PHUOC AN COFFEE JOINT STOCK COMPANY	THE SOCIALIST REPUBLIC OF VIETNAM
ღ❋ഇ	Independence - Freedom - Happiness
No.: 38-2026/CV-CPPA	---o0o---
Ref: Explanation regarding the Net Loss after CIT for the first six months of 2026 compared to the same period in 2025	*Dak Lak, August 15, 2026*

To: - The State Securities Commission of Vietnam;

- The Hanoi Stock Exchange.

Organization Name: Phuoc An Coffee Joint Stock Company

Stock Code: CPA

Address: Km 26, National Highway 26, Krong Pac District, Dak Lak Province, Vietnam.

Subject: Information Disclosure Content

Based on the Reviewed Semi-Annual Financial Statements for 2026 and 2025, the Net Profit After Tax for the first 6 months of 2026 recorded a net loss of VND 2,579,030,974, representing an increased loss of VND 241,061,299 (a 10% increase in loss) compared to a net loss of VND 2,337,969,675 in the same period of 2025.

Item	6 months ended June 30, 2026	6 months ended June 30, 2025	Increase (+)/ Decrease (-)	Ratio (%)
	(1)	*(2)*	*(3)=(1)-(2)*	
1. Net revenue from sales and service provision	7,122,208,567	6,506,462,073	615,746,494	9%
2. Cost of goods sold and services provided	7,359,159,256	5,335,054,598	2,024,104,658	38%
3. Gross profit from sales and service provision	**(236,950,689)**	**1,171,407,475**	**(1,408,358,164)**	**-120%**
4. Financial income	513,645	10,387,245	(9,873,600)	-95%
5. Financial expenses	1,258,438,356	1,448,630,135	(190,191,779)	-13%
Of which: Interest expense	1,258,438,356	1,448,630,135	(190,191,779)	-13%
6. Selling expenses	197,350,309	206,381,047	(9,030,738)	-4%
7. General and administrative expenses	992,704,073	385,692,194	607,011,879	157%
8. Net loss from business activities	**(2,684,929,782)**	**(858,908,656)**	**(1,826,021,126)**	**213%**
9. Other income	106,633,092	391,888,535	(285,255,443)	-73%
10. Other expenses	734,284	1,870,949,554	(1,870,215,270)	-100%
11. (Loss)/Profit from other activities	**105,898,808**	**(1,479,061,019)**	**1,584,959,827**	**-107%**
12. Total accounting loss before tax	**(2,579,030,974)**	**(2,337,969,675)**	**(241,061,299)**	**10%**
13. Net loss after CIT	**(2,579,030,974)**	**(2,337,969,675)**	**(241,061,299)**	**10%**

Phuoc An Coffee Joint Stock Company hereby explains the variance in Corporate Income Tax (CIT) Profit After Tax for the first 6 months of 2026 compared to the same period in 2025:

- **Gross profit reversed from a profit to a loss:** Net revenue for the first 6 months of 2026 increased by VND 615,746,494 (up 9%) year-on-year. However, Cost of Goods Sold sharply increased by VND 2,024,104,658 (up 38%), primarily due to the Company recording an additional inventory write-down provision during the period for unrecoverable coffee plantation development expenses under contract. This resulted in Gross Profit reversing from a profit of VND 1.17 billion in the same period of 2025 to a gross loss of VND 236.95 million in the first 6 months of 2026.
- **General and Administrative (G&A) expenses surged:** G&A expenses increased by VND 607,011,879 (up 157%) year-on-year, placing further cost pressure on core business operations.
- **Significant improvement in Other Profit mitigated the overall loss:** Thanks to a nearly 100% reduction in Other Expenses (down by VND 1.87 billion), Other Profit transitioned from a loss of VND 1.48 billion in the prior period to a profit of VND 105.89 million in this period. This other gain substantially offset the cost increases from core operating activities.

As a result of the above factors, the Company's total Net Loss After Tax for the first 6 months of 2026 only increased by VND 241 million (a 10% increase in loss) compared to the same period last year.

The Company respectfully reports to the State Securities Commission and the Hanoi Stock Exchange for your information.

Thank you for your attention./.

PHUOC AN COFFEE JOINT STOCK COMPANY

CÔNG TY CỔ PHẦN CÀ PHÊ PHƯỚC AN

Nguyễn Huyền Trâm

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