



Số/No.: 198 /2026/CV- SMC

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

TP. HCM, ngày 22 tháng 04 năm 2026

## CÔNG BỐ THÔNG TIN ĐỊNH KỲ PERIODIC INFORMATION DISCLOSURE

*Kính gửi:*

- Ủy Ban Chứng khoán Nhà Nước/ State Securities Commission of Vietnam
- Sở Giao dịch Chứng khoán Việt Nam/ Vietnam Exchange
- Sở Giao dịch Chứng khoán thành phố Hồ Chí Minh /Hochiminh Stock Exchange

### I. Tên tổ chức/Name of organization:

Công Ty Cổ Phần Đầu tư Thương mại SMC/ *SMC Trading Investment Joint Stock Company*

- Mã chứng khoán/Stock code: SMC
- Địa chỉ/Address: 124-126 Ung Văn Khiêm, Phường Thạnh Mỹ Tây, TPHCM  
*124-126 Ung Van Kiem Street, Thanh My Tay Ward, Ho Chi Minh City, Vietnam*
- Điện thoại/Tel.: (08) 3899 2299 Fax: (08) 3898 0909
- Email: [smc@smc.vn](mailto:smc@smc.vn)

### II. Nội dung thông tin công bố/Contents of disclosure:

Công ty CP Đầu tư Thương mại SMC công bố Báo cáo thường niên năm 2025 (bản tiếng Anh) *SMC Trading Investment Joint Stock Company announces the 2025 Annual Report.*

### III. Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 22/04/2026

tại đường dẫn: <https://smc.vn>

*/This information was published on the company's website on 22/04/2026 (date), as in the link: <https://smc.vn>*

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.*

CÔNG TY CP ĐẦU TƯ THƯƠNG MẠI SMC





ANNUAL  
REPORT

2025



**SMC TRADING INVESTMENT JOINT STOCK COMPANY**

📍 124 - 126 Ung Van Khiem Street, Thanh My Tay Ward, HCMC

☎ (84-28) 3899 2299 - (84-28) 3898 0909 🌐 [www.smc.vn](http://www.smc.vn)

[www.smc.vn](http://www.smc.vn)



## ABBREVIATIONS

<b>AGM</b>	Annual general shareholders' meeting	<b>IP</b>	Industrial Park
<b>EGM</b>	Extraordinary General meeting of shareholders	<b>JSC</b>	Joint-stock company
<b>SMC</b>	SMC Trading Investment JSC	<b>JV</b>	Joint-venture
<b>BOD</b>	Board of Directors	<b>MoIT</b>	Ministry of Industry and Trade
<b>BOM</b>	Board of Management	<b>NPAT</b>	Net profit after tax
<b>BOS</b>	Board of Supervisory	<b>ROE</b>	Return on Equity
<b>EPS</b>	Earning per share	<b>MISP</b>	Marubeni Itochu Steel PTE. Ltd
<b>BPS</b>	Book value per share	<b>ROA</b>	Return on Assets
<b>BRVT</b>	Ba Ria - Vung Tau Province	<b>MISTS</b>	Marubeni Itochu Sumisho Techno Steel INC
<b>CEO</b>	Chief Executive Officer	<b>ASP</b>	Average selling price
<b>GD</b>	General Director	<b>VSA</b>	Vietnam Steel Association
<b>EPS</b>	Earnings per share	<b>HRC</b>	Hot rolled coils
<b>Forex</b>	Foreign exchange	<b>CRC</b>	Cold rolled coils
<b>HCMC</b>	Ho Chi Minh City	<b>YoY</b>	year-on-year
<b>HSX</b>	Ho Chi Minh Stock Exchange		

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**MESSAGE**  
**FROM THE CHAIRMAN**  
**OF THE BOARD OF**  
**DIRECTORS**

**Mr. PHAM HOANG ANH**  
 Chairman of the Board of Directors

**Dear Shareholders, Partners, and Customers,**

The year 2025 concluded with the global economy gradually recovering, yet still facing uncertainties stemming from geopolitical tensions and the rise of trade protectionism. Domestically, the economy maintained positive growth momentum, although businesses continued to encounter numerous challenges during this new phase of transformation.

For the steel industry, domestic demand supported by public investment and the recovery of the real estate market became a key driving force. However, pressure from export markets and trade barriers continued to require faster adaptation and more effective governance.

Against this backdrop, SMC chose a fundamental direction: comprehensive restructuring and strengthening of financial resilience. Over the past year, the Company focused on resolving long-standing issues, particularly debt recovery, asset restructuring, and adjusting operating models across member companies. At the same time, enhancing sales capabilities, improving operations, and strengthening risk management have gradually stabilized operations and improved financial quality.

Although the initial results achieved are modest, they are meaningful, reflecting the determination, discipline, and adaptability of the entire system. Tight cash flow control, budget optimization, and a strong focus on risk management have created a solid foundation for the next stage of development.

Entering 2026, SMC clearly defines its direction: **strong recovery – selective growth:**

- Enhance governance capacity, accelerate digital transformation, and focus on core business areas.
- Expand high-efficiency business segments and participate more deeply in the global supply chain value chain.
- Operate prudently and flexibly, balancing output and profitability.
- Intensify restructuring and divest inefficient assets to optimize resources and streamline operations.
- Implement plans to increase charter capital to strengthen resources and reinforce the financial foundation.

On behalf of the Board of Directors, the Executive Board, and all SMC employees, I would like to express our sincere gratitude to our Shareholders, Customers, and Partners for your continued support. We believe that in 2026, your trust and strong partnership will remain a powerful motivation for SMC to move forward steadily toward a sustainable future.

Sincerely,

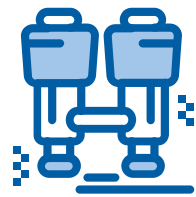
**Chairman of the Board of Directors**



**PHAM HOANG ANH**



# VISION BUSINESS PHILOSOPHY MISSION CORE VALUES



## VISION

Speaking of Steel, Thinking of SMC – Speaking of SMC, Thinking of Steel  
**SMC - Prestigious and Professional Steel Company**  
 SMC is committed to performing a prestigious and professional role in processing, manufacturing and distributing steel products, persistently updating to enhance the quality of provided goods and services, adding more values, and fulfilling various needs of customers and markets.



## MISSION

SMC aspires to dedicate its capability and expertise for the benefits of its partners and to contribute to the stable and sustainable future of Vietnam's steel industry.



## BUSINESS PHILOSOPHY

Understanding others, understanding ourselves  
 Pioneering in all activities  
 Being Transparent, Prestigious and Professional  
 Harmonizing all interests.



## CORE VALUES

Professional  
 Constantly improving the quality of products and services  
 Maximizing customer benefits  
 Honoring integrity in all activities  
 Prestigious, Transparent and Efficient  
 Collaborating, Sharing and Learning  
 Uniting and striving for common goals



## GENERAL INFORMATION ABOUT SMC

### CORPORATE INFORMATION

<b>Vietnamese name</b>	: Công ty Cổ phần Đầu Tư Thương Mại SMC
<b>English name</b>	: SMC Trading Investment Joint Stock Company
<b>Short name</b>	: Steel Materials Company
<b>Abbreviated name</b>	: SMC
<b>Head office</b>	: 124-126 Ung Van Khiem Street, Thanh My Tay Ward, HCMC
<b>Phone</b>	: (84 - 028) 3899 2299      Fax: (84 - 028) 3898 0909
<b>Website</b>	: <a href="http://www.smc.vn">www.smc.vn</a>
<b>Charter Capital</b>	: VND 736,785,870,000
<b>Stock ticker</b>	: SMC listed on the Ho Chi Minh Stock Exchange (HSX)
<b>Face value</b>	: VND 10,000
<b>Listed shares</b>	: 73,678,587 shares
<b>Outstanding shares</b>	: 73,606,837 shares
<b>Treasury shares</b>	: 71,750 shares

### BUSINESS ACTIVITIES

- ☐ Manufacturing, processing, trading, importing and exporting all kinds of steel products, metal goods, construction materials, interior decoration products and construction equipment, mechanical equipment, warehouse and plant frames with aluminum, steel and stainless-steel structures. Construction and installation of civil, industrial, transport, irrigation, housing repair and interior and exterior decoration projects in accordance with the law. Preparation of construction investment projects, consulting, designing and trading residential units in accordance with the law. Trading electrical appliances, hardware, consumer goods and food products.
- ☐ Forwarding and warehousing services for domestic and import-export goods, motor vehicle rental.
- ☐ Trading real estate, land use rights of owners, users or lessees.
- ☐ Other wholesale and specialized businesses.



## PRODUCTS AND SERVICES

❑ Distributing Construction steels of all kinds including wire rod, rebar, round steel, deformed steel; and such materials for steel production as billet, coking coal, and iron ore.

❑ Distributing Flat steels of all kinds including Hot rolled coils, Cold rolled coils, zin/alum/color coated Galvanized steel sheets, flat bar, and stainless steel.

❑ Distributing Section steel (H, I, U), Purlin, High tensile steel, Secondary steel, and welded mesh.

❑ The Coil Center system with a total processing capacity of up to 300,000 tons per year, with factories located at HCMC and Hanoi, well equipped with modern machineries and processing lines imported from Korea, Taiwan, and China according to European technologies. The scientific management system according to ISO 9001:2000 standards allow the processing systems to professionally split and cut various sizes of cold and hot rolled coils, galvanized steel sheets, color coated steel sheets and stainless steels with high quality and precision.

❑ The Precision Mechanical System, with its factory located in Phu My 2 IP, is equipped with modern machinery imported from Korea. It has the capacity to supply more than 6,000,000 products per year, specializing in precision machining, stamping and forming, and providing high-quality products for manufacturers of household appliances, electronics, automobiles, and motorcycles.

### TOTAL PROCESSING CAPACITY

**300,000** TONS PER YEAR

### THE CAPACITY TO SUPPLY

**>6** MILLION PRODUCTS PER YEAR



STEEL PIPE



COIL CENTER



AUTOMATIC EQUIPMENT



HOT ROLLED PLATE



SECTION STEEL



HOT ROLLED COILS



WIRE ROD



COIL CENTER



PURLIN



REBAR



WELDED MESH



PRECISION MECHANICS



ZINC COATED COILS



WAREHOUSE



COLD ROLLED COILS



ROUND STEEL



# HEADQUARTERS

## SMC TRADING INVESTMENT JOINT STOCK COMPANY

124-126 Ung Van Khiem Street, Thanh My Tay Ward, HCMC

Phone: (84-028) 3899 2299 – Fax: (84-028) 3898 0909

Website: www.smc.vn

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## SUBSIDIARIES

# 04

## AFFILIATES & JOINT-VENTURES

### SMC - SUMMIT CO., LTD. (JV BETWEEN SMC, MISTS AND MISP)

Street N7, Phu My II Industrial Zone, Phu My Ward, HCMC

Charter capital: 83,286,000,000 VND

SMC's ownership: 50%

### HANWA SMC STEEL SERVICE HANOI CO., LTD. (JV BETWEEN SMC AND HANWA)

Lot No. 47, Quang Minh Industrial Zone, Me Linh Ward, Hanoi

Charter capital: 64,369,800,000 VND

SMC's ownership: 35%

### SMC TOAMI CO., LTD. (JV BETWEEN SMC, TOAMI, AND HANWA)

Street 1B - Phu My 1 Industrial Zone, Phu My Ward, HCMC

Charter capital: 65,217,375,000 VND SMC's ownership: 25%

### VSSC STEEL CENTER CO., LTD. (JV BETWEEN SMC, SAMSUNG C&T, AND DONGKUK)

Street N7, Phu My II Industrial Zone, Phu My Ward, HCMC

Charter capital: 225,750,000,000 VND SMC's ownership: 15%

### SMC TRADING CO., LTD.

13/13 Phung Khac Khoan Street, Dong Hoa Ward, HCMC

Charter capital: 50,000,000,000 VND SMC's ownership: 100%

### SMC STEEL CO., LTD.

Street N7 - Phu My 2 IZ, Phu My Ward, HCMC

Charter capital: 230,000,000,000 VND SMC's ownership: 100%

### SMC STEEL MECHANICAL ONE MEMBER CO., LTD.

Street N7 - Phu My 2 IZ, Phu My Ward, HCMC

Charter capital: 180,000,000,000 VND SMC's ownership: 100%

### SMC TAN TAO ONE MEMBER CO., LTD.

Lot 33, Trung Tam Street, Tan Tao Industrial Zone, Tan Tao Ward, HCMC

Charter capital: 200,000,000,000 VND SMC's ownership: 100%

### SMC DA NANG CO., LTD.

No 359 Street 29/3, Hoa Xuan Ward, Da Nang City

Charter capital: 50,000,000,000 VND SMC's ownership: 100%

### SMC PHU MY STEEL PROCESSING CO., LTD.

Street N7, Phu My II Industrial Zone, Phu My Ward, HCMC

Charter capital: 220,000,000,000 VND SMC's ownership: 100%

### SMC PHU MY PRECISION CO., LTD.

Street N7, Phu My II Industrial Zone, Phu My Ward, HCMC.

Charter capital: 375,000,000,000 VND SMC's ownership: 100%

### SMC PHU MY AUTOMATION CO., LTD.

Street No 9, Phu My I Industrial Zone, Phu My Ward, HCMC

Charter Capital: 50,000,000,000 VND SMC's ownership: 100%

### SENDO STEEL PIPE JOINT VENTURE CO., LTD. (JV BETWEEN SMC AND HANWA)

Street No 9, Phu My I Industrial Zone, Phu My Ward, HCMC.

Charter capital: 176,201,485,313 VND SMC's ownership: 75%



# HISTORY AND HIGHLIGHTS

**1988**  
Establishment of the Construction Materials Store No. 15 under the Southern Retail and Wholesale Construction Materials Center

**CỬA HÀNG  
VẬT LIỆU XÂY DỰNG**  
KINH DOANH CÁC LOẠI SẮT THÉP  
VÀ VẬT TƯ XÂY DỰNG  
492 Xô Viết Nghệ Tĩnh, Q. Bình Thạnh  
ĐT: 993323 - 996067

**1998**  
Official launch of SMC brand, abbreviated for "Steel Materials Company"



**2006**  
Listed on Ho Chi Minh Stock Exchange with the stock ticker: SMC



**2007**  
Establishment of the first Coil Center - SMC Steel Co., Ltd. and Receiving the Second Class Labor Medal



**2013**  
Establishment of SMC Tan Tao One Member Co., Ltd. and Receiving the First-Class Labor Medal



**2021**  
Establishment of SMC's high-quality Steel Processing center at Phu My 2 IP, including SMC Phu My Steel Processing Co., Ltd.; SMC Phu My Precision Co., Ltd.; and VSSC Steel Center Co., Ltd. - the joint-venture between SMC and Samsung C&T



## 1988 - 2004

**2004**  
Equitization and official transformation into SMC Trading Investment Joint Stock Company



## 2006 - 2011

**2011**  
Establishment of the Coil Center in the North - SMC Hanoi JSC (which is now the JV Hanwa SMC Steel Service Hanoi Co., Ltd.)



## 2013 - 2019

**2019**  
Establishing the JV Hanwa SMC Steel Service Hanoi Co., Ltd. between SMC and Hanwa Corp



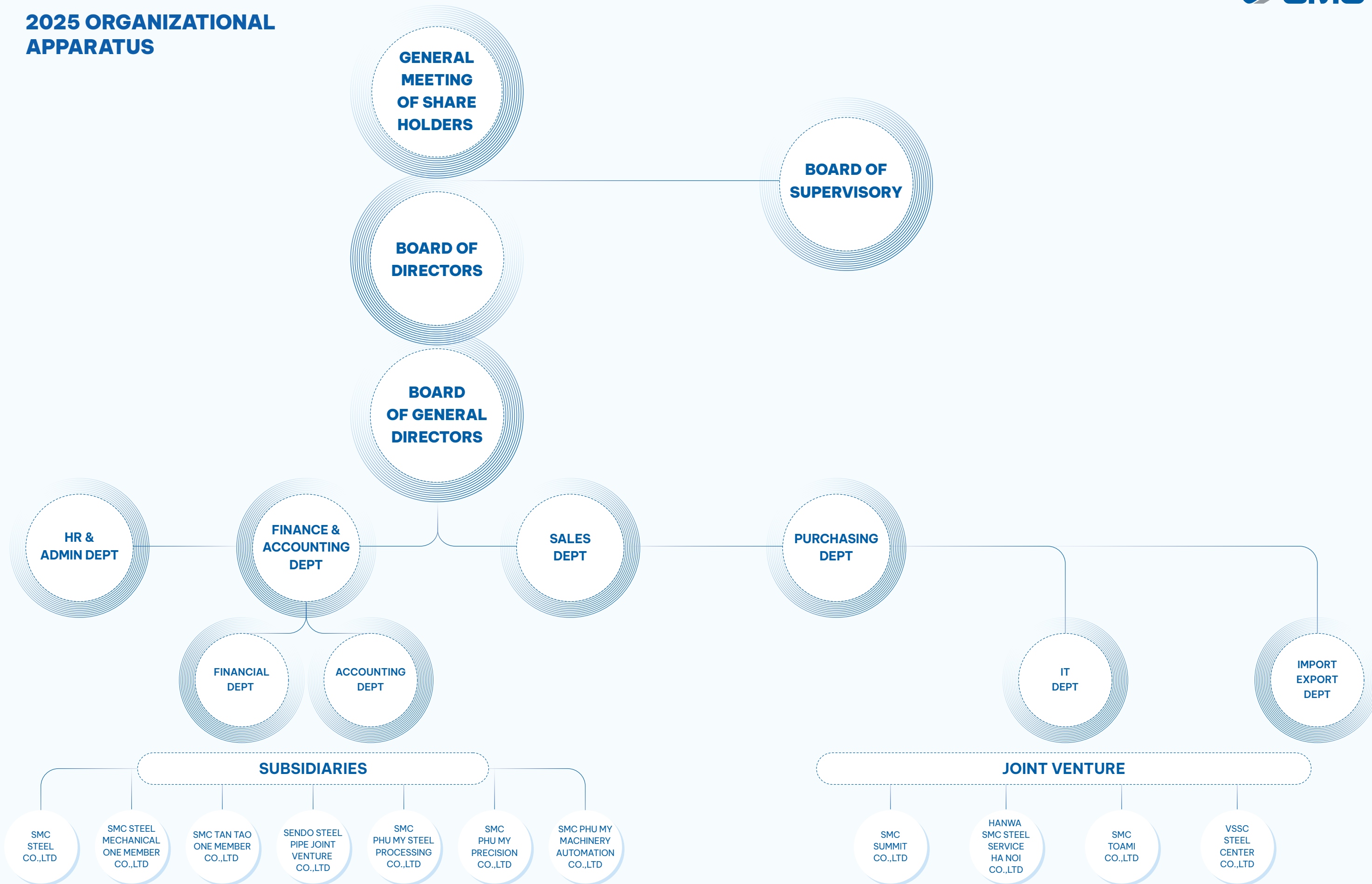
## 2021 - 2025

**2025**  
Continuing the comprehensive restructuring of SMC Group's investments, assets, and business operations; resolving Novaland's outstanding debts; and gradually lead the Company to overcome existing difficulties and challenges





# 2025 ORGANIZATIONAL APPARATUS





# THE BOARD OF DIRECTORS





## THE BOARD OF DIRECTORS' PROFILE



**Mr. Pham Hoang Anh**

Chairman

Professional Qualification:  
Bachelor of Finance and Banking



**Ms. Nguyen Ngoc Y Nhi**

Vice Chairman /  
Deputy General Director

Professional Qualification:  
Master of Commerce, Finance and Banking



**Mr. Kishimoto Hideki**

BOD Member /  
Managing Director  
of Hanwa Vietnam Co., Ltd.

Professional Qualification:  
Bachelor of Economics



**Mr. Nguyen Ngoc Anh Duy**

BOD Member

Professional Qualification:  
MBA



**Mr. Hoang Trung Dung**

BOD Independent Member

Professional Qualification:  
Bachelor of Business  
Administration



## THE BOARD OF DIRECTORS' REPORTS

### Macro-economic and market situation in 2025

In 2025, the global economic situation continues to fluctuate in complex and unpredictable ways, directly affected by geopolitical tensions, trade wars, commercial instability, and natural disasters as well as climate change. Following a prolonged cycle of high inflation and monetary tightening, most central banks have shifted toward easing interest rates; however, global economic growth has slowed, with higher risks and more intense strategic competition. New U.S. tariff policies and the responses from other countries have increased trade costs and uncertainty for multinational enterprises, impacting shifts in trade flows, inflation, investment capital, and global risk sentiment. Financial and monetary markets have experienced sharp volatility, while physical commodities such as gold and silver have reached record prices, putting pressure on global economic growth prospects. Risks related to energy and food security have also intensified due to climate change and regional conflicts.

In 2025, Vietnam's economy achieved impressive growth, with macroeconomic stability maintained, inflation kept under control, and major balances ensured. With GDP growth exceeding 8%, Vietnam became one of the fastest-growing economies in the region and the world, while inflation remained within the target of below 4.5%. The economic structure shifted positively, with domestic consumption and public investment disbursement strengthened, industrial production recovering, and imports and exports of goods and services continuously increasing in both quantity and quality. The real estate sector also began to recover, supporting construction and related services. Although the Vietnamese dong (VND) faced pressure from the strengthening U.S. dollar, flexible policy management helped keep the exchange rate relatively stable in the last months of 2025.

For the steel industry, global crude steel output reached 1.8 billion tons in 2025, down 2% compared to the previous year. Although steel prices showed signs of improvement toward the end of the year, the average annual prices of steel products still declined by 5–12% in 2025. The major pressure from China's steel market was the key factor behind the drop in global selling prices and consumption. China's steel production in 2025 fell by 4.4% compared to 2024, mainly due to the prolonged real estate crisis, which significantly weakened domestic steel demand and triggered a strong trend of Chinese steel exports to other countries worldwide.

In 2025, Vietnam's steel market gradually recovered and achieved fairly positive growth results for the year. Finished steel production and consumption reached 32.3 million tons and 31.6 million tons respectively, increasing by 10% in production and nearly 9% in consumption compared to the previous year. Total steel exports in 2025 amounted to more than 10 million tons, valued at USD 6.6 billion, down 20% in volume and 27% in value year-on-year. ASEAN was the largest export market, accounting for 34%, followed by the EU at 20.6%. In 2025, the steel industry showed strong divergence: construction steel benefited from robust domestic demand driven by public investment and infrastructure, while coated steel sheets and pipes faced significant pressure due to weakened exports amid trade barriers and rising competition. Construction steel consumption reached nearly 13 million tons, up 12% from 2024. Hot-rolled coil (HRC) recorded high growth of 25% year-on-year, reaching more than 8.4 million tons, supported by Hoa Phat's official operation of the Dung Quat 2 project and the anti-dumping tariff imposed from July 2025. Steel pipes grew slightly by 3%, with consumption exceeding 2.5 million tons. Meanwhile, coated steel sheet consumption reached nearly 5.3 million tons in 2025, down 7% compared to the previous year.

### Assessment of the BOM's activities and SMC's business result in 2025

The General Director and the Executive Board of SMC provide full and timely reports on the Company's business and production activities during Board of Directors meetings, proactively sharing both objective and subjective difficulties faced by the enterprise. From there, they propose solutions and seek guidance and directions from the Board. The Board of Directors assesses that the Executive Board consistently demonstrates close coordination, staying aligned with the Company's operations and market developments in order to implement various management measures, restructuring initiatives, and solutions to overcome challenges.

- The Executive Board has made significant efforts to stabilize the Company's operations by proactively adjusting business scale, controlling inventory, and tightly managing receivables and cash flow.
- The Executive Board has simultaneously implemented multiple solutions and continued to decisively liquidate/transfer long-term investments, fixed assets, and inefficient machinery and equipment, in order to minimize financial and operating costs, improve capital efficiency, and secure revenue and cash flow to help SMC overcome current difficulties and gradually surmount these challenges.
- The Executive Board has focused on corporate governance, enabling the Company to reduce production and operating costs, proactively reorganize and restructure manufacturing activities, and gradually bring the Company back to a stable and more efficient operating trajectory.
- The Executive Board has complied with legal regulations, the Company's charter, and operational rules, while striving to achieve the objectives and tasks set forth by the General Meeting of Shareholders.

Alongside the achievements, the Board of Directors also recognizes certain existing issues and lingering challenges. In 2025, although the domestic steel industry generally benefited from more favorable and positive factors, SMC continued to face difficulties in its core business activities. The Company's main operations remained heavily dependent on fluctuations in the steel market and financial markets (interest rates and exchange rates). Market share has not yet been regained, competitive advantages have diminished, and profit margins remain very low—insufficient to deliver effective results for the enterprise—due to constraints in working capital and cash flow, which remain blocked by large overdue debts.

For the full year 2025, SMC achieved a total business volume of more than 460,000 tons of steel products, fulfilling 74.2% of the annual production plan. Consolidated revenue was recorded at VND 7,010 billion, down 21.5% compared to the same period last year. NPAT reached VND 197.6 billion, compared to a profit of VND 12.1 billion in 2024. The decline and underperformance in terms of output and revenue were an inevitable result of the Company's decisive adjustment of operating scale, particularly the downsizing of inefficient business segments. At the same time, the reversal of provisions for receivables during the period and gains from asset transfers were the main contributors to the Company's net profit.

At present, SMC's scale and business operations have been reduced, while challenges and difficulties in the steel industry in general, and for SMC in particular, remain. This requires the Board of Directors and the Executive Board to take more decisive actions in restructuring and implementing measures to address losses, improve business efficiency, supplement capital and cash flow, thereby ensuring the Company's recovery and sustainable development in the future.



## Report on the Implementation of the Resolutions of the General Meetings of Shareholders in 2025

In 2025, SMC did not distribute dividends in cash or shares. The company's charter capital and the number of listed securities remained unchanged compared to the previous year.

### The performances of key targets

Key Target	Unit	2025 Target	2025 Actual	% Target
Total steel consumption	Tons	620,000	460,042	74.2%
• Long steels	Tons	180,000	199,693	110.9%
• Flat steels	Tons	440,000	260,349	59.2%
Sales Revenue	VND bn	9,500	7,010	73.8%
NPAT	VND bn	30.0	197.6	658.7%
Dividend payment	% par value	0%	0%	0%
Selection of Auditing Firm	AISC was selected to audit the company's financial statements for 2025			

## Report on the Activities of the BoD in 2025

In 2025, SMC's Board of Directors experienced significant personnel changes. These changes were made to align with governance requirements and development orientations, aiming to address existing difficulties and challenges for the Company's stability and sustainable growth. The adjustments in Board composition also sought to strengthen financial expertise, enhance governance and supervisory capacity, and improve the overall effectiveness of the Board's operations.

As of now, SMC's Board of Directors consists of 5 members, including 1 independent member, and has not established any subcommittees. The Board coordinates with the Supervisory Board and the Executive Board to hold regular and extraordinary meetings to review, discuss, and decide on important matters related to the Company's development orientation, business strategy, and operations. The activities of the Board are carried out based on the principles of transparency, prudence, and a focus on the long-term interests of shareholders.

The Board of Directors monitors market conditions, macroeconomic developments, and the Company's situation to assess impacts and business performance. It oversees the implementation of resolutions from the General Meeting of Shareholders and the Board of Directors, as well as compliance with legal regulations, current State policies, requirements of regulatory authorities, and the Company's charter. Based on these evaluations, the Board sets appropriate objectives and directions, and adopts flexible management policies in line with market developments.

The Board of Directors, in coordination with the Executive Board, has introduced solutions to downsize the Company's business operations; liquidate or transfer assets, inefficient investments, and financial holdings; and address outstanding debts, in order to gradually restore the Company's financial health. At the same time, the Board actively engages with financial institutions, suppliers, and customers to decisively implement measures to resolve the difficulties currently faced by the enterprise.

## Members and Structure of the Board of Directors

No.	Full Name	Title	Date of Appointment	Date of Dismissal	Shares owned	%	Positions at other entities
1	Pham Hoang Anh	Executive Chairman	25.09.2025		1,000,000	1.4	None
2	Nguyen Ngoc Y Nhi	Vice Chairman	26.04.2021		2,389,764	3.2	Deputy General Director – SMC's Finance and Accounting Dept
3	Kishimoto Hideki	Non-executive Member	26.04.2021		14,416,476	19.6	Executive Director of Hanwa Vietnam Co., Ltd. – Representative of the Shareholding portion of Hanwa Corp
4	Nguyen Ngoc Anh Duy	Non-executive Member	25.09.2025		72,834	0.1	Director of SMC Trading One Member Limited Liability Company
5	Hoang Trung Dung	Independent Member	25.09.2025		0	0.0	Vice Chairman of Hai Duong Road & Bridge JSC / Head of Investment advisory team, Thanh Cong Branch, BVSC
6	Nguyen Thi Ngoc Loan	Former Chairman	26.04.2021	25.09.2025	0	0.0	None
7	Fujisuka Masahiko	Member	22.05.2025	31.12.2025	0	0.0	Executive Board of Hanwa Co., Ltd.
8	Nguyen Huu Kinh Luan	Member	26.04.2021	31.12.2025	100,000	0.1	None
9	Vu Anh Nguyen	Independent Member	26.04.2021	31.12.2025	0	0.0	CEO of Baya Furniture Co.
10	Hua Vu	Independent Member	22.05.2025	25.09.2025	0	0.0	Representative of Arowana Asia Pacific Pty Co., VN branch

## Plan and Orientation of the Board of Directors for 2026

- Direct strong and decisive implementation of corporate restructuring solutions, focus on accelerating digital transformation, reorganizing and streamlining operations with emphasis on steel trading and steel processing activities; improving the Company's debt and capital structure; supplementing financial resources and human capital to enhance operational efficiency.
- Direct and support the Executive Board and the Debt Management Committee to decisively resolve overdue debts.
- Promote and uphold transparency in all Company activities, emphasizing accountability and contributions of Board Members and the Executive Board. In particular, enhance transparency in corporate governance and operations, and strengthen risk management responsibilities in sales and debt collection.
- Direct the completion of the 2026 business plan approved by the General Meeting of Shareholders, ensuring strict adherence to and effective implementation of the orientations and resolutions of the Board of Directors.
- Improve governance quality, practice thrift and prevent waste, while fostering corporate culture.



## The key Resolutions of the BoD in 2025

Meeting date	Resolution's No.	Key points
26 Feb 25	60	Approval of the change of the Head office address of SMC Da Nang Co., Ltd.
31 Mar 25	97	Approval of the extension of the date for holding the 2025 AGM
16 Apr 25	107	Approval of the change of the date for holding the 2025 AGM
06 May 25	128	Approval of the working agenda and reports to be presented at the 2025 AGM
12 May 25	135	Approval of the nomination of candidates for the election to supplement two members of the BoD for the 2021-2025 term at the 2025 AGM, including: <ul style="list-style-type: none"> <li>Mr. Fujisuka Masahiko / Japan</li> <li>Mr. Hua Vu / Vietnam</li> </ul>
14 May 25	146	Approval of the updated and additional materials to be submitted to the 2025 AGM
22 May 25	151	Successfully organized the 2025 AGM and approval of the Resolutions and matters presented at the Meeting. The 2025 AGM agreed to authorize the BoDs to proactively implement in detail the issues and resolutions approved at the Meeting
28 May 25	171	Approval of the appointment of Mr. Vo Dinh Tuyen as Director and Legal Representative of SMC Steel Mechanical One Member Co., Ltd, effective from June 1, 2025
28 May 25	172	Approval of the appointment of Mr. Dang Huy Hiep – CEO cum as Director and Legal Representative of SMC Phu My Precision Co., Ltd, effective from June 1, 2025
28 May 25	173	Approval of the dissolution of SMC Da Nang Co., Ltd.
25 Jun 25	219	Approval of the change of the Head office address of SMC Hiep Phuoc One Member Co., Ltd.
11 Jul 25	231	Approval of the additional business line to the registered business activities of SMC Phu My Automation Co., Ltd. – specifically adding code 6810: real estate business, including the use of land owned, leased, or under the company's lawful rights
11 Jul 25	238	Approval of the appointment of Mr. Vo Dinh Tuyen as Director and Legal Representative of SMC Steel Pipe JV Co., Ltd. effective from Aug 1, 2025
21 Aug 25	283/284	Approval of the convening of the 2025 EGM on Sep 25, 2025 in HCMC, with the agenda as follows: <p>Election of two supplement members of the BoD and two members of the BoS for the term 2021-2025. The BoD approved the introduction of the list of candidates for election to the BoD and BoS, including:</p> <ul style="list-style-type: none"> <li>Mr. Pham Hoang Anh – Candidate for the BoD</li> <li>Mr. Hoang Trung Dung – Candidate for the BoD</li> <li>Mr. Nguyen Ngoc Anh Duy – Candidate for the BoD</li> <li>Mr. Nguyen Quang Trung – Candidate for the BoS</li> <li>Mr. Thai Thi Van Anh – Candidate for the BoS</li> </ul>
11 Sep 25	312	Approval of the dismissal of Mrs. Nguyen Thi Kim Hong Chau from the position of SMC's Deputy General Director, effective from Sep 30, 2025
11 Sep 25	313	Approval of the Resolution – Supplementing the approval of the policy to enter into framework contracts, purchase and service agreements between related parties in 2025, involving Ms. Nguyen Thi Ngoc Loan – Chairwoman, and Mrs. Nguyen Thi Kim Hong Chau – Deputy General Director of the Company.

