

**LOF INTERNATIONAL DAIRY
PRODUCTS JOINT STOCK
COMPANY**

Ref. No.: 2026/2808B/LOF

**SOCIALIST REPUBLIC OF VIET NAM
Independence - Freedom - Happiness**

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Ho Chi Minh City, August 28, 2026

EXPLANATION LETTER

Differences in the Semi-annual 2026 Financial Statements before and after audit
(English translation – for reference only)

**To: – The State Securities Commission
– The Hanoi Stock Exchange**

Lof International Dairy Products Joint Stock Company (Ticker symbol: IDP) would like to extend its respectful greetings to the State Securities Commission and the Stock Exchange.

Pursuant to Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding information disclosure on the securities market, IDP Joint Stock Company would like to explain the differences between the figures of the Semi-annual 2026 Financial Statements before and after the audit as follows:

No.	Items	Before audit (VND)	After audit (VND)	Difference (VND)	Change (%)
1	Net revenue from sale of goods and rendering of services	3,943,363,301,200	3,943,363,301,200	0	0.00%
2	Cost of goods sold	2,394,379,799,764	2,394,379,799,764	0	0.00%
3	Gross profit from sale of goods and rendering of services	1,548,983,501,436	1,548,983,501,436	0	0.00%
4	Financial income	103,940,942,467	91,615,413,217	(12,325,529,250)	-11.86%
5	Financial expenses	100,272,868,576	104,380,764,461	4,107,895,885	4.10%
6	Selling expenses	837,371,082,842	837,371,082,842	0	0.00%
7	General and administrative expenses	105,099,170,473	105,099,170,473	0	0.00%
8	Total accounting profit before tax	616,298,821,897	599,865,396,762	(16,433,425,135)	-2.67%
9	Current corporate income tax expense	73,395,721,963	73,395,721,963	0	0.00%
10	Deferred corporate income tax expense	(2,686,575,843)	(734,586,371)	1,951,989,472	-72.66%
11	Profit after corporate income tax	545,589,675,777	527,204,261,170	(18,385,414,607)	-3.37%



Reasons for the differences in profit after tax following the audit:

1. Regarding Revenue / Other income:

- Net revenue from sale of goods and rendering of services remained unchanged after the audit; other income and other expenses changed only due to offsetting presentation, with no impact on profit. The only material difference relates to Financial income: the auditor excluded the dividend received from Ho Toan Joint Stock Company amounting to VND 16,433,425,135 from financial income, reducing accounting profit before tax correspondingly, as detailed below:

- Pursuant to Proposal No. 07/2026/TTr.HĐQT-HT dated 22/01/2026, the Minutes of the General Meeting of Shareholders No. 06.02.26/BBH.ĐHĐCĐ.HT and the Resolution of the Annual General Meeting of Shareholders No. 06.02.26/NQ.ĐHĐCĐ.HT dated 06/02/2026 of Ho Toan Joint Stock Company, the dividend declared for 2026 was VND 42,000,000,000, distributed from the undistributed after-tax profits of 2024 and 2025. The Company contributed capital and became a shareholder holding 51.06% of the charter capital of Ho Toan Joint Stock Company from 01/10/2025 (per Shareholder Register No. 01.10.25/SĐKCĐ/HT dated 01/10/2025). As the dividend source includes profits generated both before and after the investment date, the dividend received was allocated as at 30/09/2025 as follows: (i) the portion distributed from profits accumulated up to 30/09/2025 (before the investment date) was VND 32,182,124,222, of which the Company's entitlement based on its ownership ratio was VND 16,433,425,135; (ii) the portion distributed from profits arising after 30/09/2025 was VND 9,817,875,778, of which the Company's entitlement was VND 5,013,383,376. Under the Corporate Accounting Regime promulgated together with Circular No. 99/2025/TT-BTC dated 27/10/2025 of the Ministry of Finance (applied by the Company from 01/01/2026), dividends and distributed profits attributable to the period before the investment date are not recognized as financial income but are recorded as a reduction in the carrying value of the investment. Accordingly, after the audit, financial income was adjusted down by VND 16,433,425,135, retaining only the dividend of VND 5,013,383,376 distributed from profits arising after the investment date.

- In addition, the auditor made certain presentation adjustments with no impact on profit: gross-basis re-presentation increased financial income and financial expenses by VND 4,107,895,885 each; offsetting presentation reduced other income and other expenses by VND 5,424,031,548 each.



2. Regarding Cost of goods sold and Operating expenses:

- Cost of goods sold (VND 2,394,379,799,764), selling expenses (VND 837,371,082,842) and general and administrative expenses (VND 105,099,170,473) remained unchanged after the audit; gross profit from sale of goods and rendering of services remained at VND 1,548,983,501,436.

3. Regarding Corporate income tax (CIT) expense:

- Current CIT expense remained unchanged (VND 73,395,721,963). Deferred CIT income decreased by VND 1,951,989,472 (from VND 2,686,575,843 to VND 734,586,371) as the auditor recalculated deferred income tax assets based on the balances of accrued expenses at the end of the accounting period, thereby reducing profit after tax by VND 1,951,989,472.

Conclusion: As a combined result of the above reasons, the Company's profit after tax following the audit decreased by VND 18,385,414,607 (equivalent to 3.37%) compared with the self-prepared report.

Lof International Dairy Products Joint Stock Company hereby affirms that the above explanations are true and accurate, and takes full legal responsibility for the content of this information disclosure.

Respectfully./.

Recipients:

- As above;
- Supervisory Board;
- Archives: Admin., Accounting.

LOF INTERNATIONAL DAIRY PRODUCTS
JSC

(Signature, full name and seal)



CHIEF EXECUTIVE OFFICER

Đoàn Hữu Nguyên

