

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

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No: 03/GT – HGM

Ha Giang 1 Ward, 14 August 2026

Re: Explanation of the variance in profit after tax for the first 6 months of 2026 compared with the first 6 months of 2025

To: - The State Securities Commission of Vietnam
- Hanoi Stock Exchange (HNX)

1. Company name: Ha Giang Mineral and Mechanics Joint Stock Company.
2. Securities code: HGM
3. Head office address: No. 390, Nguyen Trai Street, Ha Giang 1 Ward, Tuyen Quang Province.
4. Tel: 02193 866 708 – Fax: 02193 867 068 – Website: www.hgm.vn

Pursuant to Circular No. 96/2020/TT-BTC guiding the disclosure of information on the securities market;

Pursuant to the reviewed interim financial statements for 2026 dated 12 August 2026;

Ha Giang Mineral and Mechanics Joint Stock Company (HGM) hereby explains the variance in profit after tax for the first 6 months of 2026 compared with the first 6 months of 2025 as follows:

Unit: VND

No.	Item	First 6 months of 2026	First 6 months of 2025	Change
1	Sales revenue	118,927,547,771	433,418,677,053	- 72.5%
2	Cost of goods sold	37,534,065,146	62,095,177,052	- 39.5%
3	Profit after tax	51,747,505,970	306,806,546,661	- 83.1%

*** Main reasons for the 83.1% decrease in profit after tax for the first 6 months of 2026 compared with the first 6 months of 2025:**

1. Sales revenue during the period reached VND 118.9 billion, down 72.5% compared with the same period last year. This was mainly due to a 44% decrease in the average selling price of products and a 51% decrease in sales volume, resulting in a 39.5% decrease in cost of goods sold compared with the same period last year.

2. As a result of the above, profit after tax for the first 6 months of 2026 decreased by 83.1% compared with the same period last year.

3. Other activities during the period did not have any material impact on the Company's business results.

Ha Giang Mineral and Mechanics Joint Stock Company hereby submits this explanatory report to the State Securities Commission of Vietnam and the Hanoi Stock Exchange for your information./.

Recipients:

- As above (for reporting);
- Filed at the Company.