Meeting date	Resolution's No.	Key points
25 Sep 25	344	The SMC's 2025 EGM approved the Resolution of the Meeting, with the following main contents, for the 2021-2025 term: <ul style="list-style-type: none"> <li>Approved the resignation letter of Mrs. Nguyen Thi Ngoc Loan – Chairwoman of SMC's BoD</li> <li>Dismissed Mrs. Nguyen Thi Ngoc Loan from the position of Chairwoman / Member of the BoD</li> <li>Dismissed Mr. Hua Vu from the position of Member of the BoD</li> <li>Approved the election results of Mr. Pham Hoang Anh, Mr. Hoang Trung Dung, and Mr. Nguyen Ngoc Anh Duy as Members of the BoD</li> <li>Approved the election results of Mr. Nguyen Quang Trung and Mrs. Thai Thi Van Anh as Members of the BoS</li> </ul>
25 Sep 25	345	The SMC's 2025 EGM and the BoD approved the election result for the new Chairman cum Legal Representative of the Company for the 2021-2025 term with respect to Mr. Pham Hoang Anh, effective from Sep 25, 2025
10 Oct 25	384	Approval of the appointment of Mr. Vo Dinh Tuyen as Director and Legal Representative of SMC Phu My Automation Co., Ltd. effective from Sep 10, 2025
10 Oct 25	385	Approval of the appointment of Mr. Nguyen Huu Kinh Luan as Director and Legal Representative of SMC Trading Co., Ltd. effective from Sep 10, 2025
22 Oct 25	428/430/432	Approval of the request to release collateral assets at SMC Trading and Investment JSC, SMC Steel Co., Ltd., and SMC Steel Mechanical One Member Co., Ltd., which are currently mortgaged at Vietinbank HCMC Branch
05 Nov 25	450	Approval of the policy of consolidating and restructuring the governance framework to align with the company's scale, enhance management efficiency, increase flexibility, and meet SMC's new development orientation, specifically as follows: <ul style="list-style-type: none"> <li>Streamline the BoD for the 2021-2025 term by reducing the number of members from 7 to 5</li> <li>Update, amend, and supplement the Company's Charter at Section 2, Article 4 – the Company's Legal representative shall be the Chairman and the General Director of the Company</li> </ul>
17 Nov 25	467	Approval of the contents to be submitted for shareholders' written consultation: <ul style="list-style-type: none"> <li>Dismissal of the Board members including Mr. Fujisuka Masahiko, Mr. Vu Anh Nguyen, and Mr. Nguyen Huu Kinh Luan</li> <li>Dismissal of the Supervisory Board member Mr. Nguyen Quang Trung</li> <li>Amendment and supplementation of the Company's Charter on organization and operation, designating the Chairman and the General Director as the Company's Legal Representatives</li> <li>The implementation timeline for amending and supplementing the Company's Charter, related procedures, and any resulting impacts shall be carried out and applied from Q1/2026</li> </ul>
17 Nov 25	468	Agreed to establish a Vote Counting Committee to collect shareholders' written opinions on the above matters, including: <ul style="list-style-type: none"> <li>Mr. Pham Hoang Anh – Chairman – Head of the Committee</li> <li>Ms. Nguyen Ngoc Y Nhi – Vice Chairman – Deputy Head</li> <li>Mr. Nguyen Ngoc Anh Duy – BoD Member – Member</li> <li>Ms. Vo Thi To Ngan – Head of the BoS – Member</li> <li>Ms. Ho Thi Ngoc Tuyét – Supervisor – Member</li> </ul>



### The key Resolutions of the BoD in 2025 (Cont.)

Meeting date	Resolution's No.	Key points
24 Nov 25	485	Approval of the transfer and the price of land lease rights, housing ownership rights, and assets attached to land at SMC Steel Mechanical, located in Phu My 1 IZ, Phu My ward, HCMC
24 Nov 25	487/488	Approval of the termination of the investment project of SMC Steel Mechanical at Phu My 1 IZ, Phu My ward, HCMC, effective from December 1, 2025  Approval of the change of address of SMC Steel Mechanical and the update of the new address in the Company's Business Registration Certificate and Charter
24 Nov 25	490	Approval of the termination of the investment project for the expansion of the production plant and processing of steel products of SMC Steel Co., Ltd. at Phu My 1 IZ, Phu My ward, HCMC, effective from December 1, 2025
08 Dec 25	502/503 504/505	Approval of the appointment of Mr. Nguyen Quoc Thang as Deputy General Director of SMC Trading and Investment JSC, effective from January 1, 2026  Approval of the concurrent appointment of Mr. Nguyen Quoc Thang as Director and Legal Representative of SMC Hiep Phuoc One Member Co., Ltd., effective from January 1, 2026  Approval of the concurrent appointment of Mr. Nguyen Quoc Thang as Director and Legal Representative of SMC Steel Co., Ltd., effective from January 1, 2026  Approval of the appointment of Mr. Nguyen Ba Bac as Director and Legal Representative of SMC Phu My Steel Processing Co., Ltd., effective from January 1, 2026
17 Dec 25	529	Approval of the establishment of the Debt Management Committee, as well as the working regulations, organizational structure, and duties of the Committee in accordance with the regulations submitted to the Board of Directors. The Board also unanimously agreed to authorize the Chairman of the BoD to fully organize and implement the contents of these Regulations
17 Dec 25	530	Approval of the additional capital contribution to SMC Tân Tạo One Member Co., Ltd., increasing the charter capital from VND 150 billion to VND 200 billion
31 Dec 25	536	Resolution of the General Meeting of Shareholders – written consultation of shareholders, approving the following matters: <ul style="list-style-type: none"> <li>Dismissal of Board Members for the 2021–2025 term: Mr. Fujisuka Masahiko, Mr. Vu Anh Nguyen, and Mr. Nguyen Huu Kinh Luan</li> <li>Dismissal of Supervisory Board Member for the 2021–2025 term: Mr. Nguyen Quang Trung</li> <li>Amendment and supplementation of the Charter on the organization and operation of SMC, designating the Chairman of the Board of Directors and the General Director as the Company's legal representatives. Other contents remain unchanged</li> </ul>

### Strategic Vision and Orientation of the Board of Directors for the New Term 2026–2031

- Business Model Transformation:** In the new phase, SMC aims to gradually shift from the traditional steel trading model to the **“Trading + Processing + Value-added Services”** model. The focus will be on enhancing business capacity and efficiency, consolidating the dual strengths of steel trading and steel processing services, and developing specialized and advanced steel products to provide value-added services and products to customers.
- Financial Restructuring:** Restructure capital and financial leverage, progressively strengthening the financial capacity of the system and developing SMC's steel value chain towards sustainability and efficiency.
- Profitability and Dividend Policy:** Improve capital utilization and profitability, ensuring stable annual dividend payments to shareholders as in previous years.
- Modern Corporate Governance:** Promote a modern and dynamic corporate governance system through digital transformation and the application of advanced management technologies, including data governance systems, reporting and risk management analysis tools, enhanced operational management platforms, and improved internal control processes.
- Human Resources Development:** Continue building and developing a high-quality workforce, enhancing management and professional capabilities, and fostering a professional and efficient corporate culture.
- Sustainability and Social Responsibility:** Continue improving resource efficiency, minimizing environmental impact, and fulfilling social responsibility to the community.

The Board of Directors firmly believes that, with a clear strategic orientation and the dedicated efforts of the Executive Board together with all employees, SMC will quickly stabilize, recover, and continue to develop sustainably, thereby creating long-term value for all shareholders and partners.





# THE BOARD OF MANAGEMENT





## THE BOARD OF MANAGEMENT'S PROFILE



**Mr. Nguyen Quang Trung**

General Director (CEO)

—  
**Professional Qualification:**  
 Master of Science in Industrial Engineering  
 and Management



**Ms. Nguyen Ngoc Y Nhi**

Deputy General Director –  
 Accounting & Finance

—  
**Professional Qualification:**  
 Master of Commerce in Banking  
 and Finance



**Mr. Nguyen Quoc Thang**

Standing Deputy General Director

—  
**Professional Qualification:**  
 Master of Business Administration



## THE BOARD OF MANAGEMENT'S REPORTS

### Assessment of impact factors and business performance in 2025

The year 2025 was marked by significant turbulence, with intertwined economic and political factors creating major challenges and shifts in the global order.

- **Trade and Supply Chains:** U.S. protectionist policies and tariffs had widespread spillover effects, reshaping international trade flows and fragmenting global supply chains, prompting many enterprises to relocate production to third countries.
- **Weak Growth in Major Economies:** Large economies such as the U.S., China, and Europe experienced weak growth while inflation remained above target.
- **Geopolitical Tensions:** Regional conflicts and strategic competition among major powers intensified, particularly U.S.–China and Russia–Western relations, undermining multilateral cooperation and driving nations to form new economic and political alliances.
- **Monetary Policy:** The Federal Reserve cautiously shifted from tightening to easing monetary policy, introducing interest rate cuts in late 2025 to support growth while balancing inflationary pressures.
- **Structural Challenges:** Global growth persisted but was constrained by weak private investment, stagnant labor productivity, aging populations, and heightened risks of war and geopolitical conflict, which raised production costs and slowed overall growth.

In the midst of a gloomy global economic environment, Southeast Asia emerged as one of the most dynamic growth regions in 2025. The region maintained a growth rate above the global average, driven by recovering domestic consumption, a young population, and investment flows shifting away from China. Vietnam, in particular, stood out as a new hub for both production and consumption. Defying cautious forecasts and global economic volatility, Vietnam closed 2025 with an impressive GDP growth rate of over 8%.

- **Growth Drivers:** The main momentum came from the strong recovery of domestic consumption, industrial production, exports, and effective disbursement of public investment.
- **Trade Performance:** Total import–export turnover in 2025 was estimated at USD 920 billion, up 16.9% compared to the previous year. Maintaining a trade surplus of USD 21.18 billion was especially important in stabilizing the exchange rate, increasing foreign reserves, and reinforcing confidence among foreign investors.
- **FDI Attraction:** Vietnam continued to be a leading destination for high-quality foreign direct investment, particularly in semiconductors, artificial intelligence (AI), and green energy.

The acceleration of public investment disbursement into key infrastructure projects—such as Phase 2 of the North–South Expressway, Long Thành International Airport, and urban ring roads—significantly boosted demand for construction steel. The number of newly launched projects increased, while demand for steel in the residential market also improved, directly driving consumption of both long steel and flat steel. In addition, policies promoting private sector development and certain trade defense measures enabled domestic steel enterprises to maintain market share and optimize operating capacity. In 2025, Vietnam's steel industry achieved positive outcomes in anti-dumping cases and trade reviews concerning steel products in export markets such as the EU, Canada, Australia, and India. However, steel exports faced considerable challenges, recording declines in both volume and

value compared to the previous year. This was due to anti-dumping measures, higher tariff policies, and stricter inspection regulations in target markets, which limited the competitiveness of Vietnamese steel in the global arena.

Toward the end of 2025, construction steel prices showed signs of improvement, driven by consistent price adjustments from producers, although sales volumes remained subdued. The market was further supported by proactive reductions in excess capacity and maintaining low inventory levels during the second half of the year. However, the upward trend in prices was not accompanied by a strong increase in consumption. HRC prices in Vietnam by year-end 2025 remained low, around USD 475 per ton—down approximately 6% compared to the beginning of the year. Despite reduced competitive pressure from imported Chinese HRC, major domestic producers were still unable to raise selling prices during this period due to persistent supply–demand imbalances and weak consumption. Similarly, coated steel and steel pipe prices did not record a clear recovery. In particular, the outlook for coated steel was assessed as more challenging, facing significant pressure from planned capacity expansions at several mills in the coming year.

Throughout 2025, SMC continued to face significant challenges in its business operations. In response, the Company adhered closely to asset restructuring solutions, narrowing down inefficient production segments, and implementing maximum cost reductions in finance, management, and operations. Measures included salary cuts and streamlining the organizational structure to align with the prevailing economic conditions. Specifically, SMC liquidated/transferred assets as follows:

- Transferred plant and machinery at Sento Steel Pipe JV with a value of VND 245 billion.
- Transferred machinery and equipment at SMC Steel with a total value of VND 156 billion.
- Transferred plant and machinery at SMC Steel Mechanical with a total value of VND 258 billion.

In addition, SMC made relentless efforts to negotiate with partners to expedite debt repayment and recover overdue receivables, while ensuring a stable supply of raw materials at appropriate volumes for production and business activities under current conditions. Thanks to decisive and determined restructuring measures, the Company's core business operations gradually improved. SMC recorded positive gross profit in Q4/2025 compared to negative gross profit in the first nine months of 2025 and the same period in 2024, contributing positively to consolidated gross profit for the full year.

Key Item	Unit	2025	2024	+/- %	2025 Plan	% Plan
Total Sales Volume	Tons	460,042	597,400	-23.0%	620,000	77.0%
Net Sales Revenue	VND bn	7,010	8,930	-21.5%	9,500	73.8%
Net Profit After Tax	VND bn	197.6	12.1	16.3 times	30.0	6.6 times

By the end of 2025, total steel consumption across the system reached more than 460,000 tons, down 23% year-on-year and achieving only 77% of the planned production target. Net revenue amounted to VND 7,010 billion, equivalent to just 74% of the annual plan and a sharp decline of 21.5% compared to 2024. However, NPAT recorded VND 197.6 billion, 6.6 times higher than the plan and 16 times greater than the previous year's result. This remarkable outcome was largely driven by the reversal of provisions for overdue receivables and profits from the transfer of fixed assets, which made a significant contribution to the Company's performance in 2025.



**Key Financial Highlights for 2025**

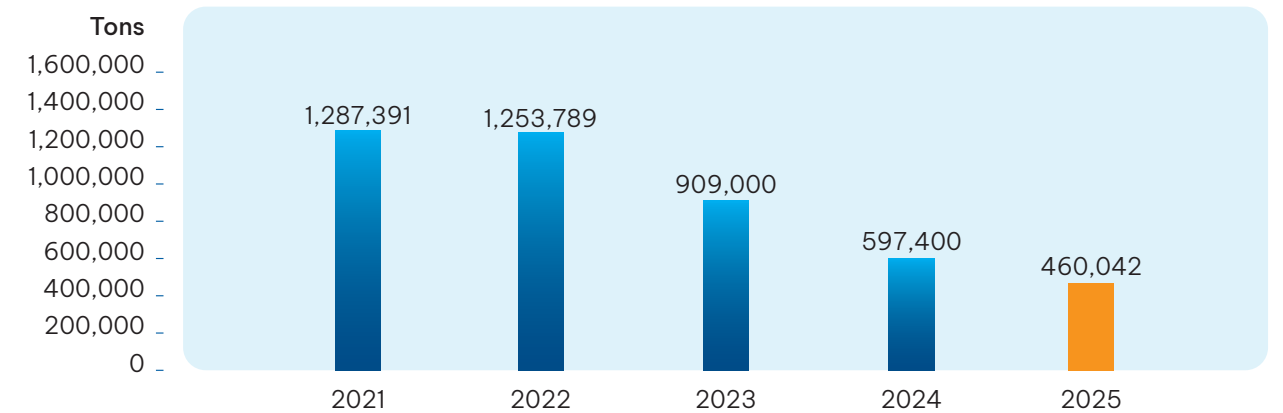
In 2025, total long steel consumption reached 199,693 tons, an increase of 23.5% compared to the previous year, accounting for 43.4% of the Company’s total system-wide steel consumption. The rebound in construction steel output was consistent with the overall growth in domestic construction steel demand. SMC’s main consumption segments remained concentrated in wholesale, retail, and residential markets. However, the supply of construction steel to major projects and infrastructure works has not yet been expanded or accelerated due to lingering financial and cash flow difficulties. These constraints limited profitability and the overall efficiency of the construction steel trading business segment.

In 2025, total consumption of flat steel products – including HRC, CRC, coated steel, and steel pipes – reached more than 260,349 tons, representing a sharp decline of 36% compared to 2024 and accounting for 56.6% of SMC’s total steel consumption. The primary reason for this significant drop was the proactive reduction in production of coated steel and steel pipes, which previously had a combined annual output of over 200,000 tons. The coated steel and steel pipe markets faced considerable difficulties, recording low or negative growth compared to other product groups. Challenges stemmed from weak export markets, intense competition in the domestic market, and SMC’s internal financial and operational constraints, which limited the performance and profitability of these segments across the Group.

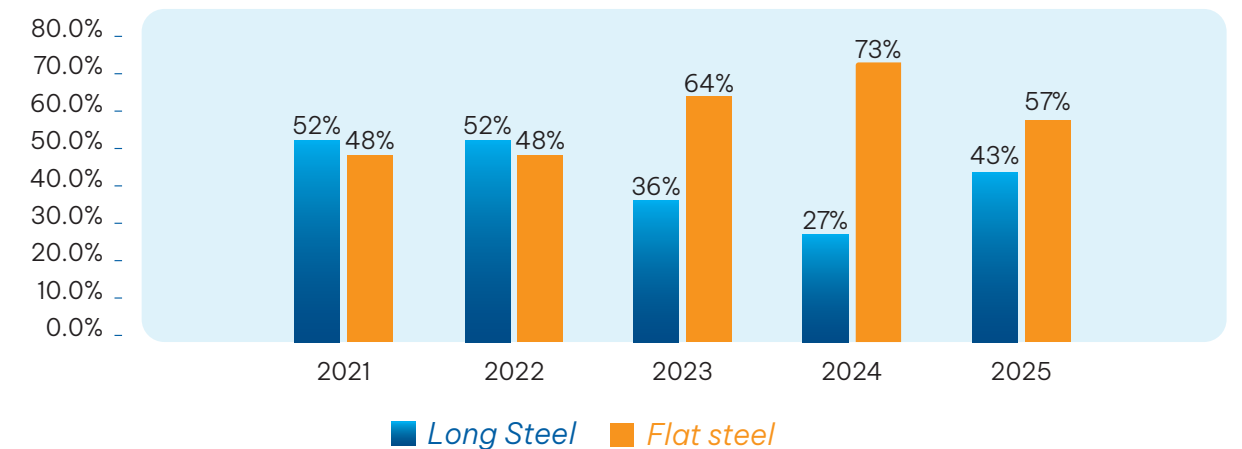
Coil Center activities – including slitting, sheet cutting, and precision mechanical stamping – recorded stable and effective performance in 2025. Notably, precision stamping operations at SMC Precision Mechanical produced nearly 6.5 million products during the year, an increase of 8.3% compared to 2024. This progress gradually narrowed the gap between revenue and costs, contributing positively to the Company’s overall efficiency. The Coil Center segment currently accounts for and contributes approximately 25% of the Group’s total output and revenue. However, under the restructuring orientation to cut inefficient production segments and focus solely on two core activities – Trading and Coil Center – starting from 2026, Coil Center operations will progressively increase their share and deliver stronger contributions to the entire system.

In 2025, SMC’s total steel export volume reached 27,140 tons, an increase of nearly 12% compared to the previous year, accounting for 5.9% of the Company’s total steel consumption across the system. Australia and Cambodia continued to serve as SMC’s key export markets. In addition, the increase in on-site export volumes for Samsung made a significant contribution to the overall growth of SMC’s export performance in 2025.

**SMC’s Total Steel Consumption for 2021 – 2025**



**SMC’s Consumption Break-down for 2021 – 2025**



(\* ) Long Steel products include Construction steels, billets, section steels, welded steel mesh, and other steels

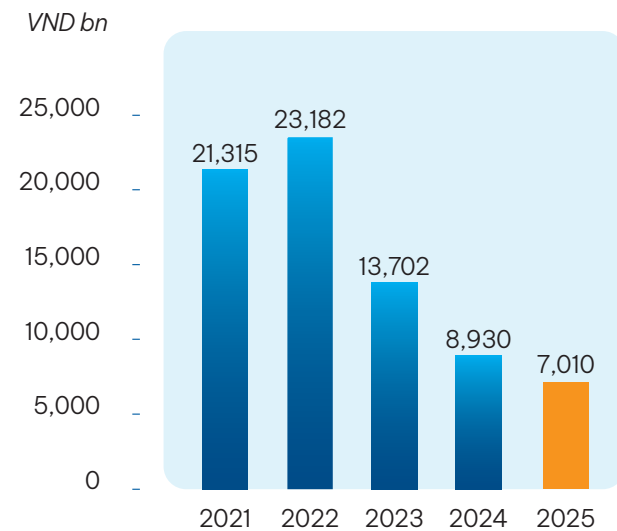
(\* ) Flat steel products include HRC, CRC, Steel pipe, and Coil Center

**Business and Production Efficiency**

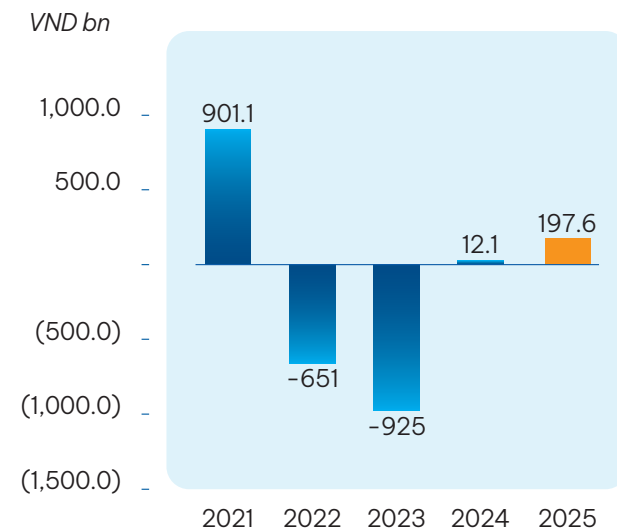
In 2025, net sales revenue reached VND 7,010.3 billion, representing a decline of nearly 21.5% year-on-year. This reflected a 23% drop in total steel consumption, while the average selling price was slightly higher than the previous year due to shifts in the structure of key business segments. High cost of goods sold resulted in SMC’s gross profit for 2025 being only VND 1.4 billion. The gross profit margin for the year remained extremely low at 0.02%. Despite ongoing challenges in capital and cash flow, changes in business policies and strategies – focusing more on quality and efficiency rather than volume, alongside strict control and reduction of key operating expenses – led to positive developments. In Q4/2025, the gross profit margin improved to 0.55%, compared to -0.14% and -2.41% in Q2 and Q3 of the same year, respectively. Notably, the Q4/2025 margin of 0.55% showed significant improvement compared to -1.15% in the same period of 2024, making an important contribution to maintaining a positive gross profit for the full year 2025.



### Net Sales Revenue for 2021 – 2025



### Net Profit after Tax for 2021 – 2025



Key Items	Unit	2024	2025	+/- %
Net Sales Revenue	VND bn	8,929.8	7,010.3	-21.5%
<b>Operating Costs of Business and Production Activities</b>				
COGS	VND bn	8,924.1	7,008.9	-21.5%
Sales Expenses	VND bn	91.9	68.9	-25.1%
General & Administrative Expenses	VND bn	(95.5)	(86.7)	-9.2%
Financial Expenses	VND bn	234.2	145.6	-37.8%
Interest Expenses	VND bn	176.4	148.4	-15.9%
Sales Expenses/Sales Revenue	%	1.03	0.98	-0.05%
G&A Expenses/Sales Revenue	%	-1.07	-1.24	-0.17%
Financial Expenses/Sales Revenue	%	2.6	2.1	-0.5%
<b>Business and Production Performance Efficiency</b>				
Gross Profit	VND bn	5.7	1.4	-76.2%
Financial Revenue	VND bn	241.9	26.5	-89.0%
Other Profit	VND bn	35.7	349.6	879.3%
Profit Before Tax	VND bn	47.7	248.6	421.2%
Net Profit After Tax	VND bn	12.1	197.6	1,533.1%
Gross Profit/ Net Revenue (Gross Margin)	%	0.06	0.02	-0.04%
NPAT/ Net Revenue (Net Margin)	%	0.14	2.82	2.68%
NPAT/ Owner's Equity (ROE)	%	1.49	19.6	18.1%
NPAT/ Total Assets (ROA)	%	0.25	4.44	4.19%

Selling expenses in 2025 decreased by 25% year-on-year, a sharper decline than the drop in sales revenue. As a result, the selling expense-to-revenue ratio fell slightly by 0.05%, maintaining a level close to 1% compared to the previous year. Administrative expenses in 2025 recorded a net negative of VND 87 billion. This included VND 77.5 billion in regular administrative expenses, down 12.7% compared to the same period last year, and VND 164.2 billion in reversals of provisions for receivables. Notably, more than VND 190 billion of provision reversals were related to receivables from the Novaland Group. By swapping the entire value of Novaland's overdue debts through the acceptance of real estate assets to offset liabilities, SMC successfully resolved key outstanding debts, eliminated provisions and potential risks of uncollectible receivables, and ensured that the Company's book value was not eroded by bad debts. This was one of the main factors contributing to the profit results in 2025.

The year 2025 witnessed stable lending interest rates and controlled fluctuations in the VND/USD exchange rate, thanks to flexible policies and measures implemented by the State Bank of Vietnam. SMC's total borrowings were reduced in line with existing business operations, enabling financial expenses in 2025 to decline by nearly 38% compared to the previous year, with interest expenses down almost 16% yoy.

In 2025, SMC continued to strongly implement asset restructuring and business reorganization measures. This included cutting back on zinc-coated steel and steel pipe production activities, liquidating plants and machinery, and equipment. As a result, the Company recorded other income from asset transfers amounting to VND 349 billion in 2025 - nearly nine times higher than the previous year - making a significant contribution to the Company's final profit.



**SMC'S CONSOLIDATED NPAT REACHED**

**197.6**  
VND BILLION

By the end of 2025, SMC's consolidated NPAT reached VND 197.6 billion, 15.3 times higher than the profit achieved in the previous year. As a result, the Company's profitability indicators improved significantly, such as Net profit margin of 2.82%, ROE of 19.6%, and ROA of 4.44%. These figures reflect a notable enhancement in SMC's overall financial performance and efficiency compared to 2024.



### Asset Structure

Key Items	Unit	2024	2025	+/- %
<b>Current Assets</b>	<b>VND bn</b>	<b>3,086.7</b>	<b>2,692.2</b>	<b>-12.8%</b>
Cash & Cash Equivalents	VND bn	143.3	135.3	-5.6%
Short term Financial Investments	VND bn	505.0	491.8	-2.6%
Short-term Receivables	VND bn	1,546.6	1,432.9	-7.4%
Receivables Turnover	Days	60	45	-25.0%
Inventories	VND bn	627.7	411.2	-34.5%
Inventory Turnover	Days	25	22	-12.0%
<b>Non-Current Assets</b>	<b>VND bn</b>	<b>1,691.5</b>	<b>1,761.5</b>	<b>4.1%</b>
Fixed Assets	VND bn	1,206.3	865.9	-28.2%
<b>Total Assets</b>	<b>VND bn</b>	<b>4,778.2</b>	<b>4,453.7</b>	<b>-6.8%</b>

SMC's total assets at the end of 2025 amounted to VND 4,454 billion, down 6.8% compared to the same period of the previous year. Total current assets stood at VND 2,692 billion, a decline of nearly 13% from 2024, equivalent to a reduction of more than VND 394 billion. Cash and short-term financial investments at year-end were VND 627 billion, a slight decrease of 3.3% compared to the prior year. Short-term receivables of SMC at the end of 2025 totaled VND 1,433 billion, down 7.4% yoy. This figure reflected: (1) the reversal of provisions for overdue receivables of nearly VND 190 billion related to the Novaland Group, (2) remaining provisions of VND 179 billion for other receivables and a small portion still linked to Novaland, and (3) the transfer of part of Novaland's receivables, equivalent to more than VND 432 billion, into long-term assets through the acceptance of real estate to offset liabilities. With a continued focus on safe capital sales policies and gradually improving business efficiency, alongside the reduction of production segments, SMC's receivable turnover in 2025 further improved, reaching an average of 45 days - down 25% compared to the previous year. Similarly, with the downsizing of production activities, year-end inventory value and average inventory turnover days in 2025 also declined significantly compared to 2024, with a 35% reduction in value and a 12% decrease in average inventory days.

At the end of 2025, SMC's long-term assets reached nearly VND 1,762 billion, a slight increase of 4.1% (equivalent to VND 70 billion) compared to the previous year. Fixed assets recorded a sharp decline of more than 28% yoy, equivalent to VND 340 billion. This was the result of restructuring measures, cutting inefficient operations, and transferring fixed assets, aimed at reducing underperforming segments and addressing existing financial and operational challenges. In addition, the recognition of more than VND 432 billion in real estate assets from the Novaland ecosystem - accepted to offset overdue debts - was reflected under "Long-term Prepayments to Suppliers" and "Long-term Work-in-Progress Assets." This contributed to the overall increase in SMC's long-term assets in 2025, despite the significant reduction in the value of plants, offices, and machinery and equipment that were transferred.

**TOTAL ASSETS  
AT THE END  
OF 2025** **4,454** VND  
BILLION





## Liabilities and Equity Structure

Key Items	Unit	2024	2025	+/- %
Current Liabilities	VND bn	3,709.3	3,380.0	-8.9%
Short-term Borrowings	VND bn	2,173.5	2,013.3	-7.4%
Account Payables	VND bn	1,420.5	1,197.0	-15.7%
Account Payables Turnover	Days	57	62	+9.5%
Non-Current Liabilities	VND bn	259.1	66.3	-74.4%
Long-term Borrowings	VND bn	217.1	35.9	-83.5%
<b>Total Liabilities</b>	<b>VND bn</b>	<b>3,968.3</b>	<b>3,446.3</b>	<b>-13.2%</b>
<b>Owner's Equity</b>	<b>VND bn</b>	<b>809.8</b>	<b>1,007.4</b>	<b>24.4%</b>
Charter Capital	VND bn	736.8	736.8	0.0%
Bank Loans/Owner's Equity	%	295.2	203.4	-91.8%
Total Liabilities/Owner's Equity (D/E)	Times	4.9	3.4	-30.6%

At the end of 2025, SMC's total liabilities stood at VND 3,446 billion, down 13% compared to the previous year. Short-term liabilities across the system amounted to VND 3,380 billion, a decrease of 9% yoy, equivalent to nearly VND 328 billion. Within this, short-term financial borrowings and payables to suppliers were VND 2,013 billion (-7% yoy) and VND 1,197 billion (-16% yoy), respectively. Long-term liabilities continued to decline sharply, down 74% year-on-year, primarily due to reductions in long-term finance lease obligations and the scheduled repayment of bonds worth VND 113.5 billion maturing in Oct 2026. By year-end 2025, the Company's charter capital remained unchanged at VND 736.8 billion. Thanks to improved profit after tax, total shareholders' equity rose 24.4% compared to the previous year, reaching VND 1,007.4 billion. With stronger profitability in 2025 and the use of proceeds from asset transfers to reduce borrowings from financial institutions tied to underperforming business activities, SMC's key financial leverage ratios improved significantly compared to 2024. Specifically: the ratio of short-term and long-term financial debts to equity decreased from 3 times in 2024 to 2 times at the end of 2025; and the ratio of total liabilities to equity (D/E) fell from nearly 5 times to 3.4 times within one year.

## Development Plan and Objectives for 2026

Entering 2026, the world stands at a critical transitional juncture, facing numerous challenges and unpredictable shifts. The traditional rules-based international order continues to erode, giving way to a more flexible, fragmented, and uncertain structure. Competition among major powers is no longer confined to politics, military affairs, or diplomacy, but has expanded into economics, tariffs, financial sanctions, supply chains, and technology.

Global economic growth in 2026 is projected to slow within a high-risk environment, though not yet entering a full-scale recession. Major international institutions have issued cautious forecasts, with global GDP growth expected to hover around 2.9-3.1%. The primary drivers of this slowdown include the lagging effects of higher tariffs, geopolitical economic security risks, energy security concerns, policy instability, and rising public debt across many large economies. Key threats to global financial and economic health include: (1) Trade wars and protectionism disrupting global supply chains, raising production costs, and weakening growth momentum in major economies, (2) Heightened financial and monetary instability amid inflationary pressures and surging prices of energy, commodities, and reserve assets such as the U.S. dollar, gold, and silver, and (3) Potential technology bubble risks, particularly in artificial intelligence, which could trigger spillover shocks to investment, capital markets, and overall growth.

