

CÔNG TY CỔ PHẦN SỢI PHÚ BÀI  
PHU BAI SPINNING MILL JOINT  
STOCK COMPANY

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc  
THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

Số: 1400/CV-SPB  
No.: 1400/CV-SPB

Huế, ngày 07 tháng 04 năm 2026  
Hue, 07<sup>th</sup> April 2026

**CÔNG BỐ THÔNG TIN BẤT THƯỜNG KHÁC  
OTHER EXTRAORDINARY INFORMATION DISCLOSURE**

Kính gửi: Sở Giao dịch Chứng khoán Việt Nam / Sở Giao dịch Chứng khoán Hà Nội  
To: Vietnam Exchange / Hanoi Stock Exchange

- Tên tổ chức/Name of organization: **CÔNG TY CỔ PHẦN SỢI PHÚ BÀI  
PHU BAI SPINNING MILL JOINT STOCK COMPANY**
  - Mã chứng khoán/Stock code: SPB / SPB
  - Địa chỉ/Address: KCN Phú Bài, Phường Phú Bài, Thành phố Huế, Việt Nam / Phu Bai Industrial Zone, Phu Bai Ward, Hue City, Vietnam
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- Nội dung thông tin công bố/Contents of disclosure:  
DỰ THẢO TÀI LIỆU ĐẠI HỘI ĐỒNG CỔ ĐÔNG THƯỜNG NIÊN NĂM 2026 (Tiếp theo)  
DRAFT DOCUMENTS FOR 2026 ANNUAL GENERAL MEETING OF SHAREHOLDERS (Continuing)
- Thông tin này đã được công bố trên trang thông tin điện tử của Công ty vào ngày 07/04/2026 tại đường dẫn <https://phubaispinning.com/dai-hoi-dong-co-dong>  
This information was published on the Company's website on 07/04/2026, as in the link <https://phubaispinning.com/dai-hoi-dong-co-dong>

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố  
We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.

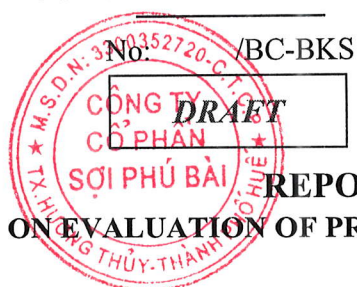
**Tài liệu đính kèm / Attached documents:**  
Tài liệu liên quan đến nội dung thông tin công bố  
/ Documents on disclosed information:  
- Báo cáo của BKS- Đánh giá hoạt động SXKD Cty SPB năm 2025 / Report of Supervisory Board on evaluation of operation results in 2025;  
- Tóm tắt Báo cáo Tài chính Công ty CP Sợi Phú Bài năm 2025 / Summary Financial Report of Phu Bai Spinning Mill JSC for 2025

Đại diện tổ chức  
**Organization representative**  
Người đại diện theo pháp luật  
Legal representative  
(Ký, ghi rõ họ tên, chức vụ, đóng dấu)  
(Signature, full name, position, and seal)



**Trần Đình Hiệp**

*Hue, April 20<sup>th</sup> 2026*



**REPORT OF THE SUPERVISORY BOARD  
ON EVALUATION OF PRODUCTION AND BUSINESS OPERATION RESULTS IN 2025  
OF THE COMPANY**

**Respectfully Shareholders of Phu Bai Spinning Mill Joint Stock Company**

Pursuant to the Charter on Organization and Operation of Phu Bai Spinning Mill Joint Stock Company;

Pursuant to the Resolution of the 2025 General Shareholders' Meeting of Phu Bai Spinning Mill Joint Stock Company;

Pursuant to the 2025 Financial Statements of Phu Bai Spinning Mill Joint Stock Company audited by KPMG Limited Liability Auditing Company;

Pursuant to the actual implementation of production and business activities in 2025 at Phu Bai Spinning Mill Joint Stock Company;

The Supervisory Board of Phu Bai Spinning Mill Joint Stock Company has conducted an inspection and review of the activities of the Board of Directors and the Executive Body, regarding the implementation of the Resolution of the General Shareholders' Meeting and compliance with the Company's Charter during the governance and management of the Company in 2025.

