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## CHAPTER I: GENERAL INFORMATION

### I. CHAIRPERSON'S MESSAGE

Dear shareholders, investors, customers, partners and employees of the company,

2025 concluded against the backdrop of a global economy striving to establish a new order after geopolitical rifts and disruptions in global supply chains. Unlike the previous period of significant volatility, the market witnessed profound differentiation across regions, where persistent inflationary pressures and high energy costs posed direct challenges to the pricing of agricultural inputs. In particular, the domestic fertilizer industry entered a pivotal phase with the official implementation of the 5% VAT policy, coupled with pressure from climate change and a strong shift towards green agriculture. These contemporary factors fundamentally altered the structure of fertilizer and pesticide consumption demand, placing considerable pressure on business performance throughout the past year.

In this context, the Management and Human Resources team made every effort to steer QBS through the turbulent waters of the market. Although net sales experienced a sharp decline, reflecting the harsh realities of the restructuring phase, the company achieved significant progress in tightening financial discipline. Aggressive optimization of the organizational structure resulted in a substantial reduction in business management costs to VND 78.2 billion, thereby narrowing the after-tax loss to VND 78.3 billion. This result not only demonstrates the resilience of the system but also proves the determination to bring the business to a lean operating state, ready for longer-term growth.

In the following years, the company will continue its journey of repositioning its corporate value through a substantial restructuring of its business operations. We strive to focus on developing fertilizer trading based on product lines with stable profit margins, while proactively researching, investing in, and expanding into new industries aligned with sustainable economic trends.

Quang Binh Import and Export Joint Stock Company would like to express our sincere thanks to all share-holders, investors, customers, partners and individuals who have accompanied us throughout the challenging period. We believe that your support is a tremendous source of strength that helps the company overcome challenging times and motivates us to continue our journeys even further in the future.

Best regards,

O/B the Board of Directors  
Chairperson   
  
TRAN THI YEN CHI



## II. VISION, MISSION, CORE VALUES

### General introduction

Quang Binh Import-Export Joint Stock Company affirms its position as a reputable domestic distributor, playing a strategic role as a bridge between leading fertilizer manufacturers and farmers nationwide. Through its professional supply system, the company is committed to providing optimal agricultural input solutions, contributing to increased productivity and value for Vietnam's agricultural production chain.

### Vision

To become a leading enterprise in the production and supply of fertilizers, chemicals and agricultural materials in Vietnam.

### Mission

Quang Binh is committed to providing high quality products and services to serve the development of sustainable agriculture in Vietnam.

### Core values

*Best quality:* We always make every effort to deliver products and services with the best quality within the stipulated time;

*Integrity:* Always strive to gain the trust of all partners and customers, create trust in the community;

*Professional:* Standardize all activities to serve customers most effectively and improve business efficiency;

*Innovate:* Always innovate and be creative in work and technology to bring the best products and services to customers;

*Caring:* We always take care of customers wholeheartedly and thoughtfully so that customers are always satisfied with the products and services we provide.

## III. COMPANY'S OVERVIEW

- Vietnamese's name: Công ty Cổ phần Xuất nhập khẩu Quảng Bình
- English's name: Quang Binh Import And Export Joint Stock Company
- Abbreviation: Quang Binh JSC
- Business Registration Certificate No. 0200730878 was initially issued by the Hai Phong Department of Planning and Investment on March 12, 2007, amended for the 33rd time on July 23, 2025.
- Charter capital: 693,299,280,000 VND
- Headquarter: No. 23, Lot 1, Area 97 Bach Dang, Hong Bang Ward, Hai Phong City
- Telephone: (84.225)626 3333
- Fax: (84.225)353 3679
- Website: <https://quangbinhjsc.com.vn/>

- Securities code: QBS

#### **IV. ESTABLISHMENT AND DEVELOPMENT PROCESS**

- 2007: Quang Binh Import and Export Joint Stock Company was established with an initial charter capital of 1 billion VND, on the basis of separation from Hao My Joint Stock Company - a company with over 30 years of experience in domestic trading of fertilizers, chemicals and agricultural products..
- 2010: Through 2 rounds of issuing shares to existing shareholders, the Company increased its charter capital to 9.9 billion VND.
- 2011: Increased charter capital from 9.9 billion VND to 20 billion VND.
- 2012: Increased charter capital from VND 20 billion to VND 56 billion. Expanded business fields and lines to bonded warehouse services, receiving transportation, customs clearance of import-export and re-export goods. At the same time, opened 01 more representative office in Quang Ninh and 01 branch in Ta Lung border gate economic zone, Cao Bang province.
- 2013: Put into operation the NPK and phosphate fertilizer factory with the brand name Dinh Vu NPK and Dinh Vu phosphate in Cong Chanh village, Dong Son commune, Thuy Nguyen district, Hai Phong city.
- 2014: Charter capital was increased to 320 billion VND through issuing shares to existing shareholders. On November 13, 2014, the Company's shares were listed on the HOSE with stock code: QBS.
- 2015: Inauguration of the Barite Factory in Savannakhet - Laos, invested by the Company. By August 2015, the first batch of finished products was exported to the US market. In December 2015, QBS increased its charter capital to nearly 640 billion VND through public offering of shares.
- 2016: Investing in the construction of Quang Binh - Dinh Vu ICD. Raising charter capital to over 693 billion VND through issuing shares to strategic shareholders.
- 2017: Established a comprehensive strategic joint venture in the logistics sector with Tan Cang Song Than ICD Joint Stock Company and signed a Joint Venture Contract to build and operate cold storage in Song Than Industrial Park, Binh Duong Province. Signed a joint venture cooperation with Transworld GLS Vietnam Co., Ltd. to establish Transworld QBV ICD Joint Stock Company. In which, Quang Binh contributed 40% of the capital to establish the Company.
- 2022: Completing divestment at Quang Binh - Dinh Vu ICD Joint Stock Company.

#### **V. AWARDS**

- 2009:
  - + Outstanding Export Enterprise Achievement 2009.
  - + Outstanding Export Enterprise Leader 2009.



- 2010: Excellent emulation unit in 2010 of Hai Phong City People's Committee.
- 2011:
  - + Excellent emulation unit in 2011 of Hai Phong City People's Committee.
  - + Certificate of Merit for Director Nguyen Thi Thanh Huong for her excellent performance in the 2010-2011 work year from the City People's Committee.
  - + Certificate of Top 100 Trusted Suppliers in Vietnam in 2011 issued by Vietnam Enterprise Institute.

