

VietDuc Welding Electrode Joint
Stock Company
No.: *AS4* / CV-TCKT
(Re: Explanation of profit for
the first quarter of 2026)

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Hanoi, April 20, 2026

To:

- The State Securities Commission of Vietnam.
- Hanoi Stock Exchange.

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Minister of Finance, providing guidance on information disclosure in the securities market.

Viet Duc Welding Electrode Joint Stock Company would like to provide an explanation of its business performance results for the first quarter of 2026 compared to the first quarter of 2025 as follows:

In 2026, the total output, including both production and sales, increased significantly compared to 2025. Specifically, production rose by 16% and sales increased by 38%, mainly driven by a strong increase in welding wire, particularly flux-cored wire, which doubled. Regarding the product structure, products with high profit margins experienced a slight increase in output while remaining relatively stable, whereas products with lower profit margins saw substantial growth. Compared to the end of 2025, the prices of raw materials and supplies showed a slight upward trend. However, compared to the first quarter of 2025, the average prices remained lower, leading to a 1% decrease in cost of goods sold. The average selling price remained approximately the same as in 2025.

Regarding production organization, the Company has focused on promoting measures to improve labor productivity, save raw materials, and enhance product quality in order to reduce costs. In particular, the increase in output has led to a reduction in overhead costs per unit, thereby contributing to higher profits.

From the factors mentioned above, profit in the first quarter of 2026 increased significantly compared to 2025. In fact, profit after tax in 2026 reached VND 8.079 billion, up 64% compared to 2025 (VND 4.929 billion in 2025).

The Company respectfully reports this to the Commission, the Exchange, and our esteemed investors for your information.

Best regards!

VIET DUC WELDING ELECTRODE JOINT STOCK COMPANY

Director of Company

Recipients:

- Save as above
- Save



GIÁM ĐỐC

Nguyễn Huy Tiên