

**HA GIANG MECHANICS AND MINERALS
JOINT STOCK COMPANY**

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

No: 02/GT – HGM

Ha Giang 1 Ward, July 18, 2026

*"Explanation of the variance in profit after
tax for Q2/2026 compared with Q2/2025"*

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

1. Company name: Ha Giang Mechanics and Minerals Joint Stock Company.
 2. Stock code: HGM
 3. Head Office Address: No. 390, Nguyen Trai Street, Ha Giang 1 Ward, Tuyen Quang Province.
 4. Telephone: 02193 866 708 - Fax: 02193 867 068 - Web: www.hgm.vn
- Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance providing guidance on information disclosure in the securities market;
Pursuant to the Q2/2026 Financial Statements dated July 18, 2026;
Ha Giang Mechanics and Minerals Joint Stock Company (HGM) hereby explains the variance in profit after tax for Q2/2026 compared with Q2/2025 as follows:

No.	Indicators	Q2/2026	Q2/2025	Increase/(Decrease) (%)
1	Sales revenue	41,723,088,658	279,248,875,569	-85.1%
2	Cost of goods sold	17,669,255,750	38,923,576,121	-54.6%
3	Profit after tax	8,674,963,568	204,900,419,565	-95.8%

*** The main reasons for the 95.8% decrease in profit after tax for Q2/2026 compared with Q2/2025 are as follows:**

1. Sales revenue for Q2/2026 amounted to VND 41.7 billion, representing a decrease of 85.1% compared with the same period last year. The main reasons were a 52.3% decrease in the average selling price of products and an 86.1% decrease in sales volume, resulting in a 54.6% decrease in cost of goods sold compared with the same period last year.
2. As a result of the above factors, profit after tax for Q2/2026 amounted to VND 8.7 billion, representing a decrease of 95.8% compared with the same period last year.
3. Other activities during the period did not have a significant impact on the Company's business results.

Ha Giang Mechanics and Minerals Joint Stock Company respectfully submits this explanatory report to the State Securities Commission and the Hanoi Stock Exchange for their information./.

Recipients:

- SSC, HNX;
- Company archives.

