

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

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

No : 101 /CV/IFS/2022

Dong Nai, 15th August 2022

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

(Re: Explanatory for Business results of 1st half of year 2022)

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

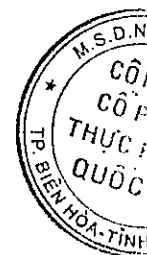
We would like to provide the result of income statement for the 1st half of year of year 2022 as following:

Unit: VND'000

Descriptions	1st half of year 2022	1st half of year 2021	%
Revenue from sale of goods	839,692,842	743,835,080	13%
Deductions	53,380,650	41,765,522	28%
<i>% of Deductions</i>	6%	6%	
Net revenue	786,312,192	702,069,558	12%
Cost of sales	535,299,290	419,359,535	28%
<i>COGS %</i>	68%	60%	
Gross profit	251,012,902	282,710,023	-11%
<i>GPM %</i>	32%	40%	
Financial income	7,694,575	2,443,376	215%
Financial expenses	39,942	17,216	132%
<i>In which: interest expense</i>	-	4,482	-100%
Selling expenses	155,751,048	115,290,080	35%
<i>Selling expenses %</i>	20%	16%	
General and administration expenses	17,235,034	17,539,814	-2%
Operating profit	85,681,453	152,306,289	-44%
Other income	253,742	224,858	13%
Other expenses	1,098,634	570,492	93%
Profit before tax	84,836,561	151,960,655	-44%
CIT for the current year	21,017,976	25,795,598	-19%
Deferred CIT	(3,791,870)	4,725,581	-180%
Profit after tax	67,610,455	121,439,476	-44%
<i>PL %</i>	9%	17%	

The first half of year 2022 is the period when the Company's production and business begins to recover after the effects of the Covid-19 pandemic, despite great pressure from the increase in input material prices, however, the Company continues to be profitable from production and business activities, reached VND 84.8 billion, the company's profit after tax reached VND 67.6 billion.

Total sales increased 13% y/y as the market gradually recovered although many areas were still affected by Covid, resulting in a 12% increase in net revenue over the same period last year 2021.



Cost of goods sold in the first half year 2022 increased sharply, accounting for 68% of net revenue due to the increase in the price of input materials due to uncertainties from the world situation from February this year.

Financial income increased as the Company continued to effectively use idle cash into short-term deposits of a reputable bank with competitive interest rates.

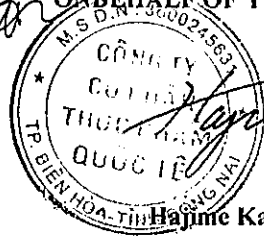
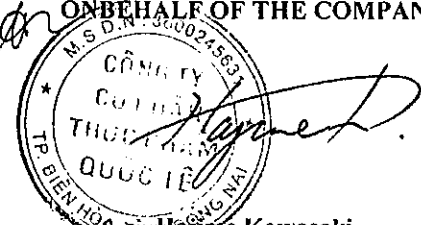
Selling expenses increased due to the increase in transportation costs following the general trend, additionally in this period, the Company try to deploy various sales promotion and advertising programs to promote sales growth, led to an increase in the ratio of selling expenses to net sales to 20% compared to 16% in the same period last year.

Other costs are mainly related to the material compensation for the processing Company.

Above are some explanation for operating results of the 1st half of year of 2022.

Thanks and best regards.

ON BEHALF OF THE COMPANY



Hajime Kawasaki
General Director

