

ANNUAL REPORT**YEAR 2025****I. REPORT OF THE BOARD OF DIRECTORS****1. Company Activities**

The Board of Directors oversees and manages the implementation by the General Director in accordance with the Company's charter, resolutions of the General Meeting of Shareholders, resolutions of the Board of Directors, and the working regulations of the Board of Directors and the General Director.

2. Difficulties in Implementing the 2025 Plan Targets

In 2025, the global and domestic economies in general faced many difficulties that negatively affected production and business units. The company continued to face pressure to pay overdue debts, obsolete machinery, and lack of capital for production.

3. Assessment of Production and Business Results

In 2025, the Company continued to suspend production, and revenue only came from business cooperation contracts with partners.

The 2025 business results are as follows:

Content	Work, Products	Value (VND)
Revenue from providing services	Leasing production lines, office buildings, warehouses	1,171,321,818

4. General Assessment

In 2025, the Board of Directors and the Management Board made great efforts to find business directions suitable to the current situation. However, due to the heavy impact and influence of the general economic market, along with the large financial backlog and lack of capital for operations, coupled with prolonged production stagnation, the Company's situation has not improved.

5. Plans, Directions, and Tasks for 2026

Recognizing that the actual situation and difficulties of the Enterprise in 2025 will continue in 2026, the Board of Directors has set out the direction for the company's operations in 2026, which is to continue implementing cooperation contracts with partners, maintaining the most streamlined management apparatus of the Enterprise, in accordance with the current reality of the Company.

II. REPORT OF THE MANAGEMENT BOARD

1. General Assessment

Currently, the Company is still suspending cement production due to damaged machinery and equipment. There is no working capital for production; the amount of overdue bank debt and interest is very large, but the Company does not have the resources to repay. The Company does not have the conditions to continue borrowing from banks or raise capital from other sources.

The large losses and financial backlog have led to financial imbalance, making it impossible to recover capital.

Efforts to expedite debt collection still face many difficulties, especially with customers who are sales staff of the Company who took goods to sell. Although the Company has taken many measures and received assistance from the Investigation Agency of the Corps and the Inspectorate, they deliberately delayed payment, disregarded the organization, and did not cooperate in payment. Many major creditors have gone bankrupt, absconded without a clear address, and are no longer able to recover debts.

2. Assessment of Operations and Production in 2025

Revenue in 2025 only reached 1,171,321,818 VND. The reason is that in 2025, the Company stopped production, so there was no revenue from product sales, only revenue from business cooperation activities.

III. PRODUCTION AND BUSINESS PLAN FOR 2026

Maintain a lean apparatus, minimize costs, in line with the current reality of the Company.

IV. FINANCIAL STATEMENTS FOR 2025

1. Financial Situation in 2025

BALANCE SHEET

As of December 31, 2025

Unit: VND

ASSETS	Code	Note	End of Year	Beginning of Year
A. SHORT-TERM ASSETS	100		3,172,792,608	3,108,613,822
I. Cash and Cash Equivalents	110		237,577,069	40,821,152
1. Cash	111	V.1	237,577,069	40,821,152
II. Short-term Receivables	130		22,500,000	21,600,000
1. Short-term receivables from customers	131	V.2a	8,967,559,344	8,967,559,344
2. Prepayments to short-term sellers	132		396,016,192	395,116,192
3. Other short-term receivables	136	V.3a	6,841,947,470	6,841,947,470
4. Provision for doubtful short-term debts	137	V.4a	(16,183,023,006)	(16,183,023,006)
III. Inventory	140		2,853,217,234	2,936,798,521
1. Inventory	141	V.5	2,853,217,234	2,936,798,521
IV. Other Short-term Assets	150		59,498,305	109,394,149
1. Deductible VAT	152		59,498,305	109,394,149
B. LONG-TERM ASSETS	200		2,618,343,556	3,998,117,537
I. Long-term Receivables	210		61,950,000	61,950,000
1. Long-term receivables from customers	211	V.2b	1,619,387,931	1,619,387,931
2. Other long-term receivables	216	V.3b	61,950,000	61,950,000
3. Provision for doubtful long-term debts	219	V.4b	(1,619,387,931)	(1,619,387,931)
II. Fixed Assets	220		2,415,696,629	3,653,873,046
1. Tangible Fixed Assets	221	V.6	2,415,696,629	3,653,873,046
Original Cost	222		153,866,363,455	153,866,363,455
Accumulated Depreciation	223		(151,450,666,826)	(150,212,490,409)
2. Intangible Fixed Assets	227	V.7		
Original Cost	228			
Accumulated Depreciation	229		367,987,883	367,987,883
			(367,987,883)	(367,987,883)
III. Other Long-term Assets	260		140,696,927	282,294,491
1. Prepaid long-term expenses	261	V.8	140,696,927	282,294,491
TOTAL ASSETS	270		5,791,136,164	7,106,731,359

