

VIET NAM APATITE - PHOSPHORUS JOINT STOCK COMPANY

AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025



TABLE OF CONTENTS

<u>CONTENT</u>	<u>PAGE(S)</u>
STATEMENT OF THE BOARD OF MANAGEMENT	2 - 3
INDEPENDENT AUDITORS' REPORT	4 - 5
BALANCE SHEET	6 - 7
INCOME STATEMENT	8
CASH FLOW STATEMENT	9 - 10
NOTES TO THE FINANCIAL STATEMENTS	11 - 35

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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Vietnam Apatite - Phosphorus Joint Stock Company (hereinafter referred to as the “Company”) presents this report together with the Company’s audited financial statements for the financial year ended 31 December 2025.

BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

Members of the Board of Directors, the Board of Supervisors, and the Board of Management of the Company who held office during the year 2025 and to the date of this report are as follows:

Board of Directors

Mr. Luu Bach Dat	Chairman	Appointed on 13 May 2026
Mr. Dao Huu Huyen	Chairman	Resigned on 13 May 2026
Mr. Vu Van Lam	Member	Appointed on 13 May 2026
Mr. Nguyen Van Tuan	Member	Appointed on 13 May 2026
Mr. Do Thanh Cong	Member	Appointed on 13 May 2026
Mr. Vuong Duyen Hai	Member	Appointed on 27 March 2025
Mr. Dao Huu Duy Anh	Member	Resigned on 13 May 2026
Mr. Pham Van Hung	Member	Resigned on 13 May 2026
Mr. Dang Tien Duc	Member	Resigned on 13 May 2026
Mr. Vuong Quoc Hung	Member	Resigned on 27 March 2025

Board of Supervisors

Mr. Pho Duc Tung	Chairman	Appointed on 13 May 2026
Mrs. Pham Thi Bich	Chairman	Resigned on 13 May 2026
Mrs. Dang Thi Kim Thoa	Member	Appointed on 13 May 2026
Mr. Tran Van Cuong	Member	

Board of Management

Mr. Nguyen Van Tuan	Director	Appointed on 13 May 2026
Mr. Dang Tien Duc	Director	Resigned on 13 May 2026
Mr. Nguyen Hung Cuong	Deputy Director	

Chief Accountant

Mrs. Pham Thi Thu Loan	Chief Accountant	Appointed on 13 May 2026
Mrs. Pham Thi Bich Phuong	Chief Accountant	Resigned on 13 May 2026

Legal Representative

The legal representative of the Company for the financial year ended 31 December 2025 and up to 13 May 2026 was Mr. Dang Tien Duc. From 13 May 2026 to the date of this report, the legal representative of the Company is Mr. Nguyen Van Tuan.

EVENTS AFTER THE REPORTING DATE

The Board of Management confirms that, other than the events stated in Note 30.4, no significant events have occurred after the reporting date that would materially affect the financial statements, requiring adjustment or disclosure.

THE AUDITORS

The accompanying financial statements have been audited by UHY Auditing and Consulting Company Limited.

STATEMENT OF THE BOARD OF MANAGEMENT (CONT'D)

RESPONSIBILITY OF THE BOARD OF MANAGEMENT

The Board of Management of the Company is responsible for preparing the financial statements for the financial year ended 31 December 2025, which give a true and fair view of the financial position of the Company, as well as its results of operations and cash flows for the year.

In preparing these financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue its business, and
- Design and implement an effective internal control system to ensure the preparation and fair presentation of the financial statements in order to limit risks and fraud.

The Board of Management confirms that the Company has complied with the above requirements in preparing the financial statements.

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 Company and to ensure that the financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and relevant legal regulations on the preparation and presentation of financial statements in Vietnam. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

For and on behalf of the Board of Management,



Nguyễn Văn Tuan
Director

Lao Cai, 20 June 2026

No.: 749/2026/UHY-BCKT

INDEPENDENT AUDITORS' REPORT

Regarding the financial statements of Viet Nam Apatite - Phosphorus Joint Stock Company

For the financial year ended 31 December 2025

To: **Shareholders, Board of Directors and Board of Management of
Viet Nam Apatite - Phosphorus Joint Stock Company**

We have audited the accompanying financial statements of Viet Nam Apatite - Phosphorus Joint Stock Company (hereinafter referred to as the "Company"), dated 20 June 2026, set out on pages 06 to 35. These financial statements comprise the Balance Sheet as at 31 December 2025, the Income Statement, the Cash Flow Statement for the financial year then ended, and the accompanying Notes to the financial statements.

The Board of Management' Responsibility

The Board of Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and relevant legal regulations on the preparation and presentation of financial statements in Vietnam and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statement 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Management, as well as evaluating the overall presentation of the financial statements.

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

Basis for qualified opinion

As we were appointed as auditors of the Company after the end of the financial year, we were unable to observe the physical inventory count as at 31 December 2025. Alternative audit procedures were unable to provide us with sufficient appropriate audit evidence regarding the existence, completeness, accuracy and valuation of inventories at this date with a value of approximately VND 67.7 billion. Therefore, we were unable to determine whether any adjustments were necessary to the balance of inventories presented on the Balance Sheet as at 31 December 2025.

As presented in Note 30.4, on 17 March 2026, certain former members of the Company's key management were prosecuted and are currently under investigation regarding violations of accounting.

At the date of issuance of this report, the case is still under investigation and no official conclusion has been reached by the competent authorities. We have not been able to gather sufficient appropriate audit evidence to assess whether the aforementioned matters lead to any material misstatements in the financial statements, including potential impacts related to accounting recognition, liabilities, provisions, or related expenses (if any).

Accordingly, as at the date of issuance of this Independent Auditors' report, we have not been able to determine whether any adjustments might be necessary to the related balances and disclosures in the accompanying financial statements.

Qualified opinion

In our opinion, except for the effects of the matter described in the "Basis for qualified opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the separate financial position of Viet Nam Apatite - Phosphorus Joint Stock Company as at 31 December 2025, and its separate results of operations and separate cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, and the relevant statutory requirements relating to the preparation and presentation of financial statements.

Other matter

The financial statements of Viet Nam Apatite - Phosphorus Joint Stock Company for the financial year ended 31 December 2024 were audited by Branch of PwC (Vietnam) Limited in Hanoi, which expressed an unqualified opinion on those financial statements in Audit Report No. HAN 3878 dated 19 February 2025.



Trinh Thi Trang
Audit Director
Auditor's Practicing Certificate
No. 4061-2022-112-1
For and on behalf of
UHY AUDITING AND CONSULTING COMPANY LIMITED
Hanoi, 20 June 2026

A blue ink signature of Nguyen Thi Thu Ha.

