

No.: 27 /CAD-2025

Ca Mau, April 18, 2025

EXPLANATION LETTER

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

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

On April 18, 2025, Seafood Import-Export and Processing Joint Stock Company (Cadovimex) announced the Financial Statement for the quarter I/2025. Cadovimex would like to explain some issues on the Financial Statement for the quarter I/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 I/ 2025, the Company had a late payment interest for social insurance of more than VND 200 million.

- In the fourth I/ 2025, the revenue was only VND 3.7 billion, but the cost of goods sold was up to VND 3.6 billion; in addition, other operating expenses was VND 1,9 billion.

- Due to the above reasons, Cadovimex suffered the loss in the fourth I/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%

	Item	Code	Note	Quarter I/2025	Quarter I/2024	Difference from Quarter IV of previous year
1.	Revenue from sale of goods and supply of services	01		3.750.081.510	2.636.613.509	1.113.468.001
2.	Revenue deductions	02		-	-	-
3.	Net revenue from sale of goods and supply of services (10 = 01 - 02)	10		3.750.081.510	2.636.613.509	1.113.468.001

4.	Costs of goods sold	11		3.576.985.051	3.480.404.258	96.580.793
5.	Gross profit from sale of goods and supply of services (20 = 10 - 11)	20		173.096.459	(843.790.749)	1.016.887.208
6.	Financing income	21		30.764	38.758	(7.994)
7.	Financing expenses	22		1.112.316.680	28.988.274.390	(27.875.957.710)
-	<i>Where: Loan interest</i>	23			22.848.083.730	(22.848.083.730)
8.	Selling expenses	25		0	40.320.000	(40.320.000)
9.	Administrative expenses	26		736.752.684	807.933.984	(71.181.300)
10.	Net profit from operating activities {{30 = 20 + (21-22) - (25 + 26)}	30		(1.675.942.141)	(30.680.280.365)	29.004.338.224
11.	Other income	31				
12.	Other expenses	32		278.418.246	283.363.557	(4.944.311)
13.	Other profit (40 = 31 - 32)	40		(278.418.246)	(283.362.557)	4.944.311
14.	Total profit before tax (50 = 30 + 40)	50		(1.954.360.387)	(30.963.642.922)	29.009.282.535
15.	Current corporate income tax expense	51		-	-	-
16.	Deferred corporate income tax expense	52		-	-	-
17.	Profit after corporate income tax (60 = 50 - 51 - 52)	60		(1.954.360.387)	(30.963.642.922)	29.009.282.535
18.	Basic earnings per share (*)	70		(94)	(1,489)	1.395

- ⇒ *Based on the above income statement, it can be found that main reasons why the profit after tax in the quarter I/2025 is 94% higher than that in the quarter I/2024 are as below:*
- *Financing income of the the quarter I/2025 was over 42% higher than that in the the quarter I/2024.*
 - *Interest expense of the quarter I/ 2025 decreased by 100% compared to the quarter I/2024.*

Sincerely thank!

Recipients:

- As mentioned on the top;
- Recorded: Archive

CHIEF EXECUTIVE OFFICER

(Signed & sealed)



Nguyễn Văn Chinh