Against this backdrop, Vietnam's economy - characterized by high openness and deep integration into global trade, investment, and value chains - faces both opportunities and urgent requirements. The country must innovate its development model, strengthen endogenous capacity, and enhance resilience and flexibility to withstand unpredictable external shocks. Entering 2026, the first year of the 2026-2030 five-year plan, Vietnam benefits from positive macroeconomic indicators achieved during the recovery phase of 2024-2025. Despite global pressures from geopolitical fragmentation and disruptions in global supply chains, forecasts consistently identify Vietnam as a rising star within ASEAN. The economy has demonstrated strong resistance to external shocks, while its internal strengths continue to be consolidated.

According to the Resolution 01/NQ-CP, the key socio-economic development indicators for 2026 include: non-performing loans (NPLs) in the banking system to be kept below 3%, ensuring financial stability, export turnover growth of 15-16%, breakthrough GDP growth exceeding 10%, with the manufacturing and processing industry accounting for approximately 25% of GDP, and CPI increase of around 4.5%. Vietnam will continue to prioritize growth while maintaining macroeconomic stability, controlling inflation, and safeguarding major economic balances. Monetary and fiscal policies must be managed flexibly and expanded in a targeted manner, alongside effective regulation of the gold, real estate, and securities markets, and measures to prevent tax revenue losses. In terms of public investment and key transport infrastructure, efforts will focus on addressing bottlenecks and accelerating capital disbursement from the very beginning of 2026, particularly for critical projects and national target programs. Vietnam will also intensify industrialization and modernization, with science, technology, innovation, and digital transformation serving as the main drivers of breakthrough development. These efforts aim to strengthen strategic autonomy, productivity, quality, resilience, and competitiveness of the economy. Furthermore, the country will enhance promotion and attraction of large-scale, high-quality FDI projects, while urgently completing the legal and institutional frameworks to support the sustainable development of the foreign-invested sector.

In the early months of 2026, geopolitical tensions in the Middle East have intensified with complex developments. The prolonged conflict involving the United States, Israel, and Iran has driven energy prices sharply higher and sustained them at elevated levels. This has increased inflationary risks and raised the likelihood that the Federal Reserve may have to delay its anticipated interest rate cuts, or potentially be unable to reduce rates in the second half of 2026. Recent geopolitical developments have heightened uncertainty and could trigger reversals in previously established forecasts, underscoring the fragile and unpredictable nature of the global economic environment.





## Development Plan and Objectives for 2026 (Cont.)

The sharp rise in oil prices is not only an energy market issue but also a factor that can affect multiple sectors. As input costs increase, transportation and logistics expenses typically rise, leading to higher production and distribution costs for goods. For an economy as open as Vietnam's, global fluctuations in transportation and energy costs can be transmitted into domestic production prices. This makes macroeconomic management more complex, as policymakers must simultaneously promote growth while keeping inflation within target ranges. To achieve this balance, ensuring energy security has been placed as a top priority. At the same time, macroeconomic policies must continue to be managed in a coordinated, flexible, and effective manner, with particular emphasis on close alignment between fiscal and monetary policy.

Overall, Vietnam enters 2026 with a positive foundation as many key indicators continue to show growth momentum. However, new global economic developments—particularly risks stemming from energy markets and geopolitical tensions—pose greater challenges for economic management. Effectively leveraging domestic resources while proactively responding to external shocks will be decisive factors in maintaining macroeconomic stability and achieving the growth targets set for the year.

Despite significant escalation in global trade tensions and geopolitical uncertainties, global steel demand is expected to achieve moderate growth in 2026. This positive outlook is underpinned by the resilience of the global economy, the steady strength of public infrastructure investment across most major economies, and anticipated favorable financial conditions. Accordingly, global steel consumption in 2026 is forecast to grow by approximately 1.3% year-on-year, supported by: (1) China: The decline in steel demand is expected to slow to around 1.0% as the housing market bottoms out in 2026, (2) Emerging economies: Strong growth in India, ASEAN, and the UAE is driving higher steel demand, (3) Europe: Steel demand is anticipated to recover after a prolonged period of stagnation. Alongside these positive projections, the global steel industry continues to face several challenges requiring adaptation: (1) Persistent pressure from high production costs and consumer purchasing power that has yet to fully recover, (2) Rising trade and political tensions negatively affecting steel demand in economies heavily reliant on exports of steel-intensive goods such as automobiles and household appliances, and (3) Geopolitical instability undermining consumer and investor confidence, thereby weakening steel demand in key markets.

Vietnam's steel industry in 2026 is forecast to grow positively at a rate of 8–10% according to VSA, in line with the national GDP growth target of 10%, with industrial growth projected at approximately 11%. According to the Vietnam Steel Association (VSA), finished steel production and domestic steel consumption in 2026 are expected to reach 34 million tons and 26 million tons, respectively. The main growth drivers for domestic steel demand include public investment policies, recovery in the residential real estate sector, and the commencement of major projects. Notably, the alignment between production output and sales volume indicates that market absorption capacity is improving. Steel prices in 2026 are also projected to increase by about 5–7% year-on-year, supported by:

- China's continued policy of reducing steel output by approximately 2–4% in 2026.
- Stable supply of raw materials such as coking coal and iron ore from Australia and Brazil.
- Rising energy and transportation costs, which in turn drive up input prices and production expenses.

Based on the overall macroeconomic context both domestically and internationally, as well as the outlook for the steel industry in 2026, SMC's business plan has been developed with the objectives of restoring business operations, improving efficiency, and promoting sustainable development.

## Key Business Objectives and Directions for 2026

No.	Key Items	Unit	2025 Actual	2026 Target	2026F/2025A
1	<b>Total Sales Volume</b>	<b>Tons</b>	<b>460,042</b>	<b>420,000</b>	<b>-8.7%</b>
	- Long steels	Tons	199,693	220,000	+10.2%
	- Flat steels	Tons	260,349	200,000	-23.2%
2	<b>Sales Revenue</b>	<b>VND bn</b>	<b>7,010</b>	<b>7,000</b>	<b>-0.1%</b>
3	<b>Net Profit After Tax</b>	<b>VND bn</b>	<b>197.6</b>	<b>30.0</b>	<b>-84.8%</b>
4	<b>Dividend Payment</b>	<b>% par value</b>	<b>0%</b>	<b>0%</b>	<b>-</b>

Overall, the specific targets for 2026 reflect a reduction compared to 2025. However, this is a deliberate adjustment with clearly defined strategic orientation. Total steel consumption for 2026 is set at 420,000 tons of various steel products, representing a decline of nearly 9% from the previous year, primarily due to lower volumes of galvanized steel and steel pipes. In contrast, construction steel consumption is targeted to increase by more than 10%. Flat steel consumption is projected to rise by 11.5%, after excluding the reduced volumes of galvanized steel and steel pipes compared to 2025. This strategic rebalancing highlights SMC's focus on strengthening core product segments while scaling back less efficient categories, thereby aligning operations with sustainable growth objectives.

The management and governance of SMC's production and business activities in 2026 will be guided by the following key orientations:

🔧 **Agility and Stability:** The entire SMC system must remain flexible and adapt quickly to new conditions and market fluctuations, ensuring stable and efficient business operations.

🔧 **Restructuring and Focus:** Continue reviewing and reassessing all business activities across the system, focusing on profitable segments while divesting or restructuring inefficient projects and operations.

🔧 **Proactive Risk Analysis:** Conduct thorough analysis and close monitoring of economic, political, and steel industry developments domestically and internationally; Identify early signs of rapid and unpredictable changes to design responsive solutions, capitalize on opportunities, and overcome challenges.

🔧 **Decisive Innovation in Management:** Implement bold, comprehensive reforms in business, production, and financial management; Strengthen forecasting capabilities and policy responsiveness.

🔧 **Prudent Inventory and Procurement Management:** Manage inventory and purchasing with caution, flexibility, and alignment to market dynamics; Optimize stock levels, enhance both quality and quantity of business activities, and reinforce control over receivables and debt risks.

🔧 **Optimization of Coil Center Operations:** Reorganize, develop, and optimize Coil Center processes to improve product quality and value-added offerings; Enhance productivity and production efficiency, while continuously managing costs to strengthen competitiveness; Emphasize workplace safety across all processing and manufacturing facilities.

🔧 **Regulatory and Internal Control Enhancement:** Update regulations and procedures to reflect new conditions; Clearly define responsibilities across units and departments, with strong emphasis on internal control.

🔧 **Financial Strength and Risk Management:** Maintain and develop robust financial capacity to support business operations and investments; Improve risk management and financial oversight across the system, ensuring capital safety and efficiency; Practice cost-saving measures and prevent waste.



# THE BOARD OF SUPERVISORS





## THE BOARD OF SUPERVISOR'S PROFILE



**Ms. Vo Thi To Ngan**

Head of the BoS

**Professional Qualification:**  
Bachelor of Economics



**Ms. Le Thi Cam Tu**

Member

**Professional Qualification:**  
Bachelor of Laws



**Ms. Dang Thi Thu Trang**

Member

**Professional Qualification:**  
Bachelor of Economics



**Ms. Thai Thi Van Anh**

Member

**Professional Qualification:**  
Financial Accounting, Auditor, FCCA, CPA



## THE BOARD OF SUPERVISOR'S REPORT

### Activities of the Supervisory Board and Personnel Changes in 2025

In 2025, the Supervisory Board carried out its functions in accordance with the Company's Charter and relevant legal regulations, focusing on monitoring compliance, financial transparency, and risk management. The Board strengthened its oversight role by reviewing internal control systems, ensuring adherence to accounting standards, and evaluating the effectiveness of corporate governance practices.

During the year, personnel changes were implemented to align with the Company's strategic restructuring goals. Adjustments in key management positions and restructuring of certain departments were undertaken to enhance operational efficiency, improve accountability, and support sustainable growth. These changes reflect the Company's commitment to building a professional, dynamic, and resilient organizational structure capable of adapting to evolving market conditions. These measures are designed to gradually guide SMC through existing difficulties and challenges, ensuring stability and paving the way for sustainable development.

### Members and Structure of the Supervisory Board

No.	Full Name	Title	Date of Appointment	Date of Dismissal	Owned shares	%
1	Ms. Vo Thi To Ngan	Head	26.04.2021		4,429	0.01%
2	Ms. Le Thi Cam Tu	Member	26.04.2021		10,000	0.01%
3	Ms. Dang Thi Thu Trang	Member	26.04.2021		4	0.0%
4	Ms. Thai Thi Van Anh	Member	25.09.2025		0	0.0%
5	Mr. Nguyen Quang Trung	Member	25.09.2025	31.12.2025	5,900,000	8.0%

### Evaluation of the BoD's activities in 2025

Against the backdrop of macroeconomic challenges and difficulties in both the global steel industry and SMC's core business operations, the Company implemented adjustments to the structure of the Board of Directors in 2025. These changes were carried out with the objective of streamlining governance, while ensuring compliance with legal regulations and the Company's Charter. During the year, the Company conducted supplementary elections, appointments, and replacements of certain Board members in accordance with proper procedures. The restructuring of the Board of Directors was aimed at strengthening the governance apparatus and aligning with the Company's broader restructuring strategy. This reorganization reflects SMC's commitment to enhancing management efficiency, reinforcing corporate governance, and positioning the Company to overcome existing challenges while pursuing sustainable development.

📌 Appointment of Chairman: Mr. Pham Hoang Anh was appointed as the new Chairman of the Board of Directors, replacing Ms. Nguyen Thi Ngoc Loan, effective from September 25, 2025, through an Extraordinary General Meeting of Shareholders.

📌 Restructuring of the Board: The number of Board members was reduced from 8 to 5, with the aim of enhancing governance efficiency and aligning with the Company's new management model.

These changes reflect the Company's commitment to streamlining its governance structure, strengthening leadership, and ensuring that the Board of Directors is better positioned to guide SMC through restructuring and future development.

The Supervisory Board observed that the BOD convened both regular and extraordinary meetings to review and decide on key matters within its authority. These included strategic directions for restructuring and recovery, assessments of business and financial performance, and timely, flexible solutions to stabilize operations amid unpredictable market fluctuations. Board meetings were organized in compliance with

regulations, with all supporting documents prepared thoroughly and circulated to members in advance for study prior to discussion and voting. Resolutions of the BOD were passed based on collective deliberation and consensus, with voting conducted in accordance with established procedures, thereby ensuring transparency in corporate governance.

The BOD enhanced its supervision of the Executive Board in implementing resolutions of both the BOD and the General Meeting of Shareholders. By closely monitoring the Company's operations, the BOD was able to issue timely directives, provide strategic guidance, and introduce solutions aimed at stabilizing activities and gradually improving business performance. The Supervisory Board acknowledges and highly appreciates the decisiveness and courage demonstrated by the BoD and the new Executive Management in implementing breakthrough decisions to revive SMC. Specifically:

#### ▣ Decisive restructuring of Assets and Operations:

The BoD firmly directed the divestment of underperforming assets and the termination of operations at weak member companies. This move aimed to recover capital, reduce costs, generate new cashflows, and prepare the Company for the coming years.

▣ Establishment of the Debt Management Committee: this marked a significant step forward in addressing outstanding debts accumulated over previous years. The creation of the Debt Management Committee within the system was designed to concentrate efforts on resolving the debt crisis – one of the Company's core challenges that had negatively impacted operations and financial health in recent years.





### Evaluation of the Executive Board's Management

The year 2025 continued to be a challenging period for SMC in its core business activities. The Executive Board adhered closely to the resolutions of the General Meeting of Shareholders and the directives of the Board of Directors, striving to guide the Company through these difficulties. Bold measures were undertaken, including the divestment of underperforming assets and the termination of inefficient business operations. While these actions resulted in production output and revenue falling short of the planned targets and declining compared to the previous year, the consolidated net profit achieved in 2025 stands as evidence of the Executive Board's notable efforts. In particular, the Executive Board, together with the newly appointed Board of Directors, decisively and actively engaged in negotiations to resolve overdue debts with Nova Group, as well as with suppliers, partners, and financial institutions. At the same time, the Executive Board strengthened sales management across the system, reduced costs, and gradually improved the efficiency of production and business operations despite the continued difficulties in the market environment.

### Evaluation of the Company's Business and Financial Performances

Based on the audited consolidated FS for 2025, the Company's business results showed clear contrasts, with several key point as follows:

#### REVENUE DECLINE

Net revenue in 2025 reached VND 7,010 billion, down 21.5% compared to VND 8,930 billion in 2024. The main reasons were: (1) The steel industry showed signs of recovery but not strong enough, while SMC had not yet revived business activities related to real estate projects, and (2) The Company proactively reduced risky and inefficient operations, including pickling, galvanizing, steel pipes, and automation equipment.

#### PROFIT SURGE

Consolidated NPAT in 2025 was VND 197.6 billion, compared to only VND 12.1 billion in 2024. However, the BoS emphasized that this profit did not stem from the effectiveness of core business operations, which remained limited, as gross profit for the year was only VND 1.4 billion. The high profit was mainly attributable to: (1) Approximately VND 350 billion from the disposal of fixed assets, and (2) efforts in debt recovery and resolution, particularly overdue debts from Novaland Group, which enabled the Company to reverse more than VND 164 billion in provision for receivables in 2025.

#### REMAINING RISKS

Although short-term borrowings continued to decline in 2025, interest expenses remained high at VND 148 billion. Without extraordinary gains from asset disposals and provision reversals, the Company would have faced significant losses due to operating and financial expenses. Risks related to unresolved bad debts remain, requiring decisive solutions for complete resolution.





### Recommendations of the Supervisory Board

#### Shift in Core Profit Strategy

The company cannot rely on asset disposals for long-term survival. The BoD recommends that the Executive Board concentrate resources on core business segments following restructuring, particularly the Coil Center. SMC should maximize its position as a Tier 1 supplier to Samsung to increase output, improve efficiency, and expand its customer base toward FDIs, thereby offsetting the decline and/or thin margins of traditional steel trading activities.

To remain resilient in the global supply chain, SMC must maintain and upgrade standards in Environmental, Social, and Governance (ESG), enhance data traceability (digitalization), and strengthen information security, rather than focusing solely on technical processing and traditional operations.

#### Investment in ESG and Digital Transformation

#### Strengthening the Role of the Debt Management Committee

Beyond addressing the Company's outstanding debts, the Committee must establish strict rules and discipline for debt sales processes, enforce direct accountability on the sales department for generating risky debts, and actively pursue legal actions to recover remaining non-performing loans.

The Executive Board should proactively negotiate with financial institutions and partners to optimize interest expense, restructure maturities, and rebalance financial leverage. Additional capital should be secured to reduce the burden of interest costs, especially in the context of global production costs being at risk due to geopolitical tensions involving the U.S., Israel, and Iran.

#### Restructuring Borrowed Capital





## CORPORATE GOVERNANCE

### Risk Management

# 01

#### Macroeconomic Risks and Industry Risks

In the global geopolitical and geoeconomic landscape of 2025–2026, uncertainty and unpredictability remain dominant factors, with macroeconomic risks continuing to exert significant influence on business and investment activities. Identifying and managing such risks is therefore a prerequisite for enterprises to respond flexibly and maintain stability in production and business operations. Domestically, while the foundations and drivers of economic growth have become more positive, opportunities and challenges are intertwined. Global trade growth has slowed due to persistent tensions among major economies; while escalating geopolitical instability and conflict in the Middle East have intensified energy and logistics pressures, disrupted supply chains, and driven up risks related to commodity prices, production costs, foreign exchange, and inflation in 2026. In this volatile international environment, coupled with emerging shifts in the domestic market, it is both urgent and essential for enterprises to proactively monitor market developments, formulate responsive strategies, and implement appropriate risk management measures to safeguard operations and ensure sustainable growth.

In 2025–2026, the steel industry faces significant challenges, including price volatility, competition from imported steel, trade risks, safeguard tax policies, and increasingly stringent regulations on green steel production, climate change, and environmental standards. Effective risk management of these industry-specific factors is crucial for enterprises to maintain competitive advantages and achieve sustainable growth. The industry is currently confronted with multiple uncertainties, most notably the slowdown in demand, which exerts pressure on supply-demand balance and directly impacts steel prices. Input costs for steel production are subject to unfavorable fluctuations, while ongoing safeguard tariffs and trade policies create unpredictable instability for the sector. Domestic steel enterprises are under mounting competitive pressure, directly affecting revenue and operational efficiency. In this context, companies must: **Diversify raw material supply sources** to avoid dependence on a limited number of markets; **Optimize sales policies and inventory management** to reduce financial costs and mitigate risks from steel price volatility; **Adapt to regulatory changes** by investing in green steel production and compliance with environmental standards; and **Strengthen resilience** against global trade uncertainties and supply chain disruptions. For steel exporters, it is essential to continuously enhance compliance with international standards while diversifying export markets. This approach helps reduce dependence on a limited number of destinations and mitigates risks arising from safeguard trade policies in the steel sector.

By strengthening adherence to global quality and sustainability requirements, and expanding into new markets, enterprises can build resilience against trade barriers, maintain competitiveness, and secure sustainable growth in the face of ongoing industry uncertainties.

#### Policy Risks and Legal Risks

Key policies governing economic and political development exert a significant influence on enterprises operating within the economy. Changes in fiscal policy, monetary and credit policy, taxation, and price stabilization measures can create both opportunities and risks in terms of policy and legal compliance. Synchronizing policies, promptly identifying potential risks, and seeking solutions to mitigate them will enable enterprises to operate with greater confidence and stability. At the same time, businesses must continuously update themselves on critical policies directly related to their production and business activities, ensuring timely implementation and effective compliance with state regulations. In addition to policy monitoring, enterprises should invest in continuous training and development of personnel to ensure compliance and readiness in handling legal procedures. Flexibility in utilizing professional legal advisory services is also essential to safeguard rights and obligations in the dynamic environment of production, business, and investment.

#### Financial and Credit Risks

The steel industry is characterized by a high proportion of borrowed capital in its capital structure. Credit financing plays a critical role in meeting investment and operational needs; however, interest expenses and unpredictable exchange rate fluctuations remain major financial and credit risk factors that challenge business efficiency. In 2025, SMC continued to face difficulties as credit sources were tightened and reduced. This situation required the Company to take decisive and proactive measures, including: Capital and Debt Restructuring: Rearranging capital sources, restructuring debt, and liquidating assets to reduce outstanding loans and financial costs in inefficient business segments; Supplementing Capital: Securing additional funding to offset reduced credit lines and ensure sufficient resources for business operations and development; Strict Financial Discipline: Strengthening oversight of purchasing, inventory, sales, and debt recovery policies to maintain positive cash flow from operations; Exchange Rate Risk Mitigation: Utilizing foreign exchange forward contracts at appropriate times to hedge against currency volatility, thereby contributing to reduced financial costs. These measures reflect the Company's determination to stabilize its financial structure, safeguard liquidity, and mitigate risks in a challenging credit environment. The prolonged maintenance of high interest rates, coupled with the strengthening of the U.S. dollar, is expected to increase financial costs and dampen consumer demand and investment. Enterprises with high financial leverage, such as SMC, will face mounting pressure on liquidity and significant financial burdens.

#### Other Risks

The Company's production and business activities may be significantly affected by force majeure and unforeseeable risks such as war, pandemics, natural disasters, and geopolitical instability. Should these events occur, they could disrupt supply chains, increase costs, reduce demand, and negatively impact overall business performance. Given the unpredictable nature of such risks, enterprises must adopt flexible contingency plans, strengthen resilience in operations, and maintain diversified supply and customer bases to mitigate potential impacts. Proactive monitoring of global developments and collaboration with partners and stakeholders are essential to ensure business continuity and safeguard long-term sustainability.

Risk	Likelihood of Occurrence	Impact Level	Key Mitigation Measures
War	Medium	High	Diversify supply sources, insure logistics, strategic reserves...
Pandemic	Medium	Medium	Workforce contingency planning, digitalization, health & safety protocols
Natural Disaster	Low	Medium	Asset insurance, multi-location warehousing, emergency response plans
Geopolitical Risk	High	High	Market diversification, policy monitoring, ESG compliance



## CORPORATE GOVERNANCE

### Organization and Human Resources Management

# 02

In 2025, SMC's human resources activities closely followed the directives of the Executive Board, focusing on consolidating and optimizing the organizational structure. The Company sought to maximize the role of each individual and department in their professional functions across the entire system, ensuring alignment with the actual business and production conditions of each unit and business segment. SMC's staff consistently strived to fulfill their responsibilities in every position, demonstrating versatility and multi-tasking capabilities. Their collective efforts supported the leadership in overcoming challenges and reinforced SMC's brand presence in the marketplace.

#### Human Resources and Administration Work in 2025

##### Consolidation of the Human Resources Structure

- **Streamlining Workforce:** The Company reduced and streamlined its workforce in line with the actual production and business situation at each point in time across the system.
- **Restructuring for Versatility:** Human resources were reorganized toward multi-functional and multi-tasking roles, optimizing resource allocation. Staff rotation within the system was implemented to ensure proper job placement and maximize professional capacity and individual contributions.
- **Restructuring Member Companies:** Following the Executive Board's directive for decisive restructuring of the entire system, SMC reduced operations and completed asset transfer and liquidation procedures for member companies in the production cluster, including Sendo Steel Pipe, SMC Galvanizing & Mechanical, SMC Steel, and Automation Equipment. This led to a significant reduction in workforce, particularly production workers, in 2025.
- **Coil Center Cluster:** For subsidiaries in the Coil Center cluster, including Steel Processing and Precision Mechanics, staffing levels were strictly controlled. Workforce allocation and machine shifts were aligned with actual production needs, while overtime and extra shifts were closely monitored to ensure efficiency and compliance with operational requirements at each plant.

##### Cost Control

- **Review and Reduction of HR Administrative Expenses:** The Company conducted a comprehensive review and maximized cost reductions in administrative and HR-related services, including security, cleaning, landscaping, and maintenance of office building and factory operating systems. These measures were aligned with actual business needs, ensuring both cost savings and operational efficiency.
- **Optimization of Transportation Costs:** A number of company vehicles previously used for employee commuting and official duties were liquidated. The Company transitioned to outsourced transportation services and technology-based ride-hailing solutions, thereby reducing staffing requirements and achieving significant cost savings.



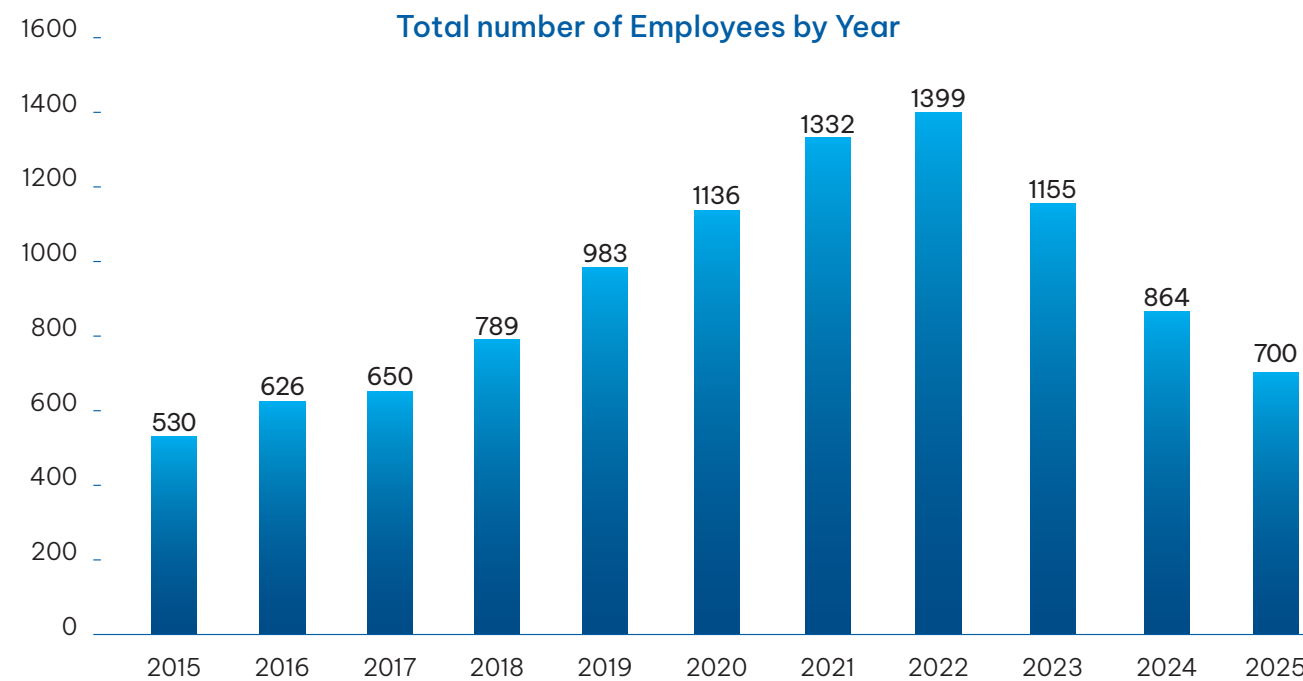


### Human Resources Structure

As of December 31, 2025, the total workforce of SMC (including joint ventures) stood at 700 employees, representing a decrease of 164 employees, equivalent to a 19% reduction compared to 2024. The significant decline in headcount during 2025 reflected the Company's strategic directive to downsize production and business activities, restructure the organizational framework, and streamline the workforce. This process was carried out in parallel with the transfer and liquidation of assets at underperforming units, ensuring that human resources were aligned with operational efficiency and the Company's restructuring objectives.

The age composition of SMC's workforce in 2025 showed a slight change compared to 2024. Employees under the age of 33 accounted for 52%, while those between 33 and 48 years old represented 43% of the total workforce across the system. This distribution reflects stability in the Company's core human resources, with an increasing proportion of experienced and professionally skilled employees. Such a foundation provides momentum for sustainable development and effective internal training. SMC's workforce embodies diversity within the overall labor structure, bringing significant benefits through a wide range of skills, experiences, and perspectives. This diversity fosters sound decision-making, stronger innovation, and greater resilience in the face of market challenges.

In 2025, the professional qualifications of SMC's workforce remained strong, with a team of highly skilled and technically proficient employees fully meeting job requirements. Of the total workforce, 27% held university degrees or higher, while approximately 45% possessed college, vocational, or technical training qualifications. This structure ensures a balanced mix between employees with practical, hands-on expertise and those with academic and managerial backgrounds. It represents a healthy workforce composition, well-suited to the Company's operational realities, particularly during this critical restructuring phase. The balance enables SMC to maintain high technical execution capabilities while also having a solid management and strategic planning foundation to standardize processes. Maintaining a strong core workforce, enhancing employee quality after restructuring, and consolidating the organizational structure remain guiding principles in SMC's operational philosophy.

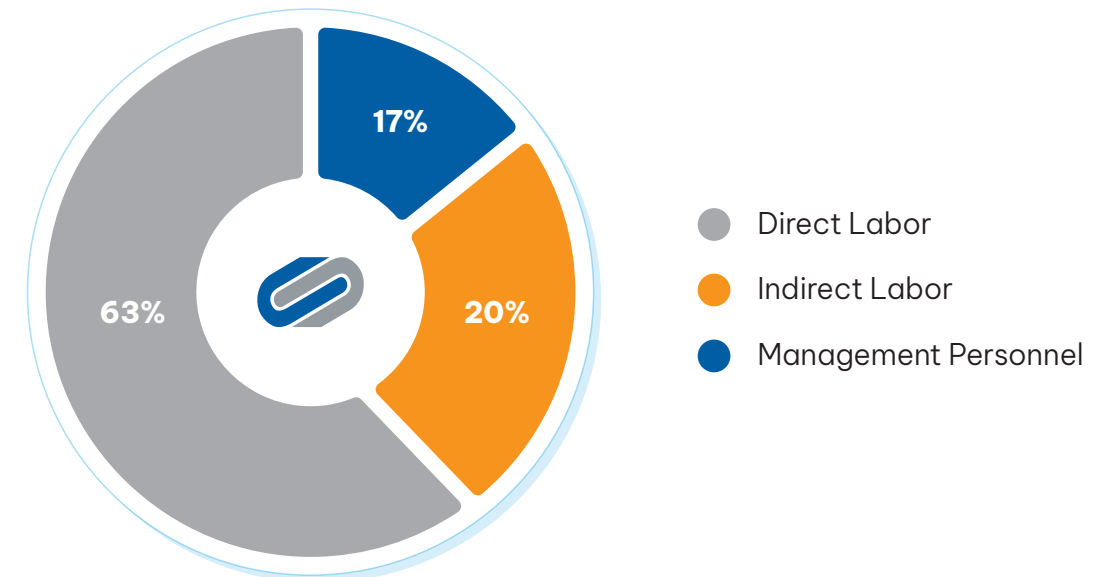


As of Dec 31, 2025, the total number of employees at SMC, its directly affiliated subsidiaries, and JVs in which SMC holds more than 50% equity ownership was **460 employees**.

This figure reflects the updated workforce count following the Company's restructuring and streamlining measures, ensuring that human resources are aligned with operational efficiency and strategic objectives.

In which, direct labor represented 63%, indirect labor made up 20%, and management employees accounted for 17% of total workforce.

### Workforce Structure in 2025



### Employee Income and Benefits

In 2025, SMC continued to face challenges across its business operations. Nevertheless, the Company made every effort to stabilize and sustain production and business activities, ensuring employee income across the system. Timely adjustments to salaries and support packages were implemented in line with the actual conditions of each unit.

### Salary Mechanism and Policies

SMC maintained a flexible salary mechanism and compensation policies, ensuring harmony, fairness, and appropriateness based on job position, responsibilities, workload, seniority, and the actual performance of each unit and department. The goal was to stabilize employee income while remaining aligned with labor market conditions and the Company's business realities.

### Stabilization of the Salary Fund

The Company upheld its commitment to the salary fund and gradually stabilized employee income following the restructuring and optimization of human resource costs.

### Benefits and Compliance

SMC reaffirmed its commitment to providing full benefits and entitlements in accordance with current legal regulations, including social insurance, 24/7 accident insurance, maternity support, sick leave, retirement benefits, and holiday gifts. The Company also emphasized the role of labor unions and employee organizations in offering support, encouragement, and fostering cohesion across the workforce.



## Recruitment, Training, and Development

### Streamlined Recruitment

- Recruitment was prioritized through internal workforce arrangements, focusing on reassigning and reallocating employees to suitable positions within the system.
- New recruitment channels were explored and expanded to meet human resource needs at different stages of production and business activities.

### Capacity-Building Training

- Training activities emphasized compliance with safety regulations and internal programs to enhance professional expertise and technical skills through practical, on-the-job learning.
- Regular training sessions were conducted on occupational safety, ISO standards, onboarding, electrical and chemical safety, industrial discipline, fire prevention and firefighting, as well as specialized technical and soft skills.
- Programs were maintained on a monthly, quarterly, and annual basis.
- Continued development of a succession team was prioritized, ensuring readiness for reassignment, multi-tasking, and promotion in line with actual business needs, while strengthening the quality of middle and senior management.

### Work Environment

- SMC sustained and fostered a professional, friendly, and open working environment.
- Clear and transparent communication mechanisms were maintained across the system, ensuring compliance and reinforcing corporate culture.