The Supervisory Board hereby respectfully submits to the General Shareholders' Meeting the Report on the assessment of the Company's production and business activities in 2025, as follows:

**I. Activities of the Supervisory Board:**

**1. Members of the Supervisory Board:**

1. Ms. Nguyễn Ngọc Mai Chi – Head of the Supervisory Board
2. Mr. Hoàng Duy Khánh – Member of the Supervisory Board
3. Mr. Võ Hoàng Phụng – Member of the Supervisory Board

**2. Remuneration and operating expenses of the Supervisory Board:**

The remuneration of the Supervisory Board has been implemented in accordance with the Resolution approved at the 2025 Annual General Meeting of Shareholders.

The operating expenses of the Supervisory Board in 2025 have complied with the Company's regulations and internal rules.

**3. Activities of the Supervisory Board:**

In 2025, the Supervisory Board carried out its duties as follows:

- The Supervisory Board regularly held discussions and consultations to keep abreast of the management and administration activities of the Board of Directors and the Executive Management, thereby strengthening its supervisory role, promptly identifying and warning of risks, and safeguarding shareholders' interests.

- Inspection and supervision were conducted with a focus on the following key areas:

+ Monitoring business and production activities; tracking the implementation of planned targets and the Company's financial position.

- + Supervising compliance with applicable laws, the Company's Charter, and the resolutions of the General Meeting of Shareholders and the Board of Directors in management and administration activities.
- + Monitoring and assessing key risks related to cash flow, investment, and working capital management.
- + During the course of its duties, the Supervisory Board was provided with favorable conditions to perform its functions and responsibilities in accordance with regulations.
- + In 2025, there were no complaints or petitions arising in relation to the Board of Directors and the Executive Management.

Overall, the Supervisory Board has fully performed its functions and duties, ensuring independence and objectivity in its supervisory activities.

## II. Assessment of Business Performance and Financial Status in 2025:

The assessment covers the following contents:

- + Evaluation of the Company's implementation of the 2025 business and production plan.
- + Assessment of the Company's financial position in 2025.
- + Evaluation of investment activities in accordance with the resolutions of the General Meeting of Shareholders and the Board of Directors in 2025.
- + Results of the Supervisory Board's oversight of the Board of Directors and the Executive Management.
- + Recommendations of the Supervisory Board.

### 1. Assessment of the Implementation of the 2025 Production and Business Plan of Phu Bai Spinning Mill Joint Stock Company:

No.	Key Indicators	Unit	2024 Actual	2025 Plan	2025 Actual	Vs Plan	YoY
1	Revenue	VND billion	1,346.47	1,155.00	1,124.78	97.4%	83.5%
2	Export turnover	USD million	43.60	36.00	39.61	110.0%	90.8%
3	Output	Tons of yarn	16,629.00	14,900.00	14,861.48	99.7%	89.4%
4	Profit before tax	VND billion	15.50	30.00	23.60	78.7%	152.3%
5	Average income	Million VND/person/month	10.50		11.80		112.4%
6	Number of employees	Persons	661.00		631.00		95.5%

#### \* Comments:

- The year 2025 witnessed numerous fluctuations, presenting both challenges and opportunities for Vietnam's cotton, yarn, and textile industry. Amid the ongoing restructuring of global supply chains, increasing requirements for transparency, sustainability, and efficiency, together with changes in tariff policies in key export markets, the Company's production and business activities were significantly affected.

