

**LAM THAO FERTILIZERS AND  
CHEMICALS JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**

**No. 125/SPLT-TCKT**

**Independence - Freedom - Happiness**

Re: Explanation of profit fluctuations compared to  
the same period

*Phu Tho, dated February 25, 2025*

**Kindly sent to:**

- State Securities Commission;
- Hanoi Stock Exchange;
- Shareholders.

Company name: Lam Thao Fertilizers and Chemicals JSC;

Address: Lam Thao district, Phu Tho province;

Stock code: LAS.

Lam Thao Fertilizers and Chemicals JSC has prepared the 2024 Financial Report and has been audited by Vietnam Auditing and Valuation Company Limited with the following main figures:

Category	Year 2024	Year 2023	Comparison	
			±	%
Accounting profit after tax	168.674.268.388	148.538.242.312	20.136.026.076	113,6
Gross profit on sales	638.309.021.420	556.883.468.842	81.425.552.578	114,6
Net revenue	3.465.765.583.539	3.440.291.813.598	25.473.769.941	100,7
Financial operating revenue	31.694.360.070	14.399.429.442	17.294.930.628	220,1
Cost of goods sold	2.827.456.562.119	2.883.408.344.756	(55.951.782.637)	98,1
Financial operating expenses	17.637.126.657	20.436.673.818	(2.799.547.161)	86,3
Selling expenses	186.515.846.472	159.500.472.094	27.015.374.378	116,9
Administrative expenses	246.560.118.402	210.303.404.341	36.256.714.061	117,2

- According to the financial statements for 2024, the after-tax profit for the year increased by 20.1 billion VND, reaching 113.6% compared to the same period in 2023. The company reports to the State Securities Commission, the Hanoi Stock Exchange, and all esteemed shareholders as follows:

+ Regarding gross profit from sales and financial activities: In 2024, the domestic supply of Apatite ore became increasingly scarce, insufficient for production, and had a low effective P2O5 nutrient content. Therefore, the Company had to purchase additional raw materials with a high P2O5 nutrient content to supplement Super Phosphorus production, leading to a decrease in the gross profit from Super Phosphorus sales. Meanwhile, the Company's management anticipates developments in the cost of raw materials for NPK production and promptly decides to purchase raw materials at reasonable prices. As a result, the cost of goods sold (COGS) for NPK as a percentage of sales decreased, leading to an increase in total gross profit from sales by 81.2 billion VND, reaching 114.6% compared to the same period last year. In this business period, the Company effectively managed accounts receivable and cash flow, resulting in a VND 20.0 billion increase in financial activity profit compared to 2023.

+ Regarding expenses: Selling expenses increased as the Company promoted its sales activities, leading to increased costs for market development, increased investment costs for testing, and increased costs for organizing conferences to guide end-users on fertilizer usage, thus causing selling expenses to increase by 27.0 billion VND compared to the same period. The increase in management costs was due to the cost of purchasing office equipment, the cost of renovating and repairing assets of the management block also increased, environmental costs increased, so management costs increased by 36.3 billion VND, other profits decreased by 9.3 billion VND, so the profit after tax in 2024 only increased by 20.1 billion VND compared to the same period.

Above is an explanation of the main factors affecting the fluctuation of the Company's profit in 2024 compared to 2023. The Company respectfully reports to the State Securities Commission, Hanoi Stock Exchange and all Shareholders of the Company.

**Recipient:**

As addressed,  
Archived: Office, Finance & Accounting  
Department.

**GENERAL DIRECTOR**



**Phạm Thanh Tung**