

**BAF VIETNAM AGRICULTURE  
JOINT STOCK COMPANY**

No: 30.01/BAF-CV

**SOCIALIST REPUBLIC OF VIETNAM**

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*Hanoi, 30 January 2026*

Re: Explanation of the difference in profit  
after tax on the combined financial  
statements for Quarter IV 2025 compared  
to the same period in 2024

**To:**

- State Securities Commission
- Ho Chi Minh City Stock Exchange
- Hanoi Stock Exchange

BAF Vietnam Agriculture Joint Stock Company would like to provide an explanation regarding the difference in Profit After Tax in the Combined Financial Statements for Q4 2025 compared to the same period in 2024 as follows:

In the Combined Financial Statements for QIV 2025 of the Company:

Indicator	2025 (VND)	2024 (VND)	Increase (Decrease) Difference	
			VND	%
Pre-tax Profit Quarter IV	(46,064,455,676)	111,804,074,437	(157,868,530,113)	-141%
Accumulated Net Pre-tax Profit for 12 Months	66,290,562,570	429,805,270,364	(363,514,707,794)	-85%
Profit After Tax Quarter IV	(39,104,314,584)	88,537,386,291	(127,641,700,875)	-144%
Accumulated Net Profit After Tax for 12 Months	67,435,082,508	355,071,676,816	(287,636,594,308)	-81%

Net profit after tax for FY2025 and Q4/2025 declined year-on-year compared to 2024 due to the following key factors:

- Live hog prices declined sharply during October–November 2025, falling to a trough of approximately VND 45,000–46,000/kg, due to the combined impact of disease outbreaks (ASF) and widespread adverse weather conditions. This significantly compressed gross profit margins.
- Production costs increased markedly in Q4, including expenses related to disease prevention, environmental treatment, and additional operating costs arising from unfavorable weather conditions. As a result, average production costs rose while selling prices declined.
- The commissioning of multiple new farms throughout 2025 led to a rapid increase in fixed costs (labor, utilities, depreciation, and initial operating expenses), while operational efficiency had not yet reached optimal levels during the early stages. Consequently, gross

· margins did not fully reflect the system's long-term potential, and short-term pressure was exerted on cash flows and financial indicators in Q4/2025. However, as output ramps up and operations stabilize in 2026, unit costs are expected to decline significantly, thereby supporting margin and profit improvement.

Above is the additional explanation from BAF Vietnam Agriculture Joint Stock Company.

Thank you sincerely./.

**Recipients:**

- *As above*
- *Archived at Accounting Department,  
Administrative Department.*



**General Director**

**Bui Huong Giang**

