

Interfood Shareholding Company
Lot 13, Tam Phuoc IZ, Tam Phuoc Ward
Bien Hoa City, Dong Nai

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No : 348/CV/IFS/2025

Dong Nai, 17th March 2025

To : - State Securities Commission (SSC)
- Hanoi Stock Exchange (HNX)

(Re: Explanatory for audited business results of year 2024)

First we would like to thank you for your continued support.

We would like to provide the result of audited income statement for the year of year 2024 as following:

Unit: VND'000

Descriptions	Year 2024	Year 2023	Variance
Revenue from sale of goods	2,111,867,485	1,995,034,345	6%
Deductions	138,711,899	126,736,274	9%
<i>% of Deductions</i>	7%	6%	
Net revenue	1,973,155,586	1,868,298,071	6%
Cost of sales	1,296,489,118	1,197,411,653	8%
<i>Cost of sales %</i>	66%	64%	
Gross profit	676,666,468	670,886,418	1%
<i>Gross profit %</i>	34%	36%	
Financial income	22,391,921	35,526,772	-37%
Financial expenses	486,756	215,678	126%
<i>In which: interest expense</i>	-	-	
Selling expenses	427,288,941	398,247,290	7%
<i>Selling expenses %</i>	22%	21%	
General and administration expenses	47,993,402	43,342,788	11%
Operating profit	223,289,290	264,607,434	-16%
Other income	5,587,980	3,064,897	82%
Other expenses	8,256,916	5,469,364	51%
Profit before tax	220,620,354	262,202,967	-16%
CIT for the current year	49,523,901	53,037,799	-7%
Deferred CIT	(1,828,997)	570,399	-421%
Profit after tax	172,925,450	208,594,769	-17%
<i>Profit after tax %</i>	9%	11%	

The company would like to explain the reason for profit after tax in year 2024 differs by more than 10% compared to 2023 as follows:

In 2024, the Company carried out its business activities in line with the set plan. Although profits during the year decreased due to maintaining medium to long-term growth investments and price increases from the market, this trend was expected in the Company's medium and long-term plans.

Regarding sales revenue, in 2024, the Company continued to focus on improving key product lines, launching new product SKUs such as Latte chocolate milk, Ice+ water with melon flavor with fresh, youthful flavors to meet the increasingly diverse needs of customers. Regarding sales activities, the Company continues to maintain basic sales activities and open new outlets. As a result, net revenue in 2024 exceeded 6% compared to the same period last year.

Cost of goods sold in 2024 increased to 66% of net revenue, exceeding 2% compare last year ratio, mainly due to significant price pressure of key input raw materials. In addition, the total production output in 2024 decreased also contributing to the increase in unit product costs.

In 2024, the Company continued to maintain a short-term deposit of VND 700 billion at the bank. However, the interest rate adjustments during the year according to fluctuations in the short-term deposit market caused actual deposit interest revenue to be lower than last year.

Selling expenses were maintained at 22% of net revenue, increasing 1% compared to the last year 2023. The company continued implementing promotional programs and communication campaigns, primarily focusing on key strategic product lines to drive sales growth during this year. General & administration expenses are maintained at a stable 2% of net sales.

Other income increased mainly due to compensation from some suppliers and a promotional program support received from the parent company. Other expenses this year also increased mainly related to corporate income tax payments when closing subsidiary tax codes and adjusting taxes from previous periods, plus compensation for product processing partners.

Above are some explanation for operating results of the year of 2024.

Thanks and best regards.

 **ON BEHALF OF THE COMPANY**


Daisuke Hattori
General Director