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- + Building businesses and social support movements in 2011.
  - + Certificate of Merit to General Director Nguyen Thi Thanh Huong for her outstanding achievements in building the Thuy Nguyen Business Association and the 2011 support movement, issued by the People's Committee of Thuy Nguyen district.
- 2012:
  - + Excellent labor collective in 2012 of Hai Phong City People's Committee.
  - + Certificate of Merit for achievements in tax collection and payment before due date in 2012 issued by Hai Phong Customs Department.
  - + Certificate of Merit for good implementation of tax law policies in 2012 from the General Department of Taxation.
  - + Certificate of Merit for General Director Nguyen Thi Thanh Huong for her excellent achievements in directing production and business, and implementing state budget payment in 2012 from the People's Committee of Thuy Nguyen district.
- 2013:
  - + Outstanding manager of the renovation period in 2013
  - + Trusted Brand Certificate 2013 issued by the Institute for Development Economics Research
  - + Quality Supplier Certificate 2013 by Vietnam Enterprise Institute
  - + Certificate of Enterprise of the Year 2013.
- 2014:
  - + Outstanding achievements in production and business activities, building and developing the Association of Small and Medium Enterprises of Hai Phong City in 2014.
  - + Certificate of Entrepreneur, Enterprise of the Year awarded by Vietnam Association of Small and Medium Enterprises in 2014.
  - + Certificate of high quality Vietnamese goods meeting safety product standards for community health.
- 2015:
  - + Title "Enterprise accompanying farmers" in 2015.
  - + Certificate of Top 500 Largest Enterprises in Vietnam in 2015.
- 2016:

- + Vietnam Agricultural Golden Brand 2016
- + Certificate of Top 500 Largest Enterprises in Vietnam in 2016.
- 2017: Top 500 Largest Enterprises in Vietnam in 2017.
- 2018: Top 500 Largest Enterprises in Vietnam in 2018.
- 2019: Top 500 Largest Enterprises in Vietnam in 2019.

Since 2015, Quang Binh Import Export Joint Stock Company has been in the Top 500 largest enterprises in Vietnam. In addition, the Company also has many other outstanding achievements in many fields such as corporate governance, social security, trade union activities... and has been recognized since the early days of establishment until now.

- 2020:

- + Certificate of Merit for outstanding achievements in the emulation movement of Good Workers and building the Trade Union Organization awarded by the Labor Federation of Thuy Nguyen district.
- + Certificate of Merit for Outstanding Achievements in Social Security Activities in 2020 awarded by the Chairman of the People's Committee of Hong Bang District, Hai Phong City.
- 2022: Certificate of Merit for Excellent Achievement in 2022 awarded by the Executive Committee of the Party Committee of the Business Bloc of Thuy Nguyen District.
- 2023: Certificate of Merit for outstanding achievements in the emulation movement of the Labor Union and building the Trade Union Organization awarded by the Hai Phong City Labor Federation.

## **VI. BUSINESS LINES**

Main business lines

- Commodities import-export services.
- Wholesale of fertilizers; wholesale of common chemicals (except those used in agriculture).
- Warehousing and storage of goods.

Main products and services:

- Trading of fertilizers and chemicals: Urea, Superphosphate, Dinh Vu NPK, Lao Potassium.

## **VII. BUSINESS LOCATIONS**

The company maintains operations in key areas through its headquarters and Quang Binh branch. The business network focuses on the domestic market and traditional import/export hubs, prioritizing stability and optimizing operating costs in the current phase.

Subsidiaries, associated companies: none

## **VIII. MAIN OBJECTIVES AND DEVELOPMENT ORIENTATIONS**

*Domestic fertilizer segment:* Maintain loyal customer relationships, offer raw materials that the company actively imports, as well as find suitable domestic sources. Learn more about



fertilizer factories nationwide, build new customer relationships, and offer to develop domestic trade of fertilizer products.

*Chemicals and other commodities segment:* Maintain the growth momentum of strong chemical products such as Sulfur, Sulfuric Acid... At the same time, develop some other chemical products that are available from foreign suppliers.

*Other issues:* Tightly control the financial situation and cash flow to prevent risks related to financial issues and bad debts. Promote creativity and come up with new ideas to promote the development of products and technologies to save costs and increase production efficiency. Be proactive and flexible in planning, balancing resources, and organizing implementation.

The company's development plan focuses on maintaining and expanding core business segments while improving operational efficiency. The domestic fertilizer segment focuses on expanding customer relationships and finding more suitable sources of supply. The chemical and other commodity segment is maintaining growth momentum and expanding new products to increase market share. In addition, the company also focuses on financial control, cost optimization and business innovation to ensure sustainable operations. These orientations demonstrate comprehensive, flexible and strategic development.

## **IX. RISKS**

### *Economic risk*

The movement and development of the economy strongly impacts all sectors, industries, and entities within the economy, including Quang Binh Import-Export Joint Stock Company. Risks arise from fluctuations in key macroeconomic indicators such as GDP growth rate, inflation, interest rates, exchange rates, and government policies. These risks directly or indirectly affect the operations and business results of enterprises in general and the Company in particular

In 2025, the Vietnamese economy experience a strong breakthrough with an estimated GDP growth rate of over 8.0%. However, the company faces "counter-cyclical" risks as the global fertilizer market experiences unfavorable fluctuations. The expansion of European producers, driven by abundant and stable LNG supplies, has pushed prices of products like urea to prolonged low levels. Simultaneously, increased supply from China following the lifting of its export ban has created intense competitive pressure on domestic trading companies. This risk, combined with a domestic shortage of raw materials, has led to production disruptions.

### *Exchange rate risk*

As a business operating in the import and export sector, any fluctuations in exchange rates have a direct and multifaceted impact on the company's business performance. In 2025, the Vietnamese economy recorded record-breaking activity with total import and export turnover estimated at US\$930.05 billion, an increase of 18.2% compared to the previous year. The simultaneous increase in both exports (US\$475.04 billion) and imports (US\$455.01 billion) indicates a very large flow of foreign currency through import and export businesses.

For the Company, exchange rate risk arises from the difference in value between the domestic currency and foreign currencies used for payment (primarily USD) during the execution of

international trade contracts. Exchange rate fluctuations not only affect the cost of importing raw materials but also impact the competitiveness of goods when exported to foreign markets. In the context of the country's trade surplus of USD 20.03 billion, contributing to macroeconomic stability, the Company proactively monitors foreign exchange market developments to implement flexible cash flow management strategies, aiming to minimize negative impacts on the company's net profit.

#### *Interest rate risk*

The Industrial Production Index (IIP) is projected to increase by 8.5% in 2025, boosting working capital demand across the market. For QBS, interest rate volatility is a key factor impacting financing costs during the restructuring process. With a sharp decline in revenue, the burden of interest expenses has become a significant pressure on the company's operating cash flow. The company closely monitors interest rates to develop business plans that are appropriate for the ever-changing financial environment.

#### *Inflation risk*

According to data from the General Statistics Office, the average consumer price index (CPI) in 2025 increased by 3.31% and core inflation increased by 3.21% compared to the previous year. Although overall inflation is well controlled, QBS still faces significant pressure from cost-push inflation, especially the strong fluctuations in input gas prices and energy costs. Due to the high price of natural gas on the world market and the direct impact of geopolitical fluctuations, the production and import costs of gas-based products such as urea and DAP have increased significantly. Fluctuations in input gas prices not only push up the cost of goods sold but also increase logistics and warehousing operating costs. In the context of limited purchasing power in the agricultural market, passing on these increased input costs to output prices is challenging, directly putting pressure on the company's gross profit margin.

#### *Trade Risks*

The company's trade risks over the past year focused on supply chain disruptions and loss of competitive advantage. Domestic goods struggled to compete with foreign products due to high production costs, and domestic factories faced difficulties after stockpiling raw materials when prices were high, leading to slower sales. Furthermore, a shortage of domestic ore raw materials halted fertilizer production throughout 2025, paralyzing QBS's ability to boost trade. The company is working to tighten its debt management processes to protect asset liquidity.

