

**LAM THAO FERTILIZERS AND
CHEMICALS JOINT STOCK COMPANY**

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No.: *702* /SPLT-TCKT

Re Explanation for the decrease in profit after
tax compared with the same period last year.

Phu Tho, July 16, 2026

To:

- State Securities Commission of Vietnam;
- Hanoi Stock Exchange;
- Shareholders.

Lam Thao Fertilizers and Chemicals Joint Stock Company;

Stock ticker: LAS;

Lam Thao Fertilizers and Chemicals Joint Stock Company has prepared
its Financial Statements for the second quarter of 2026, with the following key
financial figures:



Item	Q2 2026	Q2 2025	Change	
			±	%
Profit after tax	6.869.236.885	51.279.541.808	(44.410.307.923)	13,4
Gross profit from sales	79.895.261.604	158.586.579.381	(78.691.317.777)	50,4
Other income	1.250.414.916	2.304.370.868	(1.053.955.952)	54,3
Net revenue	530.805.513.153	1.081.919.450.190	(551.113.937.037)	49,1
Cost of goods sold	450.910.251.549	923.332.870.809	(472.422.619.260)	48,8
Financial income	4.287.872.267	12.126.949.073	(7.839.076.806)	35,4
Finance costs	12.370.511.652	6.026.017.824	6,344,493,828	205,3
Selling expenses	20.539.597.212	42.190.310.272	(21.650.713.060)	48,7
General and administrative expenses	43.912.143.817	59.244.530.216	(15.332.386.399)	74,1

- According to the Q2 2026 Financial Statements, the Company's profit after tax for the quarter decreased by VND 44,4 billion to 13,4% of the level recorded in the corresponding period of 2025. Lam Thao Fertilizers and Chemicals Joint Stock Company hereby submits the following explanation to the State Securities Commission of Vietnam, the Hanoi Stock Exchange, and the Company's shareholders:

+ Regarding gross profit from sales: During the quarter, geopolitical developments remained complex, resulting in continued uncertainty in the domestic fertilizer market. In addition, low agricultural commodity prices, the reduction in agricultural land, and weak market demand adversely affected fertilizer consumption. In response, the Company's management adopted a flexible pricing strategy by indirectly reducing selling prices. However, distributors remained cautious about building inventory, leading to a decrease in fertilizer sales volume of 97.167 tonnes, or 41,8%, compared with the same period last year. Consequently, net revenue declined by VND 551 billion, or 49,1%, resulting in a decrease in gross profit from sales of VND 78,9 billion compared with Q2 2025.

+ Regarding expenses: Higher bank interest rates during the quarter caused finance costs to increase by VND 6,3 billion. At the same time, the Company maintained a lower level of surplus cash on deposit, resulting in a decrease in financial income of VND 7,8 billion. As a result, net financial performance declined by VND 14,1 billion compared with the corresponding period last year. Selling expenses decreased by VND 21,5 billion due to the lower fertilizer sales volume. General and administrative expenses decreased by VND 15,3 billion as the Company reduced discretionary expenditures, including repair and maintenance costs and office equipment purchases. Taking into account the above increases and decreases in revenue and expenses, the Company's profit after tax for the quarter decreased by VND 44,4 billion compared with Q2 2025.

The above constitutes the Company's explanation of the principal factors affecting the change in profit for Q2 2026 compared with Q2 2025. Lam Thao Fertilizers and Chemicals Joint Stock Company respectfully submits this explanation to the State Securities Commission of Vietnam, the Hanoi Stock Exchange, and the Company's shareholders./.

Recipients:

- As above;
- Filed with: Office,
Finance and Accounting
Department.



GENERAL DIRECTOR

Phạm Thanh Tung