Nguyen Thi Thu Ha
Auditor
Auditor's Practicing Certificate
No. 2277-2023-112-1

Form No. B01-DN

BALANCE SHEET
As at 31 December 2025

ASSETS	Code	Notes	31/12/2025 VND	01/01/2025 VND
CURRENT ASSETS	100		1,174,127,181,081	619,450,520,441
Cash and cash equivalents	110		31,937,487,053	7,285,796,455
Cash	111	4	31,937,487,053	7,285,796,455
Short-term financial investments	120	6	804,674,492,000	424,123,068,493
Held-to-maturity investments	123		804,674,492,000	424,123,068,493
Current account receivables	130		264,291,855,104	101,859,411,092
Short-term trade receivables	131	7	246,959,249,701	89,658,173,144
Short-term advances to suppliers	132		2,187,379,052	2,181,620,952
Other short-term receivables	136	8	15,145,226,351	10,019,616,996
Inventories	140		67,711,581,624	84,699,844,431
Inventories	141	9	67,711,581,624	84,699,844,431
Other current assets	150		5,511,765,300	1,482,399,970
Short-term prepaid expenses	151	5	-	995,790,133
Value added tax deductible	152		1,710,610,515	-
Tax and other receivables from the State Budget	153	13	3,801,154,785	486,609,837
NON-CURRENT ASSETS	200		270,184,045,390	313,167,267,536
Long-term receivables	210		-	2,000,000,000
Other long-term receivables	216	8	-	2,000,000,000
Fixed assets	220		250,389,182,632	287,149,386,223
Tangible fixed assets	221	10	250,389,182,632	287,149,386,223
- Cost	222		573,098,691,337	565,042,407,218
- Accumulated depreciation	223		(322,709,508,705)	(277,893,020,995)
Long-term assets in progress	240		64,036,000	2,583,610,047
Construction in progress	242	11	64,036,000	2,583,610,047
Other long-term assets	260		19,730,826,758	21,434,271,266
Long-term prepaid expenses	261	5	19,730,826,758	21,434,271,266
TOTAL ASSETS	270		1,444,311,226,471	932,617,787,977

Form No. B01-DN

BALANCE SHEET (CONT'D)
As at 31 December 2025

RESOURCES	Code	Notes	31/12/2025 VND	01/01/2025 VND
LIABILITIES	300		858,364,772,015	363,897,086,209
Current liabilities	310		858,364,772,015	363,897,086,209
Short-term trade payables	311	12	339,929,468,534	189,097,605,148
Short-term advances from customers	312		-	2,201,556,760
Tax and other payables to the State Budget	313	13	9,353,142,886	2,468,090,642
Payable to employees	314		20,575,885,000	14,791,530,380
Short-term accrued expenses	315		236,997,238	117,464,646
Other short-term payables	319	14	250,903,192,632	603,202,803
Short-term loan and finance lease obligations	320	15	174,741,705,203	84,758,485,633
Bonus and welfare fund	322	17	62,624,380,522	69,859,150,197
OWNERS' EQUITY	400	16	585,946,454,456	568,720,701,768
Capital	410		585,946,454,456	568,720,701,768
Share capital	411		250,000,000,000	250,000,000,000
- Shares with voting rights	411a		250,000,000,000	250,000,000,000
Investment and Development fund	418		242,733,123,401	228,779,348,646
Retained earnings	421		93,213,331,055	89,941,353,122
- Undistributed profit after tax for the current year	421b		93,213,331,055	89,941,353,122
TOTAL RESOURCES	440		1,444,311,226,471	932,617,787,977

Lao Cai, 20 June 2026

Preparer



Vu Tu Quynh Nga

Chief Accountant



Pham Thi Thu Loan

Director



Nguyen Van Tuan

Form No. B02-DN

INCOME STATEMENT
For the financial year ended 31 December 2025

Items	Code	Notes	Year 2025	Year 2024
			VND	VND
Revenue from sale of goods and rendering of services	01	19	1,923,385,798,882	1,721,435,530,826
Deductions	02		-	-
Net revenue from sale of goods and rendering of services	10		1,923,385,798,882	1,721,435,530,826
Costs of goods sold	11	20	1,483,936,378,255	1,358,226,176,340
Gross profit from sale of goods and rendering of services	20		439,449,420,627	363,209,354,486
Financial income	21	21	47,584,045,226	49,310,500,450
Financial expenses	22	22	14,556,068,938	18,988,125,121
- In which: Interest expenses	23		3,125,120,930	4,308,464,193
Selling expenses	25	23	82,151,123,384	98,878,900,321
General and administrative expenses	26	24	18,160,177,527	15,494,647,867
Operating profit	30		372,166,096,004	279,158,181,627
Other income	31		195,324,040	-
Other profit	40		195,324,040	-
Accounting profit before tax	50		372,361,420,044	279,158,181,627
Current corporate income tax expense	51	26	29,148,088,989	14,216,828,505
Net profit after tax	60		343,213,331,055	264,941,353,122
Basic earnings per share	70	27	12,905	10,058
Diluted earnings per share	71	28	12,905	10,058

Lao Cai, 20 June 2026

Preparer



Vu Tu Quynh Nga

Chief Accountant



Pham Thi Thu Loan

Director



Nguyen Van Tuan

Form No. B03-DN

CASHFLOW STATEMENT
(Indirect method)
For the financial year ended 31 December 2025

Items	Code	Notes	Year 2025 VND	Year 2024 VND
Cash flows from operating activities				
Profit before tax	01		372,361,420,044	279,158,181,627
Adjustments for:				
Depreciation and amortisation	02		44,816,487,710	47,106,427,938
Foreign exchange losses arising from revaluation of monetary items denominated in foreign currency	04		1,938,116,790	(322,395,218)
(Profits)/losses from investing activities	05		(23,767,763,942)	(23,285,764,170)
Interest expense	06		3,125,120,930	4,308,464,193
Operating profit before changes in working capital	08		398,473,381,532	306,964,914,370
(Increase)/Decrease in receivables	09		(157,853,292,523)	52,050,152,128
(Increase) in inventories	10		16,988,262,807	4,316,062,213
(Decrease)/Increase in payables (excluding interest payable and corporate income tax payable)	11		155,439,926,668	124,683,646,621
Decrease/(Increase) in prepaid expenses	12		2,699,234,641	2,410,195,361
Interest paid	14		(3,093,047,029)	(3,116,770,554)
Corporate income tax paid	15		(21,177,702,039)	(15,474,045,864)
Other payments for operating activities	17		(20,722,348,042)	(7,878,720,600)
Net cash flows from operating activities	20		370,754,416,016	463,955,433,675
Cash flows from investing activities				
Payments for purchase and construction of fixed assets and other long-term assets	21		(8,056,284,119)	(834,981,048)
Payments for loans granted and purchase of debt instruments of other entities	23		(805,694,816,000)	(354,123,068,493)
Collections from loans granted and proceeds from sale of debt instruments of other entities	24		424,123,068,493	458,000,000,000
Interest, dividends and profits received	27		18,784,274,665	35,593,849,845
Net cash flows from investing activities	30		(370,843,756,961)	138,635,800,304