#### *Legal risks*

2025 marks a major legal turning point for the fertilizer industry as the amended Value Added Tax Law officially applies a 5% VAT rate from July 1, 2025. This presents a compliance risk as QBS must improve its accounting and electronic invoicing systems to meet the new regulations and avoid legal errors during the transition period. However, in the long term, this policy allows the company to deduct input VAT for investment activities, machinery, and services, creating a competitive price advantage over imported fertilizers.

#### *Force Majeure Risks*

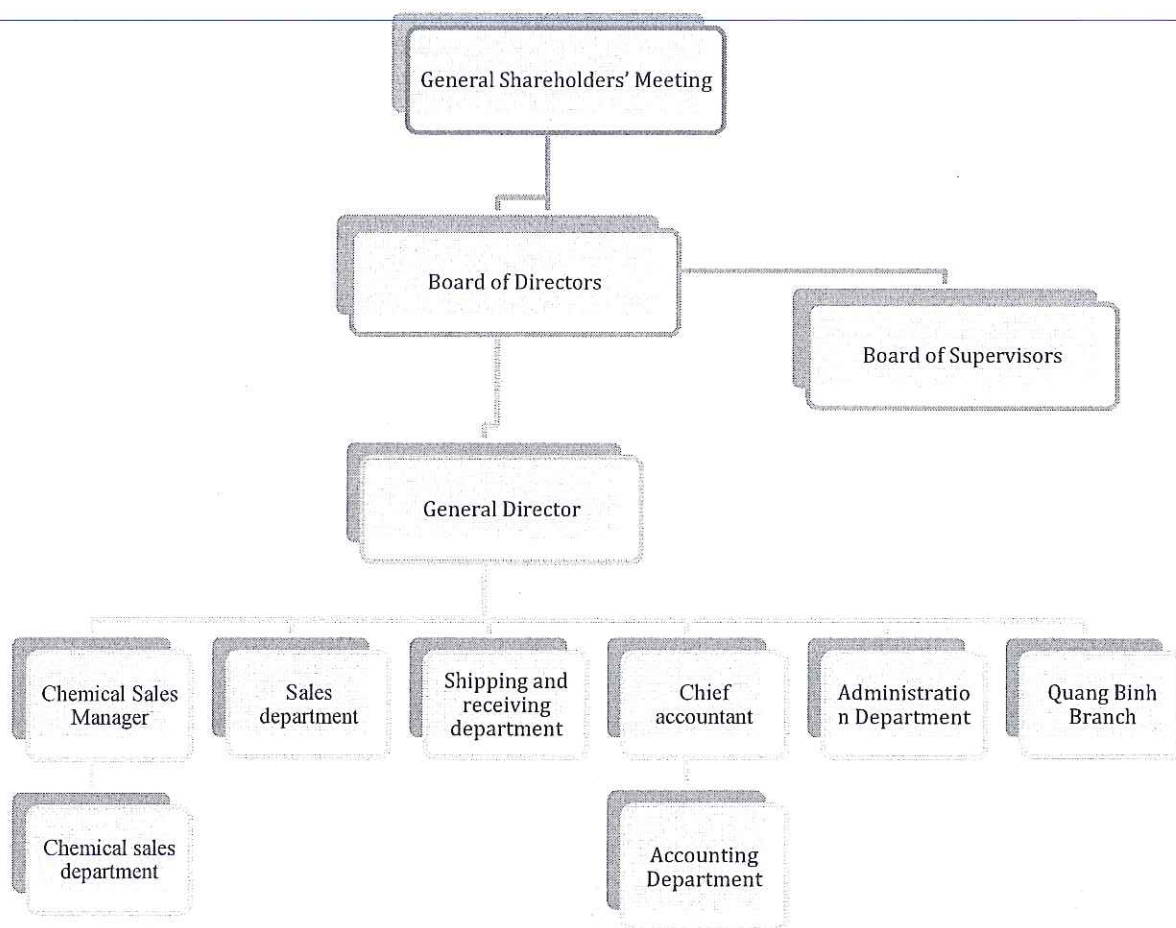
Global geopolitical fluctuations impacting energy prices and the export policies of major powers (such as China lifting its export ban) are factors beyond our control. These risks can



cause significant economic damage and disrupt the Company's long-term business plans. QBS is committed to maintaining contingency plans and resources readily available to respond to unforeseen circumstances in order to best protect shareholder interests.

## CHAPTER II: GOVERNANCE MODEL, ORGANIZATIONAL STRUCTURE AND PERSONNEL

### I. GOVERNANCE MODEL



**General Shareholders' Meeting:** This is the highest authority of the Company. The General Shareholders' Meeting elects the Board of Directors, which is the highest management body responsible for implementing the resolutions of the General Shareholders' Meeting. The Board of Directors has full authority to act on behalf of the Company and represent shareholders in making decisions on all matters related to the Company's objectives and interests, except for those falling under the authority of the General Shareholders' Meeting as stipulated in the Company's Charter. Each year, the Board of Directors thoroughly prepares for the General Shareholders' Meeting to ensure it is conducted professionally and effectively, allowing shareholders to fully exercise their rights.

**Board of Directors:** The current Board of Directors of the Company consists of a Chairperson and other members. In carrying out its duties and powers, the Board holds regular meetings every quarter to review and assess the business operations and other activities of the Company, monitor the implementation of resolutions passed by the General Shareholders' Meeting, and translate strategic plans and tasks into actionable objectives for the General Director to execute.

**Board of Management:** The Board of Management consists of one General Director. The General Director is responsible for the day-to-day operations of the Company and is accountable to the Board of Directors for the execution of assigned rights and duties..

**Board of Supervisors:** The Board of Supervisors is elected by the General Shareholders' Meeting. It is responsible for inspecting the legality and reasonableness of the Company's operations and financial reporting. The Board of Supervisors operates independently from the Board of Directors and the Board of Management.

**Functional Departments:**

*Shipping and receiving department:* Responsible for the delivery and supervision of the Company's goods..

*Sales Department:* Comprising:

- + Chemical Sales Department - Responsible for chemical import and export
- + Sales Department: Responsible for fertilizer product distribution, warehousing, and other services.

*Accounting Department:* Performs functions including: labor and salary management; organizing the accounting system; managing capital and assets; handling accounting, treasury, and statistics tasks; and preparing quarterly and annual financial reports as well as investment settlement reports

*Administration Department:* Advises the Board of Management on personnel arrangements in line with the Company's development needs; manages employee profiles; and performs administrative tasks such as national defense and security, office protection, environmental safety, fire prevention and control, and developing training programs.

*Quang Binh Branch:* Coordinates with the Company's head office and other offices to implement business activities and expand the customer base in its operating area.

## **II. BOARD OF DIRECTORS**

### **Ms. Tran Thi Yen Chi - Chairperson of the BOD**

- Year of Birth: 1992

- Education: Bachelor's degree in Accounting

- Number of Shares Held: 0

- Career Background

+ 07/2014 – 05/2015: Accountant at Viettel Retail Center.

+ 08/2015 – 08/2016: Accountant at Dinh Vu Fertilizer Development Joint Stock Company.



