

V/v: *Explanation of difference in profit after tax*

on the 1st Quarter 2025 Financial Statement compared to the same period

*Hung Yen, April 19, 2025*

**Dear: - State Securities Commission**

**- Hanoi Stock Exchange**

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding the disclosure of information on the stock market, explanation when the profit after corporate income tax in the Business Performance Report of the disclosure period changes by 10% or more compared to the report of the same period last year.

Hung Yen Garment Corporation - Joint Stock Company (stock code: HUG) would like to explain the change in profit after tax in the 2024 financial report compared to 2023 of the Corporation as follows:

- Profit after corporate income tax in the first quarter of 2025: VND 16,716,872,251
- Profit after corporate income tax in the first quarter of 2024: VND 10,866,142,580

Increase difference: VND 5,850,729,671, equivalent to a decrease of 53.8%. The main reason is due to:

2024 is a very difficult year, the political conflict between Russia and Ukraine has not ended; some countries such as the US, UK, EU, Japan, South Korea still have high inflation rates, the US has not lowered interest rates... affecting the global economy. For Hung Yen Garment Corporation in the first quarter of 2024, production and export orders signed from the third and fourth quarters of 2023 had low orders, down from 20% - 40%, which directly affected the production and business results of the first quarter of 2024. By the first quarter of 2025, the Company produced goods with better signed prices, export revenue in the quarter increased by 12% over the same period, financial revenue increased by 2.7 times compared to the first quarter of 2024, causing the profit after tax target on the financial statements of the first quarter of 2025 to increase by 53.8% over the same period.

Hung Yen Garment Corporation commits that the content in the above explanation is honest and accurate.

**GENERAL DIRECTOR**  
  
  
**Pham Thi Phuong Hoa**