- In addition, pressures from fluctuations in raw material prices, logistics costs, electricity costs, rising interest rates, and strong exchange rate volatility adversely affected operating efficiency during the period. In response, the Company implemented a number of cost optimization measures in production; alongside optimizing production for traditional customers, the Company also expanded its customer base, participated in new supply chains, and developed new products to enhance its competitive advantage. As a result, profit before tax in 2025 reached VND 23.6 billion (equivalent to 78.7% of the plan), while exceeding the 2024 figure by 52.3%. By the end of 2025,

the Company had fully eliminated its accumulated losses and recorded undistributed after-tax profit of VND 4.8 billion.

- + Revenue and output decreased compared to the previous year, mainly due to the impact of investment in and replacement of machinery and equipment in the third quarter. However, these indicators generally met the annual targets approved by the General Meeting of Shareholders (Revenue reached 97.4% and output reached 99.7% of the plan). Export turnover, although lower than in 2024, still exceeded the plan by approximately 10%, indicating that the Company maintained its market presence despite overall challenges.
- + The average income of employees reached VND 11.8 million per month, an increase of 12.4% year-on-year, while the number of employees decreased by 4.5%, reflecting improved labor productivity.

## 2. Assessment of the Company's Financial Position in 2025:

### 2.1. Key Financial Indicators:

*Unit: VND million*

No.	Items	2024	2025	Change	
				Absolute	Relative
<b>A</b>	<b>ASSETS</b>	<b>911,899</b>	<b>1,013,754</b>	<b>101,855</b>	<b>111.2%</b>
<b>I</b>	<b>Current assets</b>	<b>488,058</b>	<b>498,499</b>	<b>10,441</b>	<b>102.1%</b>
1	Cash and cash equivalents	52,096	26,995	(25,101)	51.8%
2	Short-term financial investments	16,000	9,500	(6,500)	59.4%
3	Short-term receivables	149,744	111,905	(37,839)	74.7%
4	Inventories	250,354	299,877	49,523	119.8%
5	Other current assets	19,864	50,222	30,358	252.8%
<b>II</b>	<b>Non-current assets</b>	<b>423,841</b>	<b>515,255</b>	<b>91,414</b>	<b>121.6%</b>
1	Fixed assets, of which:	416,809	417,015	206	100.0%
	<i>Tangible fixed assets</i>	416,693	416,959	266	100.1%
	<i>Intangible fixed assets</i>	116	56	(60)	48.3%
2	Long-term work in progress	1,853	92,152	90,299	4973.1%
3	Other non-current assets	5,179	6,088	909	117.6%
<b>B</b>	<b>LIABILITIES AND EQUITY</b>	<b>911,899</b>	<b>1,013,754</b>	<b>101,855</b>	<b>111.2%</b>
<b>III</b>	<b>Liabilities</b>	<b>674,825</b>	<b>754,744</b>	<b>79,919</b>	<b>111.8%</b>
1	Current liabilities	377,650	426,380	48,730	112.9%
2	Non-current liabilities	297,176	328,364	31,188	110.5%
<b>IV</b>	<b>Equity</b>	<b>237,074</b>	<b>259,010</b>	<b>21,936</b>	<b>109.3%</b>
1	Contributed capital	133,001	133,001	-	100.0%
	Development investment fund	68,452	68,452	-	100.0%
	Retained earnings / (Accumulated losses)	-17,170	4,766	21,936	
	<i>Retained earnings / (losses)</i> <i>brought forward</i>	-32,326	-17,170	15,156	53.1%
	<i>Retained earnings / (losses)</i> <i>for the year</i>	15,156	21,936	6,780	144.7%

#### \* Comments on Key Issues:

- **Total assets in 2025** increased by 11.2% compared to 2024, of which current assets rose by 2.1% and non-current assets increased by 21.6%.
  - + **Current assets:** increased by VND 10.4 billion year-on-year, mainly driven by a VND 49.5 billion increase in inventories and a VND 30.4 billion increase in other current assets, while

cash and cash equivalents, bank deposits, and short-term receivables showed a declining trend.

