LAM DONG FOODSTUFFS JOINT STOCK COMPANY

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No.245/BC-CPTP-HDQT

Lam Dong, July 30, 2026

REPORT OF THE BOARD OF DIRECTORS ON PRODUCTION AND BUSINESS RESULTS IN 2025 AND PRODUCTION AND BUSINESS PLAN IN 2026

To: Shareholders of Lam Dong Foodstuffs Joint Stock Company

Pursuant to the Resolution of the 2025 Annual General Meeting of Shareholders, the Board of Directors directed the Executive Management Board to implement comprehensive solutions aimed at achieving the approved business objectives.

The Board of Directors respectfully submits to the General Meeting of Shareholders the report on the Company's 2025 business performance and the 2026 business plan as follows:

PART I:

2025 BUSINESS PERFORMANCE RESULTS

I. 2025 Business Performance Results

1/ Achievement of Key Targets

Based on the Resolution of the 2025 Annual General Meeting of Shareholders and actual market developments, the Board of Directors directed the Executive Management Board to implement business, financial management, and market development solutions to accomplish the assigned objectives.

The implementation results of key performance indicators in 2025 are as follows:

No.	Indicator	Unit	2024	2025 Plan	2025 Actual	Comparison (%)	
						2025/2024	Actual/Plan
1	Revenue from sales and provision of services	Billion VND	93,3	104,5	111,5	119,5	106,7
2	Profit before tax	Billion VND	0,496	1,42	7,39	1.489,9	520,4

***Note:** The special consumption tax reduced when presented in the Financial Statements in 2024 is VND 20.8 billion and in 2025 is VND 25.0 billion.*

In 2025, the Company will achieve **revenue of VND 111.5 billion**, up **19.5%** compared to 2024 and **exceeding 6.7%** compared to the year plan. This result was achieved thanks to the Company's stable maintenance of production and business activities, expansion of consumption markets, improvement of product quality and effective implementation of sales policies.

Profit before tax reached VND 7.39 billion, a sharp increase compared to VND 0.496 billion in 2024, equivalent to **an increase of 1,489.9%,** and **exceeded 520.4%** of the plan. This result shows that the efficiency of the Company's production and business activities has been significantly improved. In addition to the growth in revenue, the Company has done a good job of cost management, saving raw materials, optimizing production processes and improving labor productivity, thereby contributing to increasing profits.

At the same time, the Company has optimized the use of idle money through savings deposits at commercial banks to improve the efficiency of capital use and cash flow.

In general, the revenue and profit targets have exceeded the plan assigned by the General Meeting of Shareholders, creating a solid financial foundation for the Company to continue to invest, expand production and improve competitiveness in the coming time.

2/ The situation of organization and implementation of production and business activities

2.1 Organizational work

In 2025, the Company's organizational structure will be maintained stably, meeting the requirements of management and administration of production and business activities.

2.2. Financial management

Regarding financial work, the Company has developed and implemented a periodic financial plan to ensure capital for production and business activities with reasonable capital use costs. The Board of Directors regularly supervises the implementation of financial plans, capital and cost management, and directs the adjustment of production and business activities in accordance with market developments.

The company has audited the financial statements for 2025 in accordance with regulations. On the basis of the authorization of the 2025 General Meeting of Shareholders, the Board of Directors has selected AASC Auditing Firm Co., Ltd. as an independent auditing unit to audit the Company's 2025 financial statements.

In addition, the Company fully fulfills the obligation to report, disclose information and publicize the results of production and business activities with the State Securities Commission and the Hanoi Stock Exchange in accordance with current regulations.

2.3. Wine production and trading activities

a) Manufacturing plants

- In 2025, the Company will continue to maintain stable production activities at the factory, focusing on quality management, equipment maintenance and improving the professional qualifications of employees. Regulations on food hygiene and safety are fully implemented, ensuring product quality before being put on the market.
- The domestic supply of raw materials is basically stable in terms of price and output, meeting the production needs of the Company. For suppliers that have not met the quality or schedule requirements, the Company has promptly requested remediation or switched to more suitable suppliers.

