

Explanation of business performance results in
the 01st quarter, 2025

31/03/2025

To: State Securities Commission of Vietnam
Hanoi Stock Exchange

Pursuant to the request of the State Securities Commission of Vietnam and Hanoi Stock Exchange to explain the business results in the finance statement of the 1st quarter of 2025, Ho Chi Minh City Food Joint Stock Company respectfully reports as below reasons:

1) General situation

The Company has been facing the shortage of working capital in the business activities so we have temporarily taken full advantage of current resources and tried the best to use of short term revenue sources. Besides that we also have been facing a lot of difficulties as big depreciation, large fixed costs, high labor costs...

With the determination to closely follow the actual planning targets registered with the owner and submitted to the General Meeting of Shareholders and the Board of Directors; therefore, the Company's Board of managing directors have found many feasible solutions to continue implementing, including: evaluating and classifying the urgent solutions that need to be implemented firstly and in the coming time with the goal of striving to achieve the most optimal results. Accordingly, each affiliated unit of the Company has been active in business activities, service, processing, etc. However, due to the current general difficulties, the income have decreased as well as the agent fee, supports, bonuses from suppliers went down leading to the Company's business results in the 1st quarter of 2025 not being profitable.

2/ The company 's business result in the 1st quarter of 2025.

According to the finance statement of the 1st quarter 2024, the business results after corporate income tax of Ho Chi Minh City Food JSC lost: 1.090.946.428 VNĐ (in comparison with the business result of the same period in 2024, profit 276.403.017 VNĐ, the profit reduction is 1.367.349.445 VNĐ.

3./ The main reasons affecting to the business results of 1st quarter 2025:

In the 1st Quarter 2025, the Company has been facing a lot of difficulties in financial activities, working capital is still negative and has not received capital support from any organization. To implement the 2025 plan, the Company has closely followed the goal of not chasing revenue but focusing on the business efficiency of products (rice, technological products, etc.), service activities, manufacturing and processing... . The other income and the others as agent fee, supplier's bonus... have not offset the costs. Therefore, the Company's business results (after corporate income tax) in the 1st quarter 2025 lost: 1.090.946.428 VNĐ due to gross profit of goods decreased. This led to a decrease in profit of 1.367.349.445 VNĐ in the Company's business results in the 1st quarter of 2025 compare to the same period of 2024.

In the 1st quarter of 2025, the Company has made great efforts to implement solutions to improve business efficiency such as: promoting the retail of rice, petrol, technological products, etc. Continuing to enhance the services, thoroughly reducing costs, and preventing waste. The Company will try to reduce losses and operate effectively in following quarters of 2025.

Best Regards

DIRECTOR



Nguyễn Văn Linh