

CONSTRUCTION - MECHANICAL
AND FOODSTUFF JOINT STOCK COMPANY
(MECOFOOD)

No.: 150/CV-MCF-TCHC

Re: Explanation of the 31,57% decrease in Q3 2026 profit
compared to Q3 2025

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

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Tay Ninh, October 20, 2026

**To: - The State Securities Commission of Vietnam
- Hanoi Stock Exchange**

Based on the business results achieved in Q3 2026, specifically through the following key metrics:

Unit: VND

Items	Q3/2026	Q3/2025	Variance (26/25)
Net revenue	248.926.050.489	125.390.962.097	98,52%
Profit before tax	1.586.325.575	2.619.344.425	-39,44%
Profit after tax	1.424.381.681	2.081.622.695	-31,57%

Construction - Mechanical and Foodstuff Joint Stock Company - MECOFOOD (stock code: MCF) would like to provide an explanation regarding the 31,57% year-over-year decrease in Q3 2026 profit as follows:

a) Foodstuffs segment:

Regarding export foodstuffs: In Q3 2026, rice sales volume reached 8.331 tons, up 538,39% compared to Q3 2025. This was due to the company securing rice export contracts sourced from domestic suppliers in Q3 2026, resulting in a sudden surge in export volume. However, the profit generated from rice exports was minimal, while export expenses increased significantly, leading to low profitability for the rice export line in Q3 2026.

Regarding domestic foodstuffs: In Q3 2026, sales volume reached 6.309 tons, an increase of 16,57% compared to Q3 2025. Traditional clients continued to place regular orders with increased volumes. Furthermore, the company performed well in procurement; right from the beginning of 2026, the company closely tracked market movements to purchase raw rice at low prices, ensuring that processing and sales to customers were consistently profitable. This segment was the primary profit contributor for the company in Q3 2026.

b) Concrete – Building Materials segment:

For the concrete product line, sales volume in Q3 2026 reached 14.105 m³, up 49,81% compared to Q3 2025. Despite numerous difficulties in procuring sand and stone raw materials, the company overcame these challenges to secure an adequate supply for production, and market consumption for this segment was significantly more favorable than in Q3 2025. In Q3 2026, the concrete segment operated profitably, contributing to the overall corporate profit for the quarter.

c) Mechanical engineering segment:

For the mechanical engineering line, Q3 2026 sales revenue stood at 1.979 billion VND, down 67,54% compared to Q3 2025. The decline was attributable to current construction projects still being in the installation, testing, and commissioning phases without final inspection and settlement, resulting in low recognized revenue. In Q3 2026, the mechanical engineering segment underperformed, pulling down overall company profit compared to Q3 2025.

d) Packaging segment:

For the packaging line, Q3 2026 sales volume reached 1.044 million units, down 20,49% compared to Q3 2025. Traditional customers reduced orders due to challenges facing the rice export sector, and high plastic resin prices negatively affected margins. Consequently, the packaging



segment operated at an underperforming level in Q3 2026, contributing to the company's profit decline compared to Q3 2025.

Overall, out of the company's five business segments in Q3 2026, three underperformed: Rice Exports, Mechanical Engineering, and Packaging. These were the primary factors driving the 31,57% year-over-year decrease in Q3 2026 profit. Despite this drop, the company maintained profitability in Q3 2026 with a profit after tax of 1.424 billion VND. Cumulative profit before tax for the first 9 months of 2026 reached 15.429 billion VND, achieving 122,45% of the 2026 annual target. The specific metrics are shown in the table below:

Unit: Billion VND

No.	Product Line	Q3/2026	Q3/2025	Variance (26/25)
1	Mechanical Engineering			
	a/ Revenue	1,979	6,097	-67,54%
	b/ Cost of goods sold	1,529	4,937	-69,03%
	c/ Gross profit	0,45	1,159	-61,17%
	Gross profit margin (%)	22,74%	19,01%	19,62%
2	Export foodstuffs			
	a/ Volume (Tons)	8.331	1.305	538,39%
	b/ Revenue	141,241	29,351	381,21%
	c/ Cost of goods sold	127,397	25,543	398,76%
	d/ Gross profit	13,843	3,802	264,10%
	Gross profit margin (%)	9,8%	12,95%	-24,32%
3	Domestic foodstuffs			
	a/ Volume (Tons)	6.309	5.412	16,57%
	b/ Revenue	76,938	70,951	8,44%
	c/ Cost of goods sold	67,583	59,073	14,41%
	d/ Gross profit	7,355	11,879	-38,08%
	Gross profit margin (%)	9,56%	16,74%	-42,89%
4	Packaging			
	a/ Volume (Million units)	1,044	1,313	-20,49%
	b/ Revenue	5,42	5,331	1,67%
	c/ Cost of goods sold	4,632	4,904	-5,55%
	d/ Gross profit	0,788	0,427	84,54%
	Gross profit margin (%)	14,54%	8,01%	81,52%
5	Concrete – Building Materials			
	a/ Volume (m ³)	14.105	9.415	49,81%
	b/ Revenue	23,298	13,643	70,77%
	c/ Cost of goods sold	21,131	11,838	78,50%
	d/ Gross profit	2,167	1,804	20,12%
	Gross profit margin (%)	9,3%	13,22%	-29,65%

The above is the company's explanatory report regarding the year-over-year profit decline in Q3 2026 compared to Q3 2025.

Respectfully submitted./.

Recipients:

- As above
- Archived: Records



GENERAL DIRECTOR

LE TRUONG SON