Form No. B03-DN

CASHFLOW STATEMENT (CONT'D)
(Indirect method)
For the financial year ended 31 December 2025

Items	Code	Notes	Year 2025 VND	Year 2024 VND
Cash flows from financing activities				
Proceeds from borrowings	33		409,641,514,634	541,269,721,009
Repayments of borrowings	34		(322,307,985,218)	(773,217,641,444)
Dividends and profits paid to owners	36		(62,500,000,000)	(425,000,000,000)
Net cash flows from financing activities	40		24,833,529,416	(656,947,920,435)
Net cash flows during the year	50		24,744,188,471	(54,356,686,456)
Cash and cash equivalents at the beginning of the year	60	4	7,285,796,455	61,642,004,700
Effect of exchange rate changes on cash and cash equivalents denominated in foreign currencies	61		(92,497,873)	478,211
Cash and cash equivalents at the end of the year	70	4	31,937,487,053	7,285,796,455

Lao Cai, 20 June 2026

Preparer



Vu Tu Quynh Nga

Chief Accountant



Pham Thi Thu Loan

Director



Nguyen Van Tuan

NOTES TO THE FINANCIAL STATEMENTS

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

Form No. B09-DN

1. BUSINESS CHARACTERISTICS

1.1. STRUCTURE OF OWNERSHIP

Viet Nam Apatite - Phosphorus Joint Stock Company (hereinafter referred to as the “Company”) is a joint stock company established under the Business Registration Certificate No. 5300656602 dated 13 January 2014 issued by the Department of Planning and Investment of Lao Cai Province. The Company amended its Business Registration Certificate for the 9th time on 15 May 2026.

The Company’s head office is located at: Tang Loong Industrial Zone, Tang Loong Commune, Lao Cai Province, Vietnam.

The Company’s shares are currently traded on the Unlisted Public Company Market (“UPCOM”) with the stock code: PAT.

According to the 9th amended Business Registration Certificate, the charter capital of the Company is VND 250,000,000,000 (*Two hundred and fifty billion Vietnamese Dong*). The par value of shares is VND 10,000 per share.

The total number of employees of the Company as at 31 December 2025 is 263 (as at 31 December 2024 was 256).

1.2. BUSINESS LINES AND PRINCIPAL ACTIVITIES

The business sector of the Company is the production of basic chemicals.

The principal business activities of the Company include the production, processing, and trading of yellow phosphorus and other products derived from yellow phosphorus and apatite, and phosphoric acid.

1.3. NORMAL PRODUCTION AND BUSINESS CYCLE

The normal business cycle of the Company is carried out within a period of not more than 12 months.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND FINANCIAL YEAR

2.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accompanying financial statements are presented in Vietnamese Dong (VND), under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System (Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the Corporate Accounting System and Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance amending and supplementing certain articles of Circular No. 200/2014/TT-BTC) and other relevant legal regulations on the preparation and presentation of financial statements.

2.2. FINANCIAL YEAR

The financial year of the Company begins on 1 January and ends on 31 December of the calendar year. These financial statements have been prepared for the financial year ended 31 December 2025.

2.3. ACCOUNTING CURRENCY

The currency used in accounting and for the presentation of the financial statements is the Vietnamese Dong (“VND” or “Dong”).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Company in the preparation of these financial statements are as follows:

3.1. ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with Vietnamese Accounting Standards requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the financial year. Actual results could differ from those estimates.

3.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, demand deposits, and short-term, highly liquid investments with an original maturity of not more than 3 months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.3. FINANCIAL INVESTMENTS

Held-to-maturity investments.

Held-to-maturity investments are investments that the Company has the intention and ability to hold until their maturity dates. The Company's held-to-maturity investments comprise bank term deposits with maturities of more than three months. These investments are initially recognized at cost. Subsequently, the Board of Directors reviews all held-to-maturity investments at the end of each financial year to determine whether any impairment provision is required.

Provision for impairment of held-to-maturity investments is made when there is reliable evidence that part or all of the investment may not be recoverable. The difference between the provision balance at the end of the current financial year and the provision made in the previous financial year is recognized as an increase or decrease in financial expenses during the year. The reversal of the provision shall not exceed the initial carrying amount.

3.4. RECEIVABLES

Receivables are presented in the financial statements at the carrying amounts due from customers and other debtors after the provision for doubtful debts.

The provision for doubtful debts is made by the Company for receivables that are overdue according to economic contracts, contract commitments, or debt acknowledgments, which have been demanded for collection many times but still remain uncollected. The determination of the overdue period of a receivable is based on the principal repayment schedule of the initial purchase or sale contract, regardless of any debt rescheduling between the parties. Furthermore, provisions are recognized for receivables that are not yet due but the debtor has fallen into bankruptcy or is undergoing dissolution, missing, or absconded, and are reversed when the debt is recovered.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5. INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs of purchase, costs of conversion, and other directly attributable costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct costs and manufacturing overheads based on the normal level of activity. Net realisable value is the estimated selling price of inventories in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary for sale.

The Company applies the periodic inventory method (for finished goods and main raw materials) and the perpetual inventory method (for sub-materials and supplies used for installation and repairs) to account for inventories.

Provision is made for inventories that are obsolete, slow-moving, or damaged. The difference between the provision required at the end of the current financial year and the provision made at the end of the previous financial year is recognized as an increase or decrease in the cost of goods sold during the financial year.

3.6. TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost and are presented in the Balance Sheet at cost, accumulated depreciation, and carrying amount.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. For fixed assets that have been put into use but have not yet been formally finalized, the cost is temporarily recognized and depreciated; once the formal finalization is available, the cost will be adjusted accordingly.

Expenditures related to tangible fixed assets incurred after initial recognition are recorded as production and business expenses during the period, unless these expenditures are likely to result in future economic benefits exceeding the originally assessed standard of performance, in which case they are capitalized as part of the cost of the asset.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives. The specific depreciation periods are as follows:

	<u>Number of years</u>
Buildings and structures	07 - 17
Machinery and equipment	06 - 10
Transportation and transmission	06 - 07
Office equipment	10

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

3.7. PREPAID EXPENSES

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and are amortised on a straight-line basis over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 PREPAID EXPENSES (CONT'D)

Prepaid land rentals for land lease contracts taking effect after the effective date of the 2003 Land Law (i.e., 1 July 2004) or for which a Certificate of Land Use Rights has not been granted are recognized as prepaid expenses and amortised on a straight-line basis over the prepaid lease term. Land clearance costs related to leased land are amortised over the corresponding land lease term.

