

**VIETNAM HERBS AND FOODS JOINT
STOCK COMPANY**

No.: 2804/2025/CVGTR-VHE

(Re: Explanation of changes in net profit after tax

Quarter 1/2025 of separated 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	145,632,103,591	65,929,295,092	79,702,808,499	120.89
2	Profit after corporate income tax	1,145,076,340	377,555,486	767,520,854	203.28

- Profit after corporate income tax in Q1 2025 increased by 203.28% compared to Q1 2024 due to:

+ Net revenue increased sharply by 120.89% compared to the same period last year, in which revenue from agricultural products increased by 79.77 billion, equivalent to 122.24%, OEM revenue increased by 44.5 million, equivalent to 37.09%. Due to the market demand continuing to maintain positive growth momentum, the Company proactively reserves large sources of goods, ensuring quality, thus maintaining a stable supply chain, increasing prestige, and dominating the market. In addition, favorable trade policies and the international logistics and transportation system have recovered and become more stable, contributing to promoting industry growth. Herbal drink revenue decreased by 116.9 million, equivalent to 21.24%, because the Company determined that the agricultural product segment has great opportunities in terms of market and profit, so it should allocate more resources to this field, prioritize developing potential segments to create a strong financial foundation before returning to invest more deeply in the herbal drink industry in the next phase.

+ Selling expenses in Q1/2025 decreased by 42.03% compared to Q1/2024 due to a decrease in direct export revenue, resulting in a decrease in logistics costs, and business management expenses increased by 22.52% compared to the same period last year due to additional investment in management personnel costs to match the scale of the Company. In addition,

financial expenses increased by 64.3% due to the company increasing bank loans to supplement financial resources for production development and business expansion activities.

Thus, the strong increase in revenue is the main reason for the sharp increase in profit after corporate income tax of VND 767.5 million, equivalent to 203.28% compared to the same period last year.

Sincerely thank you!

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- As above;
- Save: archives

VIETNAM HERBS AND FOODS JOINT STOCK COMPANY



CHỦ TỊCH HĐQT
Bùi Tiến Vinh