


**MECHANICS CONSTRUCTION AND
FOODSTUFF JOINT-STOCK COMPANY
(MECOFOOD)**

No.: 82/CV-MCF-TCHC

Re: Explanation for the 39.23% decrease in profit in
Quarter I of 2025 compared to Quarter I of 2024

THE SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom – Happiness

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Long An, April 18, 2025

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

With the business results achieved in Quarter I of 2025, the main indicators are as follows:

Unit: VND

Content	Quarter I, 2025	Quarter I, 2024	Fluctuation (25/24)
Net Sales	144,917,869,756	118,607,728,463	22.18%
Total accounting profit before tax	2,240,497,396	3,652,560,765	-38.66%
Profit after tax	1,775,634,497	2,922,048,612	-39.23%

Mechanics Construction And Foodstuff Joint-Stock Company (stock code MCF) would like to explain that profit in Quarter I/2025 decreased by 39.23% compared to the same period of Quarter I/2024 due to:

Overall, all business segments of the company in Quarter I of 2025 recorded increases in both sales volume and revenue compared to the same period in Quarter I of 2024, specified as follows:

- Foodstuff segment:

+ Domestic Foodstuff: In Quarter I of 2025, sales volume increased by 2.47% and revenue increased by 3.49% compared to the same period in Quarter I of 2024. In general, the domestic foodstuff segment did not see significant sales volume growth compared to Quarter I of 2024. However, the company performed well in purchasing, selecting favorable timing to procure goods, resulting in a lower cost of inventory rice, thus making a profit from sales. This was the main segment contributing significantly to the company's performance in Quarter I of 2025.

+ Export Foodstuff: In Quarter I of 2024, sales volume increased by 461.59% and revenue increased by 320.28% compared to Quarter I of 2024. In Quarter I of 2025, the export foodstuff segment operated efficiently, contributing to the overall profit of the company in Quarter I of 2025.

- Packaging segment: In Quarter I of 2025, sales volume decreased by 5.05% and revenue decreased by 2.04% compared to the same period in Quarter I of 2024. The main reason was intense price competition from private enterprises. The company had to reduce prices significantly to sell products. Sales volume of packaging in Quarter I of 2025 could not make up for the costs of this segment. In Quarter I of 2025, the packaging segment was ineffective, significantly impacting the company's overall profit.

- Fresh Concrete – Construction Materials segment: In Quarter I of 2025, sales volume decreased by 22.36% and revenue decreased by 25.64% compared to the same period in Quarter I of 2024. The reason was that government construction projects were stagnant or completely halted, resulting in mainly retail sales to individual households, which reduced sales

volume compared to Quarter I of 2024. In Quarter I of 2025, profit from the concrete segment was very low, contributing to the overall decline in the company's profit compared to the same period in Quarter I of 2024.

- Mechanics segment: In Quarter I of 2024, revenue decreased by 62.12% compared to the same period in Quarter I of 2024. The reason was that projects being carried out by the company were in the installation and trial operation phase and had not yet been handed over or accepted, so the revenue for this segment in Quarter I of 2025 was very low. In Quarter I of 2025, the mechanics segment was ineffective, contributing to the decrease in the company's profit in Quarter I of 2025 compared to the same period in Quarter I of 2024.

Based on the business results of each segment as stated above, except for the foodstuff and concrete segments which were effective, the remaining segments were ineffective in their operations. This was the main reason for the decrease in profit in Quarter I of 2025 compared to the same period in Quarter I of 2024.

Specifically, the figures are as shown in the following table:

Unit: billion VND

No.	Product	Quarter I, 2025	Quarter I, 2024	Fluctuation (25/24)
1	Mechanical Products			
	a/ Revenue	1.843	4.866	-62.12%
	b/ Cost of goods sold	1.765	4.044	-56.36%
	c/ Gross profit	0.078	0.822	-90.51%
	Gross profit/revenue (%)	4.23	16.89	-74.94%
2	Exported Foodstuffs			
	a/ Quantity (Tons)	2,544	453	461.59%
	b/ Revenue	41.62	9.903	320.28%
	c/ Cost of goods sold	37.709	9.055	316.44%
	d/ Gross profit	3.911	0.848	361.20%
	Gross profit/revenue (%)	9.40	8.56	9.78%
3	Domestic Foodstuffs			
	a/ Quantity (Tons)	5,184	5,059	2.47%
	b/ Revenue	82.667	79.878	3.49%
	c/ Cost of goods sold	75.776	73.188	3.54%
	d/ Gross profit	6.892	6.69	3.02%
	Domestic Foodstuffs	8.34	8.38	-0.51%
4	Packaging			
	a/ Quantity (thousand units)	1,430	1,506	-5.05%
	b/ Revenue	6.402	6.535	-2.04%
	c/ Cost of goods sold	5.842	5.432	7.55%
	d/ Gross profit	0.56	1.103	-49.23%
	Gross profit/revenue (%)	8.75	16.88	-48.18%
5	Concrete and Construction Materials			
	a/ Quantity (m ³)	9,785	12,603	-22.36%
	b/ Revenue	12.35	16.609	-25.64%
	c/ Cost of goods sold	11.12	14.457	-23.08%
	d/ Gross profit	1.229	2.152	-42.89%
	Gross profit/revenue (%)	9.95	12.96	-23.21%

The above is the explanatory report on the company's profit in Quarter I of 2025 decreasing compared to Quarter I of 2024.

Respectfully reported./.

Recipients:

- As above
- Archive: Office

GENERAL DIRECTOR



Lê Trường Sơn