

No.: 260/CBTT-DMH

Hue, March 16th 2026

About the explanation of the alteration in
profit after tax in 2025.

To: - The State Securities Commission of Vietnam
- Ha Noi Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated 16th November 2020 of the Ministry of Finance guiding the disclosure of information on the securities market, Hue Textile Garment Joint Stock Company would like to explain the change in profit after tax between the 2025 and 2024 financial statements audited by KPMG Limited Liability Company as follows:

1. Change in profit after tax in 2025 compared to the same period in 2024:

Indicator	Year 2025 (Audited)	Year 2024 (Audited)	Increase (+)/Decrease (-)
Profit after tax	150,784,050,073	109,403,064,645	37.82%

2. Reason:

Compared to 2024, the Company's 2025 profit after tax increased by 37.82%. In 2025, the Company's Spinning profit before tax reached VND 32.6 billion, an increase of nearly VND 19 billion compared to 2024 (equivalent to a 139.6% increase compared to 2024). The Garment segment also saw significant profit growth, with its profit before tax reaching VND 147.3 billion (a 27.3% increase compared to 2024). The reasons are as follows:

- Regarding the Spinning segment, demand for spinning products experienced an increase, as reflected in the 4% growth in the Company's yarn sales revenue. Yarn selling prices in 2025 improved compared to 2024 (increasing by approximately 1.7%), while the prices of raw materials - specifically cotton and fiber - used in production in 2025 decreased by 12% and 2% respectively compared to 2024, resulting in higher profitability for the segment. In 2025, the Company strategically shifted its market weight from Europe to Asia (including Japan, South Korea, and on-site exports) amid declining demand in EU countries. The Company prioritized high-margin orders despite smaller volumes, focusing on developing a customer base with high-quality requirements and high pricing.

- Regarding the Garment segment, segment revenue increased by 23% compared to 2024. The garment market has grown steadily since the beginning of 2025, with industry demand improving year-on-year. To prepare for the new U.S. countervailing duty rates, many customers accelerated early ordering and delivery. Additionally, the Company leveraged the surge in order demand to expand production cooperation with satellite units, which enhanced production capacity and boosted garment segment revenue.

- Regarding the financial sector, factors such as the average VND/USD exchange rate (increasing by over 3%) and rising time deposit interest rates contributed to the enhanced efficiency of the Company's financial activities. Profit from financial

activities reached VND 16.9 billion, an increase of VND 15.1 billion compared to 2024 (equivalent to an 824% increase compared to 2024).

Above is the explanation for the change in profit after tax between the audited 2025 financial statements and 2024 of Hue Textile Garment Joint Stock Company.

Respectfully,

Recipients:

- As above;
- Clerk, Corporate Secretary.

GENERAL DIRECTOR



Nguyễn Hồng Liên