- Some imported materials continue to be affected by the scarcity of raw materials, price fluctuations and prolonged transportation time due to the impact of the world geopolitical situation. Faced with that situation, the Company has actively sought suitable alternatives to ensure production progress.
- The results of the implementation of the production plan in 2025 show that the output of finished products exceeds 10% of the plan; the output of semi-finished fermentation exceeded 93% of the plan. The company also reduced investment in machinery and equipment and capital construction, with the implementation value equal to 61% of the original plan.
- During the year, the Company does not allow occupational accidents, fires and explosions or cases of occupational diseases.
- In terms of technology and quality management, the Company continues to maintain its position as one of the enterprises with a large market share in the domestic wine industry, while maintaining a quality control system according to ISO 22000:2018 and HACCP standards. All products are tested for physicochemical, sensory and microbiological indicators before being put on the market.
- Technology management is strictly implemented in accordance with internal regulations. Incidents arising in the production process are recorded and handled in a timely manner; Regulations on the use of materials, raw materials and operational safety are regularly updated to improve production efficiency.
- In terms of product research and development, the Company continues to promote R&D activities to diversify its product portfolio, improve quality and meet new consumer trends. During the year, the Company launched products such as Olong Tea Wine and Café Moka Wine; at the same time, complete research for the production of new product groups including: 4 fermented juice products, 3 grape wine juice products, 5 healthy fruit juice products and 5 kombucha products.
- In addition, the Company implements 9 Kaizen initiatives, contributing to improving working conditions, improving productivity and reducing costs. Some initiatives offer effective cost savings of up to 55% at the applied stages.

b) Sales activities

Domestic Market:

- In 2025, Ladofoods will continue to affirm and maintain its leading position in the wine industry in Vietnam. In the context of other domestic producers continuously downsizing or shifting completely to importing bottled wine, Ladofoods' market share recorded solid growth. Growth in 2025 as reported above. Currently, Ladofoods occupies more than 80% of the market share of domestically produced wines.
- Distribution channel coverage: The Company's products are widely present in 34 provinces and cities nationwide through:
  - Traditional retail outlets (GT): Shops specializing in alcohol, groceries with alcohol sales licenses, points of sale in tourist areas, etc.
  - The system of supermarkets and modern convenience stores (MT) has a license to sell alcohol.

- The company's direct B2C selling points are Dien Bien Phu Showroom Ho Chi Minh, Vong Thi Hanoi Showroom (opening in 07/2025), Shop in shop in Ho Chi Minh City (Co.opmart Phan Van Tri, Phu Tho), Shop in shop in Hanoi (Go! Thang Long).
- E-commerce: Shopee, Lazada, Tiktok shop. Shopee grew by 300% and successfully developed the Vivazz line on Tiktok Shop and maintained an average sales of 150 orders/day. In the 2025 Wine Industry Metric Report, Ladofoods ranks in the top 3 in terms of consumption, (Top 1 and top 2 are two trading companies with many types of wine, focusing on low-cost bottled products and foreign brands).

- Products:
  - Non-alcoholic product line - Vivazz Sparkling Juice: Reach young users, families and increase sales through Shop in shop points of sale at supermarkets and Tiktokshop platform.
  - Vivazz Sangria youth product line: Maintaining a large market share in the MT channel thanks to the light alcohol concentration, in line with current consumption trends. In 2025, it will record a growth of 9.4% (reaching 9.5 billion compared to 8.7 billion over the same period).
  - Dalat Wine Line (Popular Segment): Stable consumption in major cities and key tourist destinations, accounting for a large consumption market share at GT Canal (accounting for 68%) thanks to Da Lat Wine being the number one priority traditional brand in the Tet gift baskets and Local Wine suitable for the choice of foreign tourists to Vietnam.
  - Chateau Dalat series (Premium segment): In 2025, Chateau Dalat will grow by 36.6%, of which, the Sparkling Wine line will achieve the highest growth of 44% thanks to its quality and price with the strength of direct competition with mid-range imported wines. In addition, the product is chosen by foreign tourists to consume a lot in the tourism markets of Nha Trang and Phu Quoc. The proportion of Chateau Dalat accounts for 14% of the total products consumed.