3.8. CONSTRUCTION IN PROGRESS

Construction in progress reflects costs directly attributable (including related borrowing costs in accordance with the Company's accounting policies) to assets under construction, or machinery and equipment being installed for production, rental or management purposes, as well as costs related to repairs of fixed assets in progress. These assets are recognized at cost and are not depreciated.

3.9. PAYABLES

Payables represent amounts to be settled with suppliers and other entities. They include trade payables and other payables. Payables are not recorded at amounts lower than the obligations to be settled.

The classification of payables follows these principles:

- Trade payables include amounts owed that arise from commercial transactions related to the purchase of goods, services, or assets, where the seller is an independent entity from the buyer. This category also encompasses payables between parent companies and subsidiaries, as well as joint ventures and associates. It includes amounts payable upon importation through agents (in the case of consignment imports);
- Other payables include non-commercial payables not related to transactions of purchasing, selling, or providing goods and services.

3.10. ACCRUED EXPENSES

Accrued expenses of the Company are actual expenses that have arisen in the reporting period but have not been paid due to a lack of invoices or insufficient accounting records and documents, and are recorded in the production and business expenses of the reporting period.

The accrual of production and business expenses in the period must be calculated rigorously and must have reasonable and reliable evidence of the expenses to be accrued, ensuring that the accrued expenses recorded in this account match the actual costs incurred.

3.11. LOANS AND FINANCE LEASE OBLIGATIONS

Loans and finance lease obligations are recorded based on receipts, bank documents, agreements, and loan contracts.

Loans and financial lease obligations are tracked by each entity, maturity, and currency. At the time of preparing the financial statements, loans that are due within 12 months or within the next operating cycle are classified as short-term loans, and loans with repayment terms exceeding 12 months or longer than one operating cycle are recorded as long-term loans.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12. BORROWING COSTS

Borrowing costs consist of interest and other costs incurred in connection with the Company's borrowings. Borrowing costs are recorded as expenses in the period in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction, or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

3.13. TAX AND OTHER PAYABLES TO THE STATE BUDGET

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the tax rates and tax laws enacted as of the end of the financial year.

Current income tax is recognised in the income statement, except when it relates to items recognised directly in equity, in which case the current income tax is also recognised directly in equity.

The Company offsets current income tax assets and current income tax liabilities when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the Company intends to settle its current income tax assets and current income tax liabilities on a net basis.

Other taxes

Other taxes are applied in accordance with the prevailing tax laws in Vietnam.

3.14. PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a financial expense.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15. FOREIGN CURRENCY TRANSACTIONS

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates, which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;
- Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution;
- Asset purchases or expense transactions paid immediately in foreign currency (not processed through accounts payable) are recorded using the buying exchange rate of the commercial bank where the Company makes the payment.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet date, which are determined as follows:

- Monetary assets are translated at the buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- Monetary liabilities are translated at the selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred are taken to the income statement.

3.16. REVENUE RECOGNITION

Revenue from sale of goods

Revenue from sale of goods is recognized when all five (5) of the following conditions are simultaneously satisfied:

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the products or goods;
- (b) The Company no longer retains management rights as the owner or effective control over the goods;
- (c) The revenue can be measured reliably;
- (d) It is probable that the economic benefits associated with the sale transaction will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the sale transaction can be measured reliably.

Revenue from a transaction involving the rendering of services is recognized when the outcome of that transaction can be measured reliably. In cases where the service transaction involves multiple years, revenue is recognized in each year by reference to the stage of completion of the transaction at the balance sheet date of that year. The outcome of a service transaction is determined when all four (4) of the following conditions are satisfied:

- (a) The revenue can be measured reliably;
- (b) It is probable that the economic benefits associated with the service transaction will flow to the Company;
- (c) The stage of completion at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the service transaction can be measured reliably.

Interest income

Interest income is recognized on an accrual basis, determined based on the balances of the deposit accounts and the applicable interest rates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17. OWNERS' EQUITY

Share capital is recognized based on the actual capital contributed by shareholders.

Net profit after corporate income tax is distributed to shareholders after allocating reserves according to the Company's Charter and legal regulations and is subject to approval by the General Meeting of Shareholders.

3.18. PROFIT APPROPRIATION

Net profit after tax is available for appropriation to shareholders after approval by the appropriate level of authority/in the Annual General Meeting and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds, which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

Investment and development fund

This fund is set aside to support the Company's operational expansion or strategic investments.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and is presented as a liability on the balance sheet.

3.19. BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss attributable to ordinary shareholders of the Company (after adjustments for the appropriation to the Bonus and Welfare Fund and the Board of Directors's bonus fund) by the weighted average number of ordinary shares outstanding during the year.

3.20. RELATED PARTIES

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operating decisions. Related parties include:

- Entities that control, or are controlled, directly or indirectly through one or more intermediaries, or are under common control with the Company, including parent companies, subsidiaries within the same group, joint ventures, jointly controlled entities, and associates;
- Individuals possessing, directly or indirectly, voting power in the reporting entity that gives them significant influence over the entity, key management personnel who have authority and responsibility for planning, managing, and controlling the activities of the Company, including close family members of such individuals;
- Entities in which the individuals mentioned above directly or indirectly hold voting power or over which they can exercise significant influence.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely the legal form.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.21. SEGMENT REPORTING

A segment report is a distinguishable component of the Company that is engaged in providing an individual product or service or a group of related products or services (business segment), or that is engaged in providing products or services within a particular economic environment (geographical segment) and that is subject to risks and returns that are different from those of other business segments.

4. CASH AND CASH EQUIVALENTS

	31/12/2025	01/01/2025
	VND	VND
- Cash on hand	12,534,767	268,272,997
- Cash at bank	31,924,952,286	7,017,523,458
Total	31,937,487,053	7,285,796,455

5. PREPAID EXPENSES

	31/12/2025	01/01/2025
	VND	VND
a) Short-term	-	995,790,133
- Repair expenses	-	694,598,313
- Transportation expenses	-	301,191,820
b) Long-term	19,730,826,758	21,434,271,266
- Land clearance costs (*)	14,378,621,178	16,006,389,613
- Overhaul of fixed assets	5,187,523,123	5,427,881,653
- Tools and supplies expenses	164,682,457	-
Total	19,730,826,758	22,430,061,399

(*) Includes land leveling and site clearance costs relating to leased land, which are amortized on a straight-line basis over 16 years, corresponding to the term of the land lease agreement.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

6. HELD-TO-MATURITY INVESTMENTS

	31/12/2025		01/01/2025	
	Cost	Book value	Cost	Book value
	VND	VND	VND	VND
- Term deposits (*)	804,674,492,000	804,674,492,000	424,123,068,493	424,123,068,493
Total	804,674,492,000	804,674,492,000	424,123,068,493	424,123,068,493

(*) As at 31 December 2025, held-to-maturity investments comprised term deposit contracts with maturities ranging from 4 months to 12 months placed with joint-stock commercial banks, bearing interest rates ranging from 0% per annum to 6.7% per annum (as at 1 January 2025: from 4.4% per annum to 5.5% per annum).

