| | |
|---|---|
| **LOF INTERNATIONAL DAIRY JOINT STOCK COMPANY** | **SOCIALIST REPUBLIC OF VIETNAM**<br>**Independence – Freedom – Happiness** |
| No.: 2026/2808A/LOF | *Ho Chi Minh City, August 28, 2026* |

# EXPLANATION LETTER

*Re: Fluctuation of profit after tax in the Separate (Parent Company) Financial Statements for H1.2026*

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

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

Tax code: 0500463609

Address: Lot C-13A-CN, Road N16, Bau Bang Expanded Industrial Park, Long Hoa Commune, Ho Chi Minh City

- 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 Separate Financial Statements of the Parent Company for H1 2026,

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

## Income Statement figures – Parent Company

*Unit: VND billion*

| Item | H1.2026 | H1.2025 | Change | % Change |
|---|---|---|---|---|
| Net revenue | 3,943.4 | 3,929.8 | 13.5 | 0.34% |
| Cost of goods sold | 2,394.4 | 2,435.1 | (40.7) | -1.67% |
| **Gross profit** | 1,549.0 | 1,494.7 | 54.2 | 3.63% |
| Financial income | 91.6 | 91.3 | 0.3 | 0.29% |
| Financial expenses | 104.4 | 72.8 | 31.6 | 43.42% |
| Selling expenses | 837.4 | 1,255.4 | (418.1) | -33.30% |
| General and administrative expenses | 105.1 | 158.4 | (53.3) | -33.66% |
| **Profit after tax** | 527.2 | 80.9 | 446.3 | 551.31% |

Người ký: CÔNG TY CỔ PHẦN SỮA QUỐC TẾ LOF
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Profit after tax for the first half of 2026 reached VND 527.2 billion, an increase of VND 446.3 billion, equivalent to a 551.31% increase compared to VND 80.9 billion in the same period last year. This result was not driven by revenue growth, but primarily by cost of goods sold optimization and reductions in operating expenses, specifically:

- **Net revenue** remained on par with the same period last year, increasing by VND 13.5 billion (+0.34%), while **cost of goods sold** declined more sharply by VND 40.7 billion (-1.67%), lifting gross profit by VND 54.2 billion and improving the gross profit margin from 38.04% to 39.28%;
- **Financial income** increased by VND 0.3 billion (+0.29%); **financial expenses** increased by VND 31.6 billion (+43.42%); financial activities therefore had an unfavorable impact on operating results;
- The decisive factor was **selling expenses**, which dropped sharply by VND 418.1 billion (-33.30%), and **general and administrative expenses**, which decreased by VND 53.3 billion (-33.66%); total savings of approximately VND 471.4 billion versus the same period - reflecting the results of the Company's efforts to improve the efficiency of its operating expenditure.

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 Separate Financial Statements of the Parent Company for H1.2026 compared with the same period last year.

Respectfully./.

***Recipients:***
– As addressed above;
– Filed at the Company.

**LOF INTERNATIONAL DAIRY JOINT STOCK COMPANY**
*(Signature, full name and seal)*

M.S.D.N: 0500463609-C.T.C.P
CÔNG TY CỔ PHẦN SỮA QUỐC TẾ LOF
THÀNH PHỐ HỒ CHÍ MINH

CHIEF EXECUTIVE OFFICER
Đoàn Hữu Nguyên