Consumer Landscape and Market Challenges:

- Economic pressures and tightening spending: According to PwC's "Voice of the Consumer Survey 2025", more than 48% of Vietnamese consumers consider economic instability as a top threat and give top priority to the price factor. The wave of personnel cuts in the export industries (textiles, footwear), the freezing of the real estate market has sharply reduced disposable income. People sharply cut non-essential spending, shifting Tet gift baskets from wine to practical necessities.
- Strict Legal Impact: The strict control of Decree 336/2025/ND-CP on sanctioning administrative violations in the field of traffic (alcohol concentration control) and the Law on Prevention and Control of Alcohol Harm has profoundly changed consumer behavior at restaurants, causing a serious decline in the consumption capacity of the alcoholic beverage industry (including beer, soju, spirits and wine).
- Excise tax rate: The 35% excise tax imposed on domestically produced wines puts great pressure on profit margins. In order to maintain price competitiveness with imported wine (benefiting from free trade agreements FTA, CPTPP, EVFTA), Ladofoods has had to actively review and cut production costs to accept thinner profit margins to retain customers.
- Difficulties from foreign supermarket channels: Many large foreign-owned supermarket systems tend to import their own wines and set their own labels (private labels), and at the same time tighten the number of SKUs displayed and extend the payment period due to cash flow difficulties, directly narrowing the domestic wine display space. Some new

supermarkets have shaped products specializing in flooding such as Kingfood Mart, Farmer Market ... did not agree to sell Ladofoods to reduce the opportunity to expand market share and reach consumers.

- The transformation of the tourism industry: Although the number of international tourists is growing, Ladofoods' traditional customer segment is Russian tourists who have not yet returned, so consumption is not as good as before the epidemic. Korean tourists have high growth but mainly go on cheap package tours with low operating profit margins. In 2025, the number of Indian tourists will increase, but this audience will spend poorly and do not use wine. In addition, the trend of domestic "non-alcoholic tourism" also reduces direct consumption at attractions.
- Challenges from the distribution system: Many supermarket partners, agents, and stores that have re-optimized finances have tightened inventory, reduced the size of orders and prioritized the display of essential and fast-moving goods groups. The increase in the control of counterfeit goods and alcohol retail licenses in 2025 has caused many points of sale to stop operating, and the number of alcohol sales points has decreased sharply. The B2B channel noted that businesses limited their choice of alcoholic products.
- Unhealthy competitor behavior: The counterfeiting of the "Da Lat wine" trademark still appears during the Tet season and businesses importing wine to bottle ambiguous brands and origins to deceive consumers.

International Business Market:

- Ladofoods is currently the only domestic wine producer in Vietnam that is synchronously invested from raw material areas to modern technology according to European standards, the story of Vietnam's Wine, a tropical country is also conveyed to consumers of importing countries to create a unique point, expand consumption opportunities.
- In 2025, more exports to the Thai market will be opened (255 million)
- The markets of Laos and Japan also had good growth over the same period, reaching growth rates of 31.2% and 50.96%, respectively.
- The international business channel in 2025 will grow by 47.7% (reaching 1.95 billion compared to the same period in 2024 1.32 billion).

c) Marketing and communication activities

- Ladofoods identifies brand communication as a core part of its sustainable development strategy. In 2025, the Company will continue to promote consistent communication towards building the brand image of Dalat Wine and Chateau Dalat associated with modern consumer culture and exquisite lifestyle.
- Point-of-sale optimization in Dalat (POSM):
  - Implementing a targeted display program at 20 restaurants specializing in wine to maintain the existence and choose to use Chateau Dalat at restaurants in Da Lat.
  - Implement product display booths at Van Thanh Flower Village and Nong Pho to reach and sell to visitors.
  - Implementing the Giftbox 187 ml product set display shelf for Da Lat market + special preferential prices for tourists to stay in order to increase the touch point and create an alternative to gift products for tourists to buy as gifts.
- Trade Promotion and Typical Events:

- Present at large-scale specialized fairs: Lam Dong Trade Connection Conference in 2025 with the Northern provinces, Giao Season Fair – Ana Mandara Villas Dalat with guests participating by artists nationwide in October 2025, Quang Tri Business Business Connection Event in the South (held in Ho Chi Minh City).
- Participating in departmental events to connect sales during the peak Tet season: Meeting of the Executive Committee of the Tourism Association of the three provinces of Lam Dong, Binh Thuan and Dak Nong after the 1st provincial merger, Communication and introduction at the 1st Party Congress of Xuan Huong – Da Lat Ward, Displaying and introducing products, welcoming the 1st Lam Dong Provincial CCB Congress, term 2025 – 2030.
- Sponsorship of mainstream diplomatic events: Events celebrating the National Day of the Czech Republic, National GT Customer Conference.

- Tet 2026 campaign: Successfully designed a Tet 2026 gift set rich in cultural significance combining specialties and wine. Implement synchronous display activities at Key points of sale nationwide from 12/2025 to 01/2026.
- Creative Digital Media:
  - Coordinating with Golden Lotus Company, introducing meaningful gift sets for the 2026 Tet season with the introduction and selection of Misses, Runners-up, and Male Kings.
  - Developing more Olong and Moka Wine Gift Sets to make a difference in the Wine market and the story of the land that makes the product.
  - The Tet gift set is full of meaning and sincere messages:
    - Sustainable Companion - appreciate cherished moments and celebrate long-term durability.
    - Parallel Bonding - sharing, bonding and connecting meaningful moments.
    - Phuc Loc Hoa Ca - a bright picture, full of rhythm of life is a wish for a harmonious, prosperous and prosperous life.
    - An Khang Four Quarters - a full package of wishes for peace, luck and fullness throughout the four seasons, a prosperous and happy life all year round.
    - The Lu Hop Phu Quy - the intersection of noble, pure and resilient values - is a wish for good luck, prosperity and sustainability in life.
    - Fortune Opening - opening up good luck, new luck, and the beginning of happiness.
    - Ma Phi Xuan Vinh - accelerating career, promotion, glorious business in the new year
    - Dai Cat Tuong Lo - the whole year is favorable, everywhere you go, you will encounter opportunities, all kinds of happiness...

III. Activities of the Board of Directors

1. Meeting organization and administration

In 2025, the Board of Directors has held periodic and extraordinary meetings according to regulations to consider and decide on important issues related to production and business activities, finance, investment, human resources and development orientation of the Company.

The Board of Directors has fully performed its functions, tasks and powers in accordance with the provisions of law and the Company's Charter; at the same time, strengthen the supervision, direction and promulgation of resolutions and decisions as a basis for the Executive Board to organize the implementation.

At the meetings, the Board of Directors fully attends to report and explain the contents under their management and propose management solutions in accordance with the actual situation. The Board of Directors highly appreciates the spirit of initiative, responsibility and drastic of the Executive Board in organizing the implementation of assigned tasks.

2. Regarding transactions with related parties

Transactions with the Company's related parties in 2025 have been carried out and announced in accordance with the provisions of the law. The detailed content is presented in the 2025 Audited Financial Statements and the 2025 Corporate Governance Report.

3. Supervision activities of the Board of Directors over the Board of Directors

The Board of Directors regularly monitors and supervises the implementation of the resolutions of the General Meeting of Shareholders and decisions of the Board of Directors in order to ensure that the Company's operations comply with the law, are in line with the strategic orientation and achieve efficiency in production and business activities.

Issues under the jurisdiction of the Board of Directors are reported, consulted and implemented by the Executive Board after being approved according to regulations.

The Board of Directors recognizes and appreciates the efforts of the Board of Directors and all officers and employees in maintaining stable production and business activities, ensuring financial safety and improving the Company's operational efficiency in the context of many difficulties and challenges.

