

**SAIGON PLANT PROTECTION
JOINT STOCK COMPANY**

**THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness**

No **352**CBTT-SPC
Re: *Explanation of profit after tax
fluctuations Q2.2026*

Ho Chi Minh City, July 3.0., 2026

To: Hanoi Stock Exchange

According to the provisions of Circular No. 96/2020/TT-BTC dated 26/11/2020, issued by the Ministry of Finance, which provides guidelines on information disclosure in the stock market. Saigon Plant Protection Joint Stock Company (Securities code: SPC) hereby explains the fluctuations in the profit after tax indicator for Quarter 2 of 2026:

Unit: VND

Items	Quarter 2 Year 2026	Quarter 2 Year 2025	Difference between 2026 and 2025	
(1)	(2)	(3)	(4) = (2)-(3)	(5) = (4)/(3)
1. SEPARATE FINANCIAL STATEMENTS				
Net revenue	112,944,567,148	121,309,817,059	-8,365,249,911	-6.90%
Cost of goods sold	86,841,864,132	91,728,411,679	-4,886,547,547	-5.33%
Gross profit	26,102,703,016	29,581,405,380	-3,478,702,364	-11.76%
Financial income	572,525,183	4,023,919,165	-3,451,393,982	-85.77%
Financial expense	2,006,570,623	8,262,893,971	-6,256,323,348	-75.72%
Selling expense	13,916,423,133	9,518,927,633	4,397,495,500	46.20%
G&A expense	5,857,735,409	8,570,212,840	-2,712,477,431	-31.65%
Profit before tax	6,100,257,251	7,275,992,130	-1,175,734,879	-16.16%
Profit after tax	6,100,257,251	6,989,440,660	-889,183,409	-12.72%
2. CONSOLIDATED FINANCIAL STATEMENTS				
Net revenue	282,442,667,381	283,663,826,846	-1,221,159,465	-0.43%
Cost of goods sold	223,787,849,290	220,768,586,795	3,019,262,495	1.37%
Gross profit	58,654,818,091	62,895,240,051	-4,240,421,960	-6.74%
Financial income	1,308,246,360	3,737,299,163	-2,429,052,803	-64.99%
Financial expense	9,715,554,774	19,951,423,531	-10,235,868,757	-51.30%
Selling expense	26,518,520,704	24,135,359,042	2,383,161,662	9.87%
G&A expense	7,804,903,216	9,449,110,211	-1,644,206,995	-17.40%
Profit before tax	17,575,168,128	12,387,082,849	5,188,085,279	41.88%
Profit after tax	16,132,310,870	10,107,643,610	6,024,667,260	59.61%



✚ The parent company's profit after tax for the Quarter 2 of 2026 decreased by 12.72% (equivalent to VND 0.9 billion) compared with the same period last year. The decrease was primarily attributable to a significant increase in selling expenses, which rose from VND 9.5 billion in the second quarter of 2025 to VND 13.9 billion in the second quarter of 2026 (an increase of 46.2%). In addition, net revenue declined by 6.90% (equivalent to VND 8.4 billion), adversely affecting the Company's gross profit.

- Revenue did not meet expectations due to the combined impacts of climatic conditions and the domestic and global economic environment. Northern Vietnam experienced increasingly severe weather fluctuations, ranging from prolonged cold spells and unseasonal rainfall at the beginning of the year to extreme heat during the summer. At the same time, the Mekong Delta continued to face serious risks of water shortages and saltwater intrusion. In addition, ongoing geopolitical conflicts and developments in the global financial markets continued to disrupt supply chains and transportation, resulting in persistent volatility in raw material prices. These factors prompted distributors to shift their purchasing strategies from inventory stockpiling to prioritizing inventory clearance due to concerns over high procurement costs and weakening market demand, thereby affecting the Company's sales plans and overall sales performance.

- To strengthen sales activities and enhance the recognition of the SPC brand in the Vietnamese market, the Company increased expenditures on brand promotion and marketing through conferences, seminars, and the repair and upgrading of infrastructure. Personnel expenses for the sales force also increased as the Company revised its remuneration policies and performance-based incentive programs to improve sales effectiveness.

✚ The consolidated profit after tax for Quarter 2 of 2026 increased by 59.61% (equivalent to VND 6.0 billion) compared with the same period last year, mainly due to significant reductions in finance costs and general and administrative expenses. Specifically, finance costs decreased by 51.30% and general and administrative expenses declined by 17.40%, representing reductions of VND 10.2 billion and VND 1.6 billion, respectively.

- Finance costs improved as the Company reduced the proportion of short-term borrowings and finance lease liabilities and fully repaid its long-term borrowings, thereby

lowering interest expenses and debt servicing pressure. In addition, the Company adjusted its sales and procurement policies in line with business conditions and the raw material procurement plans of its domestic and overseas branches, contributing to lower settlement discounts and interest expenses on deferred payment purchases. Furthermore, exchange rates remained relatively stable during the first six months of 2026, supported by the monetary policies implemented by the State Bank of Vietnam. The Company also continuously monitored developments in domestic and international financial markets to proactively manage its financial items, thereby mitigating foreign exchange losses and enhancing the effectiveness of finance cost management.

- General and administrative expenses decreased mainly because the Company reversed the allowance for doubtful receivables after certain customers fulfilled their payment commitments under scheduled debt recovery arrangements, thereby reducing the risk of uncollectible receivables. Following a review and assessment of the recoverability of receivables as of June 30, 2026, the Company determined that the required allowance was lower than that at the beginning of the period and accordingly reversed the allowance in accordance with the prevailing regulations.

The above represents the Company's full explanation of changes in corporate profit after tax for Quarter 2 of 2026. *th*

Recipients:

- As above;
- BOD & SB
- File Archive: F&A Dept.

CHIEF EXECUTIVE OFFICER *m*



Dieu Quang Trung