

**MECHANICS CONSTRUCTION AND
FOODSTUFF JOINT-STOCK COMPANY**

THE SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

No.: 155/CV-MCF-TCHC

*Re: Explanation for the 11.45% Decrease in Profit for the
First Half of 2025 Compared to the First Half of 2024*

Tay Ninh, August 07, 2025

**To: - The State Securities Commission of Vietnam
- Hanoi Stock Exchange**

Pursuant to the semi-annual financial results for the first half of 2025, the Company recorded the following key performance indicators:

<i>Unit: VND</i>			
Item	H1 2025	H1 2024	Change (25/24)
Net revenue	285,718,435,597	239,542,885,158	19.28%
Profit before tax	6,516,615,701	7,416,412,382	-12.13%
Profit after tax	5,186,090,776	5,856,760,278	-11.45%

Mechanics Construction and Foodstuff Joint-Stock Company (stock code: MCF) hereby provides an explanation for the 11.45% decline in profit after tax in the first half of 2025 compared to the same period in 2024, as follows:

a) Foodstuff segment:

Exported foodstuff: In the first half of 2025, total volume sold reached 3,350 tons, representing an increase of 122.30% compared to the same period in 2024. The rice export segment operated efficiently during this period, contribute to the company's overall profit in the first half of 2025.

Domestic foodstuff: Sales volume reached 12,112 tons in the first half of 2025, up 20.55% year-on-year. This result was attributable to the Company's efforts in maintaining long-standing customers, securing new clients, and effectively managing procurement from early 2025. The Company closely monitored market conditions to time the purchase of low-priced raw rice, ensuring profitability upon sale after processing. This segment was the primary contributor to the Company's profit in the first half of 2025.

b) Concrete and construction materials segment:

Concrete sales volume reached 23,316 m³ in the first half of 2025, an increase of 12.26% over the same period in 2024. Despite challenges in procuring raw materials such as sand and stone, the Company implemented multiple measures to ensure sufficient supply for production. Market demand for this segment was more favorable than in the same period of 2024, resulting in improved business efficiency and contribute to the company's overall profit in the first half of 2025.

c) Packaging segment:

Sales volume in the first half of 2025 reached 2.529 million units, down 23.57% year-on-year. The decline was mainly due to a lack of significant activity in Vietnam's rice export market during Q2 2025, leading to lower demand for packaging. The segment operated inefficiently, thereby contributing to the overall decline in profit for the first half of 2025 compared to the same period in 2024.

d) Mechanical engineering segment:

Sales revenue reached VND 8.826 billion in the first half of 2025, up 23.27% compared to the same period in the first 6 months of 2024. The segment secured several contracts for repair, renovation, and equipment upgrades for both the Corporation's internal units and private external entities, resulting in increased revenue. However, the revenue generated was insufficient to cover

costs, and the segment continued to operate inefficiently, contributing to the overall decline in profit. Additionally, in the first half of 2024, the mechanical segment recorded other income from contractual compensation by Saigon Viet Hung, which was the main reason for the higher profit in the same period of the previous year.

Except for the packaging segment, all other segments recorded increased sales volume and revenue in the first half of 2025 compared to the same period in 2024. However, the after-tax profit decreased by 11.45% primarily due to the absence of other income from contractual compensation by Saigon Viet Hung which was recorded in the mechanical segment in 2024 and the inefficiency of the packaging segment during the first half of 2025.

Unit: VND

No.	Item	H1 2025	H1 2024	Change (25/24)
1	Mechanical Engineering			
	a/ Revenue	8.826	7.160	23.27%
	b/ Cost of Goods Sold	8.069	9.534	-15.37%
	c/ Gross Profit	0.757	-2.374	-131.89%
	Gross Profit/Revenue (%)	8.58	-33.16	-125.87%
2	Exported Foodstuff			
	a/ Quantity (Tonnes)	3.350	1.507	122.30%
	b/ Revenue	57.934	30.178	91.97%
	c/ Cost of Goods Sold	52	26.884	93.42%
	d/ Gross Profit	5.935	3.294	80.18%
	Gross Profit/Revenue (%)	10.24	10.92	-6.23%
3	Domestic Foodstuff			
	a/ Quantity (Tonnes)	12.112	10.047	20.55%
	b/ Revenue	176.512	156.671	12.66%
	c/ Cost of Goods Sold	160.998	144.563	11.37%
	d/ Gross Profit	15.514	12.108	28.13%
	Gross Profit/Revenue (%)	8.79	7.73	13.71%
4	Packaging			
	a/ Quantity (Million units)	2.529	3.309	-23.57%
	b/ Revenue	11.206	14.708	-23.81%
	c/ Cost of Goods Sold	10.017	12.335	-18.79%
	d/ Gross Profit	1.189	2.373	-49.89%
	Gross Profit/Revenue (%)	10.61	16.13	-34.22%
5	Concrete and Construction Materials			
	a/ Quantity (m ³)	23.316	20.769	12.26%
	b/ Revenue	31.112	27.581	12.80%
	c/ Cost of Goods Sold	15.999	10.319	55.04%
	d/ Gross Profit	2.763	0.724	281.63%
	Gross Profit/Revenue (%)	8.88	2.62	238.93%

The above is the Company's report providing explanation for the decrease in profit in the first half of 2025 compared to the first half of 2024.

Respectfully submitted./.

Recipients:

- As above
- Archived: Office Document



GENERAL DIRECTOR

Lê Trường Sơn