4. Report on the remuneration of the Board of Directors and the salary paid by the Board of Directors in 2025

Name	**Position**	**01/04/2025 – 31/3/2026**
		Amount received (VND)
Dinh Thi Mong Van	Chairman of the Board of Directors	36.000.000
Tran Chi Son	Member of the Board of Directors (Dismissed on August 15, 2025)	12.500.000
Do Thanh Trung	Member of the Board of Directors cum General Director	-
Pham Thu Hien	Member of the Board of Directors (Appointed on August 15, 2025)	10.000.000
Hoang Thi Ha	Member of the Board of Directors (Appointed on August 15, 2025)	10.000.000
Nguyen Luong Tam	Member of the Board of Directors	30.000.000
Nguyen Phu Cuong	Member of the Board of Directors (Dismissed on August 15, 2025)	12.500.000
Dang Minh Tuyen	Deputy General Director (Dismissed on May 12, 2025)	135.500.000
Phan Anh Tu	Chief Accountant	346.056.000

PART II:

PRODUCTION AND BUSINESS PLAN IN 2026

I. Production and business plan

In 2026, it is forecasted that there will continue to be many difficulties for the alcoholic beverage industry when the market purchasing power has not fully recovered, input costs are still potentially fluctuating and management regulations related to alcoholic beverage consumption continue to impact consumer behavior.

In that context, the Company determined to focus on improving the efficiency of production and business activities, promoting the restructuring of the product portfolio, developing product lines of non-alcoholic beverages and beverages to serve health needs, and at the same time continuing to promote the advantages of traditional wine product lines.

On the basis of assessing the implementation situation in 2025 and the market prospects in 2026, the Company develops a production and business plan as follows:

No.	Indicator	Unit	2025 Actual	2026 Plan	2026 Plan/2025 Actual (%)
1	Revenue from sales and provision of services	Billion VND	111,5	142,0	129,1
2	Profit before tax	Billion VND	7,39	16,36	221,4

II. Main solutions to implement the 2026 production and business plan

1. Production Organization:

- Proactively plan flexible production schedules. Grasp the actual needs of the market, respond in a timely manner. Divide the production plan into appropriate months of the year to reduce the pressure at the end of the year.
- Strengthen control on the production line, quality of finished products, and strictly supervise regulations in production. Ensure product quality, minimize defective products on the market, minimize the rate of reprocessing.
- Ensuring food hygiene and safety, labor safety; Maintain labor discipline, reasonable and effective labor arrangement and division. Increase labor productivity.
- Control costs in planned production. Well manage goods, supplies, raw materials, machinery and equipment.
- Review the stages in the process, adjust and cut redundant stages.
- Strongly implement digital transformation, use proficient software in planning and controlling work performance, production and business control.

2. Supply of supplies and raw materials:

- Develop detailed plans and schedules for the supply of materials and raw materials on a monthly and quarterly basis, ensure sufficient supply of raw materials, increase the level of safe reserves; quality and reasonable prices; closely follow the development of the fruit crop to have a purchase plan to achieve the set output.
- Collect information on the general situation and prices of major materials of the factory. Search for new sources of supply that meet the criteria of quality, time and price;
- In order to ensure the production plan in the year, there are timely and effective procurement solutions for key materials and materials: grapes, mulberries, imported materials.
- Flexibly meet the demand for materials and raw materials for new arising markets, for the development of new products and experimental products.

3. Research work:

Continue to promote research and development of new products in line with consumer trends. Strengthen coordination between research, production and sales departments to improve product quality and shorten the time to market. At the same time, expand cooperation with OEM partners to diversify the product portfolio.

4. Investment in capital construction, machinery and equipment:

Effective use of existing machinery and equipment systems; implement approved investment items, including solar power systems and additional equipment for production to improve operational efficiency.

5. Financial work:

Ensure capital sources for production and business activities; strengthening cost control; implementing savings policies; improve the efficiency of financial management and continue to apply Bravo management software in administration.

6. Quality and Environment Management:

Continue to maintain and improve the efficiency of the ISO 22000:2018 and HACCP quality management systems; strengthen the quality control of raw materials, semi-finished products and finished products; fully implement regulations on environmental protection and food safety.

7. Organization and personnel:

Continue to consolidate the human resources, implement the training plan in 2026, improve professional qualifications and skills for employees; maintaining 5S and Kaizen programs; building a safe, professional and efficient working environment.