### Human Resources and Administration Activities in 2026 – Sustainable Development and Workforce Advancement

After achieving the goals of restructuring and optimizing human resources in 2025, SMC’s orientation for 2026 shifts toward sustainable development. The focus will be on stabilizing the organizational structure and enhancing the competitiveness of the workforce to meet the demands of integration, professionalism, and long-term growth.



#### Organizational Structure

- Stabilization of Structure: Completion of the restructuring process, with a stable organizational chart in place. The Company will focus on transparent and effective performance evaluation across the system, using KPIs and OKRs to measure job objectives.
- Quality Enhancement: Elevating workforce quality to meet the standards of major partners and the increasingly stringent requirements of the market.



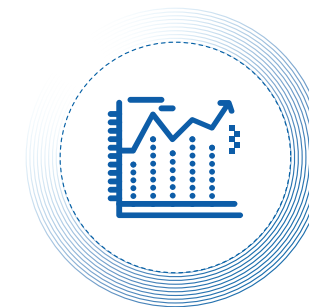
#### Income and Compensation

- Competitive Salary Mechanism: Establishing a long-term compensation framework that is competitive with market benchmarks, designed to attract and retain high-quality talent, particularly core employees and successors.
- Performance-Based Rewards: Implementing a reward system directly linked to overall business results and individual performance evaluations, creating strong motivation for employees throughout the system.



#### Training and Talent Development

- Advanced Training: Transitioning from basic knowledge training to specialized programs focused on senior management skills, advanced professional expertise, and strategic thinking for managerial staff.
- Strategic Succession Planning: Implementing a structured and transparent succession plan for key management positions; and ensuring smooth leadership transitions and building a strong leadership pipeline for the future.
- Learning Culture: Promoting a culture that encourages self-learning, independent research, and knowledge sharing; and strengthening versatility and multi-tasking across the workforce, fostering adaptability and innovation.



#### Digital Transformation in Human Resources Management and Workforce Development

- HR Process Automation: Accelerating the application of technology in HR processes to digitize and automate repetitive tasks (such as timekeeping, payroll, personnel records, and leave procedures); helping the HR department optimize time and resources while improving accuracy and transparency.
- Digital Skills Development: Designing training programs focused on digital skills for all employees; emphasizing the ability to leverage and apply new digital tools to adapt to an increasingly digitized business and production environment.
- Centralized HR Data Management: Implementing a centralized human resource data management system; using data analytics to support HR decision-making, forecast workforce needs, evaluate performance, and design more scientific and effective compensation and retention policies.
- Innovation Culture: Promoting a culture of openness to new technologies and continuous process improvement; positioning digital transformation as a driving force to enhance productivity and work quality across the entire SMC system.





## CORPORATE GOVERNANCE

### Shareholder and Investor Relations

# 03

SMC continues to uphold best practices in shareholder and investor relations by maintaining regular contact, meetings, and timely updates on business operations and performance. Information disclosure activities are consistently clear, transparent, and comprehensive, covering corporate governance, financial investment, and production operations. This ensures that investors, partners, and customers can access, review, and capture information promptly. The Company provides updates on business efficiency and results on a monthly, quarterly, and annual basis, with openness and transparency as guiding principles. SMC remains ready to engage in dialogue and respond to inquiries regarding its operational, business, and investment outcomes, reinforcing trust and strengthening long-term partnerships.

#### SMC Stock Information

Stock Code	SMC	
Listed Stock Exchange	HSX	
Charter Capital	736,785,870,000	VND
Number of Outstanding Shares	73,606,837	Shares
Market Capitalization (as at Dec 31, 2025) VND 13,150	968,873,419,050	VND
2025 Earning Per Share according to audited report	2,447	VND
2025 Book value Per Share according to audited report	13,673	VND
VN-Index movements in 2025	+40.9%	
SMC's stock price movements in 2025	+57.3%	

In 2025, Vietnam's stock market marked a spectacularly successful year as the VN-Index closed at 1,784.49 points, rising nearly 41% compared to the beginning of the year, ranking among the strongest-performing markets in the world. Amid global economic uncertainties, Vietnam's stock market not only maintained stability but also recorded impressive growth in indices, scale, liquidity, and market breadth, affirming the increasingly important role of capital markets in the economy. The market capitalization in 2025 reached nearly VND 10 quadrillion, equivalent to about 84% of GDP, with average daily trading liquidity of nearly VND 29.5 trillion. The upgrade of Vietnam's stock market to a secondary emerging market and the launch of the KRX system enhanced trading efficiency and liquidity, while opening the door to large-scale international capital inflows, elevating the nation's position and creating new momentum for regional and global financial integration. Vietnam's stock market in 2025 also experienced strong divergence, with the sharp rise of the market during the year being supported and driven by a few large stock groups, in which the Vingroup group played a key role. Most stocks ended 2025 moving against the trend or posting growth rates far below that of the VN-Index, including the steel sector. Standing out from the majority, SMC shares recorded a positive year of growth, with SMC's stock price rising more than 57% in 2025 compared to the market's overall increase of 41%.

#### Dividend

According to the resolution of the General Meeting of Shareholders in 2025, the Company did NOT distribute dividends to shareholders, nor were there any changes affecting charter capital or the number of shares during the year.

#### Shareholder Structure

Major changes and share transactions of internal shareholders in 2025 and the first few months of 2026

Person performing the transaction	Relationship with internal shareholders	Shares owned at the beginning year		Shares owned at the year end		Reasons for change	
		Shares	%	Shares	%	Buy	Sell
Mr. Pham Hoang Anh	Chairman	0	0.0	1,000,000	1.4	1,000,000	-
Ms. Nguyen Ngoc Y Nhi	Vice Chairman	1,389,764	1.9	2,389,764	3.2	1,000,000	-
Mr. Nguyen Quang Trung	CEO	0	0.0	5,900,000	8.0	5,900,000	-

Shareholder information according to the final registration list on March 30, 2026:

	Domestic Shareholders		Foreign Shareholders		Total	
	Shares	%	Shares	%	Shares	%
<b>Total owner's equity</b>	58,790,210	79.8	14,888,377	20.2	<b>73,678,587</b>	<b>100.0</b>
Founding shareholders (*)	0	0.0	0	0.0	0	0.0
Shareholders holding >= 5%	5,900,000	8.0	14,416,476	19.6	20,316,476	27.6
Shareholders holding 1% - 5%	25,842,700	35.1	0	0.0	25,842,700	35.1
Shareholders holding < 1%	26,975,760	36.6	471,901	0.6	27,447,661	37.3
Treasury shares	71,750	0.1	0	0.0	71,750	0.1





### Ownership of special shareholders

	Total holding shares	Restricted shares	Total shares owned	% Ownership
<b>Special Shareholders</b>	<b>25,548,864</b>	<b>0</b>	<b>25,548,864</b>	<b>34.7</b>
Board of Directors	17,879,074	0	17,879,074	24.3
Board of Management	7,620,467	0	7,620,467	10.3
Board of Supervisor	20,633	0	20,633	0.03
Chief Accountant	28,690	0	28,690	0.04
<b>Major Shareholders &gt;=5%</b>	<b>20,316,478</b>	<b>0</b>	<b>20,316,478</b>	<b>27.6</b>
Hanwa Co. Ltd	14,416,476	0	14,416,476	19.6
Mr. Nguyen Quang Trung	5,900,000	0	5,900,000	8.0
<b>Foreign Shareholders</b>	<b>14,888,377</b>	<b>0</b>	<b>14,888,377</b>	<b>20.2</b>
Institution	14,653,110	0	14,653,110	19.9
Individual	235,267	0	235,267	0.3
Treasury shares	71,750	0	71,750	0.1

### Detailed list of key shareholders

Full name	Position	Total holding shares	Restricted shares	Total owned shares	% Ownership
Mr. Pham Hoang Anh	Executive Chairman	1,000,000	0	1,000,000	1.4
Ms. Nguyen Ngoc Y Nhi	Vice Chairman / Deputy GD	2,389,764	0	2,389,764	3.2
Hanwa Co., Ltd	BoD Member	14,416,476	0	14,416,476	19.6
Mr. Nguyen Ngoc Anh Duy	BoD Member	72,834	0	72,834	0.1
Mr. Hoang Trung Dung	Independent BoD	0	0	0	0.0
Mr. Nguyen Quang Trung	CEO	5,900,000	0	5,900,000	8.0
Mr. Nguyen Quoc Thang	Deputy GD	1,720,467	0	1,720,467	2.3
Ms. Vo Thi To Ngan	Head of the BoS	10,629	0	10,629	0.01
Ms. Dang Thi Thu Trang	BoS Member	4	0	4	0.0
Ms. Le Thi Cam Tu	BoS Member	10,000	0	10,000	0.01
Ms. Thai Thi Van Anh	BoS Member	0	0	0	0.0
Mr. Nguyen Van Lam	Chief Accountant	28,690	0	28,690	0.04
<b>Total</b>		<b>25,548,864</b>	<b>0</b>	<b>25,548,864</b>	<b>34.7</b>

### Remuneration and expenses of the BoD and the BoS

Based on the resolution of the 2025 General Shareholders' Meeting and the actual business performance of SMC in 2025, the Company will NOT provide remuneration for the Board of Directors, Management Team, and Supervisory Board.





# CORPORATE GOVERNANCE

## Sustainable Development

# 04

SMC always sets the goal of sustainable development as the core focus in the Company's orientation of operation and organizational structure in the face of political and economic changes at home and abroad, in order to increase added value and meet the diverse needs of the market and customers, and ensure the Company's strategic development goals. In particular, the Company focuses on developing the core iron and steel business, pursuing solid growth targets and effective stable operations in the medium and long term, combined with fulfilling social and environmental objectives and ensuring the harmonization of interests of stakeholders.

After a long journey, especially overcoming many difficulties and challenges in recent years, SMC has gradually consolidated its foundation, decisively restructured, and oriented its operations harmoniously around the main business groups of Trading - Processing - Expanding Value-Added Activities. On one hand, this ensures improved business efficiency to serve the Company's strategy of stable and sustainable development; on the other, it diversifies the product portfolio supplied to customers and the market. The three pillars of sustainable development - Economic, Social, and Environmental - are always prioritized, ensuring balance and harmony throughout SMC's corporate governance and production-business activities across the entire system.



### Sharing with Society – Joining Hands with the Community

Throughout its 38-year journey of establishment and development, SMC has harmonized with the community through acts of love and the sharing of happiness via numerous charitable activities. Whether in remote or urban areas, rainstorms or scorching heat, as long as SMC is capable, SMC will act. With the hope that its small contributions can somewhat alleviate the hardships and shortages of daily life, lighten material burdens, and become a source of encouragement and motivation for everyone. In 2025, the entire SMC workforce in general and the Company's leadership in particular responded to the call for unity and shared sacrifice, making practical contributions to support fellow citizens in Central Vietnam during the historic floods, especially in remote areas of the former Binh Dinh and Phu Yen provinces. This activity reflects the Company's sense of responsibility toward the community, especially during times when people are most in need of sharing and support. In the coming time, SMC will continue to engage in social activities and charitable work, contributing to improving the quality of life within the community and fostering connections with the local areas where its offices and factories operate.





### Environmental Protection

Steel is a heavy industry, as the manufacturing of steel produces large amounts of waste that pollute the environment and affect human health. Therefore, every steel company must raise awareness of those risks and take initiatives to reconcile economic development with environmental protection. SMC always pays special attention to and takes the responsibility for the environment and the people involved in its production and business activities. The Company strictly complies with regulatory requirements and actively applies cutting-edge technologies of steel processing that consume less materials, save energy and enhance waste treatment to minimize environmental impacts. The Company seeks to improve the knowledge of staff about environmental protection so as to respond appropriately to environmental problems that may arise. The Company will maintain 5S and promote other innovative initiatives for better production and business in the near future.

Currently, all of SMC's processing and manufacturing plants are located in completely planned industrial zones for heavy industries with synchronous infrastructure systems, separate from residential areas, with little impact on the living environment of the surrounding inhabitants during the process from construction until completion and operation.

- ▣ **Regarding material loss rate and waste products** – SMC always ensures to manage the quality of input materials for processing and production, together with the modern machinery system to minimize the material loss rate. The major scrap from SMC's manufacturing process including ends of steel wires and coils, or two edges of steel coils, zinc slag, etc. are collected and sold to scrap steel recycling plants.
- ▣ **Regarding water and exhaust gas** – SMC has applied measures to handle and build a complete drainage system and sign a wastewater treatment contract with the responsible units in the industrial zones, ensuring that the discharged water is treated properly and does not affect the environment. For emissions, although the Company's processing activities do not generate toxic fumes and emissions, SMC still improves natural ventilation and enhances the greenery area in the working environment for employees.
- ▣ **In terms of noise and vibration** – which mainly arise during the operation of machinery, SMC has applied measures to minimize the effects of noise and vibration on employees who work directly and indirectly in the plant such as vibration damping rubber and springs for vibratory machinery and equipment, regularly system maintenance, appropriate arrangement of machinery and equipment to avoid noise resonance and adequate personal protective equipment for workers who work in high noise-generating areas.
- ▣ **Regarding power and energy consumption** – all production lines are imported with modern technology according to European standards, operating with high productivity and regular maintenance, thus the electricity and fuel consumption during the manufacturing process is at a reasonable level. At the same time, in the process of building the plant, SMC has maximized the lighting system, ensuring full natural light during the working process, helping to minimize power consumption. The whole group is operated based on automatic control technology, with the transmission engine operated by inverter technology to reduce energy consumption, but still ensure productivity, high speed and highest product quality for customers.

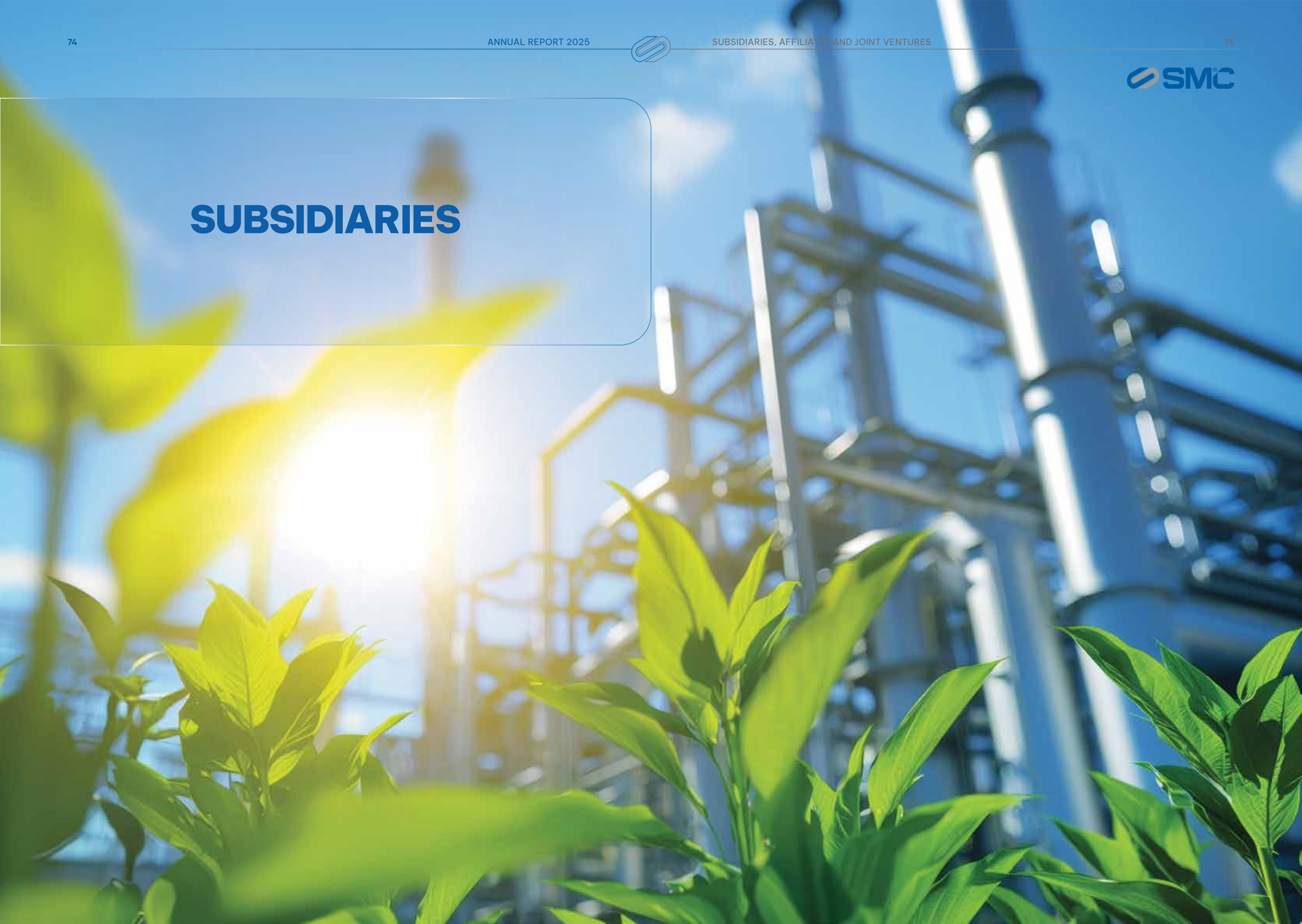
### Sustainable growth - Increasing value

SMC focuses on developing both quantitatively and qualitatively. The Company seeks to increase market share, improve productivity, maximize the dual operation of domestic sales and export activities, explore new markets, and especially strengthen the capacity of steel production for the sake of sustainable development. With a strategic orientation focused on the core value of steel production and business activities, SMC has affirmed its position in the industry with notable achievements: a steel enterprise with 38 years of experience in the sector, and a domestic steel company with one of the largest and highest-quality Coil Center systems in Vietnam. Despite facing many difficulties and challenges throughout its formation and development, SMC has continued to stand firm, persistently confronting challenges, maintaining stable production and business operations, and increasingly asserting itself in the marketplace. The company steadily advances on the path of sustainable development, bringing long-term value and benefits to shareholders and partners. With the responsibility of a business toward the development of the community and society, and in recognition of the trust of shareholders, customers, partners, authorities, and employees, we are determined to continue faithfully implementing the sound orientations that the Company has pursued throughout its journey of formation and growth.





# SUBSIDIARIES





## SUBSIDIARIES, AFFILIATES AND JOINT VENTURES

Companies holding more than 50% of SMC's share capital / contributed capital: None  
Major Entities with more than 50% ownership held by SMC:

### SMC STEEL CO., LTD.

**Head Office:** Street N7 – Phu My 2 IZ, Phu My Ward, HCMC

**Charter Capital** VND 230,000,000,000

**SMC's ownership:** 100%

**Key business activities:** Export trading of various types of steel, processing and exploitation of different steel kinds

Key items	Unit	2024	2025	+/- %
Sales Revenue	VND bn	1,388.4	569.7	-59.0%
NPAT	VND bn	(34.5)	11.6	n.a
Total Assets	VND bn	586.5	401.2	-31.6%
Total Liabilities	VND bn	387.9	191.1	-50.7%
Owner's Equity	VND bn	198.5	210.1	+5.8%

### SMC STEEL MECHANICAL ONE MEMBER CO., LTD.

**Head Office:** Street N7 – Phu My 2 IZ, Phu My Ward, HCMC

**Charter Capital** VND 180,000,000,000

**SMC's ownership:** 100%

**Key business activities:** Trading, processing, cutting, splitting HRC, producing galvanized steel sheets

Key items	Unit	2024	2025	+/- %
Sales Revenue	VND bn	2,320.3	1,098.2	-52.7%
NPAT	VND bn	(62.8)	147.3	n.a
Total Assets	VND bn	561.3	609.4	+8.6%
Total Liabilities	VND bn	495.1	395.7	-20.1%
Owner's Equity	VND bn	66.3	213.6	+222.2%





## SUBSIDIARIES, AFFILIATES AND JOINT VENTURES

### SMC TAN TAO ONE MEMBER CO., LTD.

**Head Office:** Lot 33, Trung Tam Street, Tan Tao IZ, Tan Tao Ward, HCMC

**Charter Capital** VND 200,000,000,000

**SMC's ownership:** 100%

**Key business activities:** Coil Center – trading, manufacturing, and processing all kinds of flat steels

Key items	Unit	2024	2025	+/- %
Sales Revenue	VND bn	1,565.3	1,326.1	-15.3%
NPAT	VND bn	(68.1)	(75.8)	-11.3%
Total Assets	VND bn	568.2	479.5	-15.6%
Total Liabilities	VND bn	511.4	448.5	-12.3%
Owner's Equity	VND bn	56.8	31.0	-45.4%

### SMC PHU MY STEEL PROCESSING CO., LTD.

**Head Office:** Street N7, Phu My II IZ, Phu My Ward, HCMC

**Charter Capital** VND 220,000,000,000

**SMC's ownership:** 100%

**Key business activities:** The Coil Center specializes in manufacturing and trading products that are processed, cut, and shaped from steel, producing auxiliary products to serve industries such as construction, transportation, electricity, electronics, refrigeration, household appliances, and furniture

Key items	Unit	2024	2025	+/- %
Sales Revenue	VND bn	1,350.0	1,166.9	-13.6%
NPAT	VND bn	2.1	1.6	-23.8%
Total Assets	VND bn	758.0	686.0	-9.5%
Total Liabilities	VND bn	599.0	525.5	-12.3%
Owner's Equity	VND bn	159.0	160.5	+0.9%





## SUBSIDIARIES, AFFILIATES AND JOINT VENTURES

### SMC PHU MY PRECISION CO., LTD.

**Head Office:** Street N7, Phu My II IZ, Phu My 1 IZ, Phu My Ward, HCMC

**Charter Capital** VND 375,000,000,000

**SMC's ownership:** 100%

**Key business activities:** Participating in the supply chain in the steel industry, specializing in mechanical processing, metal treatment and coating, metal forging, pressing, and rolling, product shaping, and supplying raw materials to customers who are manufacturers of automobiles, motorcycles, electrical devices, electronics, and household appliances. Currently a tier-1 vendor specializing in stamping and shaping steel products, supplying Samsung Electronics HCM for the production of washing machines, TVs, refrigerators, and microwaves

Key items	Unit	2024	2025	+/- %
Sales Revenue	VND bn	258.8	359.1	+38.8%
NPAT	VND bn	(23.8)	(4.8)	+79.8%
Total Assets	VND bn	418.6	401.1	-4.2%
Total Liabilities	VND bn	147.7	135.0	-8.6%
Owner's Equity	VND bn	270.9	266.1	-1.8%

### SENDO STEEL PIPE JOINT VENTURE CO., LTD

**Head Office:** Phu My 1 IZ, Phu My Ward, HCMC

**Charter Capital** USD 8,000,000 (~ VND 176,201,485,313)

**SMC's ownership:** 75%

**Key business activities:** Producing and processing steel pipe products

Key items	Unit	2024	2025	+/- %
Sales Revenue	VND bn	998.2	547.5	-45.2%
NPAT	VND bn	(68.7)	69.7	n.a
Total Assets	VND bn	431.2	210.7	-51.1%
Total Liabilities	VND bn	590.0	299.7	-49.2%
Owner's Equity	VND bn	(158.7)	(89.0)	+43.5%





# FINANCIAL STATEMENTS



## AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

### SMC TRADING INVESTMENT JOINT STOCK COMPANY AND ITS SUBSIDIARIES

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## REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2025

The Board of Management has the honor of submitting this report and the audited consolidated financial statements of SMC Trading Investment JSC and its subsidiaries (hereinafter referred to as "the Group") for the fiscal year ended December 31, 2025.

### 1. BUSINESS HIGHLIGHTS

**SMC Trading Investment Joint Stock Company** (Hereinafter referred to as "the Company") operates under the Business registration certificate No. 4103002772 dated October 18, 2004 issued by the Department of Finance of HCMC, and registered for the 24th change under Business Registration Certificate No. 0303522206 dated January 22, 2026 in relation to the addition of a legal representative.

The Company's stock has been officially traded in HCMC Stock Exchange with the code: SMC since October 30, 2006 in compliance with the Listed License No. 62/UBCK-GPNY dated September 29, 2006 issued by the Chairman of the State Securities Commission.

**Structure of ownership:** Joint Stock Company

**English name:** SMC Trading Investment Joint Stock Company

**Short name:** SMC J.S.C

**Security code:** SMC

**Business sectors:** Production - Trading - Services - Construction

**Head office:** 124 -126 Ung Van Kiem, Thanh My Tay Ward, Ho Chi Minh City, Vietnam

### 2. FINANCIAL POSITION AND RESULTS OF OPERATION

The Group's consolidated financial position and results of operation in the year are presented in the attached consolidated financial statements.



## REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2025

### 3. BOARD OF DIRECTORS, BOARD OF CONTROLLING, BOARD OF MANAGEMENT AND CHIEF ACCOUNTANT

Board of Directors, Board of Controlling, Board of Management and Chief Accountant holding office in the year and to the reporting date include:

Board of Directors		Date of Appointment	Date of Resignation
Mr. Pham Hoang Anh	Chairman	Sep. 25, 2025	
Ms. Nguyen Thi Ngoc Loan	Chairman		Sep. 25, 2025
Ms. Nguyen Ngoc Y Nhi	Vice Chairman		
Mr. Kishimoto Hideki	Member		
Mr. Hoang Trung Dung	Member	Sep. 25, 2025	
Mr. Nguyen Ngoc Anh Duy	Member	Sep. 25, 2025	
Mr. Dang Huy Hiep	Advisor to the Board of Directors	Jan. 07, 2026	
Mr. Nguyen Huu Kinh Luan	Member		Dec. 31, 2025
Mr. Vu Anh Nguyen	Member		Dec. 31, 2025
Mr. Fujitsuka Masahiko	Member	May 22, 2025	Dec. 31, 2025
Mr. Hua Vu	Member	May 22, 2025	Sep. 25, 2025

Board of Controlling		Date of Appointment	Date of Resignation
Ms. Vo Thi To Ngan	Chief of Controlling Board		
Ms. Le Thi Cam Tu	Member		
Ms. Dang Thi Thu Trang	Member		
Ms. Thai Thi Van Anh	Member	Sep. 25, 2025	
Mr. Nguyen Quang Trung	Member	Sep. 25, 2025	Dec. 31, 2025

Board of Management and Chief Accountant		Date of Appointment	Date of Resignation
Mr. Nguyen Quang Trung	General Director	Jan. 07, 2026	
Mr. Dang Huy Hiep	General Director		Jan. 07, 2026
Ms. Nguyen Ngoc Y Nhi	Deputy General Director		
Ms. Nguyen Thi Kim Hong Chau	Deputy General Director		Sep. 30, 2025
Mr. Nguyen Quoc Thang	Deputy General Director	Dec. 08, 2025	
Mr. Nguyen Huu Kinh Luan	Standing Deputy General Director		Mar. 25, 2026
Mr. Nguyen Van Lam	Chief Accountant		

### Legal representative of the Company in the period and to the reporting date is:

Mr. Pham Hoang Anh	Chairman (from Oct. 15, 2025 to present)
Mr. Nguyen Quang Trung	General Director (from Jan. 22, 2026 to present)
Ms. Nguyen Thi Ngoc Loan	Chairman (until Oct. 14, 2025)

### 4. AUDITOR

Moore AISC Auditing and Informatics Services Company Limited has been appointed as an independent auditor for the fiscal year ended December 31, 2025.

### 5. STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT

The Board of Management is responsible for the preparation of the consolidated financial statements which give a true and fair view of the financial position of the Group as at December 31, 2025 as well as its results of operation and cash flows for the fiscal year ended December 31, 2025. In order to prepare these consolidated financial statements, the Board of Management has considered and complied with the following matters:

- Selected the appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- The consolidated financial statements of the Group are prepared on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Group and that the consolidated financial statements are prepared in compliance with the registered accounting policies stated in the Notes to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Group and thus taking reasonable steps for the prevention and detection of fraud and other irregularities.

### 6. APPROVAL OF THE FINANCIAL STATEMENTS

In the opinion of the Board of Management, the consolidated financial statements consisting of the consolidated balance sheet as at December 31, 2025, the consolidated income statement, the consolidated cash flow statement and notes to the consolidated financial statements enclosed with this report give a true and fair view of the consolidated financial position of the Group as well as its consolidated operating results and cash flows for the fiscal year ended December 31, 2025.

The consolidated financial statements are prepared in compliance with Vietnamese Accounting Standards and the Vietnamese Corporate Accounting System.

HCMC, March 28, 2026

For and on behalf of the Board of Management



**NGUYEN QUANG TRUNG**  
General Director



## MOORE AISC AUDITING AND INFORMATICS SERVICES COMPANY LIMITED

Auditing And Informatic Services Company Limited



Head Office: 389A Dien Bien Phu Str., Ward 4, Dist. 3, Ho Chi Minh City  
Tel: (84.28) 3832 9129 (10 Lines) – Fax: (84.28) 3834 2957  
Email: info@aisc.com.vn – Website: www.aisc.com.vn

### NO.: A0725358-HN/MOORE AISC-DN7 INDEPENDENT AUDITOR'S REPORT

#### TO: SHAREHOLDERS, BOARD OF DIRECTORS AND MANAGEMENT SMC TRADING INVESTMENT JOINT STOCK COMPANY AND ITS SUBSIDIARIES

We have audited the consolidated financial statements of **SMC Trading Investment Joint Stock Company** (hereinafter referred to as "the Company") and **its subsidiaries** (hereinafter referred to as "the Group") consisting of consolidated balance sheet as at December 31, 2025, consolidated income statement, consolidated cash flow statement for the fiscal year ended December 31, 2025 and Notes to the consolidated financial statements as set out on page 90 to page 155 which were prepared on March 28, 2026.

#### Responsibility of the Board of Management

The Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing regulations applicable to the preparation and presentation of the consolidated financial statements and also for the internal control that the Board of Management considers necessary for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### Responsibility of the Auditor

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



#### Auditor's conclusion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of **SMC Trading Investment Joint Stock Company and its subsidiaries** as at December 31, 2025 as well as the results of its operation and its cash flows for the year then ended. The consolidated financial statements are prepared in compliance with the prevailing Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

#### Emphasized matter

Without qualifying our opinion as mentioned above, we would like to draw your attention about: As noted in item X.2 of the Notes to the consolidated financial statements, as at December 31, 2025, the Group and the member companies within the Novaland Group (hereinafter referred to as "Novaland Group") entered into debt confirmation minutes and payment/asset offset agreements. On January 30, 2026, the Group and Novaland Group further executed additional agreements to secure the settlement obligations in respect of the Group's receivables. These transactions occurred after December 31, 2025 and were determined by the Group's Board of Management as events occurring after the annual accounting period, providing additional evidence of events that existed in the fiscal year that need to be adjusted before preparing the consolidated financial statements. On that basis, the Group's Board of Management has reviewed, re-evaluated the recovery ability and adjusted the provision level for related receivables as at December 31, 2025.

The Group's ability to continue as a going-concern as shown at Item X.5 – Notes to the consolidated financial statements. The Group's net cash flow from operating activities in 2025 was negative VND 75.435.484.367. As at December 31, 2025, short-term liabilities exceeded its short-term assets with the amount of VND 687.794.683.183. These factors indicate that the existence of a material uncertainty could lead to significant doubts about the Group's ability to operate continuously in the near future. The accompanying consolidated financial statements have not contained any adjustments (if any) may occurred from matters as mentioned above.

Our audit opinion is not related to these matters.

