

Company Name  
Company Address Line 1  
Company Address Line 2  
Date: June 26, 2024

To:  
[Recipient's Name]  
[Recipient's Designation]  
[Recipient's Organization]  
[Recipient's Address]

**Subject: Official Explanation of Business Loss for [Year/Period]**

Dear [Recipient's Name],

I am writing this letter on behalf of [Company Name] to explain the business loss incurred for the fiscal year [Year] as reflected in our financial statements.

The loss was primarily due to the following reasons:

- Significant decrease in revenue due to market downturn and reduced demand.
- Increased operational expenses and overheads.
- Unanticipated costs related to [e.g., equipment maintenance, workforce reduction, etc.].
- Delays in receivables and payments from key clients.

We have taken several corrective measures including cost optimization, restructuring of business processes, and alignment of marketing strategies to address the identified issues. Our team remains focused on operational efficiency and financial stability to ensure a positive outlook for the upcoming year.

Please find attached supporting documents and financial statements for your reference. Should you require further clarification, feel free to contact us.

Thank you for your understanding and consideration.

Sincerely,

[Your Name]  
[Your Position]  
[Company Name]

(Signature, if submitting a printed version)

## **Important Notes:**

- Ensure accuracy and consistency of all financial data provided in the letter.
- Attach supporting documents such as audited financial statements or loss reports.
- Use official company letterhead for authenticity.
- Customize the explanation to fit your company's specific circumstances.
- Retain a copy of the letter for your records.