8. Consumption Market:

- Ladofoods' 2026 business strategy is shaped on a long-term foundation: building Vietnam's wine industry, developing the value of Vietnamese agricultural products and creating a highly competitive Vietnamese specialty food and beverage ecosystem.
- Product Strategy: Ladofoods not only sells wine but also creates a rich ecosystem of fermented beverages and highland specialties:
  - Absolute leadership in domestic wines through Da Lat Wines (Leading the culture of bringing wine into daily life) and Chateau Dalat (representative of Vietnam's most high-end wine brand, serving the external activities of the Government and large enterprises.)
  - Expanding into the Fermented Beverage and Health Beverage Ecosystem through the development of a new product line Vivazz (fermented juice, natural mineral-vitamin-probiotic-balanced drink from grapes and tropical fruits) to catch up with the healthy consumption trend of Gen Z.
  - Da Lat and Highlands Specialty Ecosystem through:
    - The Highlands1600 bottled water flow from the water source is 1600 meters above sea level, which is the pure watershed where clouds and mountains meet.
    - A prestigious and quality Da Lat specialty line with the LaFarm brand.
- Shift the go-to-market model from traditional sales to distribution based on end-consumer behavior and experience.
- Detailed market development plan in 2026:
  - Expand domestic coverage: Expand product coverage in urban areas and develop deep into potential rural markets.
  - Developing tourism-based distribution: Making the most of the strengths of "Local Wine" to cover products in major tourist cities of Vietnam where many international tourists and foreigners live: Phu Quoc, Da Nang, Nha Trang, Ha Long, etc Hai Phong...
  - Focus on personalized B2B channels: Deploy the service of processing bottle labels, packaging, and gift boxes according to the requirements of each large partner enterprise as a year-end gift for partners.

- Breakthrough E-Commerce (B2C Online): Continue to promote viral content and expand the FOC and Affiliate teams to maintain the heat with current Vivazz products. In addition, optimize and implement strong e-commerce activities from October to make the most of the opportunity to consume wine, gifts and the Tet season.
- Opened 01 more Shop in Shop in Ho Chi Minh City and 01 point in Hanoi to increase sales conversion from online to offline. Continue to aim for sustainable development through direct sales from the factory to consumers. In parallel, connect to fast food and beverage delivery applications for home delivery within 2 hours.

- International Business:
  - Continue to take advantage of and expand distribution in export markets that have recorded good signals such as Laos, Japan, and Singapore.
  - Continue to closely follow Thai partners to maintain the pace of consumption and export.
  - Actively participate in international beverage fairs and exhibitions in Southeast Asia to find partners, flexibly adjust packaging design to suit the consumer tastes of each importing country (Asia, Africa).

9. Marketing – Communication:

- Wine Cellar Tourism - The core communication channel that touches consumers: Transforming the underground Dalat Wine Cellar into the leading wine culture experience center in Vietnam. Tourists come here not only to visit but to directly experience the production process that feels the soul of Da Lat in each product.
- Marketing budget 5% of revenue. In which, the 6 billion plan focuses on Lauching the new Vivazz product line to ensure the achievement of 3 goals: Information (introducing new products), Persuasion (customers feel the product) and Reminders (maintaining modern and healthy consumer behavior of Vivazz products).
- Cooperation in brand protection: Closely coordinate with the Market Surveillance Agency to thoroughly handle acts of counterfeiting and imitating the Da Lat Wine brand, protecting the legitimate interests of consumers and the reputation of the Company.
- Focus on developing B2C sales channels through:
  - The program of experience, sampling, activation at the point of sale, ensuring access to attract consumers around the point of sale and CRM activities to attract consumers to return to buy again and increase the customer lifecycle.
  - Invest in developing online channel sales through Consumer Experience Videos, Ads to reach target consumers.
  - Experiential activities at Da Lat Showroom create a spread.

The above is the Board of Directors' Report on the Company's business performance in 2025 and its business plan for 2026. The Board of Directors would like to express its sincere gratitude to our shareholders for their trust, support, and continued partnership, as well as to our customers, business partners, and all employees for their valuable contributions to the Company's achievements during the past year.

Recipients:
- Shareholders;
- Board of Directors;
- Archives.

ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRPERSON

CÔNG TY CỔ PHẦN THỰC PHẨM LÂM ĐỒNG

Dinh Thi Mong Van