- Term deposits decreased from VND 151 billion (as of 31 December 2024) to VND 66.6 billion (as of 31 December 2025), as the Company utilized these funds to partially finance the “Investment Project for Equipment Replacement at Phu Bai Yarn JSC”, purchase minor machinery and equipment, and supplement working capital for business operations.
- **Inventories:** as of 31 December 2025, main raw material inventories increased by VND 86 billion compared to 2024. This was mainly due to an increase in cotton inventory of 1,749 tons (approximately VND 84 billion), while goods in transit decreased by 729 tons (down VND 32 billion). The increase in raw material inventories helped secure input supply for production; however, it also raised working capital requirements and posed potential liquidity risks.
- **Other current assets:** increased by 52.8% year-on-year, mainly due to a significant increase in deductible value-added tax (VAT) of VND 45.7 billion, of which VND 41.2 billion remains unrefunded.
- + **Non-current assets:** increased by VND 91.4 billion (equivalent to 21.6%) compared to the previous year, primarily due to an increase in long-term work in progress related to the Company’s machinery and equipment replacement investment project. The project has completed its trial run phase and has been officially put into operation from 1<sup>st</sup> January 2026.
- **Total sources of funds in 2025** increased by 11.2% compared to 2024, including an 11.8% increase in liabilities and a 9.3% increase in equity.
  - + **Liabilities:** increased by VND 79.9 billion, mainly due to:
    - **Current liabilities** rose by VND 48.7 billion (12.9%), including an increase of VND 78.5 billion (30.4%) in short-term borrowings, primarily to supplement working capital for raw material inventories.
    - **Non-current liabilities** increased by VND 31.2 billion (10.5%), arising from disbursements for the “Investment Project for Equipment Replacement at Phu Bai Spinning Mill Joint Stock Company”.
  - ⇒ The increase in borrowings, particularly short-term debt, has helped ensure funding for business operations and investment activities; however, it has also increased debt servicing pressure and financial costs amid rising interest rates.
  - + **Equity:** increased by VND 21.9 billion compared to 2024, equivalent to a 9.3% rise, mainly due to the Company recording after-tax profit of VND 21.9 billion in 2025. As a result, the Company fully eliminated its accumulated losses and recorded undistributed after-tax profit of VND 4.8 billion at year-end.

## 2.2. Key Financial Ratios:

No.	Indicators	2024	2025	Change
<b>A</b>	<b>PROFITABILITY</b>			
1	Gross profit margin	8.10%	10.87%	134.2%
2	Operating profit margin	1.11%	1.89%	170.8%
3	ROS = Net profit / Net revenue	1.14%	1.98%	173.6%
4	ROA = Net profit / Average total assets	1.69%	2.28%	134.5%
5	ROE = Net profit / Average equity	6.60%	8.84%	133.9%
6	EBITDA / Net revenue	5.93%	8.42%	142.0%
<b>B</b>	<b>CASH FLOW</b>			
1	Net cash flow from operating activities (CFO)	101,791	(27,929)	
2	CFO / Net profit	6.72	-1.27	
3	Cash flow margin (CFO / Net revenue)	8%	-3%	

