

Interfood Shareholding Company
Lot 13, Tam Phuoc IZ, Tam Phuoc Ward
Bien Hoa City, Dong Nai

SOCIALIST REPUBLIC OF VIETNAM
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No : 108 /CV/IFS/2023

Dong Nai, 18th October 2023

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

(Re: Explanatory for Business results of 3rd Quarter 2023)

First we would like to thank you for your continued support.

We would like to provide the result of income statement for the 3rd Quarter of year 2023 as following:

Unit: VND'000

Descriptions	3rd Quarter 2023	3rd Quarter 2022	Variance	YTD2023-Q3	YTD2022-Q3	Variance
Revenue from sale of goods	497,925,695	459,250,790	8%	1,426,341,982	1,298,943,632	10%
Deductions	29,789,061	29,116,765	2%	86,105,963	82,497,415	4%
<i>% of Deductions</i>	<i>6%</i>	<i>6%</i>		<i>6%</i>	<i>6%</i>	
Net revenue	468,136,634	430,134,025	9%	1,340,236,019	1,216,446,217	10%
Cost of sales	291,335,253	289,048,671	1%	858,387,547	824,347,961	4%
<i>Cost of sales %</i>	<i>62%</i>	<i>67%</i>		<i>64%</i>	<i>68%</i>	
Gross profit	176,801,381	141,085,354	25%	481,848,472	392,098,256	23%
<i>Gross profit %</i>	<i>38%</i>	<i>33%</i>		<i>36%</i>	<i>32%</i>	
Financial income	8,451,327	5,411,274	56%	28,800,416	13,105,849	120%
Financial expenses	67,636	104,236	-35%	140,718	144,178	-2%
<i>In which: interest expense</i>	-	-		-	-	
Selling expenses	95,943,033	95,887,312	0%	273,748,099	251,638,360	9%
<i>Selling expenses %</i>	<i>20%</i>	<i>22%</i>		<i>20%</i>	<i>21%</i>	
General and administration expenses	10,047,094	9,415,508	7%	29,663,207	26,650,542	11%
Operating profit	79,194,945	41,089,572	93%	207,096,864	126,771,025	63%
Other income	674,352	260,183	159%	1,846,116	513,925	259%
Other expenses	472,994	278,277	70%	2,035,051	1,376,911	48%
Profit before tax	79,396,303	41,071,478	93%	206,907,929	125,908,039	64%
CIT for the current year	19,040,399	9,703,842	96%	40,201,299	30,721,818	31%
Deferred CIT	(3,046,615)	(1,422,855)	114%	1,625,217	(5,214,725)	-131%
Profit after tax	63,402,519	32,790,491	93%	165,081,413	100,400,946	64%
<i>Profit after tax %</i>	<i>14%</i>	<i>8%</i>		<i>12%</i>	<i>8%</i>	

The third quarter of 2023 continues to mark the period of the Company's transition from a recovery state to a sustainable growth phase, which is reflected in the results of the Company's profit before tax of VND 79 billion, exceeding 93% of the same period last year.

Regarding sales revenue, during this Quarter the Company continued to promote basic sales activities, strengthen diverse marketing campaigns for many strategic product lines, launched new Ice+ Tea SKUs and Latte renew product with larger bottle capacity combined with the new PET bottled Winter Melon Tea SKU launched from last quarter... As a result, total sales revenue increased by more than 8% over the same period last year.

Cost of goods sold in the third quarter of 2023 decreased to 62% of net revenue compared to the same period last year of 67%. The reason is due to price fluctuations of some key input materials, combined with the increase in product output in the quarter, reducing the cost per product.

Financial income increased because in this period the company continued to maintain a short-term deposit of VND700 billion at one bank with stable interest rate.

In the Third quarter, the company continued to carry out communication campaigns to promote products to promote sales growth and continue to carry out sales support expenses, however, due to the unit price of transportation costs tended to decrease during the quarter, the ratio of selling expenses to net sales decreased to 20% of net revenue, lower to the same period last year at 22%.

The general and administration expenses maintained a stable level of 2.1 %, compared to 2.2% in the same period last year.

Other expenses mainly related to other support and compensation.

Above are some explanation for operating results of the 3rd Quarter of 2023.

Thanks and best regards.

ONBEHALF OF THE COMPANY

(Signed and sealed)

Daisuke Hattori
General Director