

**VIETNAM HERBS AND FOODS JOINT
STOCK COMPANY**

No.: 2804/2025/CVGTHN-VHE

(Re: Explanation of changes in net profit after tax

Quarter 1/2025 of consolidated report)

SOCIALIST REPUBLIC OF VIETNAM

Independence – Liberty – Happiness

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Hà Nội, ngày 28 tháng 04 năm 2025

**To: - STATE SECURITIES COMMISSION
- HANOI STOCK EXCHANGE**

Company Name: Vietnam Pharmaceutical and Food Joint Stock Company

Stock code: VHE

Head office address: No. 277 Van Xuan Street, Ha Mo Commune, Dan Phuong District, Hanoi City

Pursuant to Clause 4, Article 14, Chapter III, Circular 96/2020/TT-BTC, issued on November 16, 2020 and effective from January 1, 2021 of the Ministry of Finance guiding on information disclosure on the stock market, Vietnam Herbs and Foods Joint Stock Company would like to explain as follows:

1. Profit after corporate income tax changes by 10% or more compared to the same period last year:

No.	Target	Quarter 1/2025 (VND)	Quarter 1/2024 (VND)	Difference	
				Absolute number (VND)	Percent (%)
1	Net revenue	156,970,403,591	65,929,295,092	91,041,108,499	138.09
2	profit after corporate income tax	1,155,271,809	377,555,486	777,716,323	205.99

- Profit after corporate income tax in Q1 2025 increased by 205.99% compared to Q1 2024 due to:

+ Net revenue increased sharply by 138.09% compared to the same period last year, in which revenue from agricultural products increased by 91.1 billion, equivalent to 139.6%. In addition to the parent company's revenue increasing compared to the same period last year (explained in a separate report), in the first quarter of this year, there was a revenue contribution from the subsidiary - Yen Bai Herbs and Foods Joint Stock Company. Revenue from herbal drinks decreased by 113.7 million, equivalent to 20.78% because the Company determined that the agricultural products segment has great opportunities in terms of market and profit, so it should allocate more resources to this field, prioritizing the development of potential segments to create a strong financial foundation before returning to invest more deeply in the herbal drinks industry in the next phase. + Selling expenses in the first quarter of 2025 decreased by 41.19% compared to the first quarter of 2024 due to a decrease in direct agricultural product export revenue, resulting in a decrease in logistics costs. Business management expenses increased by 34.09% due to an increase in personnel costs to match the size of the Company. Financial expenses increased by 72.13% due to the company increasing bank loans to supplement financial resources for production development and business expansion activities.

Thus, revenue increased due to the Company's efforts to expand infrastructure and purchase input sources at reasonable prices, operating more efficiently. Revenue increased at a higher rate than cost of goods sold, while selling expenses decreased, management expenses and financial expenses



increased insignificantly, leading to an increase in profit after corporate income tax of VND 777.72 million, equivalent to 205.99% compared to the same period last year.

Sincerely thank you!

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VIETNAM HERBS AND FOODS JOINT STOCK COMPANY



CHỦ TỊCH HĐQT
Bùi Tiến Vinh