- + 2016 – 04/2018: Accountant at Quang Binh Import and Export Joint Stock Company.
- + 10/2018 – 12/2018: Accountant at Hoang Duong Transport Company Limited.
- + 05/2019 – 01/2020: Accountant at Cat Long Import and Export Joint Stock Company.
- + 01/2020 – 03/2021: Chief Accountant at Cat Long Import and Export Joint Stock Company.
- + 03/2021 – 06/2024: Chief Accountant at Quang Binh Import and Export Joint Stock Company.
- + 06/2024 – present: Chairperson of the Board of Directors at Quang Binh Import and Export Joint Stock Company.

**Ms. Ha Thi Mai Huong - Member of the BOD**

- Year of Birth: 1991
- Education: Bachelor's Degree in Economics
- Number of Shares Held: 0
- Career Background
- + 2013 - 2014: Documentation Staff, Shipco Transport Co., Ltd.
- + 2014 - 2016: Import-Export Staff, Quang Binh Import and Export Joint Stock Company
- + 2016 - 04/2018: Deputy Head of Chemical and Agro-Fishery Trading Division, Quang Binh Import and Export JSC
- + 03/2018 - Present: Member of the Board of Directors and Director, 5FOODS JSC
- + 04/2018 - 12/2020: Head of Sales Division 2, Quang Binh Import and Export JSC
- + 04/2020 - Present: Member of the Board of Directors, Quang Binh Import and Export Joint Stock Company.

**Ms. Le Thi Thanh Hai - Member of the BOD**

- Year of Birth: 1991
- Education: Bachelor's Degree in Accounting – Auditing
- Number of Shares Held: 0
- Career Background
- + 2014 – 2016: Accountant, Huong Tan Single-member LLC.
- + 2017 – 09/2023: Accountant, Duc Nguyen Import and Export Joint Stock Company.
- + 05/2020 – 04/2021: Chief Accountant, Tran Trang Trading, Service and Import-Export Joint Stock Company.
- + 04/2021 – Present: Member of the Board of Directors, Quang Binh Import and Export JSC.

**III. BOARD OF MANAGEMENT**

**Mr. Hoang Van Hung - General Director**

- Year of Birth: 1982

- Education: Bachelor's Degree in Information Technology
- Number of Shares Held: 0
- Career Background
- + 05/2012 - 12/2020: Member of the Board of Directors, Duc Nguyen Import and Export Joint Stock Company.
- + 06/2014 - 12/2020: Director, Tam Dao Construction and Import-Export Joint Stock Company.
- + 02/2016 - 06/2017: Chief Representative of Cao Bang Office, Quang Binh Import and Export Joint Stock Company.
- + 05/2017 - 10/2017: Member of the Board of Directors cum Director, Tan Cang Sai Gon Investment and Import-Export Joint Stock Company.
- + 06/2017 - 04/2020: Director of Import-Export Services, Quang Binh Import and Export Joint Stock Company.
- + 10/2017 - 12/2020: Chairman of the Board of Directors, Tan Binh Phu Import and Export JSC
- + 04/2020 - nay: General Director, Quang Binh Import and Export Joint Stock Company..

**Mr. Nguyen Van Trung - Chief Accountant**

- Year of birth: 1993
- Education: Bachelor's degree in Accounting
- Number of Shares Held: 0
- Career Background
- + 11/2016 – 12/2018: Technical Staff at An Phat Infrastructure Construction and Trading Joint Stock Company.
- + 07/2019 – 06/2024: Accountant at Quang Binh Import and Export Joint Stock Company.
- + 07/2024 – Present: Chief Accountant at Quang Binh Import and Export Joint Stock Company.

**IV. BOARD OF SUPERVISORS**

**Ms. Dang Thi Phuong Thao - Head of the Board of Supervisors**

- Year of birth: 1986
- Education: Bachelor's degree in Business Administration
- Number of Shares Held: 0
- Career Background
- + 2007 - 2008: 2007 – 2008: Accountant and Internal Auditor, Hao My Import and Export Joint Stock Company.
- + 2008 - 2011: Sales Staff, Quang Binh Import and Export JSC.
- + 1/2012 – 4/2014: Accountant, Hoang Duong Transport Co., Ltd.



+ 4/2014 – 5/2018: Head of the Supervisory Board, Quang Binh Import and Export Joint Stock Company.

+ 5/2018 – Present: Head of the Board of Supervisors, Quang Binh Import and Export Joint Stock Company..

**Ms. Nguyen Thi Quynh Trang - Member of the Board of Supervisors**

- Year of birth: 1981

- Education: Bachelor's Degree in Foreign Languages

- Number of Shares Held: 0

- Career Background

+ 2003 - 2006: English Teacher, Tan Duong Secondary School.

+ 2006 - 2011: English Interpreter, An Dong Shipbuilding Industry Joint Stock Company.

+ 2011 – 4/2014: Import-Export Specialist cum Export-Import Accountant, Quang Binh Import and Export Joint Stock Company.

+ 4/2014 – 6/2018: Import-Export Specialist cum Member of the Supervisory Board, Quang Binh Import and Export Joint Stock Company.

+ 6/2018 – Present: Member of the Board of Supervisors, Quang Binh Import and Export Joint Stock Company..

**Ms. Tran Thi Thu Trang - Member of the Board of Supervisors**

- Year of birth: 1985

- Education: Bachelor's Degree in Accounting

- Number of Shares Held: 0

- Career Background

+ 4/2009 – 3/2010: Accountant, Petroleum Store 231 To Hieu -Investment and Trading Construction Joint Stock Company.

+ 9/2010 – 6/2015: Accountant, Quang Binh Import and Export Joint Stock Company.

+ 6/2015 – 10/2015: Deputy Head of Accounting Department, Quang Binh Import and Export Joint Stock Company

+ 1/2016 – 3/2017: Internal Controller, Quang Binh Import and Export Joint Stock Company.

+ 3/2017 – Present: Member of the Board of Supervisors, Quang Binh Import and Export Joint Stock Company.

**V. ORGANIZATION AND PERSONNEL**

**Personnel structure**

By the end of 2025, the company had a total of 9 employees, with a 100% direct labor force. The majority of the workforce is highly skilled, serving as the core and foundation for all company operations. The workforce, predominantly aged between 25 and 35, accounts for

more than half of the total staff, combined with a balanced gender distribution (7 women and 2 men), creating a dynamic and sustainable work environment.

### **Employees's policies**

#### *Working regime*

Working time: Direct departments work 5 days/week (off on Saturdays and Sundays), 8 hours/day, with a 1.5-hour lunch break. In case of business demand overtime, personnel are responsible for working extra hours, and QBS is responsible for ensuring appropriate benefits for them..

Working Conditions: The office is spacious and well-ventilated, fully equipped with work and recreational facilities to meet all usage needs of the personnel.

#### *Training and Recruitment Policy*

Training: Training is a top priority in QBS's human resource development strategy. QBS implements training programs aligned with international standards and professional expertise, helping improve skills and integrate new technologies into business operations. QBS focuses on on-the-job training: senior staff train juniors; senior specialists coach juniors. Internal staff rotation is also encouraged for practical learning, including both in-house and external training on management, professional skills, and regular workshops. For external training programs, the company provides tuition support to promote self-learning among personnel.