As at 31 December 2025, a 12-month term deposit amounting to VND 70 billion placed with Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch was pledged as collateral for the issuance of a guarantee letter to secure the Company's electricity payment obligations (as at 31 December 2024: VND 70 billion).

Term deposits with maturities ranging from 4 to 5 months amounting to USD 2,564,000 placed with Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch and a 4-month term deposit amounting to USD 1,100,000 placed with Vietnam Joint Stock Commercial Bank for Industry and Trade – Hanoi Branch were pledged as collateral for borrowings of the Company and its subsidiaries at these banks (as at 31 December 2024: USD 0).

7. SHORT-TERM TRADE RECEIVABLES

	31/12/2025		01/01/2025	
	Balance	Provision	Balance	Provision
	VND	VND	VND	VND
- K.S International	122,921,019,405	-	28,806,113,749	-
- ICL Specialty Products Inc	102,355,076,362	-	12,325,114,104	-
- Italmatch Chemicals S.P.A	21,028,492,800	-	41,209,632,000	-
- Yeoufa Chemical Co., Ltd	-	-	6,787,468,800	-
- Others	654,661,134	-	529,844,491	-
Total	246,959,249,701	-	89,658,173,144	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

8. OTHER RECEIVABLES

	31/12/2025		01/01/2025	
	Balance VND	Provision VND	Balance VND	Provision VND
a) Short-term				
- Interest income from bank deposits	15,145,226,351	-	10,019,616,996	-
- Others	14,956,493,151	-	9,959,005,263	-
	188,733,200	-	60,611,733	-
b) Long-term				
- Security deposits and collateral deposits	-	-	2,000,000,000	-
	-	-	2,000,000,000	-
Total	15,145,226,351	-	12,019,616,996	-

9. INVENTORIES

	31/12/2025		01/01/2025	
	Cost VND	Provision VND	Cost VND	Provision VND
- Raw materials	22,197,188,522	-	18,754,934,861	-
- Tools and supplies	538,000	-	12,731,184	-
- Finished goods	45,513,855,102	-	65,932,178,386	-
Total	67,711,581,624	-	84,699,844,431	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

10. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transport and transmission equipment	Office equipment and management tools	Total
	VND	VND	VND	VND	VND
COST					
01/01/2025	300,295,843,947	233,406,454,928	30,835,388,724	504,719,619	565,042,407,218
- Purchases during the year	-	849,958,000	1,509,259,259	-	2,359,217,259
- Construction in progress completed	5,246,052,080	451,014,780	-	-	5,697,066,860
31/12/2025	305,541,896,027	234,707,427,708	32,344,647,983	504,719,619	573,098,691,337
ACCUMULATED DEPRECIATION					
01/01/2025	(115,383,994,740)	(132,952,071,793)	(29,226,086,300)	(330,868,162)	(277,893,020,995)
- Depreciation during the year	(19,324,269,893)	(24,669,261,341)	(775,787,092)	(47,169,384)	(44,816,487,710)
31/12/2025	(134,708,264,633)	(157,621,333,134)	(30,001,873,392)	(378,037,546)	(322,709,508,705)
NET CARRYING AMOUNT					
01/01/2025	184,911,849,207	100,454,383,135	1,609,302,424	173,851,457	287,149,386,223
31/12/2025	170,833,631,394	77,086,094,574	2,342,774,591	126,682,073	250,389,182,632

As at 31 December 2025, the carrying amount of tangible fixed assets that had been fully depreciated but were still in use amounted to VND 27,998,301,989 (as at 1 January 2025: VND 27,998,301,989).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

11. CONSTRUCTION IN PROGRESS

	31/12/2025		01/01/2025	
	Cost	Recoverable amount	Cost	Recoverable amount
	VND	VND	VND	VND
- Overhaul of fixed assets	-	-	2,519,574,047	2,519,574,047
- Red Phosphorus Plant Project	64,036,000	64,036,000	64,036,000	64,036,000
Total	64,036,000	64,036,000	2,583,610,047	2,583,610,047

12. SHORT-TERM TRADE PAYABLES

	31/12/2025		01/01/2025	
	Balance	Amount expected to be settled	Balance	Amount expected to be settled
	VND	VND	VND	VND
- Duc Giang Lao Cai Chemicals Limited Company	313,330,233,132	313,330,233,132	161,592,955,397	161,592,955,397
- SBM Energy Service Joint Stock Company	13,717,361,448	13,717,361,448	11,013,336,180	11,013,336,180
- Others	12,881,873,954	12,881,873,954	16,491,313,571	16,491,313,571
Total	339,929,468,534	339,929,468,534	189,097,605,148	189,097,605,148
Short-term trade payables to related parties:	313,842,964,048	313,842,964,048	162,140,166,506	162,140,166,506

Details are presented in Note 30

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

13. TAXES AND AMOUNT PAYABLES TO/RECEIVABLES FROM THE STATE BUDGET

	01/01/2025	Payable during the year	Paid/offset during the year	31/12/2025
	VND	VND	VND	VND
Taxes and amount payables to the State budget				
- Value added tax for domestic sales	1,085,334,706	15,175,210,870	16,260,545,576	-
- Value added tax for imported goods	-	1,279,195,067	1,279,195,067	-
- Import and export tax	-	88,627,097,999	88,627,097,999	-
- Corporate income tax	1,382,755,936	29,148,088,989	21,177,702,039	9,353,142,886
- Others	-	3,000,000	3,000,000	-
Total	2,468,090,642	134,232,592,925	127,347,540,681	9,353,142,886

	01/01/2025	Payable during the year	Paid/offset during the year	31/12/2025
	VND	VND	VND	VND
Taxes and amount receivables to the State budget				
- Personal income tax	486,609,837	11,045,501,939	14,360,046,887	3,801,154,785
Total	486,609,837	11,045,501,939	14,360,046,887	3,801,154,785

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

14. OTHER SHORT-TERM PAYABLES

	31/12/2025		01/01/2025	
	Balance VND	Amount expected to be settled VND	Balance VND	Amount expected to be settled VND
- Trade union fund payable	693,192,632	693,192,632	393,202,803	393,202,803
- Dividends payable	250,000,000,000	250,000,000,000	-	-
- Others	210,000,000	210,000,000	210,000,000	210,000,000
Total	250,903,192,632	250,903,192,632	603,202,803	603,202,803
Other short-term payables to related parties:	169,304,210,000	169,304,210,000	-	-

