

No: 171/2025/CV/AAH

V/v: *Explaining the difference in net profit after tax of 10% or more for the first six months of 2025 compared to the same period in 2024, based on the reviewed financial statements*

**To: - STATE SECURITIES COMMISSION
- HANOI STOCK EXCHANGE**

The Continued Joint Stock Company respectfully extends its greetings to the esteemed State Securities Commission and the esteemed Hanoi Stock Exchange.

Hop Nhat Joint Stock Company would like to explain the fluctuation of profit after corporate income tax of 10% or more in the Statement of Profit or Loss for the first six months of 2025 compared to the same period in 2024, based on the reviewed financial statements, specifically as follows:

- Net profit after tax for the first six months of 2024: 6,429,068,532 VND
- Net profit after tax for the first six months of 2025: 11,259,395,710 VND

The reasons for the difference are as follows:

No	Content	From January 1, 2024 to June 30, 2024 (VND)	From January 1, 2025 to June 30, 2025 (VND)	Difference	
				Value	Percentage
1	Revenue from sale of goods and rendering of services	392,425,100,452	491,496,938,294	99,071,837,842	25.25%
2	Cost of goods sold	371,553,029,765	466,242,874,909	94,689,845,144	25.48%
3	Financial income	3,247,974,043	264,851,086	-2,983,122,957	-91.85%
4	Financial expenses	1,281,828,418	3,326,897,259	2,045,068,841	159.54%
5	Selling expenses	2,291,397,320	1,715,921,870	-575,475,450	-25.11%
6	General and administrative expenses	6,692,598,272	5,810,107,479	-882,490,793	-13.19%
7	Profit from Operating Activities	13,854,220,720	14,592,509,763	738,289,043	5.33%
8	Other income	2,501,190,627	824,446,955	-1,676,743,672	-67.04%
9	Other expenses	6,655,260,546	1,038,314,944	-5,616,945,602	-84.40%
10	Total profit before tax	9,700,150,801	14,378,641,774	4,678,490,973	48.23%

- Revenue from the sale of goods and rendering of services rose by VND 99 billion, representing a 25.25% increase, primarily driven by a 47% growth in merchandise sales compared to the corresponding period.

- Cost of goods sold also increased by VND 94.69 billion, equivalent to 25.48%, attributable to the higher volume of goods sold.

- Borrowings and finance lease liabilities increased by 18%, which was one of the factors contributing to the rise in financial expenses. In addition, interest expenses and related fees from LC-based loans for the first six months of 2024 were recorded under General and Administrative Expenses instead of Financial Expenses.

- Selling expenses and general and administrative expenses decreased as other cash expenses were reduced by more than 50% compared to the same period last year.

- Profit from operating activities increased by VND 738 million, equivalent to 5.33% year-on-year, primarily driven by policies aimed at increasing revenue, reducing cost of goods sold, and cutting other expenses.

- Other income decreased as, in the first six months of 2025, environmental protection tax was directly recorded in revenue.

- Other expenses decreased by VND 5.6 billion, equivalent to 84.4% year-on-year, as the first six months of 2024 included significant late payment penalties for mining rights fees.

- Total profit before tax increased by VND 4.68 billion, equivalent to 48.23%, mainly due to higher revenue and reduced related expenses.

=> Net profit after tax for the first six months of 2025 increased by VND 4.83 billion, equivalent to 75.13%.

Continued Joint Stock Company would like to report for the attention of the esteemed Committee and Exchange,

Sincerely thank you!

Recipients:

- As dear;
- BOD, BOM, BOS (report);
- Information disclosure Website;
- Archive administrative,

Legal Representative
General Director



TỔNG GIÁM ĐỐC
Phạm Hữu Bảo