

**VIETNAM VETERINARY PRODUCTS
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness**

(VINAVETCO)

No.: 44-2025 /BC-VNY

Hanoi, July 28, 2025

*V/v: Explanation of Profit Variances in the Reviewed
Semi-Annual consolidated Financial Statements for 2025*

REPORT ON PROFIT DIFFERENCE EXPLANATION

REVIEWED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF OF 2025

To:- State Securities Commission of Vietnam (SSC)

- Hanoi Stock Exchange (HNX)

Company Name: Central Vietnam veterinary Products Joint stock company I

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Stock Code: VNY



Pursuant to Circular No. 96/TT-BTC providing guidance on information disclosure on the securities market, Central Veterinary Products Joint Stock Company I has disclosed its reviewed semi-annual consolidated financial statements for 2025. We hereby submit the following explanation for the variance in profit:

Item	Code	Net Profit After Tax in the Semi-Annual Financial consolidated of 2024	Net Profit After Tax in the Semi-Annual Financial consolidated of 2025	Difference	Percentage Increase/De crease (%)
1	2	3	4	5= 4-3	6=5/3
Net profit after tax	60	1.100.713.771	3.092.085.530	1.991.371.759	+180,92 %

1. Reasons for the variance in profit after tax:

Based on the reviewed consolidated semi-annual financial statements for 2025 and compared to the same period in 2024, the net profit after tax increased by VND 1.991.371.759 equivalent to 180,92%. The main reasons are:

+ Revenue from sales of goods and services: Decreased by VND 4.712.580.233 (from VND 55.891.452.364 to VND 51.178.872.131), equivalent to a drop of 8,43%.

Notably, revenue from the subsidiary dropped by VND 6.395.973.388 (from VND 55.221.129.945 to VND 48.825.156.557, down 11,58 %) due to a decrease in sales volume and selling prices for several products amid a volatile and highly competitive market.

However, the parent company's revenue in first six months of 2025 increased by VND 1.116.393.236 (from VND 288.504.238 to VND 1.404.896.474), thanks to the efficient utilization of assets at 88 Truong Chinh, which began in late 2024.

+ **Cost of goods sold:** Decreased by VND 3.289.792.939 (from VND 41.200.837.921 to VND 37.911.044.982), a 7,98% decrease, aligned with the revenue drop. However, the decrease in COGS was lower than the decrease in revenue, resulting in a gross profit decrease of VND 1.552.289.655 (down 12,31%).

+ **Selling expenses:** Decreased by VND 1.177.098.332 (from VND 6.075.437.289 to VND 4.898.338.957) or 19,37%, due to cost optimization in transportation and a corresponding drop in sales

+ **General & administrative expenses:** : Increased slightly by VND 37.501.907 (from VND 4.661.483.246 to VND 4.698.985.153) a 0,80% increase, which is minor and within the company's cost control plan.

+ **Financial income:** Slight increase of VND 21.160.908 or 9,48%, mainly from interest on deposits and exchange rate differences at the end of the period.

+ **Other expenses:** Decreased by VND 308.051.108 (from VND 1.562.488.262 to VND 1.254.437.154), equivalent to 19,72%, due to significant drops in revenue and gross profit that could not be fully offset by cost reductions.

- **Other income:** A sharp increase of VND 2.659.274.685 (up 7.451,27%) due to technical support received from a customer.

- **Other expenses:** Increased by VND 15.548.234 (from VND 52.334.768 to VND 67.883.002) up 29,71%, mainly due to recognition of Board of Directors and internal management remuneration as per the General Meeting of Shareholders' resolution.

2. Increase in corporate income tax expense:

In this period, the company recorded an increase in CIT expenses of VND 344.303.584 (from VND 445.128.615 to VND 789.423.199), in which:

- The parent company incurred VND 167.937.010 in CIT for six months of 2025 (no CIT was incurred in six months of 2024 due to a loss).

- CIT for the subsidiary increased by VND 176.366.574 (from VND 445.128.615 to VND 621,495,189), up 39,62%, primarily due to technical support income from a customer, resulting in increased taxable income.

From the above reasons, the net profit after tax for the first six months of 2025 increased by 180,92%, mainly due to extraordinary income.

This is the explanation for the variance in net profit for the first six months of 2025 compared to the first six months of 2024 as presented in the reviewed semi-annual separate financial statements of Central Veterinary Products Joint Stock Company I.

We respectfully report to the State Securities Commission and Hanoi Stock Exchange.

Respectfully,

Recipients:

- As above
- Board of Directors
- Archives

For and on behalf of the Board of Directors,
Chairman of the Board of Directors



NGUYEN ANH TUAN