Details are presented in Note 30

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

15. SHORT-TERM LOANS AND FINANCE LEASE OBLIGATIONS

Items	01/01/2025		During the year		31/12/2025	
	Balance	Increase	Decrease	Unrealized foreign exchange differences	Balance	
	VND	VND	VND	VND	VND	VND
- Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch (VND) (1)	71,696,983,058	12,257,604,960	71,696,983,058	-	12,257,604,960	
- Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch (USD) (1)	13,061,502,575	234,834,037,099	142,362,766,661	112,398,202	105,645,171,215	
- Vietnam International Commercial Joint Stock Bank	-	500,000,000	500,000,000	-	-	
- Asia Commercial Joint Stock Bank – Hoang Cau Branch (USD) (2)	-	144,030,554,741	105,253,114,238	42,170,691	38,819,611,194	
- Vietnam Joint Stock Commercial Bank for Industry and Trade – Ha Noi City Branch	-	18,019,317,834	-	-	18,019,317,834	
Total	84,758,485,633	409,641,514,634	319,812,863,957	154,568,893	174,741,705,203	

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

15. SHORT-TERM LOANS AND FINANCE LEASE OBLIGATIONS (CONT'D)

Details of loans outstanding as at 31 December 2025 are as follows:

No	Lender	Credit facility limit	Repayment term	Purpose	Annual interest rate	Collateral
1	Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch	VND 200 billion, including VND and equivalent foreign currencies	Not exceeding 6 months from the disbursement date	Working capital supplementation	0.75 - 3.0%	- Loan guarantee letter from Duc Giang Lao Cai Chemicals One Member Company Limited (parent company) with a maximum value of VND 200 billion; - Loan guarantee letter from Duc Giang Chemicals Group Joint Stock Company (indirect parent company) with a maximum value of VND 200 billion; - USD term deposit agreement
2	Asia Commercial Joint Stock Bank – Hoang Cau Branch	VND 200 billion or the USD equivalent	Not exceeding 6 months from the disbursement date	Working capital supplementation	3.0 - 3.05%	Guarantee agreement from Duc Giang Chemicals Group Joint Stock Company for all arising loans
3	Vietnam Joint Stock Commercial Bank for Industry and Trade – Hanoi City Branch	VND 300 billion or the USD equivalent	Not exceeding 6 months from the disbursement date	Working capital supplementation	0.75%	USD term deposit agreement

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

16. OWNERS' EQUITY

16.1. RECONCILIATION OF CHANGES IN EQUITY

	Owners' contributed capital VND	Investment and development fund VND	Retained earnings VND	Total VND
01/01/2024	250,000,000,000	209,414,785,539	60,591,664,584	520,006,450,123
- Net profit for the year	-	-	264,941,353,122	264,941,353,122
- Profit distribution during the year	-	19,364,563,107	235,591,664,584	216,227,101,477
+ Appropriation to investment and development fund	-	19,364,563,107	19,364,563,107	-
+ Appropriation to bonus and welfare fund	-	-	16,227,101,477	16,227,101,477
+ Dividend for 2023	-	-	25,000,000,000	25,000,000,000
+ Interim dividend for 2024	-	-	175,000,000,000	175,000,000,000
31/12/2024	250,000,000,000	228,779,348,646	89,941,353,122	568,720,701,768
01/01/2025	250,000,000,000	228,779,348,646	89,941,353,122	568,720,701,768
- Net profit for the year	-	-	343,213,331,055	343,213,331,055
- Profit distribution during the year (*)	-	13,953,774,755	339,941,353,122	325,987,578,367
+ Appropriation to investment and development fund	-	13,953,774,755	13,953,774,755	-
+ Appropriation to bonus and welfare fund	-	-	13,487,578,367	13,487,578,367
+ Dividend for 2024	-	-	62,500,000,000	62,500,000,000
+ Interim dividend for 2025	-	-	250,000,000,000	250,000,000,000
31/12/2025	250,000,000,000	242,733,123,401	93,213,331,055	585,946,454,456

(*) The Company appropriated the development investment fund, bonus and welfare fund, and declared cash dividends in respect of 2024 in accordance with Resolution No. 01/2025/NQ-DHDCD of the Annual General Meeting of Shareholders dated 27 March 2025. The Company also declared an interim cash dividend for 2025 in accordance with Board of Management Resolution No. 08/2025/NQ-HDQT dated 9 December 2025, approving the record date for determining shareholders entitled to receive the interim cash dividend for 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

16. OWNERS' EQUITY (CONT'D)

16.2. DETAILS OF SHARE CAPITAL CONTRIBUTED BY SHAREHOLDERS

	31/12/2025		01/01/2025	
	Balance VND	Ratio %	Balance VND	Ratio %
- Duc Giang Lao Cai Chemicals Limited Company	127,504,220,000	51.00%	127,504,220,000	51.00%
- Mr. Dao Huu Duy Anh	22,583,330,000	9.03%	22,583,330,000	9.03%
- Mr. Dao Huu Huyen	19,216,660,000	7.69%	19,216,660,000	7.69%
- Other shareholders	80,695,790,000	32.28%	80,695,790,000	32.28%
Total	250,000,000,000	100.00%	250,000,000,000	100.00%

16.3. CAPITAL TRANSACTIONS WITH SHAREHOLDERS AND DIVIDEND DISTRIBUTIONS

	Year 2025 VND	Year 2024 VND
Owners' capital		
+ Capital contribution at beginning of the year	250,000,000,000	250,000,000,000
+ Capital contribution at end of the year	250,000,000,000	250,000,000,000
- Profits, dividends shared	312,500,000,000	200,000,000,000

16.4. SHARES

	31/12/2025 Share	01/01/2025 Share
Number of shares registered	25,000,000	25,000,000
Number of shares issued	25,000,000	25,000,000
+ <i>Ordinary shares</i>	25,000,000	25,000,000
Number of existing shares in circulation	25,000,000	25,000,169
+ <i>Ordinary shares</i>	25,000,000	25,000,169
<i>Par value (VND/share)</i>	10,000	10,000

17. BONUS AND WELFARE FUND

	Year 2025 VND	Year 2024 VND
Beginning of the year	69,859,150,197	61,510,769,320
- Appropriation during the year	13,487,578,367	16,227,101,477
- Utilisation during the year	20,722,348,042	7,878,720,600
End of the year	62,624,380,522	69,859,150,197

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

18. OFF BALANCE SHEET ITEMS

Foreign currencies

	<u>31/12/2025</u>	<u>01/01/2025</u>
- Dollar (USD)	1,054,098.56	10,568.15
- Euro (EUR)	61.35	72.26

19. REVENUE FROM SALES OF GOODS

	<u>Year 2025</u>	<u>Year 2024</u>
	<u>VND</u>	<u>VND</u>
- Revenue from sale of finished goods	1,855,382,926,040	1,633,058,959,907
- Revenue from sale of merchandises	68,002,872,842	88,376,570,919
Total	<u>1,923,385,798,882</u>	<u>1,721,435,530,826</u>

