

CHUONG DUONG BEVERAGES JSC**SOCIALIST REPUBLIC OF VIETNAM****Independence-Freedom-Happiness**

No: 35/CV-CD

Ho Chi Minh City, July 18th, 2025

Re: Explanation of Financial Report
for the 2nd quarter of 2025

Respectfully to: **- The State Securities Commission**
 - Ha Noi City Stock Exchange

Organization name : Chuong Duong Beverages Joint Stock Company
Security symbol : SCD
Address : 606 Vo Van Kiet. Cau Ong Lanh Ward, Ho Chi Minh City

Pursuant to Circular No. 96/2020/TT-BTC dated 16 Nov, 2020 of the Ministry of Finance regarding information disclosure of annual audited Financial Statement, Chuong Duong beverages Joint Stock Company (Stock code: SCD) would like to provide information and explanations as follows:

Items	2nd Quarter		(±) Increase/ Decrease	Percent (%)
	Year 2025	Year 2024		
	1	2		
A	1	2	3= (1-2)	4 = (3/2)
1. Revenue from sales of goods and provision of services	28,863,187,281	43,806,390,816	(12,238,111,195)	-27.94%
2. Revenue deductions	1,171,123,051	2,006,831,836	(827,164,785)	-41.22%
3. Net revenue	27,692,064,230	41,799,558,980	(11,410,946,410)	-27.30%
4. Cost of goods sold and services provided	20,589,652,916	29,336,102,420	(6,760,343,082)	-23.04%
5. Gross profit	7,102,411,314	12,463,456,560	(4,650,603,328)	-37.31%
6. Financial Income	502,274,359	520,113,056	(17,838,697)	-3.43%
7. Financial expense	10,653,446,718	10,112,784,544	540,662,174	5.35%
<i>In which Interest expense</i>	10,627,810,428	10,112,784,544	515,025,884	5.09%
8. Selling expenses	15,164,688,862	11,922,069,556	3,242,619,306	27.20%

9. General and administration expenses	4,818,382,926	3,094,933,746	1,723,449,180	55.69%
10. Net operating profit	(23,031,832,833)	(12,146,218,230)	(10,175,172,685)	-83.77%
11. Other Income	69,951,839	1,732,231,312	(1,662,279,473)	-95.96%
12. Other expenses	2,595,798,522	4,752,730,632	(2,156,932,110)	-45.38%
13. Results of other activities	(2,525,846,683)	(3,020,499,320)	494,652,637	16.38%
14. Accounting profit before tax	(25,557,679,516)	(15,166,717,550)	(9,680,520,048)	-63.83%
15. Income tax expense - current				
16. Income tax expense (benefit)-deferred	(107,945,311)	95,282,899	(203,228,210)	-213.29%
17. Net Profit after tax	(25,449,734,205)	(15,262,000,449)	(9,477,291,838)	-62.10%

In the first half of 2025, despite the company's considerable efforts to optimize costs and boost sales, profit after tax has not met expectations and remains lower compared to the same period in 2024, due to the following factors:

- Q2 is typically a low season of the year, and in 2025, the early arrival of the rainy season further impacted the consumption of beverages.

The company is making efforts to improve and recover from financial losses through the following specific measures in the upcoming period:

- Expanding distribution coverage and channels to increase sales volume, with a primary focus on establishing new distributors.
- Optimizing operating and business production costs.

The company would like to enclose the Financial Report for the 2nd quarter of 2025. Respectfully report to State Securities Commission of Viet Nam, Ha Noi City Stock Exchange.

Recipients:

- *As above*
- *Accounting Dept. archive*

DIRECTOR

