

**CHUONG DUONG BEVERAGES JSC****SOCIALIST REPUBLIC OF VIETNAM**  
**Independence-Freedom-Happiness**

*No: 13 /CV-CD*  
*Re: Explanation Audited Financial Statements*  
*the year 2025*

*Ho Chi Minh City, April 6th, 2026*

**Respectfully to:**      - **The State Securities Commission**  
                                     - **Ha Noi City Stock Exchange**

Organization name    : Chuong Duong Beverages Joint Stock Company  
Security symbol        : SCD  
Address                 : 606 Vo Van Kiet, Cau Ong Lanh Ward, Ho Chi Minh City

Pursuant to Circular No. 96/2020/TT-BTC dated 16 Nov, 2020 of the Ministry of the audited Financial Statements year 2025, Chuong Duong beverages Joint Stock Company (Stock code: SCD) would like to provide information and explanations as follows:

Currency: VND

Items	YEAR		(±) Increase/ Decrease	Percent (%)
	Year 2025	Year 2024		
A	1	2	3= (1-2)	4 = (3/2)
<b>1. Revenue from sales of goods and provision of services</b>	<b>166,812,395,373</b>	<b>190,960,239,369</b>	<b>(24,147,843,996)</b>	<b>-12.65%</b>
2. Revenue deductions	6,381,714,643	7,681,891,554	(1,300,176,911)	-16.93%
<b>3. Net revenue</b>	<b>160,430,680,730</b>	<b>183,278,347,815</b>	<b>(22,847,667,085)</b>	<b>-12.47%</b>
4. Cost of goods sold and services provided	119,022,332,926	132,982,602,008	(13,960,269,082)	-10.50%
<b>5. Gross profit</b>	<b>41,408,347,804</b>	<b>50,295,745,807</b>	<b>(8,887,398,003)</b>	<b>-17.67%</b>
6. Financial Income	1,879,920,966	2,994,014,832	(1,114,093,866)	-37.21%
7. Financial expense	43,341,305,744	40,530,053,743	2,811,252,001	6.94%
<i>In which Interest expense</i>	43,314,870,689	40,520,889,937	2,793,980,752	6.90%
8. Selling expenses	52,713,898,621	49,936,055,948	2,777,842,673	5.56%
9. General and administration expenses	20,833,339,498	21,653,295,474	(819,955,976)	-3.79%
<b>10. Net operating profit</b>	<b>(73,600,275,093)</b>	<b>(58,829,644,526)</b>	<b>(14,770,630,567)</b>	<b>-25.11%</b>

11. Other Income	596,509,841	2,790,281,219	(2,193,771,378)	-78.62%
12. Other expenses	8,194,905,825	10,630,130,387	(2,435,224,562)	-22.91%
<b>13. Results of other activities</b>	<b>(7,598,395,984)</b>	<b>(7,839,849,168)</b>	<b>241,453,184</b>	<b>3.08%</b>
<b>14. Accounting profit before tax</b>	<b>(81,198,671,077)</b>	<b>(66,669,493,694)</b>	<b>(14,529,177,383)</b>	<b>-21.79%</b>
15. Income tax expense - current				
16. Income tax expense (benefit)-deferred	(836,986,583)	(1,084,751,607)	247,765,024	22.84%
<b>17. Net Profit after tax</b>	<b>(80,361,684,494)</b>	<b>(65,584,742,087)</b>	<b>(14,776,942,407)</b>	<b>-22.53%</b>

CDBECO's business results in 2025 were affected by several key factors.

The warehouse leasing segment recorded positive performance, with an occupancy rate reaching 99% due to long-term lease contracts, contributing stable revenue toward the end of the year.

However, the beverage business segment experienced a decline in sales volume of approximately 15% compared to the same period last year. This decrease was mainly due to difficulties in market expansion in the Mekong Delta and Southeast regions, resulting from a shortage of key personnel during the Company's restructuring process. Lower sales volume led to higher unit production costs as production did not reach optimal capacity. In addition, increased promotion and discount expenses from the expansion of the modern trade (MT) channel negatively affected profitability. Consequently, gross profit decreased by 17.67%.

Selling expenses increased by 5.56%, primarily due to higher land rental expenses in 2025, which rose by VND 13.5 billion (+44%) compared to the previous year. This increase was partially offset by the Government's land rental reduction policy under Decree No. 230; however, the reduction in 2025 was lower than in 2024. Meanwhile, administrative expenses decreased by 3.8% as a result of cost optimization measures.

Financial expenses increased by 6.9%, mainly due to higher interest expenses in 2025, as unpaid interest from 2024 was capitalized into loan principal.

The Company is currently implementing restructuring measures to improve operational efficiency, enhance cash flows, and optimize the utilization of assets and resources.

Our company would like to enclose audited Financial Statements of year 2025.

Respectfully report to State Securities Commission of Viet Nam, Ha Noi City Stock Exchange.

**Recipients:**

- As above

- Accounting Dept. archive

**DIRECTOR**



**NGUYEN THUY PHUONG**