20. COST OF GOODS SOLD

	<u>Year 2025</u>	<u>Year 2024</u>
	<u>VND</u>	<u>VND</u>
- Cost of finished goods sold	1,421,381,969,441	1,270,590,991,227
- Cost of merchandises sold	62,554,408,814	87,635,185,113
Total	<u>1,483,936,378,255</u>	<u>1,358,226,176,340</u>

21. FINANCIAL INCOME

	<u>Year 2025</u>	<u>Year 2024</u>
	<u>VND</u>	<u>VND</u>
- Interest income from bank deposits, loans	23,781,762,553	23,296,929,085
- Foreign exchange gains arisen from revaluation of monetary accounts	-	322,395,218
- Realised foreign exchange gains	23,802,282,673	25,691,176,147
Total	<u>47,584,045,226</u>	<u>49,310,500,450</u>

22. FINANCIAL EXPENSES

	<u>Year 2025</u>	<u>Year 2024</u>
	<u>VND</u>	<u>VND</u>
- Realised foreign exchange losses	9,492,831,218	14,679,660,928
- Foreign exchange losses arisen from revaluation of monetary accounts	1,938,116,790	-
- Interest expenses	3,125,120,930	4,308,464,193
Total	<u>14,556,068,938</u>	<u>18,988,125,121</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

23. SELLING EXPENSES

	Year 2025 VND	Year 2024 VND
- Commission expenses	6,437,935,680	23,991,015,208
- Transportation expenses	66,866,270,218	67,712,599,838
- Other cash expenses	8,846,917,486	7,175,285,275
Total	82,151,123,384	98,878,900,321

24. GENERAL AND ADMINISTRATIVE EXPENSES

	Year 2025 VND	Year 2024 VND
- Labor expenses	11,307,366,425	10,359,716,543
- Depreciation of fixed assets	2,365,633,908	2,365,633,908
- Outsource service expenses	2,311,461,493	2,458,587,667
- Other cash expenses	2,175,715,701	310,709,749
Total	18,160,177,527	15,494,647,867

25. OPERATING EXPENSES BY NATURE

	Year 2025 VND	Year 2024 VND
- Labor expenses	93,466,863,994	78,001,069,231
- Raw materials	852,215,903,813	757,174,670,195
- Depreciation of fixed assets	44,816,487,710	47,106,427,938
- Outsource services	501,862,549,619	491,656,831,873
- Other cash expenses	8,913,141,932	7,442,344,567
Total	1,501,274,947,068	1,381,381,343,804

26. CURRENT CORPORATE INCOME TAX EXPENSE

	Year 2025 VND	Year 2024 VND
Accounting profit before tax	372,361,420,044	279,158,181,627
Non-deductible expenses	4,816,290,964	1,232,582,225
- Other non-deductible expenses	4,816,290,964	1,232,582,225
Total taxable income	377,177,711,008	280,390,763,852
Current CIT rate	20%	20%
Estimated CIT payable	75,435,542,202	56,078,152,770
Tax incentives, exemptions or reductions (*)	(53,082,399,316)	(41,861,324,265)
CIT adjustment of previous years (**)	6,794,946,103	-
Current corporate income tax expense	29,148,088,989	14,216,828,505

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

26. CURRENT CORPORATE INCOME TAX EXPENSE (CONT'D)

(*) The Company's yellow phosphorus production project is entitled to a preferential corporate income tax rate of 10% for a period of 15 years from the commencement of operations of the project (from 2018 to 2032). The project is exempt from corporate income tax for 4 years from the first year in which taxable income is generated (from 2018 to 2021) and is entitled to a 50% reduction of the corporate income tax payable for the following 9 years (from 2022 to 2030).

(**) During the year, the Company recognized an additional current corporate income tax expense of VND 6,794,946,103 relating to corporate income tax obligations of prior years.

27. BASIC EARNINGS PER SHARE

	<u>Year 2025</u>	<u>Year 2024</u>
Profit or loss attributable to ordinary equity holders (VND)	343,213,331,055	264,941,353,122
Appropriation to bonus and welfare fund (VND) (*)	20,592,799,863	13,487,578,367
Weighted average number of ordinary shares in circulation (shares)	25,000,000	25,000,000
Basic earnings per share (VND/share) (**)	12,905	10,058

(*) The bonus and welfare fund for 2025 has been provisionally appropriated based on the appropriation rate applied in 2024.

(**) Basic earnings per share for 2024 have been restated as a result of the Company's appropriation to the bonus and welfare fund in accordance with Resolution No. 01/2025/NQ-DHDCD of the Annual General Meeting of Shareholders dated 27 March 2025.

28. DILUTED EARNINGS PER SHARE

The Board of Management of the Company assesses that there are no instruments with a potential dilutive effect on earnings per share in the foreseeable future. Accordingly, diluted earnings per share are equal to basic earnings per share.

29. SEGMENT REPORTING

29.1. PRIMARY SEGMENT REPORTING (BUSINESS SEGMENT)

During the financial year ended 31 December 2025, revenue from the sale of finished goods (primarily yellow phosphorus) accounted for 96.5% of the Company's total revenue (2024: 94.8%). Accordingly, the Company does not present segment information by business activity.

29.2. SECONDARY SEGMENT REPORTING (GEOGRAPHICAL SEGMENT)

Year 2025	<u>Domestic VND</u>	<u>Foreign VND</u>	<u>Total VND</u>
Net revenue from sales of goods and rendering of services	185,052,133,613	1,738,333,665,269	1,923,385,798,882
Total segment assets at year-end (unallocated)	(*)	(*)	1,444,311,226,471
Total capital expenditure incurred for the acquisition of fixed assets (unallocated)	(*)	(*)	8,056,284,119

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

29. SEGMENT REPORTING (CONT'D)

29.2. SECONDARY SEGMENT REPORTING (GEOGRAPHICAL SEGMENT) (CONT'D)

Year 2024	Domestic VND	Foreign VND	Total VND
Net revenue from sales of goods and rendering of services	348,690,985,718	1,372,744,545,108	1,721,435,530,826
Total segment assets at year-end (unallocated)	(*)	(*)	932,617,787,977
Total capital expenditure incurred for the acquisition of fixed assets (unallocated)	(*)	(*)	834,981,048

(*) The Company does not present segment assets and liabilities by geographical area because it operates solely within a single geographical area, namely the territory of Vietnam, and does not monitor assets and liabilities based on the location of its customers.

30. OTHER INFORMATION

30.1. RELATED PARTY TRANSACTIONS

List of related parties

Related parties that are individuals

During the financial year ended 31 December 2025, members of the Board of Directors, the Board of Supervisors, the Board of Directors, the Chief Accountant, and their close family members were identified as related parties of the Company.