No.	Indicators	2024	2025	Change
<b>C</b>	<b>ASSET UTILIZATION EFFICIENCY</b>			
1	Inventory turnover = COGS / Average inventory	5.04	3.59	71.1%
2	Days inventory outstanding (DIO) = 365 / Inventory turnover	72.36	101.79	140.7%
3	Receivables turnover = Net revenue / Avg. receivables	19.76	22.62	114.5%
4	Days sales outstanding (DSO) = 365 / Receivables turnover	18.47	16.14	87.4%
5	Payables turnover = COGS / Avg. payables	17.80	15.44	86.7%
6	Days payables outstanding (DPO) = 365 / Payables turnover	20.51	23.64	115.3%
<b>D</b>	<b>LIQUIDITY</b>			
1	Current ratio = Current assets / Current liabilities	1.29	1.17	90.5%
2	Quick ratio = (Current assets – Inventories) / Current liabilities	0.63	0.47	74.0%
3	Net working capital = Current assets – Current liabilities	110,408	72,119	65.3%
<b>E</b>	<b>FINANCIAL LEVERAGE</b>			
1	Debt-to-equity ratio (D/E)	2.85	2.91	102.4%
2	Total debt / Total assets	74.00%	74.45%	100.6%
<b>F</b>	<b>FINANCIAL STRUCTURE &amp; GROWTH</b>			
1	Equity / Total capital	26.00%	25.55%	98.3%
2	Revenue growth rate	7.46%	-16.46%	
3	Profit growth rate	138.26%	44.73%	32.4%
4	Long-term financing capacity = Equity + Non-current liabilities – Non-current assets	110,409	72,119	65.3%

**\* Comments:**

- + **Profitability:** In 2025, all profitability indicators improved across the board (gross margin, operating margin, ROS, ROA, ROE, EBITDA/Net Revenue). In particular:
  - **Gross profit margin** increased by 34.2%, indicating improved production efficiency. This was mainly attributable to a decline of approximately 5% in the average cotton purchase price in 2025 compared to 2024, which contributed to a slight 0.13% reduction in cost per kilogram of yarn, while the average selling price of yarn increased by 2.06% (due to exchange rate increases). However, at 10.87%, the gross margin remains relatively low, reflecting the inherently thin margins of the yarn industry and its high dependence on market fluctuations.
  - **Operating margin** increased by 70.8%: a relatively strong growth but from a low base. The gap between gross margin (10.87%) and operating margin (1.89%) indicates that financial expenses significantly impacted profitability. In 2025, financial expenses amounted to VND 39.9 billion, while financial income was VND 15.1 billion, resulting in a net financial loss of VND 24.8 billion (up 32% compared to 2024)
  - **ROS, ROA, ROE, EBITDA/Net Revenue:** improved but remain at relatively low levels.
- + **Cash flow:** In 2025, net cash flow from operating activities recorded a negative VND 27.9 billion. However, this was mainly due to unrefunded VAT amounting to VND 41.2 billion and the impact of a significant increase in raw material inventories. Excluding the timing effect of VAT refunds, operating cash flow remained positive at approximately VND 13.3

billion, indicating that core operations continued to generate cash, with the issue primarily reflecting short-term liquidity risk. The Company continues to closely manage working capital and the VAT refund process to mitigate short-term liquidity pressure.

- + **Asset utilization efficiency:** In 2025, asset utilization efficiency showed a declining trend due to slower inventory turnover, despite improvements in receivables collection. For a yarn manufacturing company—where inventory accounts for a large proportion of total assets—this decline has a significant impact on cash flow and overall financial efficiency. In the context of volatile cotton prices, maintaining high inventory levels poses risks of price declines and may negatively affect profit margins in subsequent periods.
- + **Liquidity:** Both the current ratio and quick ratio declined compared to 2024 and remained at relatively low levels, indicating reduced capacity to meet short-term obligations. The liquidity safety margin has narrowed, and liquidity increasingly depends on sales performance. Net working capital decreased sharply (by nearly 35%), reflecting a significant reduction in short-term financial buffers.
- + **Financial leverage:** The debt-to-equity ratio increased by 2.4%, while the debt-to-total assets ratio remained high (above 70%), mainly due to: (i) large inventory levels, with most of the funding for raw material stockpiling sourced from short-term borrowings; (ii) additional borrowings of VND 57.2 billion for machinery and equipment replacement at Plant No. 2; and (iii) continued high outstanding long-term debt from the Yarn Plant No. 3 project (VND 271 billion as of 31 December 2025). The increase in leverage, amid declining cash flow and high inventory levels, heightens overall financial risk.
- + **Financial structure and growth:** In 2025, production output declined due to site preparation and installation of machinery at Line No. 2, leading to a decrease in revenue. However, net profit after tax still achieved strong growth of 44.73%.