HCMC, March 28, 2026

For and on behalf of

**Moore AISC Auditing and  
Informatics Services Company Limited**



**NGUYEN VAN TUYEN**

**Deputy General Director**

Certificate of Audit Practice Registration

No.: 0111-2023-005-1

**HA QUE NGA**

**Auditor**

Certificate of Audit Practice Registration

No.: 2801-2024-005-1



## CONSOLIDATED BALANCE SHEET

As at December 31, 2025

Unit: VND

Assets	Code	Notes	Dec. 31, 2025	Jan. 01, 2025
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>2.692.183.784.828</b>	<b>3.086.659.368.507</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	V.1	<b>135.320.970.073</b>	<b>143.281.861.697</b>
1. Cash	111		121.320.970.073	45.781.861.697
2. Cash equivalents	112		14.000.000.000	97.500.000.000
<b>II. Short-term financial investments</b>	<b>120</b>	V.2	<b>491.810.246.575</b>	<b>505.000.000.000</b>
1. Trading securities	121		-	-
2. Provision for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123		491.810.246.575	505.000.000.000
<b>III. Short-term receivables</b>	<b>130</b>		<b>1.432.902.187.307</b>	<b>1.546.619.776.587</b>
1. Short-term trade receivables	131	V.3a	1.490.305.960.782	1.773.566.850.606
2. Short-term prepayments to suppliers	132	V.4a	39.337.877.635	99.531.539.093
3. Short-term intercompany receivables	133		-	-
4. Construction contract-in-progress receivables	134		-	-
5. Receivables from short-term loans	135		-	-
6. Other short-term receivables	136	V.5a	82.431.657.935	24.989.633.515
7. Provision for doubtful debts	137	V.6	(179.173.309.045)	(351.468.246.627)
8. Shortage of assets awaiting for resolution	139		-	-
<b>IV. Inventories</b>	<b>140</b>	V.7	<b>411.191.502.074</b>	<b>627.737.119.083</b>
1. Inventories	141		421.035.091.186	646.418.393.324
2. Provision for decline in value of inventories	149		(9.843.589.112)	(18.681.274.241)
<b>V. Other current assets</b>	<b>150</b>		<b>220.958.878.799</b>	<b>264.020.611.140</b>
1. Short-term prepaid expenses	151	V.13a	1.587.434.201	3.499.617.490
2. Deductible VAT	152		217.470.688.476	258.205.950.957
3. Taxes and other receivables from the State Budget	153	V.17a	1.900.756.122	2.315.042.693
4. Repurchase and sale of Government's bonds	154		-	-
5. Other current assets	155		-	-

Assets	Code	Notes	Dec. 31, 2025	Jan. 01, 2025
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>1.761.526.090.684</b>	<b>1.691.523.179.758</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>147.767.623.037</b>	<b>34.436.749.274</b>
1. Long-term trade receivables	211	V.3b	3.609.704.278	3.609.704.278
2. Long-term prepayments to suppliers	212	V.4b	115.601.883.363	-
3. Working capital from sub-units	213		-	-
4. Long-term intercompany receivables	214		-	-
5. Receivables from long-term loans	215		-	-
6. Other long-term receivables	216	V.5b	32.165.739.674	34.436.749.274
7. Provision for doubtful long-term receivables	219	V.3b	(3.609.704.278)	(3.609.704.278)
<b>II. Fixed assets</b>	<b>220</b>		<b>865.924.046.801</b>	<b>1.206.287.530.233</b>
1. Tangible fixed assets	221	V.8	543.176.637.739	829.878.313.043
- Cost	222		941.788.536.087	1.648.080.617.261
- Accumulated depreciation	223		(398.611.898.348)	(818.202.304.218)
2. Finance lease assets	224	V.9	219.494.561.238	272.626.440.993
- Cost	225		298.518.300.447	339.831.675.532
- Accumulated depreciation	226		(79.023.739.209)	(67.205.234.539)
3. Intangible fixed assets	227	V.11	103.252.847.824	103.782.776.197
- Cost	228		112.535.841.108	112.535.841.108
- Accumulated amortization	229		(9.282.993.284)	(8.753.064.911)
<b>III. Investment Properties</b>	<b>230</b>	V.10	<b>6.114.434.051</b>	<b>6.477.667.757</b>
- Cost	231		9.080.842.650	9.080.842.650
- Accumulated depreciation	232		(2.966.408.599)	(2.603.174.893)
<b>IV. Non-current assets in progress</b>	<b>240</b>		<b>316.636.644.671</b>	<b>609.942.693</b>
1. Works in progress	241		-	-
2. Capital construction in progress	242	V.12	316.636.644.671	609.942.693
<b>V. Long-term investments</b>	<b>250</b>	V.2	<b>219.545.039.381</b>	<b>217.729.225.291</b>
1. Investments in subsidiaries	251		-	-
2. Investments in associates, joint-ventures	252		111.033.792.090	114.644.689.356
3. Investments in equity of other entities	253		157.147.500.000	157.147.500.000
4. Provision for decline in the value of long-term investments	254		(54.636.252.709)	(60.062.964.065)
5. Held-to-maturity investments	255		6.000.000.000	6.000.000.000
<b>VI. Other long-term assets</b>	<b>260</b>		<b>205.538.302.743</b>	<b>225.982.064.510</b>
1. Long-term prepaid expenses	261	V.13b	205.167.671.573	222.929.854.088
2. Deferred income tax assets	262	V.14a	370.631.170	3.052.210.422
3. Equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
5. Good-will	269		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>4.453.709.875.512</b>	<b>4.778.182.548.265</b>



## CONSOLIDATED BALANCE SHEET

As at December 31, 2025

Unit: VND

Resources	Code	Notes	Dec. 31, 2025	Jan. 01, 2025
<b>C. LIABILITIES</b>	<b>300</b>		<b>3.446.311.744.457</b>	<b>3.968.338.535.252</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>3.379.978.468.011</b>	<b>3.709.283.937.976</b>
1. Short-term trade payables	311	V.15	1.196.979.090.326	1.420.521.537.782
2. Short-term advances from customers	312	V.16	52.937.464.969	59.134.256.148
3. Taxes and other payables to the State Budget	313	V.17b	97.666.153.151	29.913.393.486
4. Payables to employees	314		4.705.897.001	-
5. Short-term accrued expenses	315	V.18	8.834.792.827	8.992.769.459
6. Short-term intercompany payables	316		-	-
7. Construction contract-in-progress payables	317		-	-
8. Short-term unrealized revenue	318	V.19a	1.343.251.180	351.120.000
9. Other short-term payables	319	V.20	1.451.811.038	10.829.802.632
10. Short-term borrowings and financial lease liabilities	320	V.21a	2.013.341.949.560	2.173.481.234.090
11. Provision for short-term payables	321		-	-
12. Bonus and welfare fund	322		2.718.057.959	6.059.824.379
13. Price stabilization fund	323		-	-
14. Repurchase and sale of Government's bonds	324		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>66.333.276.446</b>	<b>259.054.597.276</b>
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital received	334		-	-
5. Long-term intercompany payables	335		-	-
6. Long-term unrealized revenue	336	V.19b	105.160.296	210.320.598
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial lease liabilities	338	V.21bcd	35.857.957.129	217.074.064.253
9. Convertible bond	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341	V.14b	30.370.159.021	41.770.212.425
12. Provision for long-term liabilities	342		-	-
13. Fund for science and technology development	343		-	-

Resources	Code	Notes	Dec. 31, 2025	Jan. 01, 2025
<b>D. OWNERS' EQUITY</b>	<b>400</b>		<b>1.007.398.131.055</b>	<b>809.844.013.013</b>
<b>I. Owners' equity</b>	<b>410</b>	V.22	<b>1.007.398.131.055</b>	<b>809.844.013.013</b>
1. Owners' paid-in capital	411		736.785.870.000	736.785.870.000
- Ordinary shares with voting rights	411a		736.785.870.000	736.785.870.000
- Preferred shares	411b		-	-
2. Share premium	412		253.132.567.160	253.132.567.160
3. Bond conversion option	413		-	-
4. Owners' other capital	414		-	-
5. Treasury shares	415		(717.500.000)	(717.500.000)
6. Difference upon assets revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418		-	-
9. Fund for support of arrangement of enterprises	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421		40.491.849.938	(139.625.294.642)
- Retained earnings accumulated to the end of prior period	421a		(139.625.294.642)	(168.865.083.788)
- Retained earnings in this period	421b		180.117.144.580	29.239.789.146
12. Investment reserve for basic construction	422		-	-
13. Interests of non-controlling shareholders	429		(22.294.656.043)	(39.731.629.505)
<b>II. Budget sources and other funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Budget sources	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>4.453.709.875.512</b>	<b>4.778.182.548.265</b>

Prepared by

Nguyen Thi Thu Thuy

Chief Accountant

Nguyen Van Lam

HCMC, March 28, 2026

General Director



Nguyen Quang Trung



## CONSOLIDATED INCOME STATEMENT

For the fiscal year ended December 31, 2025

Unit: VND

Items	Code	Notes	Year 2025	Year 2024
1. Sales	01		7.011.877.340.158	8.931.097.877.784
2. Less sales deductions	02		1.577.845.896	1.303.065.988
3. Net sales	10	VI.1	7.010.299.494.262	8.929.794.811.796
4. Cost of sales	11	VI.2	7.008.942.041.488	8.924.084.713.782
<b>5. Gross profit (20 = 10 - 11)</b>	<b>20</b>		<b>1.357.452.774</b>	<b>5.710.098.014</b>
6. Financial income	21	VI.3	26.538.504.102	241.891.587.232
7. Financial expenses	22	VI.4	145.642.253.042	234.174.123.816
In which: borrowing interest expense	23		148.362.861.686	176.410.865.717
8. Gain or loss in joint-ventures, associates	24		(1.090.942.598)	(5.006.037.227)
9. Selling expense	25	VI.5a	68.864.437.874	91.911.028.525
10. General & administration expenses	26	VI.5b	(86.683.774.841)	(95.466.546.960)
<b>11. Operating profit / (loss)</b>	<b>30</b>		<b>(101.017.901.797)</b>	<b>11.977.042.638</b>
(30 = 20 + (21 - 22) + 24 - (25 + 26))				
12. Other income	31	VI.6	418.888.295.118	98.178.473.924
13. Other expenses	32	VI.7	69.251.383.484	62.480.441.375
<b>14. Other profit (40 = 31 - 32)</b>	<b>40</b>		<b>349.636.911.634</b>	<b>35.698.032.549</b>
<b>15. Net accounting profit before tax</b>	<b>50</b>		<b>248.619.009.837</b>	<b>47.675.075.187</b>
(50 = 30 + 40)				
16. Corporate income tax - current	51	VI.9	59.783.365.947	24.584.290.104
17. Corporate income tax - deferred	52		(8.718.474.152)	11.016.612.119
<b>18. Net profit after corporate income tax</b>	<b>60</b>		<b>197.554.118.042</b>	<b>12.074.172.964</b>
(60 = 50 - 51 - 52)				
Shareholders of the parent company	61		180.117.144.580	29.239.789.146
Non-controlling shareholders	62		17.436.973.462	(17.165.616.182)
<b>19. Earnings per share</b>	<b>70</b>	VI.10	<b>2.447</b>	<b>397</b>
<b>20. Diluted earnings per share</b>	<b>71</b>	VI.11	<b>1.223</b>	<b>397</b>

Prepared by

Nguyen Thi Thu Thuy

Chief Accountant

Nguyen Van Lam

HCMC, March 28, 2026

General Director



Nguyen Quang Trung

## CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

For the fiscal year ended December 31, 2025

Unit: VND

Items	Code	Notes	Year 2025	Year 2024
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>1. Net profit before tax</b>	01		<b>248.619.009.837</b>	<b>47.675.075.187</b>
<b>2. Adjustments for</b>				
- Depreciation of fixed assets and investment properties	02	V.8-11	89.937.750.943	111.624.309.490
- Provisions	03	VI.2,4,5b	(178.454.070.400)	(145.382.019.276)
- Gain/losses from foreign exchange differences upon revaluation of monetary assets denominated in foreign currencies	04		(451.034.762)	1.781.629.328
- Gains/losses from investing activities	05		(415.866.992.434)	(341.855.479.037)
- Interest expense	06	VI.4	148.462.861.682	177.408.845.519
- Other adjustments	07		-	-
<b>3. Profit from operating activities before changes in working capital</b>	<b>08</b>		<b>(107.752.475.134)</b>	<b>(148.747.638.789)</b>
- Increase (-)/ decrease (+) in receivables	09		149.378.398.468	268.735.168.208
- Increase (-)/ decrease (+) in inventories	10		416.086.614.070	208.386.354.976
- Increase (+)/ decrease (-) in payables (Other than payables, income tax)	11		(371.976.091.301)	(801.428.604.425)
- Increase (-)/ decrease (+) in prepaid expenses	12		19.674.365.804	147.823.261.288
- Increase (-)/ decrease (+) in trading securities	13		-	-
- Interest paid	14		(149.693.754.993)	(182.484.460.333)
- Corporate income tax paid	15	V.17b	(27.810.774.861)	-
- Other receipts from operating activities	16		-	-
- Other payments on operating activities	17		(3.341.766.420)	(359.518.930)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>20</b>		<b>(75.435.484.367)</b>	<b>(508.075.438.005)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Purchases of fixed assets and other long-term assets	21		(2.084.942.668)	(4.683.953.942)
2. Proceeds from disposals of fixed assets and other long-term assets	22		380.827.732.560	287.410.103.840
3. Loans granted, purchases of debt instruments of other entities	23		(665.860.246.575)	(545.170.000.000)
4. Collection of loans, proceeds from sales of debt instruments of other entities	24		673.303.462.500	524.656.095.890
5. Investments in other entities	25		-	-
6. Proceeds from divestment in other entities	26		-	109.719.952.397
7. Dividends and interest received	27		22.584.991.506	238.362.386.483
<b>Net cash inflows/(outflows) from investing activities</b>	<b>30</b>		<b>408.770.997.323</b>	<b>610.294.584.668</b>



## CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

For the fiscal year ended December 31, 2025

Unit: VND

Items	Code	Notes	Year 2025	Year 2024
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from issue of shares and capital contribution	31		-	-
2. Payments for shares returns and repurchases	32		-	-
3. Proceeds from borrowings	33	IX.1	5.530.043.920.591	7.755.826.400.838
4. Repayments of borrowings	34	IX.2	(5.816.685.386.207)	(8.328.601.751.753)
5. Payments for finance lease liabilities	35		(54.701.184.303)	(55.983.112.665)
6. Dividends paid	36		-	-
<b>Net cash inflows/(outflows) from financing activities</b>	<b>40</b>		<b>(341.342.649.919)</b>	<b>(628.758.463.580)</b>
<b>Net cash inflows/(outflows) (50 = 20+ 30 + 40)</b>	<b>50</b>		<b>(8.007.136.963)</b>	<b>(526.539.316.917)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>143.281.861.697</b>	<b>669.710.791.326</b>
Effect of foreign exchange differences	61		46.245.339	110.387.288
<b>Cash and cash equivalents at the end of the year (70 = 50+60+61)</b>	<b>70</b>	V.1	<b>135.320.970.073</b>	<b>143.281.861.697</b>

Prepared by

Nguyen Thi Thu Thuy

Chief Accountant

Nguyen Van Lam

HCMC, March 28, 2026

General Director



Nguyen Quang Trung

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

### I. BUSINESS HIGHLIGHTS

Unit: VND

#### 1. Structure of ownership

SMC Trading Investment Joint Stock Company (Hereinafter referred to as "the Company") operates under the Business registration certificate No. 4103002772 dated October 18, 2004 issued by the Department of Finance of HCMC, and registered for the 24th change under Business Registration Certificate No. 0303522206 dated January 22, 2026 in relation to the addition of a legal representative.

The Company's stock has been officially traded in HCMC Stock Exchange with the code: SMC since October 30, 2006 in compliance with the Listed License No. 62/UBCK-GPNY dated September 29, 2006 issued by the Chairman of the State Securities Commission.

**Head office:** 124 -126 Ung Van Kiem, Thanh My Tay Ward, Ho Chi Minh City, Vietnam.

**2. Business sector:** Manufacturing - Trading - Service - Construction.

#### 3. Principal activities

Producing, trading, importing and exporting of steel, iron, household appliances, construction materials, interior decoration, equipment for construction, mechanics, frames for warehouse, plant by aluminum, steel, inox (not being produced at the head office); Building, installing of civil, industrial, irrigational, traffic work projects; Repairing of house, interior decoration; Preparing of plan for construction investment; Trading of house, household appliances; foodstuff; Logistics; Warehouses service for domestic and exported goods.

#### 4. Normal operating cycle

Normal operating cycle of the Company lasts 12 months.

#### 5. Operations in the period affecting the consolidated financial statements

In 2025, the global economy continued to experience slow growth, affected by persistent inflation in major economies, ongoing geopolitical conflicts, and disruptions to global supply chains. The international and domestic steel markets remained under adjustment pressure due to declining demand and the increasing supply of low-priced steel, particularly from China, resulting in steel prices being lower than in previous years. These factors adversely affected the Group's business operations, as reflected in the decline in both revenue and operating performance in 2025 compared with the prior year.

Against the backdrop of limited improvement in market conditions, the Group has continued to implement restructuring and cost-control measures initiated in prior years, including adjustments to the scale of operations and changes in certain key management personnel within the Board of Directors and the Board of Management in order to align with prevailing market conditions. In 2025, in addition to the results from its core business activities, the



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

Group also recognized certain income arising from the reversal of provisions for the impairment of investments in subsidiaries and the reversal of provisions for doubtful receivables, which contributed to the Group's overall results for the year.

**6. Total employees to Dec. 31, 2025:** 450 persons (Dec. 31, 2024: 606 persons).

### 7. Enterprise Structure

#### 7.1. Total subsidiaries

The Group has ten (10) subsidiaries which will be consolidated into the consolidated financial statements for the accounting period ended at December 31, 2025.

#### 7.2. List of subsidiaries under consolidation:

As at December 31, 2025, the Group has ten (10) directly owned companies as follows:

Subsidiary's name	Principal activities	Percentage of shareholding	Percentage of owning	Percentage of voting right
<b>SMC Steel Co., Ltd. (i)</b> Address: Road 1B, Phu My I Industrial Park, Phu My ward, Ho Chi Minh city	Manufacturing, trading and service	100%	100%	100%
<b>SMC Trading One-Member Co., Ltd.</b> Address: Road No. 5, Dong An Industrial Park, Binh Hoa ward, Ho Chi Minh city	Manufacturing, trading, service and construction	100%	100%	100%
<b>SMC Steel Mechanical One-Member Co., Ltd. (ii)</b> Address: Phu My I Industrial Park, Phu My ward, Ho Chi Minh city	Manufacturing, trading, service and construction	100%	100%	100%
<b>SMC Hiep Phuoc One-Member Co., Ltd.</b> Address: 124 -126 Ung Van Khiem, Thanh My Tay Ward, Ho Chi Minh city	Manufacturing, trading, service and construction	100%	100%	100%
<b>SMC Da Nang One-Member Co., Ltd. (iii)</b> Address: No. 359, 29/3 Street, Hoa Xuan ward, Da Nang city	Manufacturing, trading and service	100%	100%	100%
<b>SMC Tan Tao One-Member Co., Ltd. (iv)</b> Address: Lot 33 Center Street, Tan Tao Industrial Park, Tan Tao A ward, Ho Chi Minh city	Trading, service and construction	100%	100%	100%
<b>SMC Phu My Precision Co., Ltd.</b> Address: Road N7, Phu My II Industrial Park, Tan Phuoc ward, Ho Chi Minh city	Manufacturing, trading, service and construction	100%	100%	100%
<b>SMC Phu My Steel Processing Co., Ltd.</b> Address: Road N7, Phu My II Industrial Park, Tan Phuoc district, Phu My town, Ba Ria - Vung Tau province	Manufacturing, trading, service and construction	100%	100%	100%

The notes to the consolidated financial statements form an integral part of this report

Subsidiary's name	Principal activities	Percentage of shareholding	Percentage of owning	Percentage of voting right
<b>SMC Phu My Machinery - Automation Co., Ltd.</b> Address: Road 9, Phu My I Industrial Park, Phu My ward, Ho Chi Minh city	Manufacturing, trading and service	100%	100%	100%
<b>Sendo Steel Pipe Joint Venture Co., Ltd. (v)</b> Address: Road 1A, Phu My I Industrial Park, Tan Thanh district, Ba Ria - Vung Tau province	Manufacturing, trading and service	75%	75%	75%

**(i)** SMC Steel Co., Ltd. ("SMC Steel") has terminated the investment project "Expansion of the steel manufacturing and processing plant" pursuant to Resolution No. 487/2025/NQ-HĐQT dated November 24, 2025 of the Company's Board of Directors ("BOD") and Official Letter No. 6042/TB-BQL dated December 15, 2025 issued by the Management Board of Export Processing and Industrial Zones of Ho Chi Minh City.

**(ii)** SMC Mechanical Steel One Member Co., Ltd. ("SMC Mechanical Steel") has terminated the investment project "SMC Mechanical - Steel Plant" pursuant to Resolution No. 487/2025/NQ-HĐQT dated November 24, 2025 of the BOD and Notice No. 6598/TB-BQL dated December 23, 2025 issued by the Management Board of Export Processing and Industrial Zones of Ho Chi Minh City. On January 05, 2026, SMC Mechanical Steel officially handed over the entire leased land to Dong Xuyen and Phu My I Industrial Zones Infrastructure Investment and Exploitation Company (IZICO) in Ba Ria - Vung Tau Province, and is in the process of completing procedures to change its business address to No. 09, Phu My I Industrial Zone, Phu My Ward, Ho Chi Minh City, in accordance with Resolution No. 488/2025/NQ-HĐQT dated November 24, 2025 of the BOD.

**(iii)** Pursuant to Resolution No. 173/2025/NQ-HĐQT dated May 28, 2025, the Company's Board of Directors approved the dissolution of SMC Da Nang One Member Co., Ltd. for the purpose of business restructuring. As at the date of these consolidated financial statements, this subsidiary is still in the process of completing the dissolution procedures.

**(iv)** Pursuant to Resolution No. 530/2025/NQ-HĐQT dated December 17, 2025, the Board of Directors approved the provision of additional funding to SMC Tan Tao One Member Co., Ltd. ("SMC Tan Tao") in the form of a loan amounting to VND 50.000.000.000. SMC Tan Tao obtained the amended enterprise registration certificate reflecting the capital increase on January 29, 2026.

**(v)** Pursuant to Members' Council Meeting Minutes No. 10/2025/BBH-HĐTV and Resolution No. 11/2025/NQ-HĐTV dated February 28, 2025 of Sendo Steel Pipe Joint Venture Co., Ltd. ("Sendo"), Sendo carried out the liquidation of a significant portion of its property, plant and equipment, representing approximately 87,45% of its total existing fixed assets. As a result, Sendo recorded a profit from the disposal of property, plant and equipment.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

7.3. List of associates reflected in the consolidated financial statements by equity method:  
As at December 31, 2025, the Group has three (03) associates as follows:

Company's name	Percentage of shareholding	Percentage of owning	Percentage of voting right
SMC - Summit Co., Ltd.	50%	50%	50%
Hanwa SMC Steel Service Ha Noi Company Limited	35%	35%	35%
SMC Toami Co., Ltd.	25%	25%	25%

### 8. Disclosure on comparability of information in the consolidated financial statements

The selection of figures and information need to be presented in the consolidated financial statements has been implemented on the principle of comparability among corresponding accounting periods.

### 9. Significant events during the year

On the basis of the debt confirmation minutes and payment commitment agreements entered into between the Group and NovaGroup Joint Stock Company and its affiliated entities (collectively referred to as the "Novaland Group"), during 2025, the Group and the Novaland Group executed real estate sale and purchase agreements to offset a portion of the Company's outstanding receivables from the Novaland Group. Accordingly, the Group recognized an increase in assets pending handover (recorded under construction in progress - Note V.12), amounting to VND 316.165.533.560. In addition, an amount of VND 115.601.883.363 was reclassified to prepayments to suppliers (Note V.4b) to reflect long-term purchases/leases of real estate arising from the offset of receivables from the Novaland Group.

In addition, as part of the operational restructuring in accordance with the directives of the Board of Directors, certain subsidiaries of the Group carried out the disposal and transfer of property, plant and equipment and recognized gains from these transactions amounting to VND 386.742.635.335.

### 10. Application of the going concern basis in the preparation of the consolidated financial statements

The consolidated financial statements for the fiscal year ended December 31, 2025 have been prepared on a going concern basis, assuming that the Group will be able to realise its assets and settle its liabilities in the normal course of business for the foreseeable future, and for a period of at least 12 months from the date of these consolidated financial statements.

## II. ACCOUNTING PERIOD AND REPORTING CURRENCY

### 1. Fiscal year

The fiscal year is begun on January 01 and ended on December 31 annually.

### 2. Reporting currency

Vietnam Dong (VND) is used as a currency unit for accounting records.

*The notes to the consolidated financial statements form an integral part of this report*

## III. ADOPTION OF ACCOUNTING STANDARDS AND POLICIES

### 1. Applicable Accounting System

The Group applies Vietnamese accounting standards and corporate accounting system issued under the Circular No. 200/2014/TT-BTC dated December 22, 2014, the Circular 53/2016/TT-BTC dated March 21, 2016 amended and supplemented a number of articles of the Circular 200/2014/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

The Group applies the Circular No. 202/2014/TT-BTC ("Circular 202") dated December 22, 2014 issued by the Ministry of Finance guiding the preparation and presentation of the consolidated financial statements.

### 2. Disclosure of compliance with Vietnamese Accounting Standards and the Vietnamese Corporate Accounting System

The Board of Management ensures compliance with the requirements of accounting standards and the Vietnamese corporate accounting regime issued under the Circular No. 200/2014/TT-BTC dated December 22, 2014, the Circular 53/2016/TT-BTC dated March 21, 2016 amending and supplementing several articles of the Circular 200/2014/TT-BTC as well as circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

The selection of figures and information presented in the notes to the consolidated financial statements is complied with the material principle in Vietnamese Accounting Standard No. 21 - Presentation of the financial statements.

## IV. APPLICABLE ACCOUNTING POLICIES

### 1. Basis of consolidation

The consolidated financial statements comprise of the financial statements of SMC Trading Investment JSC and its subsidiaries' ("the Group") for the fiscal year ended December 31, 2025.

The financial statements of the subsidiary are consolidated from the purchase date when the Group starts control to the date it ceases the control.

The subsidiaries' financial statements are prepared for the same accounting period as SMC Trading Investment JSC's under the accounting policies in consistency with SMC Trading Investment JSC's. The adjustments for any different accounting policies are implemented to ensure the consistency between the Subsidiaries and SMC Trading Investment JSC.

All inter-Group balances and revenue, income, expenses incurred from transactions of the Group, including unrealized gains incurred from inter-Group transactions in the assets' value are completely eliminated.

Unrealized loss incurred from intra-group transactions recorded in the assets' value are eliminated when the expenses resulting in the loss are unrecoverable.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

Interest of uncontrolled shareholders represents the portion in gain or loss and net assets of the subsidiaries that are not held by the Group and presented separately in the consolidated income statement and from shareholders' equity of the Group in the owners' equity in the consolidated balance sheet.

Losses incurred in the subsidiary are allocated in correspondence with the non-controlling shareholders' portion of ownership, including the case where those losses are greater than the non-controlling shareholders' portion of ownership in the subsidiary's net asset.

### 2. Foreign exchange rate applicable in accounting

Transactions arising in foreign currencies are converted at the exchange rate at the date of the transaction. The balance of monetary items denominated in foreign currencies at the end of the accounting period is converted at the exchange rate on that date.

Exchange rate differences arising during the period from transactions in foreign currencies are recorded in financial income or financial expenses. Exchange rate differences due to the revaluation of monetary items denominated in foreign currencies at the end of the fiscal year after clearing the increase and decrease difference are recorded in financial income or financial expenses.

### Principles for determining exchange rates for arising transactions

The exchange rate used to convert transactions arising in foreign currency is the actual exchange rate at the time the transaction occurs. Actual exchange rates for transactions in foreign currencies are determined as follows:

Actual exchange rate when buying and selling foreign currencies (spot foreign currency trading contracts, forward contracts, futures contracts, options contracts, swap contracts): exchange rate signed in the buying contract, selling foreign currency between the Group and the bank.

For capital contributions or receipt of contributed capital: foreign currency buying rate of the bank where the Group opens an account to receive capital from investors at the date of capital contribution.

For receivables: buying rate of the commercial bank where the Group appoints the customer to pay at the time the transaction arises.

For liabilities: selling exchange rate of the commercial bank where the Group plans to trade at the time the transaction occurs.

For asset purchase transactions or expenses paid immediately in foreign currency (not through accounts payable): buying exchange rate of the commercial bank where the Group makes payments.

*The notes to the consolidated financial statements form an integral part of this report*

The Group has translated foreign currencies into Vietnam Dong at the actual rate.

### Principles for determining the actual rate

Closing balance of monetary items denominated in foreign currencies are revaluated at the actual rate ruling at the balance sheet date.

- The actual exchange rates upon revaluation of monetary assets denominated in foreign currencies which have been classified as assets will be the buying rate of the commercial bank where the company regularly trades on Dec. 31, 2025.

- The actual exchange rates upon revaluation of monetary assets denominated in foreign currencies which have been classified as payables will be the selling rate of the commercial bank where the company regularly trades on Dec. 31, 2025.

### 3. Cash and cash equivalents

**Cash** includes cash on hand, cash in bank (demand deposit).

**Cash** equivalents are short-term investments with a redemption period or maturity of no more than 3 months from the date of purchase, are easily converted into a known amount of money and without much risk in conversion into money.

### 4. Financial investments

#### Loans

Loans are determined at the original cost less (-) provision for doubtful debts. Provision for bad debts of loans is established based on the expected level of loss that may occur.

#### Financial investments in Associates

**An associate** is an enterprise over which the Group has significant influence but no control over the financial and operating policies. Significant influence is the right to participate in making financial and operating policy decisions of the investee enterprise but not to control these policies.

The equity method: is the method in which the investment is recorded initially at cost and will not be adjusted whenever there is a change of the investor's ownership in net assets of the associate. The consolidated income statement reflects the Group's portion in associate's operating results as a separate item after the investment date.

The goodwill arising from the investment in Associates will be reflected in the book value of the investment. The Group does not allocate this goodwill, but evaluate annually to see whether the goodwill is devalued or not.

The financial statements of Associates are prepared at the same accounting period as the Group's and consistent accounting policies are applied. The appropriate adjustments have been conducted in order to ensure the accounting policies are applied in consistency with the Group's when necessary.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### 4. Financial investments (cont.)

#### Equity investments in other entities

Investments in equity instruments of other entities include investments in equity instruments but the Company does not have control, joint control or significant influence over the invested party.

Investments in equity instruments of other entities are initially recognized at the original cost, which includes the purchase price or capital contribution plus direct costs related to investment activities. Dividends and profits of periods before the investment is purchased are accounted for as a decrease in the value of that investment itself. Dividends and profits of periods after the investment is purchased are recorded as revenue. Dividends received in shares are only tracked by the number of additional shares, the value of shares received is not recorded/recorded at par value (except for state-owned companies that comply with current provisions of law).

Provision for loss of investments in equity instruments of other entities are made as follows:

- For investments in listed stocks or the fair value of investments that are reliably determined, the provision is based on the market value of the stocks.

- For investments whose fair value cannot be determined at the time of reporting, provisions are made based on the investee's losses with the level of provision equal to the difference between the actual capital contribution of the parties at the other unit and the actual owners' equity multiplied by the Company's capital contribution ratio compared to the total actual capital contribution of the parties at the other unit.

#### Dividends being allocated by shares

In case of dividends are allocated by shares, the investor only observes the quantity of shares according to the notes to the financial statements, not record increase the investment value and revenue from financing activities.

Dividends, profit shared by monetary or non-monetary assets for pre-investment are not recorded to the revenue from financing activities, but recorded a decrease in the value of investment.

Dividends, profit shared by monetary or non-monetary assets for post-investment are recorded to the revenue from financing activities at the fair value on the receiving date.

#### Held-to-maturity investments

An investment is classified as held to maturity when the Corporation/Enterprise has the intention and ability to hold it to maturity.

Held-to-maturity investments include: term bank deposits (including bills and promissory notes), bonds, preferred shares must be redeemed by the issuer at a certain time in the future

*The notes to the consolidated financial statements form an integral part of this report*

and held-to-maturity loans to collect interest periodically and other held-to-maturity investments.

Held-to-maturity investments are initially recorded at cost including purchase price and costs related to the investment transaction. After initial recording, these investments are recorded at their recoverable amount. Interest income from held-to-maturity investments after the purchase date is recorded on the income statement on an accrual basis. Interest earned before the Company holds it is recorded as a deduction from the original price at the time of purchase.

When there is solid evidence that part or all of the investment may not be recoverable and the amount of loss can be reliably determined, the loss is recorded in financial expenses during the period and directly deducted from the investment value.

### 5. Trade receivables and other receivables

**Receivables** are presented at book value less provisions for doubtful debts.

The classification of receivables is done according to the following principles:

- **Receivables from customers** reflect commercial receivables arising from buying and selling transactions between the Enterprise and the buyer who is an independent unit of the Company, including receivables from sales of export goods entrusted to other units.

- **Other receivables** reflect non-commercial receivables, not related to purchase and sale transactions.

**Provision for bad debts** is made for each bad debt based on the overdue age of the debts or the expected level of loss that may occur, specifically as follows:

- For overdue receivables: according to the circular regulations;
- For receivables that are not overdue but are unlikely to be recovered: based on the expected level of loss to set up provisions.

Increases and decreases in bad debt provision balances that need to be made at the end of the fiscal year are recorded in general & administration expenses.

### 6. Inventories

Inventories are stated at the lower of cost and net realisable value of inventories.

#### Original costs are determined as follows:

- The original cost of materials, merchandises consists of costs of purchase, costs of transportation and other costs incurred in bringing the inventories to their present location and condition.

- Finished goods: costs of materials, direct labor and manufacturing overheads which are allocated on the basis of major materials costs relevant overall costs incurred.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

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### 6. Inventories (cont.)