Related parties that are entities

During the financial year ended 31 December 2025, the Company's related corporate entities were as follows:

STT	Related parties	Relationship
1	Duc Giang Chemicals Group Joint Stock Company	Ultimate parent company
2	Duc Giang Lao Cai Chemicals Limited Company	Parent company
3	Duc Giang Dinh Vu Chemicals Limited Company	Fellow subsidiary
4	Duc Giang Nghi Son Chemicals Limited Company	Fellow subsidiary
5	Duc Giang Chemicals Sport One Member Co., Ltd	Fellow subsidiary
6	Duc Giang Land One Member Co., Ltd	Fellow subsidiary
7	Duc Giang - Dak Nong Chemicals Limited Company	Fellow subsidiary
8	Tiasang battery Joint Stock Company	Fellow subsidiary
9	Van Minh Co., Ltd.	Under common control of the Company's Chairman

Balances with related parties

	31/12/2025 VND	01/01/2025 VND
Trade payables to related parties	313,842,964,048	162,140,166,506
- Duc Giang Chemicals Group Joint Stock Company	512,730,916	460,268,509
- Van Minh Co., Ltd.	-	86,942,600
- Duc Giang Lao Cai Chemicals Limited Company	313,330,233,132	161,592,955,397

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

30. OTHER INFORMATION (CONT'D)

30.1. RELATED PARTY TRANSACTIONS (CONT'D)

Balances with related parties (cont'd)

	31/12/2025	01/01/2025
	VND	VND
Dividends payable	169,304,210,000	-
- Duc Giang Lao Cai Chemicals Limited Company	127,504,220,000	-
- Mr. Dao Huu Huyen	22,583,330,000	-
- Mr. Dao Huu Duy Anh	19,216,660,000	-

Transactions with related parties

	Year 2025	Year 2024
	VND	VND
Sales of goods and rendering of services	167,770,168,906	315,537,420,511
- Duc Giang Chemicals Group Joint Stock Company	752,462,000	1,245,151,200
- Duc Giang Lao Cai Chemicals Limited Company	163,724,373,406	313,003,697,821
- Van Minh Co., Ltd.	19,220,000	-
- Duc Giang - Dak Nong Chemicals Limited Company	3,274,113,500	1,288,571,490
Purchase of goods and services	756,058,348,642	539,301,923,577
- Duc Giang Chemicals Group Joint Stock Company	5,991,919,593	5,312,201,638
- Van Minh Co., Ltd.	203,695,117	362,695,605
- Duc Giang Lao Cai Chemicals Limited Company	749,862,733,932	533,621,926,334
- Tiasang Battery Joint Stock Company	-	5,100,000
Dividend distribution	211,630,262,500	135,443,368,000
- Duc Giang Chemicals Group Joint Stock Company	159,380,275,000	102,003,376,000
- Mr. Dao Huu Huyen	24,020,825,000	15,373,328,000
- Mr. Dao Huu Duy Anh	28,229,162,500	18,066,664,000
Dividend payment	42,326,052,500	287,817,157,000
- Duc Giang Lao Cai Chemicals Limited Company	31,876,055,000	216,757,174,000
- Mr. Dao Huu Huyen	4,804,165,000	32,668,322,000
- Mr. Dao Huu Duy Anh	5,645,832,500	38,391,661,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

30. OTHER INFORMATION (CONT'D)

30.1. RELATED PARTY TRANSACTIONS (CONT'D)

Compensation of Key Management Personnel

	Position	Year 2025 VND	Year 2024 VND
Mr. Dao Huu Huyen	Chairman of the BOD	96,000,000	96,000,000
Mr. Dao Huu Duy Anh	Member of the BOD	84,000,000	84,000,000
Mr. Pham Van Hung	Member of the BOD/Director	2,480,863,275	2,132,935,230
Mr. Pham Van Hung	Member of the BOD	84,000,000	84,000,000
Mr. Vuong Quoc Hung	Member of the BOD (until 27 March 2025)	21,000,000	84,000,000
Mr. Vuong Duyen Hai	Member of the BOD (from 27 March 2025)	63,000,000	-
Ms. Pham Thi Bich Phuong	Chief Accountant	735,017,731	920,573,678
Ms. Pham Thi Bich	Head of the BOS	72,000,000	72,000,000
Mr. Tran Van Cuong	Member of the BOS	505,750,561	448,373,294
Mr. Pho Duc Tung	Member of the BOS	48,000,000	48,000,000

30.2. CONTINGENT LIABILITIES

Restoration obligations for leased land

The Company has entered into land lease contracts and has completed the construction of structures and infrastructure on these leased land plots. These lease contracts do not contain provisions regarding the obligation to restore the leased land. Accordingly, the Board of Management assesses that the Company may have future obligations related to the dismantling and removal of the Company's assets from the land and restoring the land to its original condition at the end of the lease term. Such obligations can only be clearly determined upon the occurrence of future events, such as additional discussions with the lessors or the issuance of supplementary legal documents by authorities clarifying the lessee's obligations when the lease contract lacks a restoration clause. Therefore, the Company has not recognized a provision for restoration costs in the financial statements for the financial year ended 31 December 2025.

30.3. OPERATING LEASE COMMITMENTS

Operating lease commitments represent the Company's land lease payments. The Company is required to make minimum payments under non-cancellable operating lease contracts in the future as follows:

	31/12/2025	01/01/2025
- Up to 1 year	54,974,172	-
- Over 1 - 5 years	1,782,224,374	767,570,379
- Over 5 years	1,924,199,508	3,450,809,825
Total	3,761,398,055	4,218,380,204

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

30. OTHER INFORMATION (CONT'D)

30.4. EVENTS AFTER THE REPORTING PERIOD

On 17 March 2026, the parent company – Duc Giang Chemicals Group Joint Stock Company (the “Group”) announced that the authorities had prosecuted a case related to violations of accounting regulations occurring at the Group and its related entities. Accordingly, several former key leaders of Viet Nam Apatite - Phosphorus Joint Stock Company (including the Chairman, Member of the Board of Directors, Director, and Chief Accountant) have been prosecuted and are currently assisting in the investigation.

At the date of preparing these financial statements, as the case is still under investigation and there is no official conclusion from the competent authorities, the Board of Management does not have sufficient grounds to fully assess the financial impact of this event. The Company will continue to monitor and update official information as it becomes available and will consider recognition or additional disclosure (if necessary) in accordance with current regulations.

30.5. COMPARATIVE FIGURES

Comparative figures are those presented in the financial statements for the financial year ended 31 December 2024 of Viet Nam Apatite - Phosphorus Joint Stock Company, which were audited by another auditing firm.

Lao Cai, 20 June 2026

Preparer

Vu Tu Quynh Nga

Chief Accountant

Pham Thi Thu Loan

Director



Nguyen Van Tuan