### 2.3. Review of the Financial Statements:

The review results show no differences from the 2025 financial statements audited by KPMG Limited. The financial statements fairly and accurately present, in all material respects, the Company's financial position, balance sheet, results of operations, and cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Regime, and relevant legal regulations on the preparation and presentation of financial statements

- + The financial statements have been prepared in accordance with the prescribed formats, based on Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Regime, and relevant legal requirements.
- + The figures in the financial statements present a true, objective, and complete view of the Company's financial position as of 31<sup>st</sup> December 2025.

### 3. Assessment of Investment Activities:

**Investments in accordance with the Resolutions of the General Meeting of Shareholders and the Board of Directors:**

*Unit: VND billion*

No.	Project Name	Approved Total Budget	Cumulative Implementation Value as of 31 <sup>st</sup> Dec 2025	Implementation Progress
I/	<b>2024 – 2025 Stage</b>			
	Modernization Project at Phu Bai Spinning Mill Joint Stock Company from Q.III/2024 to Q.III/2025	96.56	96.43	Completed (12/2025)

II/	2025 – 2026 Stage			
1	Investment in the replacement of the roof of the 50,000-spindle Factory, ensuring readiness for solar power installation	10.00		<b>In progress</b>
2	01 Set of Uster Jossi Vision Shield	2.50	2.43	Completed (04/2025)
3	01 Set of Universal Mixer MX-U10	~3.00	3.05	Completed (08/2025)
4	02 Sets of Murata Process Coner Alcone x 60 spindles - Bobbin Tray (1 kind yarn supply, Auto supply by lifter)	11.00	10.94	Completed (09/2025)
5	01 Set of Draw Frame model LDB3 – Single Delivery	0.70	0.63	Completed (12/2025)
6	02 Systems of Honeycomb Dust filter JYFO-III-8B (55Kw), Double Rotary Pre-Filter (for Cotton Carding machine)	1.60	1.38	Completed (09/2025) (04/2025 & 01/2026)
7	Yarn break monitoring and roving stop system for Rieter Auto-doffing Ringspinning Machines (25/27 G33, 21/21 G32)	10.00	9.61	Completed (10/2025)
8	01 System of Spandex and Filament Core Yarn Detection Device for Jingwei FA506-504 Ringspinning Machine	0.80	0.72	Completed (10/2025)
9	02 Intelligent Yarn Feeding Robots model TF-CSJ80B for Winders	2.00		<b>In progress</b>
10	Cụm kẹp mỗi sợi trên cọc sợi con của máy Sợi con Rieter G33	0.60	0.22	Completed (10/2025)
11	Additional air-conditioning and auxiliary electrical systems for Spinning Factory No. 3	1.50		<b>In progress</b>
<b>Total</b>		<b>140.26</b>	<b>125.41</b>	

**For investment projects under the 2025–2026 stage:** there remain three (03) items that have not yet been completed, as follows:

- **Investment in replacement of the roof of the 50,000-spindle factory, ensuring readiness for solar power installation:** approved in principle under Resolution No. 418/NQ-HĐQT dated 08 November 2024, and the implementation value (VND 10 billion) approved under Resolution No. 207/NQ-HĐQT dated 07 July 2025. The project is currently in the bidding documentation preparation stage and is expected to be implemented during 2026–2027.
- **Investment in two (02) intelligent yarn bobbin feeding robots for winders:** approved under Resolution No. 296/NQ-HĐQT dated 24 September 2025; the equipment has been delivered and is currently under trial operation.
- **Investment in additional air-conditioning and auxiliary electrical systems for Spinning Factory No. 3:** approved under Resolution No. 207/NQ-HĐQT dated 07 July 2025; currently under implementation and expected to be completed in the first half of 2026.

