirlpool products and Xiaomi TVs were increasingly known and chosen by consumers.

- Consumer goods contributed VND 676 billion in revenue, achieving 70% growth compared to 2022 and completing 66% of the year plan. This growth was thanks to the contribution from revenue of fast-moving consumer products, pharmaceuticals, and beverages from ABINBEV and Lotte Chilsung.

Sincerely.



**DOAN HONG VIET**

