VIET DUC WELDING ELECTRODE JOINT STOCK COMPANY

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No.: 183/CV-TCKT
(Re: Explanation of Q2 2026 Profit)

Hanoi, July 20, 2026

CÔNG TY CỔ PHẦN QUE HÀN ĐIỆN VIỆT ĐỨC

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To:
- State Securities Commission of Vietnam
- Hanoi Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance on information disclosure in the securities market.

Viet Duc Welding Electrode Joint Stock Company hereby explains the business results for the second quarter of 2026 compared with the second quarter of 2025 as follows:

In 2026, production and sales increased significantly compared with 2025. Welding electrode production increased by 32%, welding electrode sales by 23%, and welding wire sales by 27%. Flux-cored welding wire sales increased 1.85 times. Higher-margin products remained stable while lower-margin products recorded stronger growth.

Compared with Q2 2025, higher fuel and raw material prices led the Company to adjust selling prices. The Company also improved productivity, reduced material consumption, and enhanced product quality to control costs. Consequently, the increase in cost of goods sold was lower than the increase in selling prices, while higher production volume reduced overhead cost per unit.

Accordingly, profit in Q2 2026 increased significantly. Profit after tax reached VND 11.661 billion, up 111% from Q2 2025 (VND 5.717 billion).

The Company respectfully submits this explanation to the State Securities Commission of Vietnam, the Hanoi Stock Exchange and investors.

Sincerely,

VIET DUC WELDING ELECTRODE JOINT STOCK COMPANY
General Director

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