**\* Comments:**

Based on the implementation of equipment replacement investment projects in accordance with the Resolutions of the General Meeting of Shareholders and the Board of Directors, the Supervisory Board assesses that the Board of Directors and the Executive Management have closely monitored and continuously updated the Company's situation as well as market developments in order to adjust investment activities in line with financial resources while meeting the actual needs of the production facilities. Accordingly, appropriate, focused, and well-directed decisions have been made, maximizing the effectiveness of the investment projects. During project implementation, the Executive Management has consistently ensured compliance with legal regulations and internal investment procedures, as well as adherence to project timelines.

**4. Results of the Supervisory Board's oversight of the Board of Directors:**

In 2025, amid a complex and challenging market environment, the Supervisory Board highly appreciates the role of the Board of Directors (BOD) in leading and directing the Company to achieve positive business results.

The Board of Directors held four (04) regular meetings, conducted one (01) written resolution by circulation, and organized various expanded meetings, closely following the orientations set by the General Meeting of Shareholders (GMS) to discuss and issue eleven (11) resolutions during 2025. These resolutions addressed development directions, business solutions, investment activities, and organizational restructuring.

The Board of Directors has regularly monitored and closely directed the Executive Management in implementing the resolutions of the General Meeting of Shareholders. All resolutions and decisions of the Board of Directors were issued in a timely manner, within its authority, and in line with the requirements for managing the Company's business and production activities.

At the same time, the Board of Directors has focused on directing and supervising the Executive Management in the administration of the Company's operations to ensure compliance with legal regulations and the Company's Charter, while closely adhering to the resolutions of the General Meeting of Shareholders in executing business plans. The Board has exercised its rights and fulfilled its duties with a high sense of responsibility, in the best interests of the Company, its shareholders and employees.

**5. Results of the Supervisory Board's oversight of the Executive Management:**

With a strong sense of responsibility and determination in management and administration, the Executive Management has seriously implemented the resolutions of the General Meeting of Shareholders and the Board of Directors, ensuring compliance with the Company's Charter and applicable laws.

In the context of continued market volatility, the Executive Management has proactively implemented solutions to maintain business and production operations, gradually improve efficiency, and achieve profit growth compared to the previous year. However, the results did not meet the planned profit targets, indicating that business performance remained significantly affected by general market factors of the industry.

The Executive Management has consistently strived to maintain employment, ensure income, and improve the welfare of employees. The Company has continued to organize training and development programs for staff to enhance professional capabilities and improve the quality of human resources.

Overall, the Executive Management has made considerable efforts in organization and administration; however, it is necessary to further improve governance efficiency, strengthen cost control, and be more proactive in responding to market fluctuations in order to achieve planned targets in the coming period.

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## 6. Recommendations of the Supervisory Board for 2026:

The year 2026 poses significant challenges as the yarn industry faces “dual risks” arising from tariff fluctuations and geopolitical tensions, requiring enterprises to restructure their strategies not only to retain orders but also to enhance value-added in an increasingly competitive global environment. Escalating tensions among the United States, Israel, and Iran have led to sharp increases in logistics costs, as well as rising oil prices and fiber and cotton input costs, which are expected to have a more pronounced impact in May and June 2026.

On that basis, the Supervisory Board proposes the following key recommendations:

- + **Strengthen working capital management**, particularly maintaining raw material inventories at appropriate levels in line with market developments to mitigate price risks and liquidity pressure, and accelerate the VAT refund process.
- + **Closely control cash flow and financial leverage**, balance funding sources in line with business and investment needs, and minimize financial risks amid ongoing interest rate volatility.
- + **Manage production and business operations** in a flexible and prudent manner, closely monitoring market developments to optimize order efficiency and profit margins.
- + **Continue to emphasize training and capacity building for employees**; at the same time, promote the application of digital technologies in management and operations to enhance productivity and efficiency.
- + **Evaluate investment effectiveness**, select project items and implementation schedules in line with financial capacity, ensuring efficient use of capital.
- + **Promote market and product development**, prioritizing segments with better profit margins and reducing dependence on traditional markets. Diversify markets: currently, the South Korean market accounts for approximately 70% of the Company’s revenue. While this market offers good profitability and favorable receivables collection periods, a high concentration in a single market may pose concentration risks. Therefore, the Company’s management should consider diversifying its customer portfolio across multiple markets to mitigate risks arising from regional market fluctuations.
- + **Continue to ensure timely information disclosure** in compliance with regulations of the State Securities Commission.
- + **Implement the resolutions of the 2026 General Meeting of Shareholders** and strive to meet and exceed the 2026 business plan targets

