

No: 1207/CV-DMH

Hue, 13th October 2025

Explanation on variation of Quarter III/2025'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 Q3/2025 Financial Statements in comparison to Q3/2024 Financial Statements as below:

1. For the Statement of income:

	Quarter 3/2025	Quarter 3/2024	Increase (+)/ Decrease (-)
Net profit after taxes	34,849,304,125	26,198,341,488	33%

2. Causes:

Compared to Q3/2024, the Company's after tax profit in Q3/2025 increased by 33%. In particular, a pre-tax profit of the Textile segment in Q3/2025 was approximately VND 9.6 billion (an increase of VND 10.7 billion rise compared to the same period in 2024), pre-tax profit of the Garment segment increased by 3.4 VND billion (equivalent to 10% rise). The main contributing factors are as follows:

- The garment market has demonstrated stable growth since the beginning of 2025, with industry demand improving year-over-year. In Q3/2025, revenue was significantly boosted by clients requesting accelerated shipments ahead of the U.S. countervailing duties, which took effect in early August 2025 on multiple countries, including Vietnam. This urgency propelled the Garment division's revenue to a 30% increase compared to Q3/2024.

- For the Yarn division, yarn selling prices in Q3/2025 improved significantly compared to Q3/2024 (an increase of approximately 4.4%). Meanwhile, the input costs of cotton and fiber used in production decreased by 16% and 13%, respectively, compared to the same period in 2024. This combination generated higher profits for the Yarn division.

- Regarding financial activities, the Company adopted a proactive approach to cash flow management, strategically balancing revenue and expenditures. By capitalizing on preferential interest rates for both loans and deposits, we maintained an appropriate level of borrowings and savings to maximise financial efficiency. Additionally, the average VND/USD exchange rate in Q3 2025 was more than 5% higher than the average rate in the same period of 2024. The Company effectively utilised its stable stream of foreign currency from export sales, employing suitable

financial instruments to hedge and optimise its position. These combined solutions successfully mitigated currency risk and resulted in an increase in financial profit before taxes by VND 9.28 billion over Q3/2024.

The above provides an explanation for the net profit after tax between the Q3/2025 the Q3/2024 financial statements of Hue Garment Textile Joint Stock Company./.

Recipients:

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

GENERAL DIRECTOR



Nguyễn Hồng Liên

