

No.: 2026/2107/LOFHN

Ho Chi Minh City, July 21, 2026

EXPLANATION LETTER

*Re: Fluctuation of profit after tax in the Consolidated Financial
Statements for Q2 2026*

**To: – The State Securities Commission of Vietnam
– The Hanoi Stock Exchange (HNX)**

Company name: **Lof International Dairy Joint Stock Company**

Tax code: 0500463609

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- Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the securities market;
- Based on the figures of the Consolidated Financial Statements for Q2 2026,

Lof International Dairy Joint Stock Company would like to explain the fluctuations of certain items in the Income Statement compared with the same period of 2025, specifically a variance in profit after tax of more than 10% in the reporting period, as follows:

1. Consolidated Income Statement figures

Unit: VND

No.	Item	Q2/2026	Q2/2025	YTD 2026	YTD 2025
1	Net revenue	2,077,381,552,714	2,112,736,071,964	3,978,388,218,230	3,944,389,901,524
2	Cost of goods sold	1,241,769,253,669	1,339,527,941,041	2,392,181,389,197	2,448,346,050,333
3	Financial income	48,263,046,034	48,164,480,498	86,499,222,325	91,690,571,094
4	Financial expenses	52,800,672,917	31,777,285,947	97,691,316,316	67,647,764,161
5	Selling expenses	499,182,030,282	757,791,281,121	891,128,527,470	1,269,590,644,338
6	General and administrative expenses	65,511,031,737	80,940,987,349	117,200,900,491	159,973,114,235
7	Accounting profit after tax	225,788,540,936	(36,213,963,945)	469,872,835,654	70,938,806,160

2. Variance analysis: Q2/2026 vs. Q2/2025

Unit: VND billion

Item	Q2/2026	Q2/2025	Change	% Change
Net revenue	2,077.4	2,112.7	(35.4)	-1.67%
Cost of goods sold	1,241.8	1,339.5	(97.8)	-7.30%
Gross profit	835.6	773.2	+62.4	+8.07%
Financial income	48.3	48.2	+0.1	+0.20%
Financial expenses	52.8	31.8	+21.0	+66.16%
Selling expenses	499.2	757.8	(258.6)	-34.13%
General and administrative expenses	65.5	80.9	(15.4)	-19.06%
Profit after tax	225.8	(36.2)	+262.0	

Profit after tax for Q2/2026 reached VND 225.8 billion, compared with a loss of VND 36.2 billion in the same period last year, an improvement of VND 262.0 billion. This result was driven mainly by cost-of-goods optimization and operating expense reductions rather than revenue growth, specifically:

- **Net revenue** decreased by VND 35.4 billion (-1.67%), while **cost of goods sold** fell more sharply by VND 97.8 billion (-7.30%), lifting gross profit by VND 62.4 billion and improving the gross profit margin from 36.60% to 40.22%;
- **Financial income** was almost unchanged (+VND 0.1 billion, or +0.20%); **financial expenses** increased by VND 21.0 billion (+66.16%), partly offsetting the improvement;
- The decisive factor was **selling expenses**, which dropped sharply by VND 258.6 billion (-34.13%), and **general and administrative expenses**, which decreased by VND 15.4 billion (-19.06%); total savings of approximately VND 274.0 billion, exceeding the improvement in profit after tax.

By this letter, Lof International Dairy Joint Stock Company respectfully submits its explanation to the State Securities Commission of Vietnam and the Hanoi Stock Exchange regarding the fluctuation of profit after tax in the Consolidated Financial Statements for Q2 2026 compared with the same period last year.

Respectfully./.

Recipients:

- As addressed above;
- Filed at the Company.

LOF INTERNATIONAL DAIRY
JOINT STOCK COMPANY



CHIEF EXECUTIVE OFFICER
Đoàn Hữu Nguyên