

**VIETNAM VETERINARY PRODUCTS
JOINT STOCK COMPANY**

**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness**

(VINAVETCO)

No.: 35 -2026 /BC -VNY

Hanoi, July 28, 2026

*V/v: V/v: Explanation of Profit Variances in the
Reviewed Semi-Annual consolidated Financial
Statements for 2026*

REPORT ON PROFIT DIFFERENCE EXPLANATION

**REVIEWED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF
OF 2026**

**To:- State Securities Commission of Vietnam (SSC)
- Hanoi Stock Exchange (HNX)**

Company Name: Central Vietnam veterinary Products Joint stock company I

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Stock Code: VNY

Pursuant to Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding the disclosure of information on the securities market, Central Veterinary Medicine Joint Stock Company No. 1 has disclosed its reviewed Interim Consolidated Financial Statements for the first six months of 2026. The Company hereby provides the following explanation for the variance in profit after corporate income tax:

Item	Code	Net Profit After Tax in the Semi- Annual Financial consolidated of 2026	Net Profit After Tax in the Semi- Annual Financial consolidated of 2025	Difference	Percentage Increase/De crease (%)
1	2	3	4	5= 4-3	6=5/4
Net profit after tax	60	2,386,922,324	3,092,085,530	705,163,206	22.81

1. Reasons for the variance in profit after tax:

According to the Consolidated Statement of Profit or Loss for the first six months of 2026, the Company's profit after corporate income tax amounted to VND 2,386,922,324, a decrease of VND 705,163,206, or 22.81%, compared with the corresponding period of 2025 (VND 3,092,085,530).

2. Reasons for the Change in Profit After Corporate Income Tax

2.1. Factors positively affecting the Company's operating results

Compared with the corresponding figures in the Consolidated Financial Statements for the first six months of 2025, although the Company's profit after corporate income tax decreased, its operating results during the reporting period were positively affected by several factors, as follows:

+ **Revenue from sales of goods and rendering of services:** Consolidated revenue for the first six months of 2026 amounted to VND 71,073,929,418, representing an increase of VND 19,895,057,287 (or 38.87%) compared with the corresponding period of 2025. The increase was mainly driven by higher sales volume and sales revenue generated by the Company's subsidiary.

+ **Sales deductions:** Sales deductions increased by VND 2,427,246,513, or 109.65%, compared with the corresponding period of 2025. The increase was mainly attributable to higher sales revenue of the Company's subsidiary, resulting in a corresponding increase in sales discounts, trade discounts, and sales returns.

+ **Cost of goods sold:** Cost of goods sold increased by VND 16,697,503,418, from VND 37,911,044,982 to VND 54,608,548,400, representing an increase of 44.04% compared with the corresponding period of 2025. The increase was mainly attributable to higher sales revenue. In addition, during the first six months of 2026, the Company recognized an allowance for inventory devaluation amounting to VND 4,993,418,233 in accordance with applicable regulations, resulting in the growth rate of cost of goods sold exceeding that of revenue.

+ **Financial income:** Financial income amounted to VND 667,168,543 for the first six months of 2026, an increase of VND 422,709,485 (or 172.92%) compared with the corresponding period of 2025. The increase was mainly due to higher interest income earned on bank deposits during the reporting period.

+ **Finance costs:** Finance costs decreased by VND 231,499,654, from VND 446,894,705 to VND 215,395,051, representing a decrease of 51.80% compared with the corresponding period of 2025. The decrease was mainly attributable to a reduction in realized foreign exchange losses recognized during the reporting period.

+ **Selling expenses:** Selling expenses decreased by VND 532,607,966, from VND 4,898,338,957 to VND 4,365,730,991, representing a decrease of 10.87% compared with the corresponding period of 2025. The decrease was mainly attributable to the Company's effective control over selling expenses.

+ **General and administrative expenses:** General and administrative expenses increased by VND 212,759,304, from VND 4,698,985,153 to VND 4,911,744,457, representing an increase of 4.53% compared with the corresponding period of 2025. The increase was mainly due to the Government's adjustment of land rental rates effective from 2026, resulting in higher land rental expenses recognized during the first six months of 2026 compared with the corresponding period of 2025.

Based on the foregoing factors, the Company's net operating profit for the first six months of 2026 amounted to VND 2,998,802,311, an increase of VND 1,744,365,157 (or 139.06%) compared with the corresponding period of 2025..

+ **Other profit:** Other profit for the first six months of 2026 amounted to VND 12,983,916, a decrease of VND 2,614,096,659 (or 99.51%) compared with the corresponding period of 2025. The decrease was mainly attributable to the fact that, during the first six months of 2025, the Company recognized technical support income from a supplier amounting to VND 2,660,465,239, whereas no similar income was recognized during the first six months of 2026. This was the principal factor leading to the decrease in both profit before corporate income tax and profit after corporate income tax compared with the corresponding period of the previous year.

2.2. Current Corporate Income Tax Expense

Current corporate income tax expense for the first six months of 2026 amounted to VND 625,022,833, a decrease of VND 164,409,366 compared with the corresponding period of 2025 (VND 789,432,199). The decrease was consistent with the reduction in the Company's taxable profit.

3. Conclusion

Although the Company's business operations during the first six months of 2026 showed significant improvement, with net revenue increasing by 35.67% and net operating profit increasing by 139.06% compared with the corresponding period of the previous year, other profit decreased significantly because, during the first six months of 2025, the Company recognized technical support income from a supplier amounting to VND 2,660,465,239, whereas no similar income was recognized during the first six months of 2026. As a result, consolidated profit after corporate income tax for the first six months of 2026 amounted to VND 2,386,922,324, a decrease of VND 705,163,206, or 22.81%, compared with the corresponding period of the previous year.

The above sets out the Company's explanation of the factors resulting in the variance in profit for the first six months of 2026 compared with the corresponding period of 2025, as presented in the reviewed Interim Consolidated Financial Statements for the first six months of 2026 of Central Veterinary Products Joint Stock Company No. 1.

The Company Vietnam veterinary Products Joint stock company No.1 respectfully submits this report to the State Securities Commission of Vietnam and the Hanoi Stock Exchange for acknowledgment in accordance with the regulations. 

Yours sincerely,

Recipients:

- As above
- Board of Directors
- Archives

For and on behalf of the Board of Directors,

Chairman of the Board of Directors



NGUYEN ANH TUAN