

**VIETNAM HERBS AND FOODS
JOINT STOCK COMPANY**

No. ~~2907/HN~~ 2025/CVGT-VHE

(Regarding: Explanation of fluctuations in Net
Profit After Tax Q2/2025 consolidated report)

SOCIALIST REPUBLIC OF VIETNAM

Independence – Liberty - Happiness

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Hanoi, ~~20/10~~ 7/2025

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

Company Name: Vietnam Herbs and Foods Joint Stock Company

Stock Code: VHE

Head Office Address: No. 277 Van Xuan Street, Ha Mo Commune, Dan Phuong
District, Hanoi City, now No. 277 Van Xuan Street, O Dien Commune, 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 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 changed by 10% or more compared to the
same period last year.

No	Indicator	Q2/2025 (VND)	Q2/2024 (VND)	Difference	
				Absolute Amount - (VND)	Rate (%)
1	Net Revenue	212,820,405,760	163,673,224,583	49,147,181,177	30.03
2	Net profit after corporate income tax	11,381,890,405	1,047,630,877	10,334,259,528	986.44



- Net profit after corporate income tax for Q2 2025 increased by 986.44% compared
to Q2 2024 due to:

+ Net revenue significantly increased by 30.03% compared to the same period last
year. This is a substantial growth rate, demonstrating effective market exploitation
and well-utilized business opportunities, especially in the agricultural product
segment. Specifically, agricultural product revenue increased by 49.32 billion VND,
equivalent to 30.38%. Due to fluctuations in global agricultural product market
prices, the Company, with its large warehouse capacity, was able to take advantage
of opportunities to stock goods when prices were low and sell them when prices
were high. Revenue from herbal drinks decreased by 245 million VND, equivalent
to 19.17%. This was due to the government's campaign to purify the market of
unsafe food products, which affected consumer psychology and led to caution in
purchasing, even for quality-standard products.

+ Selling expenses in Q2/2025 slightly decreased by 1.88% compared to Q2/2024 because the Company prioritized risk management and continued to prioritize selling to domestic enterprises. Direct agricultural product export revenue maintained a certain level, so logistics costs for direct exports did not fluctuate significantly. General and administrative expenses slightly decreased by 10.76% as office machinery reached the end of its useful life. Financial expenses increased by 139.27% as the Company accessed new loan packages from banks to supplement working capital for production and business activities.

Thus, the increase in revenue is due to the Company's strategic approach and favorable conditions, allowing it to effectively leverage market growth opportunities, resulting in better profit margins. The revenue increase, with a higher growth rate than the cost of goods sold, coupled with insignificant changes in selling expenses, general and administrative expenses, and financial expenses, led to a Net profit after corporate income tax increase of 10.33 billion VND, equivalent to 986.44% compared to the same period last year.

Sincerely,

VIETNAM HERBS AND FOODS JOINT STOCK COMPANY

Recipients: .

* As above;

* save: VT



CHỦ TỊCH HĐQT

Bùi Tiến Vinh

