

No: 47/2025/CV-FGL

Gia Lai, July 15, 2025

“Re: Explanation for the loss in profit
after tax during the reporting period”

Kind attention: HANOI STOCK EXCHANGE

Pursuant to Point b, Clause 4, Article 14, Chapter III of Circular 96/2020/TT-BTC issued on November 16, 2020 and effective from January 1, 2021 of the Ministry of Finance guiding information disclosure on the securities market, Gia Lai Coffee Joint Stock Company would like to provide an explanation regarding the after-tax loss reported for the financial statement of the second quarter of 2025, ending on June 30, 2025.

Unit: VND

Items	30/06/2025
Profit after corporate income tax	(7,881,886,422)

The consolidated after-tax profit of Gia Lai Coffee Joint Stock Company for the financial statement of the second quarter of 2025, ending on June 30, 2025, recorded a loss due to the following factors:

+ In the first quarter of 2025, the company successfully liquidated its entire inventory of green coffee beans from the previous crop year, recognizing the associated sales revenue. Conversely, in the second quarter of 2025, the company saw no revenue generation from green coffee bean sales, which typically constitute the company's primary revenue stream. This is attributed to the fact that the company's green coffee bean harvest season commences later in the year, specifically from October to December 2025. Furthermore, the company incurred significant expenses during Q2 2025, including general and administrative expenses of VND 1,818,705,102 and finance costs (interest on individual and corporate loan agreements) totaling VND 1,462,850,600. Both these expense categories were fully expensed and contributed to a net loss for the period. Other incidental income was de minimis and insufficient to offset this loss.

In addition to operational activities, during in the second quarter of 2025, the company initiated the demolition of a portion of its aging coffee plantations to facilitate replanting efforts, in line with approved Board of Directors' resolutions. This strategic initiative incurred a cost of VND 4,712,311,248. The remaining book value of these demolished plantations was fully expensed as other operating costs.

By this document, Gia Lai Coffee Joint Stock Company respectfully explains to the State Securities Commission regarding the after-tax loss recorded in the financial statement for the second quarter of 2025, ending on June 30, 2025.

Recipients

- Board of Directors,
Supervisory Board;
- Finance Department
- Document archive.

GIA LAI COFFEE JOINT STOCK COMPANY



TỔNG GIÁM ĐỐC
Nguyễn Công Tiến