

**LAM THAO FERTILIZERS AND
CHEMICALS JOINT STOCK COMPANY**

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

No. ~~569~~/SPLT-TCKT

Re: Explanation of the VND 16.1 Billion
Decrease in After-Tax Profit Compared
to the Same Period Last Year

Phu Tho, July 14, 2025

To:

- State Securities Commission of Vietnam;
- Hanoi Stock Exchange;
- Valued Shareholders.

Company Name: Lam Thao Fertilizers and Chemicals Joint
Stock Company;

Stock Code: LAS.

Lam Thao Fertilizers and Chemicals Joint Stock Company has prepared the
financial statements for the second quarter of 2025 with the following key figures:

Indicator	Q2 2025	Q2 2024	Comparison	
			±	%
Profit After Tax (Accounting Profit)	51.183.668.894	67.306.265.129	(16.122.596.235)	76,1
Gross Profit from Sales	158.586.579.381	174.629.378.117	(16.042.798.736)	90,8
Other Profit	2.310.370.868	7.764.374.614	(5.454.003.746)	29,8
Net Revenue	1.081.919.450.190	605.002.203.186	476.917.247.004	178,8
Cost of Goods Sold (COGS)	923.332.870.809	430.372.825.069	492.960.045.740	214,5
Financial Income	12.001.107.930	10.366.582.755	1.634.525.175	115,8
Financial Expenses	6.026.017.824	3.233.928.214	2.792.089.610	186,3
Selling Expenses	42.190.310.272	46.570.906.280	(4.380.596.008)	90,6
General and Administrative Expenses	59.244.530.216	58.748.135.997	496.394.219	100,8

- According to the Q2-2025 financial statements, after-tax profit for this quarter decreased by VND 16.1 billion, equivalent to 76.1% of the same period in 2024. Lam Thao Fertilizers and Chemicals Joint Stock Company hereby reports to the State Securities Commission, the Hanoi Stock Exchange, and all valued shareholders as follows:

In this quarter, fertilizer sales volume reached 166,874 tonnes, an increase of 63,110 tonnes, equivalent to 160.8%, resulting in a net revenue increase of VND 476.91 billion, equivalent to 178.8% compared to the same period. However, due to unpredictable fluctuations in the domestic and global fertilizer markets, input material prices rose sharply—specifically, the price of sulfur increased by 94.0%; the price of apatite increased by 12.0%; the price of potassium increased by 8.8%; urea increased by 9.9%, etc.—causing the cost of goods sold to revenue ratio in this quarter to increase by 14% compared to the second quarter of 2024. Meanwhile, in order to compete with other fertilizer products, increase sales volume, maintain market share, develop the market, and stabilize fertilizer prices, the Company only increased its selling price by 12.5% compared to the second quarter of 2024. As such, the gross profit margin decreased by 1.5%, leading to business performance from gross profit decreasing by VND 16.04 billion, equivalent to 90.8% compared to the same period. In addition, other profit from business activities decreased by VND 5.4 billion; financial expenses increased by VND 2.7 billion; selling expenses decreased by VND 4.3 billion; general and administrative expenses increased by VND 0.4 billion. Due to the above fluctuations, after-tax profit decreased by VND 16.1 billion compared to the same period in 2024.

The above is the explanation of the main factors affecting the change in profit in the second quarter of 2025 compared to the second quarter of 2024 of the Company. Lam Thao Fertilizers and Chemicals Joint Stock Company hereby reports to the State Securities Commission, the Hanoi Stock Exchange, and all valued shareholders of the Company.

Recipients:

- As addressed above,
- To be filed: Office, Finance & Accounting Department.

GENERAL DIRECTOR



Pham Thanh Tung