**Method of calculating inventories' value:** Weighted average method.

**Method of accounting for the inventories:** Perpetual method.

**Method of making provision for decline in value of inventories:** Provision for decline in value of inventories is made for each inventory with the cost greater than the net realisable value. Net realisable value is estimated selling price of inventories in the ordinary course of business less (-) estimated costs of completion and estimated costs necessary to sell them. (For services provided in progress, provision for decline in value of inventories is calculated according to each type of service with a separate price.)

Increases and decreases of provision for decline in value of inventories balances that need to be made at the end of the fiscal year are recorded in the cost of goods sold.

### 7. Fixed assets

#### 7.1. Tangible fixed assets

Tangible fixed assets are stated at original cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred after initial recognition are only capitalised as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

#### *Tangible fixed assets purchased*

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalisation price of the construction project, other relevant fees plus (+) registration fee (if any).

Fixed assets which are buildings, structures attached to land use right, the value of land use right is computed separately and recorded as intangible fixed assets.

#### 7.2. Intangible fixed assets

**Intangible fixed assets** are recorded at cost less (-) accumulated depreciation. The historical cost of intangible fixed assets includes all costs that the Company must spend to acquire the fixed asset up to when the asset is put into a ready-to-use state. Costs related to intangible fixed assets that arise after initial recognition are recorded as production and business costs in the period unless these costs are associated with a specific intangible fixed asset and increase the economic benefits from these assets.

When intangible fixed assets are sold or liquidated, their original cost and accumulated depreciation are written off and profits and losses arising from disposal are recorded in income or expenses during the year.

Principles for recording intangible fixed assets:

#### **Land use rights**

Land use rights are all actual expenses the Company has paid that are directly related to used land, including money spent to have land use rights, costs for compensation and site clearance, site leveling, registration fees, etc. When land use rights are purchased along with houses and architectural objects on the land, the value of land use rights is determined separately and recorded as an intangible fixed asset.

Rights to use leased land before the effective date of the 2003 Land Law (before July 1, 2004) and the Company has paid land rent for the entire lease period or has paid land rent in advance for many years, the remaining paid land lease term is at least 5 years and a land use right certificate is issued by a competent authority.

#### **Computer software**

Costs related to computer software programs that are not an integral part of the related hardware are capitalized. The original price of computer software is all expenses that the Company has spent up to the time the software is put into use.

#### 7.3. Financial lease fixed assets

A lease is classified as a finance lease if the majority of the risks and rewards associated with ownership of the asset belong to the lessee.

**Financial lease fixed assets** are stated at original cost less accumulated depreciation. The original cost of a fixed asset under a finance lease is the lower of the fair value of the leased asset at the inception of the lease contract and the present value of the minimum lease payment. The discount rate to calculate the present value of the minimum rental payment for a property lease is the interest rate implicit in the property lease contract or the interest rate stated in the contract. In case the interest rate implicit in the lease contract cannot be determined, the loan interest rate at the beginning of the lease will be used.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

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### 7.4. Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

#### The estimated useful life for assets is as follows:

Buildings and structures	06 - 30 years
Machinery and equipment	03 - 15 years
Transportation and facilities	01 - 10 years
Office equipment	03 - 09 years
Financial lease fixed assets	06 - 15 years
Software program	02 - 20 years
Non-term land use rights are carried at cost and not amortised	

### 8. Construction in progress

Construction in progress reflects directly related costs (including interest expenses) related in accordance with the Company's accounting policy to assets under construction, machinery and equipment being installed for production purposes, leasing and management as well as costs associated with ongoing fixed asset repairs. These assets are recognized at cost and are not subject to depreciation.

These costs are capitalised as an additional cost of asset when the works have been completed. After the works have been finalized, the asset will be handed over and put into use.

### 9. Investment properties

**Principles for recording investment property:** Investment property is the right to use land, a house, a part of a house or infrastructure owned by the Company or financial leasing is used to earn profit from leasing or waiting for price increases. Investment property is stated at cost less accumulated depreciation.

**The original cost of investment property:** is all expenses that the Company has to spend or the fair value of the amounts given in exchange for acquiring investment property up to the time of purchase or completion of construction of that investment property.

Expenditures incurred after the initial recognition are recorded as expenses in the period, except for the case where it can be clearly demonstrated that the expenditures have resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property, the expenditures are capitalised as an additional cost of investment property.

When investment properties are sold, the original cost and accumulated depreciation are written off and any gain or loss resulting from the sales of these properties will be recorded into the income statement in the period.

The conversion from owner-occupied property or inventory to investment property is only when the owner stops using the asset and begins leasing it to another party or at the end of the construction period. The transfer from investment property to owner-occupied property or inventory occurs only when the owner begins to use the property or begins to develop it for sale. The transfer from investment property to owner-occupied property or inventory does not change the original cost or residual value of the property at the date of conversion.

**Investment property used for rental:** depreciation is recorded using the straight-line method over the estimated useful life of the investment property.

#### Estimated useful life of investment properties:

Infrastructure	25 years
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**The investment properties awaiting price increases do not make depreciation.** In case where there is reliable evidence showing that the investment properties have devalued in comparison with the market value and the devaluated amount has been reliably determined, then the Company will evaluate the decrease of the investment property's original cost and record the loss in cost of goods sold.

### 10. Prepaid expenses

Prepaid expenses include expenses that actually incurred but relate to the operating result of several accounting periods. Method of allocating prepaid expenses: The determining and allocating of prepaid expenses into costs of production and doing business of each period is on a straight-line basis.

The company's prepaid expenses include the following main expenses:

**Tools and supplies:** Tools and supplies that have been put into use are allocated to expenses using the straight-line basis with an allocation period not exceeding 36 months.

**Fixed asset repair costs:** One-time asset repair costs of great value are allocated to expenses using the straight-line basis with an allocation period not exceeding 36 months.

**Prepaid land rental:** Prepaid land rental represents the land rental paid for the land that the Company is using. Prepaid land rental is allocated to expenses using the straight-line basis corresponding to the rental period.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

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### 11. Liabilities

Liabilities are recognized for amounts to be paid in the future for goods and services received. Liabilities are recognized based on reasonable estimates of the amount payable.

The classification of payables as payables to vendors, internal payables and other payables is based on the following principles:

- Payables to vendors reflect trade payables arising from purchases of goods, services, assets and the vendor is an independent unit of the Company, including payables when Imported through consignee.

- Other payables reflect non-commercial payables, not related to transactions of buying, selling or providing goods and services.

### 12. Salary policies and compulsory insurance

Salary calculated and accounted for expenses in the period according to the labor contract and the salary regulation of the Company. Accordingly, social insurance, health insurance and unemployment insurance are also deducted at the rate of 25,5%, 4,5% and 2% corresponding to the employee's salary. The rate of 21,5% will be included in the cost of social insurance, health insurance, unemployment insurance in the period; and 10,5% will be deducted from the employee's salary.

### 13. Unearned revenue

Unrealized revenue is the revenue which will be recorded in correspondence with the obligations that the Group must perform in one or more following accounting periods.

Unearned revenue include amounts of customers paid in advance for one or many accounting periods in case where the Group has delivered goods to customer and the customer has agreed to pay.

Method of allocating unearned revenue is on the principle of conformity with obligations that the Group will perform in next one or several accounting periods.

### 14. Borrowings and finance lease liabilities

Borrowings are total amounts the Group owes to banks, institutions, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Financial lease liabilities are recorded as total payable amount calculated by present value of minimum lease payment amounts or fair value of leased assets.

Borrowings and financial lease liabilities are monitored in detail according to creditor, agreement and borrowed asset.

### 15. Borrowing costs

**Principles for recording borrowing costs:** Borrowing costs include loan interest and other costs incurred directly related to loans. Borrowing costs are recorded as expenses when incurred.

### 16. Accruals

Accruals reflect amounts payable for goods and services received from the seller or provided to the buyer but not yet paid due to lack of invoices or insufficient records, accounting documents and other relevant documents, payables to employees in terms of vacation wages, production and business expenses that must be accrued in advance.

### 17. Bonds

The book value of a bond is usually reflected on a net basis equal to the bond value at par value minus the bond discount plus the bond premium.

The Company monitors discounts and premiums for each type of common bond issued and the allocation of each discount and premium when determining borrowing costs included in expenses or capitalization for each period, specifically:

- Bond discounts are gradually allocated to calculate borrowing costs each period throughout the bond's term.

- Bond premiums are gradually allocated to reduce borrowing costs each period throughout the bond's term.

Amortization of the discount or premium may use either the effective interest rate method or the straight-line method.

- According to the straight-line method: The discount or premium is evenly allocated throughout the bond's term.

### 18. Owner's Equity

#### The owners' capital

The owners' capital is recognized according to the actual contributed capital of owners.

**Equity surplus:** Equity surplus is recognized according to the difference between the issue price and the par value of shares at initial issuance, additional issuance, the difference between the reissue price and the book value of treasury shares and the capital component of convertible bonds at maturity. Direct costs related to the additional issuance of shares and the reissue of treasury shares are credited to the share capital surplus.

#### Retained earnings

Profit after corporate income tax shall be distributed to shareholders after setting aside funds in accordance with the Charter of the Group as well as the provisions of law and approved by the General Meeting of Shareholders.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

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### 18. Owner's Equity (cont.)

The distribution of profits to shareholders taking into consideration non-monetary items included in undistributed after-tax profits may affect cash flow and the ability to pay dividends/profits such as interest due to revaluation of assets contributed to capital, interest due to revaluation of monetary items, financial instruments and other non-monetary items.

Dividends/profits are recognized as liabilities when approved by the General Meeting of Shareholders.

### 19. Treasury shares

The owners' equity instruments acquired by the Group (treasury share) are recorded at original cost and deducted into the owners' equity. The Group does not record gain (loss) when purchasing, selling, issuing or cancelling its equity instruments. Upon reissue, the difference between reissue price and cost will be recorded in item "Share premium".

### 20. Revenue and other income

#### Revenue from goods sold

Revenue from the sale of good should be recognized when all the five (5) following conditions have been satisfied: 1. The enterprise has transferred to buyer the significant risks and rewards of ownership of the goods; 2. The enterprise retains neither continuing managerial involvement as an owner nor effective control over the goods sold; 3. The amount of revenue can be measured reliably; When the contract specifies that buyers are entitled to return products, goods they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return products, goods (except for changing to other goods, services) 4.The economic benefits associated with the transaction has flown or will flow to the enterprise; 5. Identify the costs related to the sales transaction.

#### Revenue from service rendered

Revenue from services rendered is recorded when the result of the supply of services is determined reliably. In case where the services are rendered in several periods, the revenue will recorded by the part of completed works at the end of the accounting period.

Revenue from services rendered is determined when all the four (4) following conditions have been satisfied: 1. The revenue is determined firmly; When the contract specifies that buyers are entitled to return the service they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return service; 2. The economic benefits associated with the transaction has flown or will flow from the supply of the provided service; 3. Part of completed works can be determined at the end of the accounting period; 4. Determine the costs incurred for the transaction and the costs to complete the service provision transaction.

*The notes to the consolidated financial statements form an integral part of this report*

### Financial income

Income arising from interests, distributed dividends and profits of the enterprises shall be recognized if they simultaneously satisfy the two (2) conditions below: 1. It is possible to obtain economic benefits from the concerned transactions; 2. Income is determined with relative certainty.

Financial incomes include interests, distributed dividends and profits and income from other financing activities (sale and purchase of securities, liquidation of capital in joint-ventures, investment in associates, subsidiaries, other investments; Foreign exchange gains; Capital transfer gain)...

**Interests** recognized on an accrual basis, determined on the balance of deposit accounts and interest rates in each period;

**Distributed dividends and profits** shall be recognized when shareholders are entitled to receive dividends or profits from the capital contribution. Dividends received in shares are only tracked by the number of additional shares, the value of shares received/recorded at par value is not recorded.

When an amount which has been recorded as an income becomes irrecoverable, such irrecoverable or uncertainly recoverable amount must be accounted as expense incurred in the period, but not recorded as income decrease.

### 21. Cost of goods sold

Cost of goods sold is the cost of products, goods, services and other expenses recorded in the cost of goods sold or recorded a decrease in the cost of goods sold in the reporting period. The cost of goods sold is recorded at the date the transaction incurred or likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on conformity principles. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent principle.

### 22. Financial expenses

**Financial expenses include:** expenses or loss related to the financial investment, borrowing cost and capital borrowing, contribution in joint-venture, associate, loss from transfer of short-term securities, cost of securities sale...; Provision for devaluation of financial investment, loss from sale of foreign currencies, loss from foreign exchange loss and other financial expenses.

Financial expenses are recorded in details by their content and determined reliably when there are sufficient evidences on these expenses.

### 23. Selling and general administrative expenses

#### a. Selling expense

Reflect the actual costs incurred in the process of selling products, goods and service providers, including the costs of offering, product introduction, product advertising, sales commissions,



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

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expenses for maintenance of products, goods and storage costs, packaging, transportation, etc.

### 23. Selling and general administrative expenses (cont.)

#### b. General and administration expenses

Reflecting general administration expenses of the Company that include salary expenses of management segment; social, health, unemployment insurances, union fees; office materials, tools, depreciation of assets; land rental, business operation tax; provision for doubtful debts; cost of hired services and others paid by cash.

### 24. Taxes

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

**Current income tax** is a tax calculated based on taxable income. Taxable income differs from accounting profit due to adjustment of temporary differences between tax and accounting, non-deductible expenses as well as adjustment of non-taxable income and loss carried forward.

**Deferred income tax** is the corporate income tax that will be payable or refunded due to the temporary difference between the book value of assets and liabilities to prepare financial statements and the basis for calculating income tax. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized only when it is probable that taxable profits will be available in the future against which these deductible temporary differences can be utilized.

**The book value of deferred tax assets** is reconsidered at the end of the financial year and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or the entire deferred tax asset to be used. Previously unrecognized deferred corporate income tax assets are reassessed at the end of the financial year and are recognized to the extent that it is probable that sufficient taxable profit will be available against which the income tax assets can be utilized.

**Tax rates of deferred tax assets and deferred tax liabilities** are determined at the tax rates expected to apply in the year the asset is realized or the liability is paid based on the tax rates in effect at the end of the fiscal year. Deferred income tax is recorded in the income statement and recorded directly in equity only when the tax relates to items recorded directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset when the Group has the legal right to offset current income tax assets against current income tax liabilities and the

deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority of the same subject to corporate income tax and the Company has intention to pay current income tax liabilities and current income tax assets on a net basis or simultaneously in each future period in which the significant deferred tax assets or liabilities are expected to be settled or recovered.

The Group has not recorded the deferred tax assets regarding of unused taxable loss because they are not sure that there would have taxable profit in the future.

The Group's current corporate income tax rate is 20%. Particularly, SMC Phu My Precision Mechanics Co., Ltd and SMC Phu My Steel Processing Co., Ltd. have given priority in corporate income tax for new investment projects related to high-end metal production as follows: Preferential tax rate of 17% for 10 years from the date of revenue; exemption for 02 years and reduction of 50% of tax payable in 04 years from the first year this company arising taxable income from the project.

The Group's tax reports will be subject to inspection by tax authorities. Because the application of tax laws and regulations to different types of transactions can be interpreted in different ways, the tax amount presented in the financial statements may be subject to change upon final decision from the tax authorities. The difference between the tax amount payable according to the books and the finalization check data will be adjusted when there is an official settlement with the tax authority.

### 25. Earnings per share

Basic earnings per share is calculated by dividing net income available to common shareholders after appropriating to Bonus and Welfare Fund by the weighted-average number of common shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit or loss after tax attributable to ordinary shareholders of the Group (after adjusting for dividends on convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued upon the conversion of



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all dilutive potential ordinary shares.

### 26. Financial instruments

#### Initial recognition

##### Financial assets

According to the Circular No. 210/2009/TT-BTC dated November 6, 2009 (the Circular 210) issued by Ministry of Finance, financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial assets which are stated at fair value through the income statement, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Group decides to classify these assets at the date of initial recognition.

At the date of initial recognition, the financial assets are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial assets.

Financial assets of the Group comprise cash, trading securities, trade receivables and other receivables, loans, other financial assets.

##### Financial liabilities

According to the Circular 210, financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial liabilities which are stated at fair value through the income statement, financial liabilities determined on amortised cost basis. The Group decides to classify these liabilities at the date of initial recognition.

At the date of initial recognition, the financial liabilities are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial liabilities.

Financial liabilities of the Group comprise trade payables, accrual expenses, other payables, borrowings and liabilities, financial instruments.

##### Re-measurements after initial recognition

Currently, there are no requirements for the re-measurement of the financial instruments after initial recognition.

##### Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the report on financial position if, and only if, there is a currently enforceable legal right to offset the financial assets against financial liabilities or vice-versa and there is an intention to settle on

a net basis or to realize the assets and settle the liability simultaneously.

### 27. Related parties

According to Accounting Standard No. 26 - Information about related parties at the Company is as follows:

(i) Associate companies (stipulated in Accounting Standard No. 07 "Accounting for investments in associates");

(ii) Individuals with direct or indirect voting rights in reporting enterprises that lead to significant influence over these enterprises, including close family members of these individuals. Close family members of an individual are those who can control or be controlled by that person when dealing with a business such as: Father, mother, wife, husband, children, brothers, and sisters.

(iii) Key management employees have the rights and responsibilities for planning, managing and controlling the activities of the reporting enterprise, including leaders and management staff of the company and close family members of these individuals;

(iv) Enterprises where the individuals mentioned in case (ii) or case (iii) directly or indirectly hold an important part of the voting rights or through this, that person has can have a significant impact on the business. This includes businesses that are owned by the directors or major shareholders of the reporting enterprise and businesses that share a key member of management with the reporting enterprise.

In considering each relationship between related parties, it is necessary to pay attention to the nature of the relationship, not just the legal form of those relationships.

### 28. Assets, revenue and operating results by segment

A reportable segment includes business segment or a geographical segment.

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

For the purpose of management, the Company operates in a large scale of the country, so it presents major segment reporting by business sector, the minor segment reporting by geographical segment.



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### V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED BALANCE SHEET

	Dec. 31, 2025	Jan. 01, 2025
<b>1. Cash and cash equivalents</b>		
<b>Cash</b>	<b>121.320.970.073</b>	<b>45.781.861.697</b>
Cash on hand	396.275.246	823.704.620
Cash in bank (demand deposits)	120.924.694.827	44.958.157.077
<b>Cash equivalents</b>	<b>14.000.000.000</b>	<b>97.500.000.000</b>
Cash with term of less than 3 months (interest rate: 1,9% - 2,4%/year) (*)	14.000.000.000	97.500.000.000
<b>Total</b>	<b>135.320.970.073</b>	<b>143.281.861.697</b>

(\*) A portion of deposits with term under 3 months are used as collateral at banks: See note V.21.

2. Financial investments: (see page 146-147).

3. Trade receivables	Dec. 31, 2025		Jan. 01, 2025	
	Amount	Provision	Amount	Provision
<b>a. Short-term</b>	<b>1.490.305.960.782</b>	<b>(173.031.255.400)</b>	<b>1.773.566.850.606</b>	<b>(346.821.914.616)</b>
<b>Local customers (i)</b>	<b>1.481.948.977.964</b>	<b>(167.198.442.673)</b>	<b>1.761.097.517.184</b>	<b>(346.821.914.616)</b>
Hieu Hanh Production Trading Mechanical Co., Ltd.	34.998.120.747	(11.939.012.651)	69.793.934.397	(10.061.636.856)
Delta - Valley Binh Thuan Company Limited	440.796.852.909	-	440.796.852.909	(125.498.724.253)
Da Lat Valley Real Estate Company Limited	10.758.647.590	-	169.260.183.239	(1.452.837.284)
The Forest City Co., Ltd.	5.007.844.544	(258.311.184)	131.505.957.524	(182.008.631)
Nam Son Steel Corporation (ii)	285.000.000.000	-	-	-
Kokoro Steel Corrugated Co., Ltd.	95.946.822.757	-	21.696.454.854	-
Related parties (see Note X.3)	8.239.974.581	-	22.479.485.274	-
Other customers	601.200.714.836	(155.001.118.838)	905.564.648.987	(209.626.707.592)
<b>Foreign customers (USD 493,815.43)</b>	<b>8.356.982.818</b>	<b>(5.832.812.727)</b>	<b>12.469.333.422</b>	<b>-</b>
Eoun Steel Co., Ltd.	8.332.589.610	(5.832.812.727)	8.332.589.610	-
Other customers	24.393.208	-	4.136.743.812	-

3. Trade receivables (cont.)	Dec. 31, 2025		Jan. 01, 2025	
	Amount	Provision	Amount	Provision
<b>b. Long-term</b>	<b>3.609.704.278</b>	<b>(3.609.704.278)</b>	<b>3.609.704.278</b>	<b>(3.609.704.278)</b>
<b>Local customers</b>	<b>3.609.704.278</b>	<b>(3.609.704.278)</b>	<b>3.609.704.278</b>	<b>(3.609.704.278)</b>
Other customers	3.609.704.278	(3.609.704.278)	3.609.704.278	(3.609.704.278)
<b>Total (iii)</b>	<b>1.493.915.665.060</b>	<b>(176.640.959.678)</b>	<b>1.777.176.554.884</b>	<b>(350.431.618.894)</b>

(i) In which, including the balance receivable from local customers in foreign currency is USD 35,997.54 equivalent to VND 939.895.769.

(ii) The receivable from Nam Son Steel Corporation will be used to settle bank borrowings (refer to Note 21 - Borrowings and finance lease liabilities).

(iii) This includes changes in the balances of receivables and the related allowance for doubtful debts arising from receivables due from entities within Novaland Group, primarily as a result of debt offset arrangements and the reassessment of their recoverability based on the executed agreements. Further details are disclosed in Notes I.9 and X.2.

4. Prepayments to suppliers	Dec. 31, 2025		Jan. 01, 2025	
	Amount	Provision	Amount	Provision
<b>a. Short-term</b>	<b>39.337.877.635</b>	<b>(6.142.053.645)</b>	<b>99.531.539.093</b>	<b>(4.646.332.011)</b>
<b>Local suppliers</b>	<b>16.381.217.114</b>	<b>(6.142.053.645)</b>	<b>99.127.355.027</b>	<b>(4.646.332.011)</b>
K.N.G Construction Co., Ltd.	12.000.000.000	(5.859.236.835)	12.000.000.000	(4.420.215.201)
Kokoro Steel Corrugated Co., Ltd	-	-	75.168.102.027	-
Others	4.381.217.114	(282.816.810)	11.959.253.000	(226.116.810)
<b>Foreign suppliers (USD 872,237.9)</b>	<b>22.956.660.521</b>	<b>-</b>	<b>404.184.066</b>	<b>-</b>
China Steel Global Trading Corporation	21.491.815.216	-	-	-
Others	1.464.845.305	-	404.184.066	-
<b>b. Long-term</b>	<b>115.601.883.363</b>	<b>-</b>	<b>-</b>	<b>-</b>
Novareal JSC (*)	115.601.883.363	-	-	-
<b>Total</b>	<b>154.939.760.998</b>	<b>(6.142.053.645)</b>	<b>99.531.539.093</b>	<b>(4.646.332.011)</b>

(\*) The prepayment to Novareal Joint Stock Company (in relation to the acquisition of real estate) arises from debt offset arrangements under designated payment agreements. The documents relating to this prepayment are being used as collateral to secure the Group's borrowings as at the year-end (refer to Note V.21).



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5. Other receivables	Dec. 31, 2025		Jan. 01, 2025	
	Amount	Provision	Amount	Provision
<b>a. Short-term</b>	<b>82.431.657.935</b>	-	<b>24.989.633.515</b>	-
Interest receivables from deposit, bond, loan	4.067.408.935	-	4.404.594.286	-
Receivables from discounts	8.847.923.216	-	3.966.727.715	-
VAT from finance lease awaiting for transferring	5.990.734.932	-	9.931.631.762	-
VAT to be refunded	11.884.279.495	-	5.846.735.688	-
Advances (i)	49.723.000.000	-	501.500.000	-
Short-term deposits	317.748.000	-	6.600.000	-
Others	1.600.563.357	-	331.844.064	-
<b>b. Long-term</b>	<b>32.165.739.674</b>	-	<b>34.436.749.274</b>	-
Deposits for financial lease	32.145.739.674	-	33.906.749.274	-
Other deposits	20.000.000	-	530.000.000	-
<b>Total (ii)</b>	<b>114.597.397.609</b>	-	<b>59.426.382.789</b>	-

(i) This includes an advance for work-related purposes to Ms. Nguyen Thi Ngoc Loan (former Chairman of the Group's Board of Directors) in cash amounting to VND 49,6 billion. The Group collected the entire balance of this advance on March 20, 2026.

(ii) Of which, the deposit amount for finance lease in foreign currency is USD 588,000.00 equivalent to VND 15.333.276.000.

6. Doubtful debts: (see page 148-150).

7. Inventories	Dec. 31, 2025		Jan. 01, 2025	
	Original cost	Provision	Original cost	Provision
Goods in transit	-	-	3.872.037.633	-
Raw materials	131.484.115.025	(2.503.230.953)	273.148.343.697	(3.392.511.084)
Tools and supplies	19.172.569.439	-	31.750.067.043	-
Work in progress	812.362.410	-	1.322.497.781	-
Finished goods	75.874.613.204	(2.022.832.223)	168.152.361.406	(9.401.286.121)
Goods	193.691.431.108	(5.317.525.936)	168.173.085.764	(5.887.477.036)
<b>Total</b>	<b>421.035.091.186</b>	<b>(9.843.589.112)</b>	<b>646.418.393.324</b>	<b>(18.681.274.241)</b>

- The value of poor quality inventory that cannot be sold at the end of the period is: none.

- The value of inventories pledged as security for liabilities: "see V.21 - Borrowings and financial lease liabilities"

- Cause of the addition of provision for decline in value of inventories: The net realizable value of inventories is lower than its original cost.

8. Tangible fixed assets: (see page 151).

9. Finance lease assets	Machinery & equipment	Transportation	Total
<b>Original cost</b>			
Opening balance	338.277.130.077	1.554.545.455	339.831.675.532
Transferred to property, plant and equipment	(41.313.375.085)	-	(41.313.375.085)
<b>Closing balance</b>	<b>296.963.754.992</b>	<b>1.554.545.455</b>	<b>298.518.300.447</b>
<b>Accumulated depreciation</b>			
Opening balance	66.384.779.994	820.454.545	67.205.234.539
Charge for the year	22.247.440.260	259.090.909	22.506.531.169
Transferred to property, plant and equipment	(10.688.026.499)	-	(10.688.026.499)
<b>Closing balance</b>	<b>77.944.193.755</b>	<b>1.079.545.454</b>	<b>79.023.739.209</b>
<b>Net book value</b>			
As at beginning of the year	271.892.350.083	734.090.910	272.626.440.993
<b>As at the end of the year</b>	<b>219.019.561.237</b>	<b>475.000.001</b>	<b>219.494.561.238</b>

10. Increases / Decreases of Investment Property

Rental investment property (Infrastructure) (*)	Jan. 01, 2025	Increase	Decrease	Dec. 31, 2025
Original cost	9.080.842.650	-	-	9.080.842.650
Accumulated amortization	2.603.174.893	363.233.706	-	2.966.408.599
<b>Net book value</b>	<b>6.477.667.757</b>			<b>6.114.434.051</b>

(\*) This is trading space in the second floor - Linh Tay Tower Project with the area of 616,2 m<sup>2</sup>. Currently, the Group is looking for customers to lease this property.

The Group believes that the market value of its investment properties as at December 31, 2025 exceeds their carrying amounts; accordingly, the investment properties continue to be recognized at carrying amounts and have not been measured at fair value.

11. Intangible fixed assets

Items	Land use rights	Software program	Total
<b>Original cost</b>			
Opening balance	100.668.929.767	11.866.911.341	112.535.841.108
New purchases	-	309.942.693	309.942.693
Other decreases	-	(309.942.693)	(309.942.693)
<b>Closing balance</b>	<b>100.668.929.767</b>	<b>11.866.911.341</b>	<b>112.535.841.108</b>
<b>Accumulated amortization</b>			
Opening balance	-	8.753.064.911	8.753.064.911
Charge for the year	-	558.985.500	558.985.500
Other decreases	-	(29.057.127)	(29.057.127)
<b>Closing balance</b>	-	<b>9.282.993.284</b>	<b>9.282.993.284</b>
<b>Net book value</b>			
As at beginning of the year	100.668.929.767	3.113.846.430	103.782.776.197
<b>As at the end of the year</b>	<b>100.668.929.767</b>	<b>2.583.918.057</b>	<b>103.252.847.824</b>

The carrying value of intangible fixed assets pledged/mortgaged as loan security: VND 100.668.929.767.

The original costs of intangible fixed assets-fully depreciated but still in use: VND 4.992.013.816.



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12. Construction in progress	Dec. 31, 2025	Jan. 01, 2025
Acquisition cost of investment property		
- Original cost of the property (*)	316.165.533.560	-
- Valuation fee	171.111.111	-
Others	300.000.000	609.942.693
<b>Total</b>	<b>316.636.644.671</b>	<b>609.942.693</b>

(\*) The historical cost of the real estate, equivalent to approximately 95% of the value of the apartments in the real estate projects owned by Aqua City Co., Ltd., Da Lat Valley Real Estate Co., Ltd., Ngan Hiep Real Estate JSC, and The Forest City Co., Ltd. (collectively referred to as the "Sellers"), is based on the housing purchase and sale contracts entered into between the Group and the Sellers. This amount is paid by offsetting the Group's receivables from the Seller.

This balance includes contracts that the Company has signed with Aqua City Co., Ltd., Dalat Valley Real Estate Co., Ltd. and Ngan Hiep Real Estate JSC (collectively referred to as "Party A") with a total historical cost of real estate of VND 201.017.330.140 which are attached with option agreements. Accordingly, no later than March 10, 2027 and November 18, 2027 ("Determined Date"), Party A has the right to choose one of the following two options ("Option"):

(a) Terminate and liquidate the sales contract ("Option 1"); or

(b) Party A designates a third party (individual or organization) to receive the transfer of the sales contract from the Group ("Option 2").

For either of these two options, Party A or the third party designated by Party A shall refund to the Group the entire amount that the Group has paid for the selling price of the real estate under the purchase and sale contracts (including value-added tax and any amounts settled by way of offsetting payables between Party A and the Group, or paid by a third party designated by the Group to Party A on behalf of the Group in accordance with the mutual agreement, but excluding maintenance funds, (if any)).

In case Party A fails to send the Option Notice to the Group by the end of the specified Date, Party A will lose the Option, and the Group will have full rights under the sales contract to dispose of the assets or transfer the sales contract to a third party designated by the Group. Accordingly, Party A and the Group are responsible for coordinating and carrying out the necessary procedures for the transfer of the sales contract in accordance with the provisions of law, the sales contract and Party A's procedures.

In case the Group violates any of its obligations or commitments under these agreements (not due to Party A's fault), including but not limited to the Group's failure to properly implement the plan chosen by Party A according to the provisions of the agreement and the Group fails to remedy such violation within 07 (seven) days from the date Party A sends a notice of violation to the Group, Party A has the right to unilaterally terminate these agreements by sending a written notice to the Group. Accordingly, within 30 working days from the date Party A sends a notice of termination of the agreement according to Article 4 of the agreement, the Group shall be obliged to:

- Pay Party A an amount equivalent to the amount the Group has paid for the sale price of the real estate under the sales contracts; and

- Pay Party A an amount equal to the difference between (i) the real estate sale price according to Party A's listed price list at the time Party A sends the notice of termination of the agreement and (ii) the real estate sale price.

The notes to the consolidated financial statements form an integral part of this report

13. Prepaid expenses	Dec. 31, 2025	Jan. 01, 2025
<b>a. Short-term</b>	<b>1.587.434.201</b>	<b>3.499.617.490</b>
Tools and supplies awaiting for allocation	251.803.144	1.337.939.259
Other expenses awaiting for allocation	1.335.631.057	2.161.678.231
<b>b. Long-term</b>	<b>205.167.671.573</b>	<b>222.929.854.088</b>
Prepaid land rental awaiting for allocation (*)	190.845.147.739	198.855.720.289
Tools and supplies awaiting for allocation	5.649.243.449	10.097.823.912
Repairing expense awaiting for allocation	2.155.782.355	3.198.893.056
Others	6.517.498.030	10.777.416.831
<b>Total</b>	<b>206.755.105.774</b>	<b>226.429.471.578</b>

(*) Including:	Dec. 31, 2025	Jan. 01, 2025
Land rental at Lot 33 - Center Road, Extended Tan Tao IP, Binh Tan, HCMC	35.377.470.268	36.792.569.079
Land rental at Phu My I, Tan Thanh district, Ba Ria-Vung Tau province	-	1.325.382.977
(i) Land rental at Phu My II, Tan Thanh district, Ba Ria-Vung Tau province	155.467.677.471	160.737.768.233
<b>Total</b>	<b>190.845.147.739</b>	<b>198.855.720.289</b>

(i) The costs of renting land and receiving the transfer of this land use rights are currently the collateral for the borrowings (see item "V.21 - borrowings and financial lease liabilities").

