

No.: 72 /CAD-2025

*Ca Mau, July 21, 2025*

**EXPLANATION LETTER**

*(Re.: Explanation of the Financial Statements for the Quarter II/2025)*

**To: The State Securities Commission  
The Hanoi Stock Exchange**

On July 21, 2025, Seafood Import-Export and Processing Joint Stock Company (Cadovimex) announced the Financial Statement for the quarter II/2025. Cadovimex would like to explain some issues on the Financial Statement for the quarter II/2025 as follows:

*1. Regarding the non-positive equity value and non-positive profit after tax.*

- In 2008, the global crisis affected many businesses, including Cadovimex. On the other hand, Cadovimex have had non current trade receivables for many years and these debts could not be recovered, with an amount of up to VND 175 billion, causing the company to become unbalanced.

- In addition, Cadovimex did not have the capital to purchase and produce but only managed with limited revenue from leasing export services, receiving outsourcing for entities in the same industry to maintain the lives of employees while waiting for investors to restructure the Company. This revenue was not enough to cover the expenses at the Company, leading to Cadovimex's continuous loss since 2008 and the loss continues until now.

- During 2009 to 2015, due to the Company's losses, all loan interest and penalty interest were suspended and not included in the expenses. In 2015, the auditor adjusted this section into the expenses with an amount of more than VND 68 billion. The auditor also made the provision for contingent liabilities that could not be paid until December 31, 2025, with amount of up to VND 198 billion, and inventories up to 40 billion.

- In the fourth II/ 2025, the Company had a late payment interest for social insurance of more than VND 200 million.

- In the fourth II/ 2025, the revenue was only VND 4.5 billion, but the cost of goods sold was up to VND 3.9 billion; in addition, other operating expenses was VND 4 billion.

- Due to the above reasons, Cadovimex suffered the loss in the fourth II/2025 and the losses which have been continuously over many years, leading to a negative equity.

*2. Regarding the after-tax profit difference of 10%*

	<b>Item</b>	<b>Code</b>	<b>Note</b>	<b>Quarter II/2025</b>	<b>Quarter II/2024</b>	<b>Difference from Quarter II of previous year</b>
1.	Revenue from sale of goods and supply of services	01		4.519.732.905	3.937.844.156	581.888.749
2.	Revenue deductions	02		-	-	-
3.	Net revenue from sale of goods and supply of services (10 = 01 - 02)	10		4.519.732.905	3.937.844.156	581.888.749

4.	Costs of goods sold	11		3.932.957.516	3.628.955.327	304.002.189
5.	<b>Gross profit from sale of goods and supply of services (20 = 10 -11)</b>	<b>20</b>		<b>586.775.389</b>	<b>308.888.243</b>	<b>277.886.560</b>
6.	Financing income	21		72.944	386.997.243	(386.924.299)
7.	Financing expenses	22		3.105.773.042	22.998.982.667	(19.893.209.625)
-	Where: Loan interest	23		0	22.900.790.761	(22.900.790.761)
8.	Selling expenses	25		0	0	0
9.	Administrative expenses	26		651.229.763	616.704.068	34.525.695
10.	<b>Net profit from operating activities {{30 = 20 + (21-22) - (25 + 26)}</b>	<b>30</b>		<b>(3.170.154.72)</b>	<b>(22.919.800.663)</b>	<b>19.749.646.191</b>
11.	Other income	31		3.240.000	0	3.240.600
12.	Other expenses	32		279.225.492	292.738.013	(13.512.521)
13.	<b>Other profit (40 = 31 - 32)</b>	<b>40</b>		<b>(275.985.492)</b>	<b>(292.738.013)</b>	<b>16.752.521</b>
14.	<b>Total profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>(3.446.139.964)</b>	<b>(22.212.538.676)</b>	<b>19.766.398.712</b>
15.	Current corporate income tax expense	51		-	-	-
16.	Deferred corporate income tax expense	52		-	-	-
17.	<b>Profit after corporate income tax (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>(3.446.139.964)</b>	<b>(22.212.538.676)</b>	<b>19.766.398.712</b>
18.	<b>Basic earnings per share (*)</b>	<b>70</b>		<b>(166)</b>	<b>(1.116)</b>	<b>950</b>

- ⇒ Based on the above income statement, it can be found that main reasons why the profit after tax in the quarter II/2025 is 85% higher than that in the quarter II/2024 are as below:
- Financing income of the the quarter II/2025 was over 14.8% higher than that in the the quarter II/2024.
  - Interest expense of the quarter II/ 2025 decreased by 100% compared to the quarter II/2024.

Sincerely thank!

**Recipients:**

- As mentioned on the top;
- Recorded: Archive

**CHIEF EXECUTIVE OFFICER**

(Signed & sealed)



**Nguyen Van Chinh**