

**VIETNAM HERBS AND FOODS
JOINT STOCK COMPANY**

No.: 2108 /2025/CVGTR-VHE

(Regarding: Explanation of fluctuations in Net
Profit After Tax Semi-annual 2025 Seperate report)

SOCIALIST REPUBLIC OF VIETNAM

Independence – Liberty - Happiness

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Hanoi, 21/08 /, 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. Net profit after corporate income tax changed by 10% or more compared to the same
period last year.

No	Indicator	First 6 months of 2025 (VND)	First 6 months of 2024 (VND)	Difference	
				Absolute Amount - (VND)	Rate (%)
1	Net Revenue	342,777,009,351	220,420,929,675	122,356,079,676	55.51
2	Net profit after corporate income tax	12,235,143,344	813,721,599	11,421,421,745	1,403.6

- Net profit after corporate income tax for First 6 months of 2025 increased by 1,403.6%
compared to First 6 months of 2024 due to:

+ Net revenue sharply increased by 55.51% compared to the same period last year. This
is a significant growth rate, demonstrating effective market exploitation and well-utilized
business opportunities, especially in the agricultural product segment. Specifically,
agricultural product revenue increased by 122.6 billion VND, equivalent to 56.13%. Due
to rising global agricultural product market prices, the Company, with its large warehouse
capacity, was able to seize opportunities to stock goods when prices were low and sell
them when prices were high. Revenue from herbal drinks decreased by 362.47 million
VND, equivalent to 19.79%. This was due to the government's campaign to cleanse the
market of unsafe food products, which affected consumer psychology and led to caution
in purchasing, even for quality-standard products.

+ Selling expenses in First 6 months of 2025 slightly decreased by 24.26% compared to
First 6 months of 2024 because the Company prioritized risk management and continued



to prioritize sales 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 0.83% as office machinery reached the end of its useful life. Financial expenses increased by 100.22% as the Company secured new loan packages from banks to supplement working capital for production and business activities.

As a result, the increase in revenue is attributable to the Company's strategic approach and favorable conditions, allowing it to effectively leverage market growth opportunities for better profit margins. The revenue increase, with a higher growth rate than the cost of goods sold, combined with insignificant changes in selling expenses, general and administrative expenses, and financial expenses, led to a Net profit after corporate income tax increase of 11.42 billion VND, equivalent to 1,403.6% compared to the same period last year.

Sincerely,

Recipients:

* *As above;*

* *Save: VT*

VIETNAM HERBS AND FOODS JOINT STOCK COMPANY



CHỦ TỊCH HĐQT

Bùi Tiến Vinh