14. Deferred income tax assets and Deferred income tax liabilities	Dec. 31, 2025	Jan. 01, 2025
<b>a. Deferred income tax assets incurred from temporarily deductible differences:</b>		
- Provision for doubtful debts	-	2.621.963.489
- Depreciation expense	349.599.110	345.296.159
- Plant rental expense	21.032.060	131.552.739
- Foreign exchange difference gain upon revaluation	-	(46.601.965)
<b>Total</b>	<b>370.631.170</b>	<b>3.052.210.422</b>
<b>b. Deferred income tax liabilities incurred from temporarily deductible differences:</b>		
- Cost of provision for financial investment	30.370.159.021	41.770.212.425
<b>Total</b>	<b>30.370.159.021</b>	<b>41.770.212.425</b>



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15. Short-term payables	Dec. 31, 2025		Jan. 01, 2025	
	Amount	Amount to be able to pay (*)	Amount	Amount to be able to pay (*)
<b>Local suppliers</b>	<b>1.144.827.596.353</b>	<b>1.144.827.596.353</b>	<b>1.354.753.247.685</b>	<b>1.354.753.247.685</b>
Vina Kyoei Steel Co., Ltd.	604.205.202.593	604.205.202.593	660.025.008.995	660.025.008.995
Marubeni-Itochu Steel Vietnam Co., Ltd.	-	-	79.782.105.997	79.782.105.997
VNSTEEL - Southern Steel Company limited	129.616.238.757	129.616.238.757	128.927.263.381	128.927.263.381
China Steel And Nippon Steel Vietnam Joint Stock Company	62.932.309.213	62.932.309.213	58.630.964.962	58.630.964.962
Payables to related parties (see Note X.3)	115.756.684.761	115.756.684.761	186.381.289.794	186.381.289.794
Others	232.317.161.029	232.317.161.029	241.006.614.556	241.006.614.556
<b>Foreign suppliers (USD 1,978,797.16)</b>	<b>52.151.493.973</b>	<b>52.151.493.973</b>	<b>65.768.290.097</b>	<b>65.768.290.097</b>
Singapore (Cogeneration Steel Pte. Ltd.)	-	-	25.611.228.306	25.611.228.306
Samsung C&T Corporation	-	-	27.088.521.205	27.088.521.205
Hyundai Corporation	51.798.015.796	51.798.015.796	-	-
Others	353.478.177	353.478.177	13.068.540.586	13.068.540.586
<b>Total</b>	<b>1.196.979.090.326</b>	<b>1.196.979.090.326</b>	<b>1.420.521.537.782</b>	<b>1.420.521.537.782</b>

16. Short-term advances from customers	Dec. 31, 2025	Jan. 01, 2025
<b>Local customers</b>	<b>50.777.529.677</b>	<b>54.039.689.824</b>
Novaland JSC	40.000.000.000	40.000.000.000
Rotong Vietnam Co., Ltd.	3.083.087.977	-
Related parties (see Note X.3)	-	92.000.000
Others	7.694.441.700	13.947.689.824
<b>Foreign customers (USD 82,373.16)</b>	<b>2.159.935.292</b>	<b>5.094.566.324</b>
Padma Chitta Jnana Pte.Ltd	1.311.812.198	-
Others	848.123.094	5.094.566.324
<b>Total</b>	<b>52.937.464.969</b>	<b>59.134.256.148</b>

### 17. Taxes and payables to/receivables from the State Budget

	Jan. 01, 2025	Payable amount	Paid amount	Dec. 31, 2025
<b>a. Receivables</b>				
VAT requested to refund	28.987.259	-	-	28.987.259
CIT overpaid	1.416.059.861	-	-	1.416.059.861
PIT overpaid	869.995.573	460.508.113	46.221.542	455.709.002
<b>Total</b>	<b>2.315.042.693</b>	<b>460.508.113</b>	<b>46.221.542</b>	<b>1.900.756.122</b>
<b>b. Payables</b>				
VAT	-	31.989.636.158	4.821.712.606	27.167.923.552
VAT on imports	-	12.673.191.165	12.673.191.165	-
Corporate income tax	29.409.631.719	59.783.365.947	27.810.774.861	61.382.222.805
Personal income tax	114.872.879	1.473.066.000	1.433.506.706	154.432.173
Import duty	-	867.140.427	867.140.427	-
Other taxes	388.888.888	9.336.321.109	763.635.376	8.961.574.621
<b>Total</b>	<b>29.913.393.486</b>	<b>116.122.720.806</b>	<b>48.369.961.141</b>	<b>97.666.153.151</b>

18. Accrued expenses	Dec. 31, 2025	Jan. 01, 2025
Borrowing interest payable	2.359.342.771	3.265.379.603
Bond interest expense payable	1.517.827.397	1.466.658.220
Estimated cost of late tax payment	2.352.026.748	-
Remuneration paid to the Board of Directors	2.260.505.110	2.260.505.110
Others	345.090.801	2.000.226.526
<b>Total</b>	<b>8.834.792.827</b>	<b>8.992.769.459</b>

19. Unearned revenue	Dec. 31, 2025	Jan. 01, 2025
<b>a. Short-term</b>	<b>1.343.251.180</b>	<b>351.120.000</b>
Unearned revenue from sale of goods	726.551.180	-
Unearned revenue from providing services	616.700.000	351.120.000
<b>b. Long-term</b>	<b>105.160.296</b>	<b>210.320.598</b>
Unearned revenue from providing services	105.160.296	210.320.598
<b>Total</b>	<b>1.448.411.476</b>	<b>561.440.598</b>

20. Other short-term payables	Dec. 31, 2025	Jan. 01, 2025
Trade union fee	412.207.500	8.448.000
Payables to related parties (see Note X.3)	-	9.978.273.830
Others	1.039.603.538	843.080.802
<b>Total</b>	<b>1.451.811.038</b>	<b>10.829.802.632</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### 21. Borrowings and financial lease liabilities Dec. 31, 2025

Jan. 01, 2025

	Amount	Amount to be able to pay	Amount	Amount to be able to pay
<b>a. Short-term</b>	<b>2.013.341.949.560</b>	<b>2.013.341.949.560</b>	<b>2.173.481.234.090</b>	<b>2.173.481.234.090</b>
(1) Vietinbank	1.123.125.845.840	1.123.125.845.840	1.264.911.738.453	1.264.911.738.453
(1) Maritimebank	199.868.490.250	199.868.490.250	195.890.841.222	195.890.841.222
(1) HD Bank	49.982.711.040	49.982.711.040	-	-
(1) BIDV Bank	344.671.193.073	344.671.193.073	405.010.647.527	405.010.647.527
(1) TP Bank	17.897.945.501	17.897.945.501	14.942.387.118	14.942.387.118
(1) OCB Bank	-	-	112.000.000.000	112.000.000.000
(2) Individuals	99.000.000.000	99.000.000.000	98.870.000.000	98.870.000.000
- Related parties (see Note X.3)	9.000.000.000	9.000.000.000	24.800.000.000	24.800.000.000
- Others	90.000.000.000	90.000.000.000	74.070.000.000	74.070.000.000
Business	-	-	3.000.000.000	3.000.000.000
Current portion of long term borrowings	178.795.763.856	178.795.763.856	78.855.619.770	78.855.619.770
<b>b. Long-term</b>	<b>-</b>	<b>-</b>	<b>18.640.638.750</b>	<b>18.640.638.750</b>
(3) Maritimebank	18.640.638.750	18.640.638.750	43.494.823.750	43.494.823.750
Current portion of long term borrowings	(18.640.638.750)	(18.640.638.750)	(24.854.185.000)	(24.854.185.000)
<b>c. Long-term financial lease liabilities</b>	<b>35.857.957.129</b>	<b>35.857.957.129</b>	<b>85.158.425.516</b>	<b>85.158.425.516</b>
(4) Chalease International Leasing Co., Ltd.	761.862.400	761.862.400	9.642.346.867	9.642.346.867
(5) Vietcombank Financial Leasing Co., Ltd.	26.112.636.464	26.112.636.464	40.609.230.536	40.609.230.536
(6) Vietnam International Leasing Company	55.763.583.388	55.763.583.388	88.908.282.883	88.908.282.883
Current portion of long term borrowings	(46.780.125.123)	(46.780.125.123)	(54.001.434.770)	(54.001.434.770)
<b>d. Bonds (face value)</b>	<b>-</b>	<b>-</b>	<b>113.274.999.987</b>	<b>113.274.999.987</b>
(7) Related parties (see Note X.3)	113.450.000.000	113.450.000.000	113.450.000.000	113.450.000.000
Bond issuing expense	(75.000.017)	(75.000.017)	(175.000.013)	(175.000.013)
Current portion of bonds	(113.374.999.983)	(113.374.999.983)	-	-
<b>Total</b>	<b>2.049.199.906.689</b>	<b>2.049.199.906.689</b>	<b>2.390.555.298.343</b>	<b>2.390.555.298.343</b>

Detail of borrowings and financial lease liabilities is as follows:

#### a. Short-term borrowings

All of the short term borrowings below have interest rates from 6,3% – 8,5%/year.

(1) As at December 31, 2025, short-term loans from banks are secured by the following assets:

- Assets formed from borrowed amount;
  - 10.478.500 HBC shares held by the Company;
  - Certain receivables; and agreements and real estate sale and purchase contracts entered into between the Company and Novaland Group;
  - Certain inventories in circulation;
  - Contract to ensure the performance of payment obligations including assets invested and constructed by Delta – Valley Binh Thuan Company Limited at NovaWorld Phan Thiet project;
  - Land use rights, ownership rights of houses, and other assets attached to land;
  - Land use rights, ownership of residential properties and other assets attached to land owned by Ms. Nguyen Thi Ngoc Loan;
  - Property rights to capital contributions to SMC Steel Co., Ltd., SMC Steel Mechanical One – Member Co., Ltd., SMC Trading One Member Co., Ltd., SMC Tan Tao One – Member Co., Ltd., Sendo Steel Pipe JV Co., Ltd., SMC Phu My Precision Mechanics Co., Ltd.;
  - Some deposit contracts;
  - Some machinery and equipment;
  - All property rights arising from the land sublease contract in Phu My II Industrial Park and all works on leased land;
  - Rights arising from and constructions built on leased land under the land sublease agreement between Dong Xuyen and Phu My Industrial Zones Infrastructure Investment and Exploitation Company and SMC Phu My I Equipment and Automation Co., Ltd;
- Among them, some assets have had Vietinbank – Ho Chi Minh City Branch agree in principle to the mortgage release of real estate and machinery and equipment so that SMC Steel Co., Ltd. and SMC Steel Mechanical One – Member Limited Liability Company (abbreviated as "SMC Group") can proceed with liquidation, and Vietinbank – Ho Chi Minh City Branch will control the entire cash flow during this transfer process. The SMC Group will use all proceeds from the sale of these assets to pay off the existing debts of the SMC Group at Vietinbank – Ho Chi Minh City Branch.

(2) Borrowings from Individuals in accordance with short-term contracts for adding to working capital; Term: 12 months; Interest rate: 6%/year; Interest will be paid on 25th monthly.

#### b. Long-term borrowings

(3) As at December 31, 2025, long-term loans from banks are secured by the following asset:

- All property rights arising from the land sublease contract in Phu My II Industrial Park and all works on leased land;

#### c. Financial lease liabilities

All financial lease debts have rental interest rates as at December 31, 2025 ranging from 5,18% – 7,5%/year.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### 21. Borrowings and financial lease liabilities (cont.)

Contract number	Leased property	Lease term	The balance as at Dec. 31, 2025	Current portion of long term borrowings
<b>(4) Long-term financial lease liabilities from Chailease International Leasing Co., Ltd.</b>				
C210139202 dated Jan. 29, 2021	A LKIM component analysis spectrometer type	60 months	VND 34.122.400	VND 34.122.400
B210445801 dated Apr. 28, 2021	Hino truck	60 months	VND 256.500.000	VND 256.500.000
C220714302 dated Sep. 29, 2022	Machine for testing mechanical properties of copper materials	60 months	VND 471.240.000	VND 282.744.000
<b>(5) Long-term financial lease liabilities from Vietcombank Financial Leasing Co., Ltd.</b>				
82.20.13/CTTC dated Dec. 09, 2020	A push pull pickling line 850mm	60 months	VND 1.237.689.930	VND 1.237.689.930
54.22.05/CTTC dated Apr. 04, 2022	Defrosting line 0.3-3.0X850mm	60 months	VND 1.925.427.600	VND 962.713.788
54.22.06/CTTC dated Dec. 26, 2022	Double girder crane 15Tx22,5/22,7m	60 months	VND 1.245.921.516	VND 622.960.764
82.22.02/CTTC dated Apr. 26, 2022	Continuous pressing -bending - stamping line	72 months	VND 21.703.597.418	VND 9.301.541.736

### 21. Borrowings and financial lease liabilities (cont.)

Contract number	Leased property	Lease term	The balance as at Dec. 31, 2025	Current portion of long term borrowings
<b>(6) Long-term financial lease liabilities from Vietnam International Leasing Company</b>				
2021-00035-000 dated May 17, 2021	Cutting machine	60 months	VND 5.020.520.205	VND 5.020.520.205
2021-00037-000 dated May 17, 2021	Cutting machine	60 months	VND 2.200.744.507	VND 1.553.466.744
2021-00120-000 dated Jul. 29, 2021	A punching machine	60 months	USD 1,012,274.03 equivalent to VND 26.700.752.089	USD 674,849.4 equivalent to VND 17.800.502.624
2022-00253-000 dated Oct. 18, 2022	Four steel pipe making machine systems	60 months	VND 21.841.566.587	VND 9.707.362.932

### d. Bonds (face value)

(7) On October 08, 2021, the Company issued 113.450 ordinary bonds SMCH2126002 at par value (1.000.000 VND/bond) with a total value of VND 113.450.000.000 to related parties (see Note X.3) according to the bond subscription agreement No.578/2021/HDMTP/SMCH2126002. The term of bonds: 05 years. The coupon rate as at Dec. 31, 2025: 5,76%/year. Borrowing purpose: to add the working capital. The interest calculation period is 01 consecutive year from the date of issuance. Mortgaged asset is all contributed capital (35% of charter capital) of the Company in Hanwa SMC Steel Service Hanoi Co., Ltd. The principal amount of these bonds is classified as long-term debt.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### 22. Owners' equity

a. Movements in Owner's Equity: (see page 152).

b. Owners' contributed capital in details	% of shareholding	Dec. 31, 2025	Jan. 01, 2025
Hanwa Co., Ltd.	19,57%	144.164.760.000	144.164.760.000
Nguyen Thi Ngoc Loan	14,24%	104.901.940.000	104.901.940.000
Other shareholders	66,20%	487.719.170.000	350.858.160.000
<b>Total</b>	<b>100%</b>	<b>736.785.870.000</b>	<b>599.924.860.000</b>

### c. Interests of non-controlling shareholders

	Dec. 31, 2025	Jan. 01, 2025
Members of Sendo Steel Pipe Joint Venture Co., Ltd.	(22.294.656.043)	(39.731.629.505)
<b>Total</b>	<b>(22.294.656.043)</b>	<b>(39.731.629.505)</b>

### d. Capital transactions with owners and distribution

	Year 2025	Year 2024
Owners' capital		
At the beginning of the year	736.785.870.000	736.785.870.000
Contributed capital increased during the year	-	-
At the end of the year	736.785.870.000	736.785.870.000
<b>Dividends, profit distributed</b>	<b>-</b>	<b>-</b>

### e. Shares

	Dec. 31, 2025	Jan. 01, 2025
Number of shares sold out to the public	73.678.587	73.678.587
Ordinary share	73.678.587	73.678.587
Number of shares repurchased	(71.750)	(71.750)
Ordinary share	(71.750)	(71.750)
Number of shares in circulation	73.606.837	73.606.837
Ordinary share	73.606.837	73.606.837
Par value: VND/share	10.000	10.000

### 23. Off balance sheet items

a. Foreign currencies

	Dec. 31, 2025		Jan. 01, 2025	
	Quantity	Amount (VND)	Quantity	Amount (VND)
USD	168.594,92	4.399.462.601	411.601,28	10.397.618.339
<b>Total</b>	<b>168.594,92</b>	<b>4.399.462.601</b>	<b>411.601,28</b>	<b>10.397.618.339</b>

b. Bad debts written off

	Dec. 31, 2025	Jan. 01, 2025
	124.267.222.761	119.326.189.408
<b>Total</b>	<b>124.267.222.761</b>	<b>119.326.189.408</b>

## VI. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED INCOME STATEMENT

### 1. Net revenue from goods sold

	Year 2025	Year 2024
Revenue from merchandises and finished goods sold	6.879.939.825.854	8.820.119.973.361
Revenue from service provided	114.785.698.737	94.040.208.457
Revenue from property leased	-	800.916.364
Revenue from selling scraps	17.151.815.567	16.136.779.602
<b>Total revenue</b>	<b>7.011.877.340.158</b>	<b>8.931.097.877.784</b>

### Sales deductions

Sales returns	(1.255.168.125)	(738.063.917)
Sales discounts	(279.205.300)	(223.606.052)
Sales allowances	(43.472.471)	(341.396.019)
<b>Total net revenue</b>	<b>(*) 7.010.299.494.262</b>	<b>8.929.794.811.796</b>

(\*) Of which, include:

Net revenue to related parties (See Note X.3)	356.377.357.647	386.959.946.335
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### 2. Cost of sales

	Year 2025	Year 2024
Cost of goods sold	7.017.779.726.617	8.918.467.253.509
Cost of investment property leased	-	363.233.706
Provision for devaluation of inventories	(8.837.685.129)	5.254.226.567
<b>Total</b>	<b>7.008.942.041.488</b>	<b>8.924.084.713.782</b>

### 3. Financial income

	Year 2025	Year 2024
Interest on deposits, margin, bonds and loans	20.600.020.701	19.540.763.414
Gain from realised foreign exchange differences	2.662.076.336	12.386.269.264
Gain from unrealised foreign exchange differences	451.034.762	-
Payment discounts received	2.825.372.303	2.495.934.619
Gain from disposal of investments in other entities	-	207.468.619.935
<b>Total</b>	<b>26.538.504.102</b>	<b>241.891.587.232</b>

### 4. Financial expenses

	Year 2025	Year 2024
Borrowing, financial lease and bond interest expense	148.362.861.686	176.410.865.717
Provision for financial investments	(5.426.711.356)	33.608.045.635
Loss from realised foreign exchange differences	2.078.519.569	12.274.431.581
Loss from unrealised foreign exchange differences	-	1.781.629.328
Others	627.583.143	10.099.151.555
<b>Total</b>	<b>145.642.253.042</b>	<b>234.174.123.816</b>

### 5. Selling expense and General and administration expenses

#### a. Selling expense

	Year 2025	Year 2024
Salaries	22.156.459.413	25.113.734.719
Tools and supplies	93.366.667	-
Depreciation	3.726.997.009	4.792.000.255
Cost of hired services	40.672.562.533	55.209.242.960
+ Transportation	28.960.359.344	40.131.861.768
+ Others	11.712.203.189	15.077.381.192
Other expenses paid by cash	2.215.052.252	6.796.050.591
<b>Total</b>	<b>68.864.437.874</b>	<b>91.911.028.525</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

5. Selling expense and General and administration expenses (cont.)	Year 2025	Year 2024
<b>b. General and administration expenses</b>		
Salaries	27.418.925.427	29.141.461.116
Materials, office supplies	602.153.618	1.253.284.256
Depreciation	5.711.891.803	8.213.270.695
Taxes, fees and duties	63.860.248	70.961.198
Provision for doubtful debts	(164.189.673.915)	(184.244.291.478)
Cost of hired services	38.905.835.652	47.507.444.944
Other expenses paid by cash	4.803.232.326	2.591.322.309
<b>Total</b>	<b>(86.683.774.841)</b>	<b>(95.466.546.960)</b>
<b>6. Other income</b>	<b>Year 2025</b>	<b>Year 2024</b>
Income from disposal of fixed assets	396.754.338.724	95.687.246.628
Income from option premiums	11.994.201.008	-
Income from disposal of tools and equipment	3.630.411.962	-
Income from receiving payment guarantee support	1.880.547.945	1.433.835.617
Others	4.628.795.479	1.057.391.679
<b>Total</b>	<b>418.888.295.118</b>	<b>98.178.473.924</b>
<b>7. Other expenses</b>	<b>Year 2025</b>	<b>Year 2024</b>
Tax related costs	28.858.659.139	1.250.820.922
Expenses related to disposal of tools and equipment	545.815.857	-
Consulting costs of 5ha project not implemented	-	5.500.000.000
Losses arising from transfer of land use rights	-	3.306.631.042
Late payment penalty expense	32.688.640.733	46.415.668.988
Others	7.158.267.755	6.007.320.423
<b>Total</b>	<b>69.251.383.484</b>	<b>62.480.441.375</b>
<b>8. Costs of production and trading by factors</b>	<b>Year 2025</b>	<b>Year 2024</b>
Raw materials cost	2.208.879.818.978	2.360.772.353.686
Labor cost	112.308.275.772	134.644.349.152
Depreciation	89.469.556.923	110.587.165.846
Cost of hired services	146.750.015.760	325.798.693.670
Other expenses paid by cash	13.542.511.406	23.731.965.018
<b>Total</b>	<b>2.570.950.178.839</b>	<b>2.955.534.527.372</b>

9. Current income tax expense	Year 2025	Year 2024
Current corporate income tax expense incurred at companies:		
SMC Trading Investment JSC	5.849.030.462	24.810.774.862
SMC Steel Co., Ltd.	4.716.707.500	-
SMC Steel Mechanical One - Member Co., Ltd.	27.329.167.810	-
SMC Tan Tao One-Member Co., Ltd.	2.622.547.332	(226.484.758)
Sendo Steel Pipe Joint Venture Co., Ltd.	19.265.912.843	-
<b>Total</b>	<b>59.783.365.947</b>	<b>24.584.290.104</b>

10. Basis earnings per share	Year 2025	Year 2025
<b>Accounting profit after corporate income tax</b>	<b>197.554.118.042</b>	<b>12.074.172.964</b>
<b>In which:</b>		
Interest of non-controlling shareholders	17.436.973.462	(17.165.616.182)
Profit after tax of parent company's shareholders	180.117.144.580	29.239.789.146
<b>Adjustment to decrease</b>	<b>-</b>	<b>-</b>
<b>Profit or loss attributable to shareholders who owned ordinary shares of the parent company (*)</b>	<b>180.117.144.580</b>	<b>29.239.789.146</b>
Average ordinary shares outstanding during the period	73.606.837	73.606.837
<b>Earnings per share</b>	<b>2.447</b>	<b>397</b>

(\*) The bonus and welfare fund has not been deducted from the profit attributable to the shareholders holding ordinary shares as statutorily required. Basic earnings per share and diluted earnings per share of 2025 will be adjusted and represented after the plan of profit distribution is approved by the annual Shareholders' meeting.

11. Diluted earnings per share	Year 2025	Year 2025
Profit or loss allocated to shareholders owning ordinary shares	180.117.144.580	29.239.789.146
<b>Profit or loss allocated to shareholders owning ordinary shares after adjusting dilution factors</b>	<b>180.117.144.580</b>	<b>29.239.789.146</b>
Average outstanding ordinary shares in the period	73.606.837	73.606.837
Dilutive potential ordinary shares to be issued (*)	73.681.413	-
<b>Average outstanding ordinary shares in the period after adjusting dilution factors</b>	<b>147.288.250</b>	<b>73.606.837</b>
<b>Diluted earnings per share</b>	<b>1.223</b>	<b>397</b>

(\*) Pursuant to Resolution No. 50/2026/NQ-HĐQT dated January 16, 2026, the Group's Board of Directors approved the plan to issue shares to increase charter capital, as disclosed in Note X.2.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### VII. OBJECTIVES AND FINANCIAL RISKS MANAGEMENT POLICIES

Major risks of financial instruments include market risk, credit risk and liquidity risk.

The Board of Management considers the application of management policies for the above risks as follows:

#### 1. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks, for example risk of stock price. Financial instruments affected by the market risks include: cash, trade receivables, other receivables, trade payables, other borrowings and liabilities.

The following sensibility analysis relates to the financial position of the Company as at Dec. 31, 2025 and Dec. 31, 2024.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

When calculating the sensibility analysis, the Board of Management assumes that the sensibility of available-for-sale liability in the balance sheet and related items in the income statement is affected by changes in the assumption of corresponding market risks. This analysis is based on the financial assets and liabilities that the Company held as at December 31, 2025 and December 31, 2024.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market prices. Market risks due to change in interest rate of the Group mainly relate to: borrowings and liabilities, cash, loans and short-term deposits.

The Group manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Group and still in the limit of its risk management.

#### Sensibility to interest rate

The sensibility of (borrowings and liabilities, cash and short-term deposits) of the Group to changes that may occur at reasonable level in the interest rate is illustrated as follows.

Assuming that other variables remain constant, the fluctuation in the interest rate of (borrowings) with floating interest rate makes impact on the Group profit before tax as follows:

*The notes to the consolidated financial statements form an integral part of this report*

	Increase/Decrease of basic points	Influences on profit before tax (VND)
<b>Year 2025</b>		
VND	+100	(13.937.674.006)
VND	-100	13.937.674.006
USD	+100	(223.012.895)
USD	-100	223.012.895
<b>Year 2024</b>		
VND	+100	(16.824.344.185)
VND	-100	16.824.344.185
USD	+100	(538.390.181)
USD	-100	538.390.181

Increase/decrease of basic points being used to analyze the sensibility to the interest rate is assumed on the basis of observable conditions of current market. These conditions show that the fluctuation is insignificantly greater than prior periods.

#### Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in exchange rate. The Group bears risks due to changes in the exchange rate of the currencies other than VND related directly to the Group's business.

The Group manages foreign exchange risk by considering current and expected market status when it outlines plans for future transactions in foreign currencies. The Group does not use any derivative instruments to prevent foreign exchange risks.

The sensibility of borrowings and liabilities, cash in bank of the Group to changes that may occur at reasonable level in the foreign currencies is illustrated as follows:

Assuming that other variables remain constant, the following table shows the sensibility of the Group's profit before tax (due to the changes in the fair value of assets and liabilities) to changes that may occur at reasonable level of the exchange rate of USD. Risks due to changes in the exchange rates of other foreign currencies of the Group are insignificant.

	Changes in USD exchange rate	Influences on profit before tax (VND)
<b>Year 2025</b>		
	+ 1%	(498.226.289)
	-1%	498.226.289
<b>Year 2024</b>		
	+ 2%	(2.080.464.617)
	-2%	2.080.464.617

#### Stock price risk

Listed and unlisted stocks held by the Group are affected by market risks resulted from the uncertainty of future value of investment stock. The Group manages risks of stock price by setting up investment limit. The Board of Directors considers and approves decisions on stock investment.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### Stock price risk (cont.)

At the reporting date, the fair value of investments in listed stock and stock registered on UPCOM of the Group is VND 72.308.525.000 (December 31, 2024: VND 62.309.044.500). If the price of these stocks decreases 10%, the profit before tax will decrease approximately VND 7.230.852.500. If the price of these stocks increases 10%, the profit before tax will increase approximately VND 7.230.852.500.

### 2. Credit risk

Credit risk is the risk due to the uncertainty in a counterparty's ability to meet its obligations causing the financial loss. The Group bears credit risks from production and doing business activities (mainly trade receivables) and from its financial activities including deposits, foreign exchange transactions and other financial instruments.

#### Trade receivables

The Group minimizes the credit risk by only doing business with entities who have good financial capacity and closely keeping track of the liabilities to speed up the recovery of debts. On the basis of this method and receivables related to different customers, the credit risk does not concentrate on a certain customer.

#### Cash in bank

The Group mainly maintains deposits in big and prestigious banks in Vietnam. The Group realized that the concentration level of credit exposure to deposits is low.

The Board of Management of the Group has assessed that most financial assets are not overdue and impaired since these financial assets relate to prestigious customers who have good liquidity capacity. The financial assets which are devalued have been fully provided.

	Overdue impaired
<b>As at Dec. 31, 2025</b>	
>181 days	897.391.726.130
<b>Total book value</b>	<b>897.391.726.130</b>
Provision for devaluation	(182.783.013.323)
<b>Net value</b>	<b>714.608.712.807</b>
<b>As at Dec. 31, 2024</b>	
>181 days	1.325.900.440.977
<b>Total book value</b>	<b>1.325.900.440.977</b>
Provision for devaluation	(355.077.950.905)
<b>Net value</b>	<b>970.822.490.072</b>

### 3. Liquidity risk

Liquidity risk is the risk that arises from the difficulty in fulfilling financial obligations due to lack of capital. The liquidity risk of the Group mainly arises from difference of maturity of the financial assets and liabilities.

The Group supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of Management considers as sufficient to satisfy the Group's activities and minimize influences of changes in cash flows.

The following table summarizes liquidity deadline of the Group's financial liabilities on the basis of estimated payments in accordance with contract which are not discounted:

As at Dec. 31, 2025	Under 1 year	From 1-5 years	Over 5 years	Total
Borrowings and liabilities	2.013.341.949.560	35.857.957.129	-	2.049.199.906.689
Trade payables	1.196.979.090.326	-	-	1.196.979.090.326
Other payables and accrued expenses	9.874.396.365	-	-	9.874.396.365
<b>Total</b>	<b>3.220.195.436.251</b>	<b>35.857.957.129</b>	<b>-</b>	<b>3.256.053.393.380</b>
<b>As at Dec. 31, 2024</b>				
Borrowings and liabilities	2.173.481.234.090	217.074.064.253	-	2.390.555.298.343
Trade payables	1.420.521.537.782	-	-	1.420.521.537.782
Other payables and accrued expenses	9.835.850.261	-	-	9.835.850.261
<b>Total</b>	<b>3.603.838.622.133</b>	<b>217.074.064.253</b>	<b>-</b>	<b>3.820.912.686.386</b>

Liquidity risk is very high. The Group believes that it will be able to access capital sources as necessity and borrowings matured within 12 months could be re-lent by prevailing lenders.

### Secured assets

The Group pledged fixed assets, land use rights, term deposits, trade receivables, agreement documents and sales contracts between the Group and Novaland Group, inventories, and the rights to contribute capital as security for short-term and long-term borrowings from banks (Notes No.21- Borrowings and financial leasing liability).

The Group is using third party assets as collateral as at December 31, 2025. The Group and Delta - Valley Binh Thuan Company Limited ("Valley Binh Thuan") have entered into a payment guarantee contract No. 1904\_TSBD\_NVW.PT-SMC dated April 19, 2023. Under this contract, Valley Binh Thuan uses assets invested and constructed by Valley Binh Thuan at the NovaWorld Phan Thiet project with a total appraised value of VND 454,273 billion to secure payment for payables to the Group. The Group then used this guarantee contract as collateral for loans of the Company and its subsidiaries at Vietnam Joint Stock Commercial Bank for Industry and Trade.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### VIII. FINANCIAL ASSETS AND LIABILITIES: (See page 153).

The fair value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Group uses the following methods and assumptions to estimate the fair value:

The fair value of cash on hand and short-term deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short-term.

The fair value of securities and financial debt instruments listed and traded on the UPCOM market is determined according to the market value.

As to unlisted securities investments but under regular transactions, the fair value is the average price provided by three independent securities company at the fiscal year end.

The fair value of securities and financial investments whose fair value can not be firmly determined since there exists no high-liquid market for securities, financial investments will be stated at book value.

Except for the above-mentioned items, the fair value of long-term financial assets and financial liabilities has not been revaluated and determined officially as at December 31, 2025 and December 31, 2024. However, the Board of Management has assessed that the fair value of these financial assets and liabilities is not significantly different from the book value at the fiscal year end.

### IX. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED CASH FLOW STATEMENT

1. Borrowing amount in the period	Year 2025	Year 2024
- Proceeds from the borrowing under normal agreement	5.530.043.920.591	7.755.826.400.838
2. Payment for principal debts	Year 2025	Year 2024
- Payment for principal debts under normal agreement	5.816.685.386.207	8.328.601.751.753
3. Non-cash transactions	Year 2025	Year 2024
- Acquisition of fixed assets through offsetting of receivables	316.165.533.560	-
- Debt write-off during the year	8.105.263.667	34.308.659.607

The notes to the consolidated financial statements form an integral part of this report

## X. OTHER INFORMATION

### 1. Contingent liabilities, commitments

The Company undertakes to guarantee, irrevocably and unconditionally for the entire loan amount borrowed by the Subsidiaries from banks.

Pursuant to Notification No. 384/TB-SGDHCM dated May 28, 2025, the Company's shares were reclassified from the "under control" status to the "under warning" status effective from May 30, 2025.