Recruitment: QBS recruits personnel according to annual plans and strategic development in each phase. The recruitment process is public, transparent, and widely announced via mass media..

#### *Salary, Bonus, and Welfare Policy*

Salary Policy: Personnel are paid based on job performance relative to their assigned positions/titles. QBS ensures competitive income levels comparable to companies in the same industry and region. Income includes base salary and various allowances tied to performance and responsibility.

Bonus Policy: Bonuses are calculated based on unit performance and individual KPI evaluations. Additionally, QBS grants special rewards for individuals or teams with innovations that bring tangible benefits to the company..

Insurance and Welfare: In addition to policies and regimes stipulated by law, QBS also implements other employee-oriented policies such as: allowances for sickness, accidents, and maternity leave; gifts for employees' children on occasions such as International Children's Day and the Mid-Autumn Festival; additional support for employees receiving social insurance, health insurance, and unemployment benefits; as well as organizing company trips and cultural, sports, and recreational activities to enhance the physical and mental well-being of employees..

## **VI. CAPITAL STRUCTURE AND SHAREHOLDERS**

### **Capital structure**

— As of 31/12/2025, the capital structure and shareholders are as follows:



- Charter capital: 693,299,280,000 VND
- Listed shares: 69,329,928
- Share type: Common shares
- Trading start date: 23/05/2024 (UPCOM)

#### Shareholder configuration basis

*Shareholder structure by ownership percentage:*

No	Object	Number of Shares	Ownership ratio/charter capital
1	State shareholders	-	-
2	Internal shareholders	-	-
3	External shareholders (individuals)	69.142.256	99,73%
4	External shareholders (organization)	187.672	0,27%
	Total	69.329.928	

*Shareholder structure by type of ownership:*

No	Object	Number of shareholders	Proportion (%)
1	Domestic Shareholders		
	- Organizations	15	0,24%
	- Individuals	6.300	99,75%
2	Foreign Shareholders		
	- Organizations	-	-
	- Individuals	1	0,02%
	Total	6.316	

#### List of major shareholders

No	Shareholder	Citizen Identification Number/Passport Number/Business Registration Number	Address	Number of Shares Held	Ownership Ratio / Charter Capital
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1	Nguyen Thi Thanh Huong	031177000067	Pho Moi, Thuy Nguyen, Hai Phong	9.200.579	13,27%
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**Changes in owner's equity**

Time	Additional Shares Issued (Shares)	Additional Issuance Value (VND)	Charter Capital After Issuance (VND)	Capital Raising Method	Approved by
23/06/2010	380.000	3.800.000.000	4.800.000.000	Private placement to existing shareholders	General Meeting of Shareholders; Business Registration Office - Department of Planning and Investment of Hai Phong City
15/11/2010	510.000	5.100.000.000	9.900.000.000	Private placement to existing shareholders	General Meeting of Shareholders; Business Registration Office - Department of Planning and Investment of Hai Phong City
09/06/2011	1.010.000	10.100.000.000	20.000.000.000	Private placement to existing shareholders	General Meeting of Shareholders; Business Registration Office - Department



					of Planning and Investment of Hai Phong City
31/01/2012	3.600.000	36.000.000.000	56.000.000.000	Private placement to existing shareholders	General Meeting of Shareholders;
					Business Registration Office - Department of Planning and Investment of Hai Phong City
25/04/2014	26.400.000	264.000.000.000	320.000.000.000	Private placement to existing shareholders	General Meeting of Shareholders;
					Business Registration Office - Department of Planning and Investment of Hai Phong City
03/12/2015	31.999.928	319.999.280.000	639.999.280.000	Public offering	General Meeting of Shareholders;
					State Securities Commission of Vietnam; Business Registration Office - Department of Planning

					and Investment of Hai Phong City
05/04/2017	5.330.000	53.300.000.000	693.299.280.000	Private placement to strategic investors	General Meeting of Shareholders; State Securities Commission of Vietnam; Business Registration Office - Department of Planning and Investment of Hai Phong City

**Treasury stock transactions:** (None)

**Other securities:** (None)

### **CHAPTER III: 2025 OPERATIONAL REPORT AND 2026 PLAN**

#### **I. MACROECONOMIC AND SECTORAL ANALYSIS 2025**

##### **1. *The global fertilizer market***

*Input material prices remain high but are more stable*

Natural Gas: According to the IEA, global natural gas prices in 2025 have moved beyond a period of extreme volatility but remain higher than the five-year average due to LNG transportation costs and geopolitical barriers in the Middle East. Industrial gas demand in Europe and Asia is recovering slightly, putting pressure on nitrogen fertilizer prices.

Coal: World coal prices in 2025 are expected to remain stable within a narrow range thanks to abundant supply from Australia and Indonesia. However, new carbon tax policies in many developed countries have begun to impact the marginal costs of fertilizer plants using older technology.

*Consumer demand recovered thanks to food security*

Global crop yields in 2025 are affected by the La Nina phenomenon, causing heavy rainfall in some areas of South Asia and Southeast Asia. This boosts the demand for fertilizers to restore cultivated land. However, the growth rate of global fertilizer demand is only at 2%, as farmers



in developed countries optimize fertilization to reduce costs and protect the environment. World fertilizer prices (especially urea and DAP) have seen a slight increase of around 4-5% due to China's export restrictions aimed at ensuring domestic supply.

## **2. Domestic fertilizer market**

*The turning point came from the 5% VAT policy.*

The most significant highlight for the industry in 2025 is the application of a 5% VAT rate on fertilizers starting July 1st, 2025. This policy has created a major shift in the cost structure: domestic manufacturers are now able to deduct input taxes, helping to reduce production costs and increase competitiveness. Conversely, imported fertilizers face pressure from a 5% price increase at the border, forcing trading companies to flexibly adjust their pricing strategies to maintain market share.

*Shifting towards green and organic agriculture*

Following the trend from 2024, organic fertilizers, microbial fertilizers, and new-generation fertilizers (such as slow-release fertilizers and smart fertilizers) continue to gain a larger market share. Statistics show that the demand for organic fertilizers is expected to grow by 12% in 2025. Consumers and export farms are becoming increasingly stringent about chemical residue levels, forcing distributors like QBS to diversify their product portfolio towards sustainable practices.

*Results of import and export activities*

For the whole year of 2025, Vietnam's fertilizer exports reached approximately 1.97 million tons, with a value of nearly 845 million USD. Vietnam continued to assert its position in the Cambodian market (accounting for 35% of total exports). Conversely, imports reached 6.19 million tons with a value of over 2.19 billion USD, mainly consisting of potassium and SA fertilizers for which the country has not yet achieved self-sufficiency in supply.

## **3. Foreign trade activities**

2025 marked a strong breakthrough in Vietnam's foreign trade, with total import and export turnover setting a new record, reaching an impressive figure of US\$930.05 billion, a breakthrough growth of 18.2% compared to the previous year. This was the result of maximizing the utilization of new-generation FTA agreements and the recovery of consumer demand in key international markets. Notably, Vietnam continued to affirm its solid economic strength by maintaining a trade surplus of US\$20.03 billion, making a significant contribution to exchange rate stability and creating room for monetary policies to support businesses. The bustling flow of goods, especially in the processing and manufacturing sectors (attracting up to 82.8% of total FDI), boosted the volume of goods transported across the industry to 3.027 billion tons, an increase of 14.1%. In this context, maritime transport continues to play a leading role in the international flow of goods, combined with the smooth operation of the North-South expressway, creating a synchronized foreign trade infrastructure and affirming the pivotal role of the agricultural supplies sector in supporting economic growth amidst a volatile global market.

