

No: 30.07/BAF-CV

Re: Explanation of the difference in profit
after tax on the consolidated financial
statements for Quarter II/2026 compared
to the same period in 2025

Ho Chi Minh City, 30 July 2026

**CÔNG TY CỔ
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To:

- State Securities Commission
- Ho Chi Minh City Stock Exchange
- Hanoi Stock Exchange

BAF Vietnam Agriculture Joint Stock Company would like to provide an explanation regarding the difference in Profit After Tax in the Consolidated Financial Statements for Quarter II/2026 compared to the same period in 2025 as follows:

In the Consolidated Financial Statements for Quarter II/2026 of the Company:

Indicator	2026 (VND)	2025 (VND)	Increase (Decrease) Difference	
			(VND)	%
Profit After Tax Quarter II	104,687,073,233	209,332,201,953	(104,645,128,720)	-50%
Accumulated Net Profit After Tax for 6 Months	310,885,667,294	342,878,321,229	(31,992,653,935)	-9%

Although the Company's profit after tax for Q2 2026 decreased by 50% compared to the same period in 2025, the overall picture for the first six months of the year still recorded many positive highlights, reflecting that the Company's core business foundation continued to grow and its expansion strategy remained on the right track. Specifically:

- BAF's pig output in the 6 months reached approximately 532,000 heads, up about 61% compared to the same period in 2025, achieving 99% of the plan for the first 6 months of the year. BAF's consolidated net revenue in the first 6 months of the year reached approximately VND 3,899 billion, achieving 105% of the plan set for the 6 months. These results show that the Company's operational scale and market capacity continue to be strongly reinforced.
- During the period, the Company continued to commence new high-tech farming projects, reaffirming its commitment to pursuing its expansion strategy in order to realize its growth targets through 2030.
- The proportion of carcass pork and processed meat continued to improve within the Company's revenue structure, reflecting its strategic direction of shifting toward higher value-added downstream products. The expansion and optimization of the Feed – Farm – Food value chain enables BAF to gradually reduce its dependence on fluctuations in live hog prices, thereby stabilizing its gross profit margin and mitigating business cyclicity risks.

The factors affecting the Company's performance in Q2 2026 were primarily temporary in nature and associated with the investment phase, and did not reflect any deterioration in its core business operations. Specifically:

- The average selling price in Q2 2026 (approximately VND 63,000 - 65,000/kg) was lower than the same period last year (approximately VND 65,000 - 70,000/kg).



- Interest expenses increased significantly due to changes in market interest rates compared to the same period last year. This was an external factor beyond the Company's direct control.
- The rapid expansion and commencement of operations at new farms during the first six months of the year resulted in higher fixed costs (including personnel, utilities, depreciation, and initial operating costs) compared to the same period last year, while operating efficiency had not yet reached its optimal level during the initial stage.
- As the African Swine Fever (ASF) situation remained complicated during the period, the Company continued to strengthen its biosecurity measures, disease prevention efforts, and restocking costs in order to proactively protect its livestock herd and maintain the long-term stability of its production operations.

Above is the additional explanation from BAF Vietnam Agriculture Joint Stock Company.

Thank you sincerely./.

Recipients:

- As above
- Archived at Accounting Department,
Administrative Department.



General Director

Bui Huong Giang

