

No : 007/CV/IFS/2023

Dong Nai, 18th January 2023

To : - State Securities Commission (SSC)
- Hanoi Stock Exchange (HNX)

(Re: Explanatory for Business results of 4th Quarter 2022)

First we would like to thank you for your continued support.

We would like to provide the result of income statement for the 4th Quarter of year 2022 as following:

Unit: VND'000

Descriptions	4th Quarter - 2022	4th Quarter - 2021	%	YTD2022Q4	YTD2021Q4	%
Revenue from sale of goods	531,313,566	316,110,310	68%	1,830,257,198	1,313,243,452	39%
Deductions	35,047,867	20,331,949	72%	117,545,282	84,011,096	40%
<i>% of Deductions</i>	7%	6%		6%	6%	
Net revenue	496,265,699	295,778,361	68%	1,712,711,916	1,229,232,356	39%
Cost of sales	326,847,559	198,646,276	65%	1,151,195,520	770,285,527	49%
<i>Cost of sales %</i>	66%	67%		67%	63%	
Gross profit	169,418,140	97,132,085	74%	561,516,396	458,946,829	22%
<i>Gross profit %</i>	34%	33%		33%	37%	
Financial income	9,025,026	2,832,867	219%	22,130,875	7,226,468	206%
Financial expenses	322,817	138,709	133%	466,995	207,453	125%
<i>In which: interest expense</i>	-	106	-100%	-	5,522	-100%
Selling expenses	107,674,094	66,355,203	62%	359,312,454	233,409,713	54%
<i>Selling expenses %</i>	22%	22%		21%	19%	
General and administration expenses	9,825,838	9,630,865	2%	36,476,380	36,394,434	0%
Operating profit	60,620,417	23,840,175	154%	187,391,442	196,161,697	-4%
Other income	7,388,513	357,195	1968%	7,902,438	805,364	881%
Other expenses	372,804	27,422,067	-99%	1,749,715	39,784,570	-96%
Profit before tax	67,636,126	(3,224,697)	-2197%	193,544,165	157,182,491	23%
CIT for the current year	5,429,349	1,821,710	198%	36,151,167	32,119,926	13%
Deferred CIT	6,962,093	(2,436,606)	-386%	1,747,368	(494,969)	-453%
Profit after tax	55,244,684	(2,609,801)	-2217%	155,645,630	125,557,534	24%
<i>Profit after tax %</i>	11%	-1%		9%	10%	

The fourth quarter of 2022 marks the period when the Company continues to recover, which is reflected in the full-year sales results that surpassed 2019 before the pandemic and continued to have profits after tax of VND 55 billion, accumulated in 2022 to reach VND 156 billion

In the quarter, the Company continued to promote the restoration of points of sale, resulting in a strong increase in total sales by over 68% over the same period last year and net revenue also increasing by 68% over the same period last year.

Cost of goods sold in the fourth quarter of 2022 decreased slightly to 66% of net revenue compared to the same period last year of 67% due to the price of some key raw materials in the last quarter of 2022 trending to stable again after a period of strong volatility during the year.

Financial income increased because in this period the company continued to maintain a short-term deposit of VND700 billion at one bank with competitive interest rate.

In the fourth quarter of 2022, the company increased the implementation of communication campaigns to promote products to promote sales growth, leading to the ratio of selling expenses to net revenue increasing to 22% by the same period last year. Corporate administrative expenses remained stable at 2%, down compared to the same period last year.

The increase in other income this quarter was mainly related to the receivable from a supplier's compensation.

Other expenses in this quarter decreased compared to the same period last year due to in last year the high cost of stopping production during the period of strong impact from Covid 19 in 2021..

Above are some explanation for operating results of the 4th Quarter of 2022.

Thanks and best regards.

ONBEHALF OF THE COMPANY

(Signed and sealed)

Hajime Kawasaki
General Director