## II. BUSINESS PERFORMANCE

### Business results

Unit of measurement: Vietnamese Dong

Indicators	2024	2025	% Change
Net revenue from business operations	55.540.335.400	150.000.000	-99,73%
Net profit from business operations	(134.212.293.178)	(78.087.292.931)	-41,82%
Profit before tax	(136.145.499.074)	(78.365.108.636)	-42,44%
Profit after tax	(140.463.549.918)	(78.365.108.636)	-44,21%

Over the past year, the company's business operations have been directly impacted by general market fluctuations and internal restructuring. Net revenue from business operations saw a significant adjustment compared to the same period last year, reaching VND 150 million. This result reflects the company's proactive review and downsizing of underperforming business segments to focus resources on new strategic directions.

A bright spot in this year's financial picture is the significant improvement in cost control and operational optimization. Although net operating profit remained negative, the loss narrowed considerably, decreasing by 41.82% compared to 2024 (corresponding to a reduction in losses from VND 134.2 billion to VND 78 billion). Similarly, net profit after tax also showed a positive trend, with losses decreasing by 44.21% compared to the previous year.

Despite still facing numerous numerical challenges, the achievement of a loss reduction of over 40% demonstrates the management's initial efforts in managing risks and mitigating financial pressure.

### Payment indicators group

Index	2021	2022	2023	2024	2025
Current ratio (times)	1,63	6,1	15,71	10,63	8,38
Quick Ratio (times)	1,63	5,55	13,83	10,63	8,38

The company's solvency ratios remained very high during the 2021-2025 period, demonstrating an extremely solid ability to meet short-term financial obligations. After peaking in 2023, both the current ratio and the quick ratio reached 8.38 times in 2025. Although there was a slight downward adjustment compared to the 10.63 of 2024 (a decrease of 21.17%), these ratios are still many times higher than the standard safety level (usually > 1.0).

This change reflects the ongoing restructuring of short-term assets to optimize cash flow as the company scales back less profitable business segments. With a ratio of 8.38, the company



maintains a very strong financial buffer, ensuring complete control over payment pressures and creating ample room to seize new business opportunities when the market recovers.

#### Capital structure index group

Index	2021	2022	2023	2024	2025
Debt Ratio/ Total Assets (times)	0,51	0,16	0,06	0,09	0,12
Debt Ratio / Equity (times)	1,04	0,19	0,07	0,1	0,13

In 2025, equity capital continues to account for the dominant proportion of the capital structure, affirming a prudent financial strategy and a priority on autonomy. After using high financial leverage in 2021 (debt accounting for over 50%), the Company has implemented a strong restructuring since 2022 to bring the debt ratio to a very low level. In 2025, the Debt/Total Assets ratio is projected to reach 0.12 and the Debt/Equity ratio is projected to reach 0.13.

Despite a slight increase in the debt-to-equity ratio compared to 2024 (from 0.09 to 0.12), this figure remains within safe control limits. Maintaining a capital structure that is less reliant on debt helps the company minimize interest expense and systemic financial risks. This is the result of a sound capital management strategy, enabling the business to maintain stability throughout a volatile market period and creating a solid foundation for sustainable long-term development.

#### Profitability indicators

Unit of measurement: %

Index	2021	2022	2023	2024	2025
ROS	0,01%	-38,60%	-9,05%	-252,90%	-52.243,41%
ROE	0,02%	-25,14%	-8,82%	-37,53%	-29,59%
ROA	0,01%	-15,06%	-7,80%	-34,74%	-26,57%
Operating Profit Margin/Net Revenue Ratio	0,23%	-27,79%	-15,42%	-241,65%	-52.058,20%

The year 2025 witnessed significant fluctuations in operational performance indicators, reflecting a drastic business model transformation. The ROS (Return on Sales) reached -52,243.41%. However, this figure represents a technical fluctuation due to the low net revenue maintained during the year for portfolio review, resulting in large negative fixed costs relative to the small revenue denominator..

The most notable bright spot in the profit picture is the significant improvement in capital performance indicators. The ROE (Return on Equity) improved from -37.53% (2024) to -29.59% (2025). Similarly, the ROA (Return on Assets) also recorded an improvement from -34.74% to -26.57%. The narrowing of the negative margins of ROE and ROA amidst low revenue demonstrates the Management Board's efforts to optimize operating costs and

manage assets more effectively. These are initial signs that the restructuring roadmap is on the right track, helping to alleviate capital deficit pressure and prepare for recovery in the next phase..

#### **Performance indicators group**

Unit of measurement: Times

<b>Index</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Total Asset Turnover Ratio (times)	1,23	0,39	0,86	0,14	0,00051
Inventory Turnover Ratio (times)	171,53	14,17	8,56	2,01	-

The Total Asset Turnover Ratio (TAR) in 2025 recorded a significant downward adjustment to 0.00051 times, compared to 0.14 times in 2024. This trend reflects a mechanical decline in asset utilization efficiency as the Company implements a comprehensive restructuring strategy and temporarily reduces the scale of its trading revenue. Maintaining low revenue while still holding total assets exceeding VND 255 billion has caused this ratio to fluctuate sharply. To improve the situation in the coming period, QBS will focus on optimizing existing resources, especially effectively utilizing its warehousing system and strategic assets to restore sustainable revenue generation capabilities.

The Inventory Turnover Ratio in 2025 is zero (reaching 0) due to the near suspension of commercial goods trading activities to focus on reviewing and resolving outstanding inventory. This is the result of efforts to clear old inventory from previous years (reduced from 171.53 times in 2021 to 2.01 times in 2024). Putting this ratio in a pending state shows that the company is aggressively preparing a new product portfolio that is more aligned with market demand and sustainability standards. In the coming period, QBS will focus on optimizing its supply chain and inventory management in a streamlined manner, ensuring the fastest possible capital turnover when core business segments resume operations.

### **III. REPORT OF THE EXECUTIVE BOARD**

The year 2025 witnessed significant economic and political changes globally in the post-crisis period. The Vietnamese economy maintained a positive recovery momentum, but was also impacted by changes in tax policies and the global trend towards green standardization. These factors created both opportunities and challenges for businesses.

#### *For the fertilizer industry*

The global fertilizer market in 2025 is trending towards stabilization after a period of significant volatility. Prices of input materials such as natural gas (according to IEA reports) and coal have eased the pressure from supply-demand shocks, but remain higher than the average for the 2015-2019 period due to increased LNG transportation costs. In addition, the La Niña phenomenon, causing heavy rainfall in Southeast Asia, has contributed to the recovery of cultivated land, thereby supporting fertilizer demand. Prices of key products such as urea and DAP have increased slightly by about 4-5%.



