

MINISTRY OF AGRICULTURE AND  
ENVIRONMENT  
NAVETCO NATIONAL VETERINARY  
JOINT STOCK COMPANY

THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

No: 125 /NVC

TP HCM, March 24, 2025

Re : Explanation of profit difference in financial,  
Statements for 2024 compared to 2023

TO: - STATE SECURITIES COMMISSION;  
- HANOI STOCK EXCHANGE

Implementing the Circular No. 96/2020/TT-BTC date November 16, 2020 of the Ministry of Finance on guiding the disclosure of information on the stock market. Navetco national veterinary joint stock company explanation of profit difference in financial statements for 2024 compared to 2023:

STT	Items	2023	2024	Balance (2024-2023)
1	Net revenue	412.646.744.161	371.268.762.660	(41.377.981.501)
2	Accounting profit after tax	28.582.480.576	(39.596.363.586)	(68.178.844.162)

2024 continues to be a year with many difficulties and challenges for the economy. Therefore, the Company's production and business activities are no exception when the livestock situation is extremely gloomy, the total livestock herd of the whole country has decreased significantly due to the impact of the dangerous level of epidemics, natural disasters, storms and floods as well as the input costs of livestock are higher than the selling price of output products; increasingly fierce and fierce competition with rival companies; wars in some countries in the world have narrowed the export market; unexpected incidents occurred in the dairy herd in Lam Dong, leading to a significant decrease in the Company's revenue and profit targets compared to the same period.

In 2024, the Company recorded a net loss of VND 39,596 billion, profit after corporate income tax in 2024 compared to 2023 decreased by 239% due to decreased revenue and increased costs:

- Sales revenue decreased by 10% due to the narrowing of the livestock market, fierce competition between companies leading to fragmented market share.

- Financial revenue decreased by 90% due to the Company's lack of idle financial resources, and the profit from the realized exchange rate difference decreased.

- Sales expenses increased by 36% due to:

- Compensation and support for vaccine incidents in Lam Dong province.

This is the main reason that greatly affects the Company's business activities in 2024.



- Increased discount and promotion costs: the fierce competition between rival companies and the chain effect of the incident in Lam Dong make customers quite cautious with the company's products, therefore, Navetco Company must build flexible business policies, suitable for market developments. Deploy sales policies, promotion rates, and discounts reasonably for each region and each customer segment to create competitiveness for regions and agents to enhance competitiveness, increase sales volume, improve revenue and increase customer confidence.

- Adverse events after vaccination are unexpected abnormal phenomena that occur after vaccination, in which there are many factors that can be the cause but cannot be predicted. The incident is a risk, an unexpected event that neither Navetco nor the farmers want. With the responsibility of a manufacturer, Navetco has made great efforts, showing a high sense of responsibility to try to work with farmers to minimize damage through quickly supporting the provision of valuable supplies and medicines to treat sick dairy cows, this is also the reason why the cost of sales has increased.

Navetco national veterinary joint stock company would like to explain to the State Securities Commission, Hanoi Stock Exchange and shareholders of the company.

Sincelery thanks ./.

**Recipients:**

- As above
- Archive: Office, Finance

**GENERAL DIRECTOR**



**NGUYỄN THỊ KIM LAN**