At SMC Summit Co., Ltd. (associate company), there are overdue receivables from Nguyen Minh Stainless Steel Production Trading Investment Joint Stock Company (VND 97.997.566.428). These receivables are guaranteed by LC at Saigon Commercial Joint Stock Bank (SCB). Currently, SCB is under special control of the State Bank of Vietnam (SBV). SBV's approval is required for SCB to disburse payments for debts secured by the above LC. SMC Summit Co., Ltd. commits to working with Nguyen Minh Stainless Steel Production Trading Investment Joint Stock Company to find a way to recover all of the above receivables.

Up to the time of reporting, the Group has no contingent liabilities, commitments and other financial information occurred since the ending date of the fiscal year that requires any adjustments or disclosures in the consolidated financial statements.

Recognizing the current difficulties, the Group always tries and flexibly offers solutions to stabilize and maintain production and business activities such as maintaining inventory at a reasonable level, using term deposits, promoting retail and export activities, as well as effectively exploiting the outsourcing sector to support trade activities may still be difficult.

### 2. Post balance sheet events

+ On December 31, 2025, the Group and entities within Novaland Group (collectively referred to as "Novaland Group") entered into debt confirmation minutes and payment/asset offset agreements. On January 30, 2026, the Group and Novaland Group further executed additional agreements to secure the settlement obligations in respect of the Group's receivables. These transactions occurred subsequent to December 31, 2025 and have been assessed by the Group's Board of Management as adjusting subsequent events that provide further evidence of conditions existing during the financial year and therefore require adjustment prior to the issuance of the consolidated financial statements. Accordingly, the Board of Management has reassessed the recoverability of the related receivables and adjusted the corresponding allowance for doubtful debts as at December 31, 2025.

+ The Company is considering restructuring options for Senco Steel Pipe Joint Venture Co., Ltd. (a subsidiary of the Group) in accordance with Proposal No. 17/TT-HDQT dated January 06, 2026 submitted by the Board of Management to the Board of Directors. As at the date of these consolidated financial statements, the aforementioned plans have been approved by the Group's Board of Directors under Resolution No. 49/2026/NQ-HDQT dated January 16, 2026.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### 2. Post balance sheet events (cont.)

+ Pursuant to Resolution No. 50/2026/NQ-HDQT dated January 16, 2026, the Company's Board of Directors approved the plan to issue shares to increase charter capital with key details as follows:

- Share issuance plan at a ratio of 1:1 to increase charter capital from VND 736,8 billion to VND 1.473,6 billion;

- Expected implementation period: from Quarter 1/2026 to Quarter 2/2027.

+ Pursuant to Resolution No. 88/2026/NQ-HDQT dated February 10, 2026, the Group's Board of Directors approved the transfer of land use rights, ownership of residential properties and assets attached to land of SMC Steel Company Limited ("SMC Steel" – a wholly-owned subsidiary of the Group). In addition, pursuant to Resolution No. 90/2026/NQ-HDQT dated February 10, 2026, the Company's Board of Directors approved the termination of the investment project "Manufacturing and processing plant for post-steel products" of SMC Steel, effective from February 24, 2026.

+ Pursuant to Resolution No. 91/2026/NQ-HDQT dated February 10, 2026, the Group's Board of Directors approved the change of the registered address of SMC Steel.

+ Pursuant to Resolution No. 135/2026/NQ-HDQT dated March 25, 2026, the Board of Directors of the Group unanimously approved the restructuring plan at Sendo Steel Pipe Joint Venture Company Limited (a subsidiary of the Group) as presented in Proposal No. 108/TT-HDQT dated March 9, 2026, by the General Director of the Group.

+ Pursuant to Resolution No. 136/2026/NQ-HDQT dated March 25, 2026, the Group's Board of Directors discussed and approved the related party transactions arising in 2025 with Ms. Nguyen Thi Ngoc Loan, in relation to advances made to her.

+ Pursuant to Resolution No. 138/2026/NQ-HDQT dated March 25, 2026, the Board of Directors of the Group unanimously approved the policy of managing and pledging the shares of the Chairman of the Board of Directors and the General Director of the Company to register as collateral for the purchase of steel on deferred payment terms at Vinakyoei Steel Co., Ltd.

Out of the matters as mentioned above, there are no significant events occurred since the period ended that need to be adjusted or noted in the consolidated financial statements.

### 3. Related party information

#### a. Related parties

	Relationship
Hanwa Viet Nam Co., Ltd.	A subsidiary of investor
SMC - Summit Co., Ltd.	Associates
Hanwa SMC Steel Service Ha Noi Co., Ltd.	Associates
SMC Toami Co., Ltd.	Associates
Hanwa Co., Ltd.	Investor
Mr. Pham Hoang Anh	Chairman (appointed Sep. 25, 2025)
Ms. Nguyen Thi Ngoc Loan	Chairman (disappointed Sep. 25, 2025)
Ms. Nguyen Ngoc Y Nhi	Vice Chairman, Deputy General Director
Mr. Kishimoto Hideki	Member of BOD
Mr. Hoang Trung Dung	Member of BOD (appointed Sep. 25, 2025)
Mr. Nguyen Ngoc Anh Duy	Member of BOD (appointed Sep. 25, 2025)
Mr. Vu Anh Nguyen	Member of BOD (disappointed Dec. 31, 2025)
Mr. Nguyen Huu Kinh Luan	Member of BOD (disappointed Dec. 31, 2025)/ Standing Deputy General Director (disappointed Mar. 25, 2026)
Mr. Fujitsuka Masahiko	Member of BOD (appointed May 22, 2025 and disappointed Dec. 31, 2025)
Mr. Hua Vu	Member of BOD (appointed May 22, 2025 and disappointed Sep. 25, 2025)
Mr. Nguyen Quang Trung	General Director (appointed Jan. 07, 2026)
Mr. Dang Huy Hiep	General Director (disappointed Jan. 07, 2026) Board Advisor (appointed Jan. 07, 2026)
Mr. Nguyen Quoc Thang	Deputy General Director (appointed Dec. 08, 2025)
Ms. Nguyen Thi Kim Hong Chau	Deputy General Director (disappointed Sep. 30, 2025)
Mr. Nguyen Van Lam	Chief Accountant
Ms. Nguyen Cam Van	Other related parties
Ms. Nguyen Thuy Nhu Quynh	Other related parties

#### b. Key transactions with related parties

Other income	Year 2025	Year 2024
SMC - Summit Co., Ltd.	229.554.545	57.908.741.307
Hanwa SMC Steel Service Ha Noi Co., Ltd.	7.000.000	21.341.159.550
<b>Total</b>	<b>236.554.545</b>	<b>79.249.900.857</b>
Sale of goods and rendered services	Year 2025	Year 2024
SMC - Summit Co., Ltd.	341.459.567.033	360.339.632.514
SMC Toami Co., Ltd.	-	6.975.314.399
Hanwa Viet Nam Co., Ltd.	14.917.790.614	17.616.361.834
Hanwa Co., Ltd.	-	2.028.637.588
<b>Total</b>	<b>356.377.357.647</b>	<b>386.959.946.335</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

b. Key transactions with related parties (cont.)	Year 2025	Year 2024
<b>Goods purchased and services received</b>		
SMC – Summit Co., Ltd.	207.743.514.520	538.864.011.203
SMC Toami Co., Ltd.	-	59.019.278
Hanwa Viet Nam Co., Ltd.	34.432.676.648	361.710.567.756
<b>Total</b>	<b>242.176.191.168</b>	<b>900.633.598.237</b>
<b>Finance income</b>	<b>Year 2025</b>	<b>Year 2024</b>
Hanwa Viet Nam Co., Ltd.	127.214.379	-
<b>Financial expenses (borrowing interest, bond interest)</b>	<b>Year 2025</b>	<b>Year 2024</b>
Hanwa Co., Ltd.	6.648.400.127	6.176.749.230
Ms. Nguyen Thi Kim Hong Chau	110.445.301	236.233.000
Ms. Nguyen Cam Van	30.833.000	606.832.000
Ms. Nguyen Ngoc Y Nhi	1.183.562	-
Ms. Nguyen Thuy Nhu Quynh	744.232.420	177.156.000
Ms. Nguyen Thi Ngoc Loan	-	11.250.000
Mr. Dang Huy Hiep	122.136.986	122.333.000
<b>Total</b>	<b>7.657.231.396</b>	<b>7.330.553.230</b>
<b>Borrowings</b>	<b>Year 2025</b>	<b>Year 2024</b>
Ms. Nguyen Thi Kim Hong Chau	4.840.000.000	23.580.000.000
Ms. Nguyen Cam Van	-	114.000.000.000
Ms. Nguyen Ngoc Y Nhi	1.800.000.000	-
Ms. Nguyen Thuy Nhu Quynh	25.500.000.000	26.900.000.000
Ms. Nguyen Thi Ngoc Loan	-	2.500.000.000
<b>Total</b>	<b>32.140.000.000</b>	<b>166.980.000.000</b>
<b>Recovery of borrowings principal</b>	<b>Year 2025</b>	<b>Year 2024</b>
Ms. Nguyen Thi Kim Hong Chau	7.640.000.000	20.780.000.000
Ms. Nguyen Cam Van	20.000.000.000	94.000.000.000
Ms. Nguyen Ngoc Y Nhi	1.800.000.000	-
Ms. Nguyen Thuy Nhu Quynh	18.500.000.000	33.260.000.000
Ms. Nguyen Thi Ngoc Loan	-	2.500.000.000
<b>Total</b>	<b>47.940.000.000</b>	<b>150.540.000.000</b>

<b>c. As at December 31, 2025, balances with related parties:</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
<b>Short-term receivables</b>		
SMC – Summit Co., Ltd.	7.546.309.419	22.156.770.730
SMC Toami Co., Ltd.	-	132.000.000
Hanwa Viet Nam Co., Ltd.	693.665.162	190.714.544
<b>Total</b>	<b>8.239.974.581</b>	<b>22.479.485.274</b>
<b>Long-term receivables</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
Ms. Nguyen Thi Ngoc Loan	3.609.704.278	3.609.704.278
<b>Short-term other receivables (advance)</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
Ms. Nguyen Thi Ngoc Loan	49.600.000.000	-
<b>Trade payables</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
SMC – Summit Co., Ltd.	64.168.445.801	106.078.473.660
Hanwa Viet Nam Co., Ltd.	51.588.238.960	80.302.816.134
<b>Total</b>	<b>115.756.684.761</b>	<b>186.381.289.794</b>
<b>Short-term advances from customers</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
SMC Toami Co., Ltd.	-	92.000.000
<b>Short-term accrued expenses</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
Hanwa Co., Ltd.	1.517.827.397	202.585.403
<b>Other short-term payables</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
Ms. Nguyen Thi Ngoc Loan	-	9.978.273.830
<b>Short-term borrowings and financial lease liabilities</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
Ms. Nguyen Thuy Nhu Quynh	7.000.000.000	-
Mr. Dang Huy Hiep	2.000.000.000	2.000.000.000
Ms. Nguyen Thi Kim Hong Chau	-	2.800.000.000
Ms. Nguyen Cam Van	-	20.000.000.000
<b>Total</b>	<b>9.000.000.000</b>	<b>24.800.000.000</b>
<b>Long-term borrowings and financial lease liabilities</b>	<b>Dec. 31, 2025</b>	<b>Jan. 01, 2025</b>
Hanwa Co., Ltd.	113.450.000.000	113.450.000.000
<b>d. The Board of Directors and Management's income</b>	<b>Year 2025</b>	<b>Year 2024</b>
<b>Board of Directors</b>	<b>1.169.958.000</b>	<b>943.321.200</b>
- Mr. Pham Hoang Anh	176.250.000	-
- Ms. Nguyen Thi Ngoc Loan	542.850.000	604.698.000
- Ms. Nguyen Ngoc Y Nhi	450.858.000	338.623.200



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

d. The Board of Directors and Management's income (cont.)	Year 2025	Year 2024
<b>Board of Controlling</b>	<b>1.340.386.731</b>	<b>1.124.159.680</b>
- Ms. Vo Thi To Ngan	286.269.231	254.511.400
- Ms. Le Thi Cam Tu	530.017.500	450.187.155
- Ms. Dang Thi Thu Trang	524.100.000	419.461.125
- Ms. Thai Thi Van Anh	-	-
<b>Board of Management</b>	<b>2.079.276.500</b>	<b>1.464.330.135</b>
- Mr. Dang Huy Hiep	664.560.000	521.321.500
- Ms. Nguyen Thi Kim Hong Chau	347.324.000	377.902.000
- Mr. Nguyen Huu Kinh Luan	556.987.500	561.106.635
- Mr. Nguyen Quoc Thang	510.405.000	-
- Mr. Nguyen Van Tien	-	4.000.000
<b>Total</b>	<b>4.589.621.231</b>	<b>3.531.811.015</b>

**4. Presentation of consolidated segment assets, revenue and operating result** (See page 154-155).

### 5. Going-concern activity

The Group's net cash flow from consolidated operating activities in 2025 is negative VND 75.435.484.367. At as December 31, 2025, the short term liabilities have exceeded the short term assets by VND 687.794.683.183. The above raises concerns about the Group's ability to money creation to pay its due debts. The plants of the the Boards of Directors and Management regarding this matter is presented below:

- The short term liabilities (code 310 on Balance sheet) at as December 31, 2025 is VND 3.379.978.468.011. The Group believes to receive the support of supplier, bank and individuals by extend the due date.

- In terms of capital management: to maintain and stabilize existing bank borrowings; to seek and expand additional funding sources and new financing at competitive costs to support business plans and efficiency; and to issue additional shares to increase working capital;

- In terms of operational management: to maintain relationships with key suppliers to ensure stable supply; to continue flexible and appropriate inventory management, optimizing stock levels in line with market developments; to enhance sales of construction and project segments with improved profit margins, while strengthening control over receivables and related credit risks; and to explore and expand new product lines beyond traditional offerings, among others;

- In terms of receivables management: to complete sale and purchase agreements and debt offset arrangements with entities within Novaland Group in 2026; to finalize offset procedures and obtain invoices for the related assets in the first half of the year; and to proceed with asset handover during 2026-2027. The Company will review and manage customer credit limits to ensure appropriateness and control sales risks, requiring customers-particularly those in construction and project segments with extended payment terms-to provide payment guarantees. For external receivables, the Debt Management Division and the Executive Board will closely monitor and accelerate collection of outstanding balances;

- To divest the entire HBC shareholding in 2026 to enhance financial income and reduce long-term investments;

- Based on profit-generating business plans and/or asset disposal plans at the Group's subsidiaries, which are expected to further support financial income and overall profitability.

Therefore, the Group believes that the above assessments are correct and the Group will continue with normal business activities in the future.

Prepared by  
  
 Nguyen Thi Thu Thuy

Chief Accountant  
  
 Nguyen Van Lam

General Director  
 HCMC, March 28, 2026  
  
 Nguyen Quang Trung



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### V.6. DOUBTFUL DEBTS

	Dec. 31, 2025			Jan. 01, 2025		
	Original cost	Recoverable amount	Debtors	Original cost	Recoverable amount	Debtors
<b>Total overdue or undue receivables and prepayments to suppliers that are unlikely to recover</b>	<b>897.391.726.130</b>	<b>714.608.712.807</b>		<b>1.325.900.440.977</b>	<b>970.822.490.072</b>	
Other customers	8.680.722.102	-	Doubtful debt over due for more than 3 years	3.082.413.488	-	Doubtful debt over due for more than 3 years
China Construction Co., Ltd.	22.458.123.986	-	Doubtful debt over due for more than 3 years	22.458.123.986	-	Doubtful debt over due for more than 3 years
Trung Nam Construction Investment Joint Stock Company	26.831.523.592	-	Doubtful debt over due for more than 3 years	26.831.523.592	804.262.486	Doubtful debt over due from 2 year to 3 years
Da Lat Valley Real Estate Company Limited (*)	8.454.133.240	8.454.133.240	Doubtful debt over due for more than 2 years	169.260.183.239	167.807.345.955	Doubtful debt over due from 1 year to 3 years
Delta - Valley Binh Thuan Company Limited (*)	440.796.852.909	440.796.852.909	Doubtful debt over due for more than 2 years	440.796.852.909	315.298.128.656	Doubtful debt over due from 1 year to 3 years
Ngan Hiep Real Estate Joint Stock Company (*)	9.470.569.514	2.657.574.623	Doubtful debt over due for more than 2 years	43.104.688.934	38.298.509.371	Doubtful debt over due from 1 year to 3 years
Aqua City Company Limited (*)	8.763.882.789	4.661.947.583	Doubtful debt over due for more than 2 years	113.638.200.970	110.747.226.157	Doubtful debt over due from 1 year to 3 years
The Forest City Company Limited (*)	5.007.844.544	4.749.533.360	Doubtful debt over due for more than 2 years	131.505.957.524	131.323.948.893	Doubtful debt over due from 1 year to 3 years
Tuong Minh Investment And Real Estate Company Limited (*)	41.411.175.390	41.411.175.390	Doubtful debt over due for more than 2 years	41.411.175.390	17.840.830.196	Doubtful debt over due from 1 year to 3 years
Viet Land Development Corporation (*)	20.352.670.635	19.828.242.526	Doubtful debt over due for more than 2 years	20.352.670.635	10.271.717.606	Doubtful debt over due from 1 year to 3 years

The notes to the consolidated financial statements form an integral part of this report

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### V.6. DOUBTFUL DEBTS (CONT.)

	Dec. 31, 2025			Jan. 01, 2025		
	Original cost	Recoverable amount	Debtors	Original cost	Recoverable amount	Debtors
Thai Binh Real Estate Trading Joint Stock Company (*)	4.052.176.185	1.833.251.124	Doubtful debt over due for more than 2 years	40.634.441.366	39.068.636.613	Doubtful debt over due from 1 year to 3 years
Binh An Ecoland Limited Company (*)	36.173.835.137	32.027.735.377	Doubtful debt over due for more than 2 years	36.173.835.137	13.259.767.664	Doubtful debt over due from 1 year to 3 years
Hoan Vu Joint Stock Company (*)	25.730.225.489	20.107.045.439	Doubtful debt over due for more than 2 years	25.730.225.489	10.031.082.167	Doubtful debt over due from 1 year to 3 years
Hoang Khang Binh Thuan Joint Stock Company	14.161.087.740	2.154.784.910	Doubtful debt over due for more than 2 years	14.161.087.740	5.701.769.657	Doubtful debt over due from 1 year to 3 years
Hoang Long International Tourism Joint Stock Company	9.596.514.859	2.180.626.936	Doubtful debt over due for more than 2 years	9.596.514.859	4.344.171.933	Doubtful debt over due from 1 year to 3 years
Long Hung Phat Real Estate Investments Company Limited (*)	29.555.066.673	29.555.066.673	Doubtful debt over due for more than 2 years	29.555.066.673	14.373.352.495	Doubtful debt over due from 1 year to 3 years
Hung Thinh INCONS Joint Stock Company	34.236.746.575	26.378.857.298	Doubtful debt over due from 6 months to 1 years	31.185.625.374	11.308.046.162	Doubtful debt over due from 1 year to 3 years
Hieu Hanh Production Trading Mechanical Company Limited	68.536.910.266	39.828.502.856	Doubtful debt over due from 6 months to 2 years	33.538.789.519	23.477.152.663	Doubtful debt over due from 1 year to 3 years

The notes to the consolidated financial statements form an integral part of this report

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### V.6. DOUBTFUL DEBTS (CONT.)

	Dec. 31, 2025			Jan. 01, 2025		
	Original cost	Recoverable amount	Debtors	Original cost	Recoverable amount	Debtors
An Khang Steel Production – Service – Trading Company Limited	9.777.328.400	4.888.664.200	Doubtful debt over due from 1 year to 2 years	9.777.328.400	6.844.129.880	Doubtful debt over due from 6 months to 1 year
Kim Thanh Steel Company Limited	25.643.123.635	17.950.186.544	Doubtful debt over due from 6 months to 1 year			
Hung Phuoc Loc Trading and Services Company Limited	16.968.095.540	5.090.428.662	Doubtful debt over due from 2 years to 3 years	17.328.095.540	8.664.047.770	Doubtful debt over due from 1 year to 2 years
Others	18.365.250.120	3.828.289.992	Doubtful debt over due from 1 year to 3 years	18.073.379.166	3.003.943.784	Doubtful debt over due from 1 year to 3 years
K.N.G Construction Company Limited	12.000.000.000	6.140.763.165	Doubtful debt over due from 1 year to 2 years	12.000.000.000	7.579.784.799	Doubtful debt over due from 1 year to 2 years
Van Phu Import Export Company Limited				35.336.394.237	30.632.885.165	Doubtful debt under the incurred loss model
Other supplier advances	367.866.810	85.050.000	Doubtful debt over due from 1 year to 3 years	367.866.810	141.750.000	Doubtful debt over due from 1 year to 3 years

(\*) As at December 31, 2025, the Board of Management of the Company makes provisions for receivables from these companies based on the net value of receivables (the value of receivables minus the value of collateral as assessed by the Board of Management and the offsetting of payables arising after the fiscal year related to real estate sales contracts and agreements stated in Section X.2).

The recoverable amount is presented as net book value of receivables that has not been made provisions yet because of not being exceeded of overdue time as stipulated.

*The notes to the consolidated financial statements form an integral part of this report*



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### V.8. TANGIBLE FIXED ASSETS

Items	Buildings & structures	Machinery & equipment	Transportation & facilities	Office supplies and other assets	Total
<b>Original cost</b>					
<b>Opening balance</b>	<b>771.300.378.493</b>	<b>698.700.810.303</b>	<b>166.536.832.498</b>	<b>11.542.595.967</b>	<b>1.648.080.617.261</b>
<i>New purchases</i>	288.018.060	283.373.878	786.669.831	-	1.358.061.769
<i>Construction completed</i>	71.348.988	-	-	-	71.348.988
<i>Purchase of finance lease asset</i>	-	41.797.795.885	-	-	41.797.795.885
<i>Disposal, sales</i>	(226.286.049.527)	(443.426.845.196)	(78.287.099.868)	(1.519.293.225)	(749.519.287.816)
<b>Closing balance</b>	<b>545.373.696.014</b>	<b>297.355.134.870</b>	<b>89.036.402.461</b>	<b>10.023.302.742</b>	<b>941.788.536.087</b>
<b>Accumulated depreciation</b>					
<b>Opening balance</b>	<b>211.917.497.519</b>	<b>493.081.785.568</b>	<b>102.892.567.174</b>	<b>10.310.453.957</b>	<b>818.202.304.218</b>
<i>Charge for the period</i>	28.132.617.133	29.822.111.711	8.240.496.037	313.775.687	66.509.000.568
<i>Purchase of finance lease asset</i>	-	10.688.026.499	-	-	10.688.026.499
<i>Disposal, sales</i>	(120.995.443.787)	(307.589.084.808)	(66.683.611.117)	(1.519.293.225)	(496.787.432.937)
<b>Closing balance</b>	<b>119.054.670.865</b>	<b>226.002.838.970</b>	<b>44.449.452.094</b>	<b>9.104.936.419</b>	<b>398.611.898.348</b>
<b>Net book value</b>					
<i>Opening balance</i>	559.382.880.974	205.619.024.735	63.644.265.324	1.232.142.010	829.878.313.043
<b>Closing balance</b>	<b>426.319.025.149</b>	<b>71.352.295.900</b>	<b>44.586.950.367</b>	<b>918.366.323</b>	<b>543.176.637.739</b>

\* Ending original costs of tangible fixed assets – fully depreciated but still in use: VND 70.765.548.534.

\* Ending net book value of tangible fixed assets pledged/mortgaged as loan security: VND 304.052.984.771.

*The notes to the consolidated financial statements form an integral part of this report*

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### V.22. OWNERS' EQUITY

#### a. Comparison schedule for changes in Owner's Equity

Items	Owner's paid-in capital	Share premium	Treasury shares	Retained earnings	Interests of non-controlling shareholders	Total
<b>For the fiscal year ended December 31, 2024</b>						
Balance as at January 01, 2024	736.785.870.000	253.132.567.160	(717.500.000)	(168.865.083.788)	(22.566.013.323)	797.769.840.049
Profit for the year	-	-	-	29.239.789.146	-	29.239.789.146
Interests of non-controlling shareholders	-	-	-	-	(17.165.616.182)	(17.165.616.182)
<b>Balance as at December 31, 2024</b>	<b>736.785.870.000</b>	<b>253.132.567.160</b>	<b>(717.500.000)</b>	<b>(139.625.294.642)</b>	<b>(39.731.629.505)</b>	<b>809.844.013.013</b>
<b>For the fiscal year ended December 31, 2025</b>						
Balance as at January 01, 2025	736.785.870.000	253.132.567.160	(717.500.000)	(139.625.294.642)	(39.731.629.505)	809.844.013.013
Profit for the year	-	-	-	180.117.144.580	-	180.117.144.580
Interests of non-controlling shareholders	-	-	-	-	17.436.973.462	17.436.973.462
<b>Balance as at December 31, 2025</b>	<b>736.785.870.000</b>	<b>253.132.567.160</b>	<b>(717.500.000)</b>	<b>40.491.849.938</b>	<b>(22.294.656.043)</b>	<b>1.007.398.131.055</b>

The notes to the consolidated financial statements form an integral part of this report

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

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### VIII. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table specifies book value and fair value of the financial instruments presented in the consolidated financial statements.

	Book value				Fair value	
	Dec. 31, 2025		Jan. 01, 2025		Dec. 31, 2025	Jan. 01, 2025
	Value	Provisions	Value	Provisions		
<b>Financial assets</b>						
Held-to-maturity investments	497.810.246.575	-	511.000.000.000	-	497.810.246.575	511.000.000.000
Trade receivables	1.493.915.665.060	(176.640.959.678)	1.777.176.554.884	(350.431.618.894)	1.317.274.705.382	1.426.744.935.990
Other receivables	38.151.459.966	-	39.179.787.624	-	38.151.459.966	39.179.787.624
Cash and cash equivalents	135.320.970.073	-	143.281.861.697	-	135.320.970.073	143.281.861.697
<b>Total</b>	<b>2.165.198.341.674</b>	<b>(176.640.959.678)</b>	<b>2.470.638.204.205</b>	<b>(350.431.618.894)</b>	<b>1.988.557.381.996</b>	<b>2.120.206.585.311</b>
<b>Financial liabilities</b>						
Borrowings and liabilities	2.049.199.906.689	-	2.390.555.298.343	-	2.049.199.906.689	2.390.555.298.343
Trade payables	1.196.979.090.326	-	1.420.521.537.782	-	1.196.979.090.326	1.420.521.537.782
Accrued expenses	8.834.792.827	-	8.992.769.459	-	8.834.792.827	8.992.769.459
Other payables	1.039.603.538	-	843.080.802	-	1.039.603.538	843.080.802
<b>Total</b>	<b>3.256.053.393.380</b>	<b>-</b>	<b>3.820.912.686.386</b>	<b>-</b>	<b>3.256.053.393.380</b>	<b>3.820.912.686.386</b>

The notes to the consolidated financial statements form an integral part of this report



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

Unit: VND

### X.4. CONSOLIDATED SEGMENT ASSETS, REVENUE AND OPERATING RESULT

For the purpose of management, the Group with large scale in the whole country should present the segment report by geographical area as follows:

#### The segment report by geographical area

As at December 31, 2025, the Group reports its operation by geographical region: HCMC and Da Nang. The Group analyses details of items by geographical region as follows:

Items	HCMC	Da Nang	Sub total	Elimination	Total
<b>1. Net revenue</b>	<b>8.056.687.839.792</b>	-	<b>8.056.687.839.792</b>	<b>(1.046.388.345.530)</b>	<b>7.010.299.494.262</b>
Net revenue from sales to outsiders	7.010.299.494.262	-	7.010.299.494.262	-	7.010.299.494.262
Net revenue from sales to other divisions	1.046.388.345.530	-	1.046.388.345.530	(1.046.388.345.530)	-
<b>2. Total expenses</b>	<b>8.038.034.492.918</b>	<b>3.675.000</b>	<b>8.038.038.167.918</b>	<b>(1.046.915.463.397)</b>	<b>6.991.122.704.521</b>
Cost of goods sold	8.049.596.407.710	-	8.049.596.407.710	(1.040.654.366.222)	7.008.942.041.488
Cost of goods sold to outsiders	7.008.942.041.488	-	7.008.942.041.488	-	7.008.942.041.488
Cost of goods sold to other divisions	1.040.654.366.222	-	1.040.654.366.222	(1.040.654.366.222)	-
Overhead costs	(11.561.914.792)	3.675.000	(11.558.239.792)	(6.261.097.175)	(17.819.336.967)
<b>3. Financial profit</b>	<b>(89.477.163.642)</b>	<b>2.419.148</b>	<b>(89.474.744.494)</b>	<b>(29.629.004.446)</b>	<b>(119.103.748.940)</b>
<b>4. Profit from other activities</b>	<b>333.724.920.329</b>	<b>35.221.669.130</b>	<b>368.946.589.459</b>	<b>(20.400.620.423)</b>	<b>348.545.969.036</b>
<b>5. Total profit before tax</b>	<b>262.901.103.561</b>	<b>35.220.413.278</b>	<b>298.121.516.839</b>	<b>(49.502.507.002)</b>	<b>248.619.009.837</b>
<b>6. Segment assets</b>	<b>6.311.379.433.004</b>	<b>16.848.884.008</b>	<b>6.328.228.317.012</b>	<b>(1.874.518.441.500)</b>	<b>4.453.709.875.512</b>
In which, unallocated assets	-	-	-	370.631.170	370.631.170
<b>7. Segment liabilities</b>	<b>4.339.627.454.437</b>	-	<b>4.339.627.454.437</b>	<b>(893.315.709.980)</b>	<b>3.446.311.744.457</b>
In which, unallocated liabilities	-	-	-	30.370.159.021	30.370.159.021

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### X.4. CONSOLIDATED SEGMENT ASSETS, REVENUE AND OPERATING RESULT (CONT.)

As at December 31, 2024, the Group reports its operation by geographical region: HCMC and Da Nang. The Group analyses details of items by geographical region as follows:

Items	HCMC (*)	Da Nang	Sub total	Elimination	Total
<b>1. Net revenue</b>	<b>11.299.096.500.833</b>	<b>126.842.430.729</b>	<b>11.425.938.931.562</b>	<b>(2.496.144.119.766)</b>	<b>8.929.794.811.796</b>
Net revenue from sales to outsiders	8.863.438.025.716	66.356.786.080	8.929.794.811.796	-	8.929.794.811.796
Net revenue from sales to other divisions	2.435.658.475.117	60.485.644.649	2.496.144.119.766	(2.496.144.119.766)	-
<b>2. Total expenses</b>	<b>11.293.454.489.278</b>	<b>132.563.775.614</b>	<b>11.426.018.264.892</b>	<b>(2.505.489.069.545)</b>	<b>8.920.529.195.347</b>
Cost of goods sold	11.291.522.708.972	127.417.116.617	11.418.939.825.589	(2.494.855.111.807)	8.924.084.713.782
Cost of goods sold to outsiders	8.856.662.637.298	67.422.076.484	8.924.084.713.782	-	8.924.084.713.782
Cost of goods sold to other divisions	2.434.860.071.674	59.995.040.133	2.494.855.111.807	(2.494.855.111.807)	-
Overhead costs	1.931.780.306	5.146.658.997	7.078.439.303	(10.633.957.738)	(3.555.518.435)
<b>3. Financial profit</b>	<b>(202.875.035.538)</b>	<b>(5.728.128.148)</b>	<b>(208.603.163.686)</b>	<b>216.320.627.102</b>	<b>7.717.463.416</b>
<b>4. Profit from other activities</b>	<b>54.769.326.732</b>	<b>(20.383.646.658)</b>	<b>34.385.680.074</b>	<b>(3.693.684.752)</b>	<b>30.691.995.322</b>
<b>5. Total profit before tax</b>	<b>(142.463.697.251)</b>	<b>(31.833.119.691)</b>	<b>(174.296.816.942)</b>	<b>221.971.892.129</b>	<b>47.675.075.187</b>
<b>6. Segment assets</b>	<b>6.760.128.362.312</b>	<b>20.226.419.942</b>	<b>6.780.354.782.254</b>	<b>(2.002.172.233.989)</b>	<b>4.778.182.548.265</b>
In which, unallocated assets	2.933.316.059	-	2.933.316.059	118.894.363	3.052.210.422
<b>7. Segment liabilities</b>	<b>5.038.560.805.300</b>	<b>38.597.949.212</b>	<b>5.077.158.754.512</b>	<b>(1.108.820.219.260)</b>	<b>3.968.338.535.252</b>
In which, unallocated liabilities	-	-	-	41.770.212.425	41.770.212.425

(\*) Effective from July 01, 2025, Vietnam officially merged certain provinces and cities. The Group has restated the figures for the Binh Duong and Ba Ria – Vung Tau regions into Ho Chi Minh City as at December 31, 2024 to ensure comparability.

The notes to the consolidated financial statements form an integral part of this report