

No: 901/CBTT-DMH

Hue City, 17th July 2026

Explanation for the variance of Q2/2026's net profit after taxes

To: - State Securities Commission Of Vietnam Portal

- Hanoi Stock Exchange

Pursuant to the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the stock market providing guidelines on disclosure of information on securities market, Hue Textile Garment Joint Stock Company explains the variation of net profit after taxes of Q2/2026 Financial Statements in comparison to Q2/2025 Financial Statements as below:

1. For the Statement of income:

	Quarter 2/2026	Quarter 2/2025	Increase (+)/ Decrease (-)
Net profit after taxes	40,091,478,897	53,576,273,809	-25%

2. Causes:

Compared to Q2 2025, the Company's profit after tax in Q2 2026 decreased by 25%. The key drivers are as follows:

- Since the beginning of 2026, the Garment market has been adversely affected by weakening demand arising from conflicts across multiple regions and from U.S. tariff policies. As a result, Garment segment revenue in Q2 2026 decreased by 10% year-on-year, driving the sharp decline in the Company's Garment segment profit.

- The yarn market in Q2 2026 continued to show revenue improvement compared to the same period in 2025 (revenue increased by nearly 8%). In addition, the cost of the principal raw material consumed in Q2 2026 was lower than in the same period of 2025. On this basis, the Company adjusted its actual product mix to optimize the advantage of lower input material prices. Consequently, the profit before tax of the Yarn segment in Q2 2026 increased by 80% compared to Q2 2025.

The above constitutes the explanation for the variance in profit after tax between the Q2/2026 Financial Statements and the Q2/2025 Financial Statements of Hue Textile Garment Joint Stock Company. /

GENERAL DIRECTOR

Recipients:

- As mentioned above;
- Archived: Clerical assistant, Secretary of the Board of Management.



Nguyễn Hồng Liên