

**VIETNAM HERBS AND FOODS  
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Liberty – Happiness**

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No: 001/2025/CVGT-VHE

Hanoi, 24th January 2025

(About: Explaining fluctuations in profit after tax  
4th quarter 2024)

**Dear:** - STATE SECURITIES COMMISSION OF VIETNAM  
- HANOI STOCK EXCHANGE

Company name: **VIETNAM HERBS AND FOODS JOINT STOCK COMPANY**

Stock code: **VHE**

Head office address: No. 277 Van Xuan street, Ha Mo commune, Dan Phuong district, Hanoi

Pursuant to Clause 4, Article 14, Chapter III, Circular 96/2020/TT-BTC, issued on November 16, 2020 and effective from January 1, 2021 of the Ministry of Finance guiding the announcement information on the stock market, Vietnam Herbs and Foods Joint Stock Company would like to explain as follows:

1. Profit after corporate income tax changes by 10% or more compared to the same period last year.

No.	Target	4th quarter 2024 VND	4th quarter 2023 VND	Difference	
				Absolute number	Proportion (%)
1	Net revenue	62,337,906,784	83,935,354,293	- 21,597,447,509	- 25.73
2	Profit after corporate income tax	481,106,541	271,055,823	210,050,718	77.49

- Profit after corporate income tax in the 4th quarter of 2024 increased by 77.49% compared to the 4th quarter of 2023 due to:

+ Net revenue decreased by 25.73% compared to the same period last year, of which agricultural product business revenue dropped by 21.86 billion VND, equivalent to 26.23%. This was due to the decline in agricultural product market prices at the end of the year. Herbal beverage revenue slightly increased by 0.1 billion VND, equivalent to 20.35%, as domestic and international economies gradually reopened, and consumers began getting familiar with and consuming health-beneficial beverage products.

+ Selling expenses in 4<sup>th</sup> quarter of 2024 decreased by 40.48% compared to 4<sup>th</sup> quarter of 2023, corresponding to the revenue decline. However, administrative expenses increased by 56.68% year-over-year due to additional investments in management personnel costs to align with the company's scale.

+ Other income in 4<sup>th</sup> quarter of 2024 increased sharply by 376.34 million VND compared to 4<sup>th</sup> quarter of 2023 because the Company completed the purchase of 85% of the shares of Yen Bai Herbs and Foods Joint Stock Company to expand its infrastructure floor serving the processing of herbal agricultural products.



As a result, the decline in revenue can be attributed to ongoing global economic volatility, unpredictability, persistent inflation risks, the global economic recession, and political conflicts, which have led to reduced consumer demand. However, the important reason is that the company has expanded its scale with the addition of a subsidiary, Yen Bai Herbs and Foods Joint Stock Company; Revenue decreased at a rate lower than cost price, while selling expenses decreased, leading to profit after corporate income tax increasing by 210.05 million VND, equivalent to 77.49% over the same period last year.

*Best regards,*

**Place of sending:**

- As above;
- save: VT

**VIETNAM HERBS AND FOODS JOINT STOCK COMPANY**



**CHỦ TỊCH HĐQT**

*Bùi Tiến Vinh*