In the domestic market, a notable change is the application of a 5% VAT on fertilizers starting July 1, 2025. This policy allows domestic manufacturers to deduct input taxes, contributing to reduced production costs, while imported goods face upward price pressure. This necessitates that trading companies adjust their strategies to maintain competitiveness. Simultaneously, the trend towards green agriculture continues to drive demand for organic fertilizers, with an estimated growth rate of around 12%, providing impetus for businesses to expand and diversify their product portfolios towards sustainability.

#### *For the chemical industry*

In the context of a global shift towards sustainable development, Vietnam's chemical industry has the opportunity to enhance its position in regional and international value chains. The increasing demand for environmentally friendly products, coupled with the shift in supply chains under the "China + 1" strategy, has contributed to Vietnam's increased attractiveness to investors.

The chemical raw materials industry continues to play a foundational role in many key manufacturing sectors such as electronics, semiconductors, and pharmaceuticals. Growth is driven by stable domestic demand as well as the expansion of export markets such as China, Japan, and India. Furthermore, increasingly stringent carbon emission reduction requirements and environmental standards are prompting businesses in the industry to enhance their production capabilities in a sustainable manner.

#### **General comments**

**Challenges and Adaptation Solutions:** The company's business operations in 2025 faced significant pressure from supply-demand imbalances, exchange rate fluctuations, and persistently high transportation costs. Despite possessing extensive experience and a stable customer base, the tightening of distribution policies by manufacturers directly hampered access to suitable supplies, resulting in revenue falling short of targets. In response, the company aggressively restructured its resources, optimized its operational system, and tightly controlled costs to preserve its internal strength. These adaptation efforts not only helped the business maintain stable operations in a harsh environment but also laid the groundwork for proactively adjusting its strategy, preparing for a recovery and breakthrough in the future.

**Improvement and Future Orientation:** Although business results did not meet expectations, improvement efforts and timely response strategies have helped the company gradually control the situation, laying the groundwork for future recovery. Entering 2026 with new opportunities, the company continues to steadfastly pursue sustainable development, focusing on improving operational efficiency, optimizing its product/service portfolio, and seeking new growth opportunities. With a spirit of innovation, creativity, and the unity of the entire team, the company is confident that it will overcome this difficult period, gradually consolidate its position, and move towards long-term development.

#### **Full-year business results**

Net revenue in 2025 reached VND 0.15 billion, a decrease of 99.73% compared to 2024. The annual plan did not meet target. The main reasons were increased competition and unfavorable market conditions.

Net profit after tax in 2025 reached a loss of 78.3 billion VND. Although it did not meet the set target, this result shows positive signs of recovery. The main reasons are unfavorable market fluctuations, increased costs, and decreased demand, directly affecting the company's profits.

#### Results of achieving planned targets

Unit of measurement: Billion VND

Target	2025 Plan	Implementation in 2025	Implementation Rate/Plan 2025
Net revenue	50 - 100	0,150	0,3%
Profit after tax	0,4 - 0,8	(-78,3)	-19.575%

Due to the volatile market conditions and challenging business environment, the company has been unable to achieve its planned targets as expected. Objective factors such as changes in consumer trends, policy adjustments, and unpredictable macroeconomic developments have created significant pressure, impacting overall growth. Furthermore, the company has faced difficulties in expanding its market share and implementing planned projects.

#### Asset and capital situation

*Asset*

Unit of measurement: Vietnamese Dong

Target	2024	2025	% Change
Total assets	334.715.252.934	255.155.848.246	-23,77%
Long-term assets	8.621.623.333	8.031.379.107	-6,85%
Current assets	326.093.629.601	247.124.469.139	-24,22%

In 2025, the company's asset structure showed a positive shift towards streamlining and transparency. Although total assets decreased by 23.77%, asset quality significantly improved as the company aggressively pursued debt collection, resulting in a 25.07% reduction in short-term receivables. A notable highlight was the growth of other short-term assets (including prepayments to suppliers and deductible VAT), which increased by an impressive 219.03%. The proactive increase in prepayments and the thorough handling of other long-term assets (a 91.65% reduction) demonstrate the company's careful preparation of resources and readiness to restore core business operations in the coming period.



### *Capital source*

Unit of measurement: Vietnamese Dong

Target	2024	2025	% Change
Total capital	334.715.252.934	255.155.848.246	-23,77%
Equity	304.029.395.516	225.664.286.880	-25,78%
Liabilities	30.685.857.418	29.493.561.366	-3,89%
Long-term liabilities	0	0	-
Short-term liabilities	30.685.857.418	29.493.561.366	-3,89%

The company's capital structure continues to be maintained at a high level of safety, providing a solid foundation for the restructuring process. Although equity capital is under pressure to adjust due to business results during the transition period, the company still maintains good control over its financial obligations, with liabilities decreasing by 3.89% and no long-term debt recorded. With a low debt-to-equity ratio (approximately 11.56%), QBS possesses a healthy capital structure, is less pressured by interest expenses, and has significant room to proactively raise financial resources when implementing new investment projects or expanding its business market..

### **Business operations and market development**

#### *Fertilizer segment*

- Focus on finding and establishing stable supply sources for fertilizers, chemicals, and raw materials by expanding cooperation with domestic and foreign manufacturers, aiming to gradually secure a reliable supply for the Company's business operations.
- Leverage the advantage of having a long-established customer base and distribution channels, strengthening connections with traditional partners and distributors to restore and expand sales volume as soon as supply is secured.
- Proactively research and seek new products or product lines with stable market demand to diversify business operations and reduce dependence on traditional products.
- Strengthen market analysis, monitor supply and demand trends, prices, and trade policies in the fertilizer and chemical industry to develop flexible business solutions suitable for each market phase.
- Gradually expand cooperative relationships with domestic and foreign businesses, taking advantage of opportunities from commercial activities to improve the efficiency of the Company's business operations.

#### *Other issues*

- The company continues to closely monitor its financial situation, cash flow, and accounts receivable to mitigate financial risks, proactively prevent bad debts, and ensure business safety.

- We create favorable conditions employees to propose new initiatives, ideas, and solutions to improve production and business efficiency, streamline work processes, and optimize work performance.
- It continues to review and refine appropriate human resource policies to retain key personnel while attracting talented individuals to meet the company's development needs in the coming period.
- It proactively and flexibly develops and adjusts production and business plans to suit market developments; while strengthening management, balancing resources, and organizing implementation to improve the company's operational efficiency.

#### **Business plan targets for 2026**

Indicators	Unit	Plan 2026
Net revenue	Billion VND	50 – 100
Profit before tax	Billion VND	0,4 – 0,8
Corporate income tax	Billion VND	0,08 – 0,16
Profit after tax	Billion VND	0,32 – 0,64
Expected dividend payout ratio	%	0

#### **The report assesses the company's environmental and social responsibility**

*Assessment regarding environmental indicators:* As a business operating in the trade and service sector – import and export – the company currently does not have a manufacturing plant and operates primarily in office buildings. Therefore, the company is not directly involved in the treatment of waste generated during the production process. However, awareness of environmental protection within the company is always emphasized, one aspect being the conservation of water and electricity resources. The company promptly reminds individuals and groups who lack awareness in using electricity and water economically.

*Assessment regarding employee issues:* The management board highly appreciates QBS's policies towards employees, such as human resource development, salary and bonus policies, welfare and benefits policies, and training and recruitment policies. The company consistently shows timely concern for its employees, retaining experienced workers while simultaneously training and developing young, capable personnel. The management board also participates in the process of developing employee policies to ensure they comply with current laws and guarantee employees receive the best possible benefits.