## III. Orientation and Key Tasks of the Supervisory Board for 2026:

Based on the functions and duties of the Supervisory Board as stipulated in the Company’s Charter on Organization and Operation, the Supervisory Board has identified the following key priorities for 2026:

- + Review quarterly, semi-annual, and annual financial statements, with a focus on earnings quality, cash flow, and financial safety indicators.
- + Strengthen oversight of working capital management, particularly inventories, receivables, and cash flow, to control liquidity risks.
- + Monitor the implementation of investment projects to ensure efficient use of capital and minimize financial risks.
- + Continue to oversee the activities of the Board of Directors and the Executive Management in implementing the resolutions of the General Meeting of Shareholders, ensuring compliance with applicable laws and the Company’s Charter.
- + Perform other duties as required by regulations and as may arise.

The above is the 2025 report of the Supervisory Board of Phu Bai Spinning Mill Joint Stock Company, respectfully submitted to the General Meeting of Shareholders for approval.

Sincerely, Thank You!

<p><b>* Recipients:</b></p> <ul style="list-style-type: none"><li>- Shareholders;</li><li>- Supervisory Board;</li><li>- Board of Directors;</li><li>- Information Disclosure Officer;</li><li>- The Company's Website;</li><li>- Archives (Administration, Accounting &amp; Finance).</li></ul>	<p style="text-align: center;"><b>ON BEHALF OF THE SUPERVISORY BOARD HEAD OF THE SUPERVISORY BOARD</b></p> <p style="text-align: center;"><b>Nguyễn Ngọc Mai Chi</b></p>
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**Business Performance Results (Applicable to manufacturing, processing, and service companies)**

*Unit: Million VND*

TT	INDICATOR	YEAR 2025
1	Revenue from sales and provision of services	1,106,889
2	Revenue deductions	0
3	Net revenue from sales and provision of services	1,106,889
4	Cost of goods sold	986,523
5	Gross profit from sales and provision of services	120,366
6	Financial income	15,086
7	Financial expenses	39,856
8	Share of profit/loss from affiliated companies	0
9	Selling expenses	46,567
10	Administrative expenses	28,124
11	Operating profit	20,905
12	Other income	2,809
13	Other expenses	104
14	Other profit	2,705
15	Total accounting profit before tax	23,610
16	Corporate income tax	1,675
17	Net profit after tax	21,935
18	Basic earnings per share	1,649

**FINANCIAL INDICATORS**

*Unit: Million VND*

No	Indicator	Unit	Year 2025	Year s2024
1	<b>Asset Structure</b>	%		
	– Non-current assets / Total assets	%	50.83%	46.48%
	– Current assets / Total assets	%	49.17%	53.52%
2	<b>Capital Structure</b>	%		
	– Liabilities / Total capital	%	74.45%	74.00%
	– Owner's equity / Total capital	%	25.55%	26.00%
3	<b>Liquidity Ratios</b>	Time		
	– Quick ratio	Time	0.47	0.62
	– Current ratio	Time	1.17	1.28
4	<b>Profitability Ratios</b>	%		
	– Net profit after tax / Total assets	%	2.16%	1.66%
	– Net profit after tax / Net revenue	%	1.98%	1.14%
	– Net profit after tax / Owner's equity	%	8.47%	6.39%