

**LAP PHUONG THANH PRODUCTION AND
TRADING JOINT STOCK COMPANY**

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THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

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No.: 5 /2026/LPT

Re: Explanation relating to the audited financial
statements for the year 2025

Hai Phong, March...3., 2026

To:
- The State Securities Commission
- The Hanoi Stock Exchange

Lap Phuong Thanh Production and Trading Joint Stock Company (Stock code: LPT) would like to extend our respectful greetings to your esteemed organization.

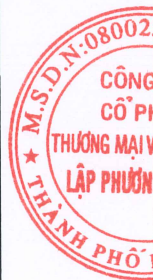
Our company would like to provide explanation relating to the audited financial statements for the year 2025 as follows:

1. Explanation of the difference in profit after tax between 2025 and 2024:

Indicators	Year 2025 (VND)	Year 2024 (VND)	Increase/ Decrease	
			Value (VND)	%
Revenue	316.772.760.525	372.057.657.207	-55.284.896.682	-14,86%
Cost of goods sold	298.148.691.853	343.269.919.211	-45.121.227.358	-13,14%
Gross profit	18.624.068.672	28.787.737.996	-10.163.669.324	-35,31%
Profit before tax	10.422.547.648	17.783.712.927	-7.361.165.279	-41,39%
Profit after tax	9.111.849.803	14.163.706.074	-5.051.856.271	-35,67%

Profit after tax in 2025 decreased compared to the same period of the previous year, mainly due to the following reasons:

- Trading activities: Due to unfavorable general economic conditions, market demand for plastic products declined, while intense price competition led to a decrease in revenue from this segment compared to the same period of the previous year, resulting in profit falling short of expectations.
- Driving training and testing activities:
 - + Due to the impact of Typhoon No. 3 at the end of 2024, the Company had to temporarily suspend the opening of new training courses to carry out repairs and post-storm remediation. Consequently, the number of graduating trainees decreased, leading to a decline in revenue and profit in 2025.
 - + From March 1, 2025, the responsibility for managing driving tests and issuing driving licenses was transferred from the Ministry of Transport to the Ministry of Public Security. This transfer directly affected the Company's driver testing activities; accordingly, the Company suspended testing from March 1, 2025 to April 22, 2025 to allow the Public Security authorities to take over operations and conduct examiner training.
 - + In compliance with QCVN 40:2024/BGTVT and Decree No. 160/2024/ND-CP, the Company suspended testing activities to upgrade and repair the testing facilities from July 1, 2025 to July 29, 2025.



+ From July 1, 2025, the 2024 Value-Added Tax Law came into effect, under which driver training activities changed from VAT-exempt to VAT-taxable. This change had a significant adverse impact on revenue and profit from driver training activities during the period.

2. Profit after tax shows a variance of 5% or more between the pre-audit and post-audit figures, or changes from a loss to a profit or vice versa: None

3. Auditor's opinion: Full acceptance

Above is the explanation provided by our company regarding the audited financial statements for the year 2025, audited by Vietnam Nhan Tam Auditing Company Limited. Lap Phuong Thanh Production and Trading Joint Stock Company respectfully reports to the State Securities Commission and the Hanoi Stock Exchange.

Recipients:

- *As above;*
- *For filing..*

GENERAL DIRECTOR



TỔNG GIÁM ĐỐC
Phạm Văn Tạo