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INCOME STATEMENT

For the financial year ended December 31, 2025

Unit: VND

ITEM	Code	Note	This Year	Previous Year
1. Revenue from sales and service provision	01	VI.1	1,171,321,818	1,558,535,547
2. Deductions from revenue	02		-	-
3. Net revenue from sales and service provision	10		1,171,321,818	1,558,535,547
4. Cost of goods sold	11	VI.2	1,706,663,840	1,980,196,836
5. Gross profit from sales and service provision	20		(535,342,022)	(421,661,289)
6. Revenue from financial activities	21		32,144	44,149
7. Financial expenses	22		-	-
Including: Interest expense	23		-	-
8. Selling expenses	25		-	-
9. General and administrative expenses	26	VI.3	815,131,724	757,128,105
10. Net profit from business activities	30		(1,350,441,602)	(1,178,745,245)
11. Other income	31	VI.4	-	1,388,489,906
12. Other expenses	32	VI.5	1,008	263,768,704
13. Other profit	40		(1,008)	1,124,721,202
14. Total accounting profit before tax	50		(1,350,442,610)	(54,024,043)
15. Current corporate income tax expenses	51	VI.6	-	-
16. Net profit after corporate income tax	60		(1,350,442,610)	(54,024,043)
17. Basic earnings per share	70	VI.7	(1.007)	(40)
18. Diluted earnings per share	71	VI.7	(1.007)	(40)

V. EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS AND AUDIT REPORT

1. Independent Audit

1.1. Auditing Unit:

Currently, the Company is hiring an independent auditing unit, the International Auditing Company Limited, to conduct the audit of the financial statements for 2025.

1.2. Auditor's Opinion:

Basis of the Qualified Audit Opinion

Basis for Qualified Audit Opinion We did not attend the inventory count of the Company's inventory as of December 31, 2025, with a value of VND 2,853,217,234. With the documents available and through alternative audit procedures, we were unable to obtain sufficient appropriate audit evidence regarding the existence of this item as of January 01, 2025, and December 31, 2025. At the same time, the Company has not yet assessed the net realizable value of the inventory. Therefore, we cannot determine whether adjustments to these figures are necessary or not.

As of January 01, 2025, the Company has not recorded interest expenses and late payment fees of the Bank for Investment and Development of Vietnam - Ha Nam Branch of VND 98,972,181,292. If the Company fully records these interest expenses in accordance with current accounting regulations, the item "Accrued expenses" on the Balance Sheet as of January 01, 2025, will increase by VND 98,972,181,292, and the item "Undistributed profit after tax" will decrease by the corresponding amount.

In 2025, the Company has not recorded interest expenses arising from the loan from the Bank for Investment and Development of Vietnam - Ha Nam Branch of VND 7,079,002,347. If the Company fully records these interest expenses in accordance with current accounting regulations, the item "Accrued expenses" on the Balance Sheet as of December 31, 2025, will increase by VND 7,079,002,347, and the item "Undistributed profit after tax" will decrease by the corresponding amount. At the same time, on the Income Statement, the item "Financial expenses" will increase by VND 7,079,002,347, and the item "Net profit after corporate income tax" will decrease by the corresponding amount.

As presented in Note II of the Notes to the Financial Statements, as of December 31, 2025, the Company's short-term liabilities exceeded short-term assets by VND 195,302,941,793 (as of January 01, 2025, it was VND 195,332,273,164); as of December 31, 2025, the Company's accumulated losses exceeded owner's equity by VND 192,684,589,237 (as of January 01, 2025, it was VND 191,334,155,627), and accounts payable were overdue. These factors raise doubts about the Company's ability to continue operating. The Company's ability to continue operating depends on the plan to recover receivables, financial support from shareholders, and creditors. We were unable to obtain sufficient appropriate audit evidence regarding these operating plans.

Qualified opinion

Qualified Audit Opinion In our opinion, except for the effects of the matters described in the "Basis for Qualified Audit Opinion" section, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, as well as its business results and cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Enterprise Accounting System, and relevant legal regulations on the preparation and presentation of financial statements.

2. Internal Audit

Currently, Thanh An 77 Joint Stock Company has not established an internal audit department and is in the process of developing an internal control system.

VI. INFORMATION ON COMPANY MANAGEMENT

1. Corporate Governance:

The Board of Directors and Supervisory Board of Thanh An 77 Joint Stock Company include:

- Board of Directors: 5 members
- Supervisory Board: 3 members

1.1. The Board of Directors has performed its duties through the following tasks:

- In 2025, several meetings were held to implement the resolutions of the General Meeting of Shareholders.
- Prepared the Board of Directors' report, prepared the 2025 production and business plan, and submitted it to the General Meeting of Shareholders in 2025.
- Organized the Annual General Meeting of Shareholders in 2025.

1.2. The Supervisory Board of the Company performed the following activities:

- Participated in meetings of the Board of Directors.
- Controlled the Company's receipts and expenditures, and inspected the rationality and validity of accounting documents and books in accordance with the regulations of the Ministry of Finance and accounting standards.
- Monitored shareholder opinions through information channels.
- Reviewed the financial statements of the audit organization.
- Supervised the operations of the Board of Directors, the Management Board, and the management apparatus in implementing the resolutions of the General Meeting of Shareholders.

2. Remuneration, other benefits, and expenses for members of the Board of Directors and members of the Supervisory Board:

In 2025, remuneration was paid to members of the Board of Directors and members of the Supervisory Board as follows:

- Remuneration of the Board of Directors members = 0 VND

- Remuneration of the 3 Supervisory Board members = 0 VND
- Total: 0 VND

THANH AN 77 JOINT STOCK COMPANY



Nguyễn Châu Phương
TỔNG GIÁM ĐỐC