*Assessment regarding corporate social responsibility:* One of QBS's operational goals is to contribute to the local community and the economic growth of Hai Phong. The company has implemented programs such as "Warm Tet," donating 60 gift packages (including money and goods) to disadvantaged families in Dong Son and Tan Duong communes (Thuy Nguyen district), Ha Ly ward (Hong Bang district), and 20 gift packages to victims of Agent Orange in Thuy Nguyen district. The company also organizes monthly gift-giving activities for underprivileged children at the National Children's Hospital. This helps to build a closer



relationship with the company and enhance the sense of responsibility of all employees towards the community.

#### **Board of Directors' plan and operational direction for 2026**

In 2026, the Board of Directors will continue to play a strategic role, overseeing the management's operations to ensure the company's activities align with market conditions and the company's development goals. Key priorities include:

- Continuing to direct the Executive Board to focus on finding, establishing, and diversifying supply sources for fertilizers, chemicals, and related products to ensure a stable supply for the company's business operations.
- Leveraging the advantages of the customer base and distribution channels built over many years, strengthening connections with loyal customers and long standing suppliers to restore and expand sales volume when supply conditions are favorable.
- Strengthening market analysis and forecasting, monitoring supply and demand and price trends in the fertilizer and chemical industry to promptly implement business solutions appropriate to the actual situation.
- Directing the strengthening of financial management, cash flow control, and strict debt management to limit financial risks and improve capital efficiency.
- Continuing to improve corporate governance, enhancing the operational efficiency of the management system; while also focusing on building and developing human resources, creating conditions for employees to contribute innovative ideas and improve work efficiency.

#### **Business plan for 2026**

The company is committed to being a pioneer in green and sustainable development, continuing to contribute to the country's development. Looking ahead to 2026, Quang Binh Import-Export Company sets the following key targets for its 2026 business plan:

- Net revenue: 50 - 100 billion VND
- After-tax profit: 0.32 - 0.64 billion VND

The company is determined to rise to a leading position in the distribution of fertilizers, urea, NPK, and to continue expanding its market share in other domestic products.

### **CHAPTER IV: CORPORATE GOVERNANCE REPORT 2025**

#### **I. BOARD OF DIRECTORS**

*Information about the members of the Board of Directors*

No	Member of the Board of Directors	Position	Start date	Number of meetings attended	Meeting attendance rate
1	Ms. Tran Thi Yen Chi	Chairman of the Board of Directors	24/06/2024	6	100%
2	Ms. Ha Thi Mai Huong	Member of the Board of Directors	20/04/2020	6	100%
3	Ms. Le Thi Thanh Hai	Independent Member of the Board of Directors	23/04/2021	6	100%

*Board of Directors Resolution 2025*

No	Resolution/Decision Number	Date	Content
1	01-03/2025/NQ-HĐQT	05/03/2025	Approval of the record date for shareholders entitled to attend the 2025 Annual General Meeting.
2	01-04/2025/NQ-HĐQT	25/04/2025	Approval of the establishment of a Shareholder Eligibility Verification Committee to serve the 2025 Annual General Meeting.
3	02-04/2025/NQ-HĐQT	29/04/2025	Approval of the time and location of the second Annual General Meeting in 2025.
4	01-05/2025/NQ-HĐQT	28/05/2025	Approval of the time and location of the third Annual General Meeting in 2025.
5	01-06/2025/NQ-HĐQT	24/06/2025	Approval of the selection of the auditing firm for the 2025 Financial Statements.
6	01-07/2025/NQ-HĐQT	25/07/2025	Change of the auditing firm for the 2025 Financial Statements.

*Board of Directors' oversight of the Management Board*

- In 2025, the Board of Directors successfully oversaw the company's operational and management activities and implemented the plans of the Board of Directors.



- The Board of Directors has chaired meetings related to the organization of the General Shareholders' Meeting and other important matters.
- The Board of Directors held its annual General Meeting of Shareholders to approve the business results for 2024 and the business plan for 2025. However, due to unforeseen circumstances, the annual General Meeting of Shareholders did not meet the required quorum of shares as stipulated by current law, failing to proceed on two separate occasions. The meeting was successfully held on the third attempt.

#### *Activities of the subcommittees of the Board of Directors*

The Internal Audit Committee has performed its duties correctly and completely during the year, including::

- To provide assurance, through examination and evaluation, of the adequacy and effectiveness of governance, risk management, and internal controls to help the Company achieve its strategic, operational, compliance, and financial objectives.
- Providing independent and objective advice and recommendations: Conducting consulting activities related to governance processes, risk management, and internal control appropriate to the Company.
- Advising businesses on selecting and managing the use of independent audit services to ensure cost-effectiveness and efficiency.
- Internal audit committee members conduct audits and evaluations of specific activities as requested by the Director and the Board of Directors. They perform their duties honestly, diligently, and without interfering with the Company's business operations.
- The Internal Audit Committee has fully and properly performed its functions and duties. It has effectively conducted financial statement audits and supervised the activities of the Board of Directors, and fully participated in all Board of Directors meetings. The entire performance of the Internal Audit Committee is fully and clearly presented in the Internal Audit Committee Report for 2024 and the plan for 2025.

#### *Activities of independent board members in 2025*

- Internal audits, assessments, and advisory services provide independent and objective assurances and recommendations regarding: the Company's internal control system; governance regulations and risk management procedures; and the Company's operational and strategic objectives, plans, and work tasks.
- The independent board members have fulfilled their roles and responsibilities. Governance and oversight have been conducted seriously, openly, transparently, and fully reported in the Independent Board Member's Assessment Report on the Board's Activities in 2025.

## **II. BOARD OF SUPERVISORS**

#### *Information about the members of the Supervisory Board*

No	Member of the Supervisory Board/Audit Committee	Position	Start date	Number of meetings attended	Meeting attendance rate	Voting rate
1	Ms. Dang Thi Phuong Thao	Head of the Supervisory Board	05/03/2014	3	100%	100%
2	Ms. Nguyen Thi Quynh Trang	Member of the Supervisory Board	05/03/2014	3	100%	100%
3	Ms. Tran Thi Thu Trang	Member of the Supervisory Board	24/03/2017	3	100%	100%

*The Supervisory Board's oversight activities over the Board of Directors, the Management Board, and shareholders.*

- In early 2025, the Supervisory Board held a meeting to assign tasks to each member and agree on a plan to monitor the company's operations. In addition, the Supervisory Board participated in all Board of Directors meetings during the first six months of 2025.

- In 2025, the Board of Directors and the Management Board seriously implemented the regulations and policies issued by the State, as well as the business plans approved by the General Meeting of Shareholders, in order to promote the development of the Company's business activities.

- For shareholders: In 2025, the Supervisory Board will not receive any requests or complaints from shareholders or groups of shareholders whose shareholding percentages and durations comply with the provisions of the Company's Articles of Association.

- Coordination between the Supervisory Board and the Board of Directors, the Executive Management, and other management personnel: In 2025, the Supervisory Board attended Board of Directors meetings regarding the Company's operations. The Board of Directors and the Executive Management promptly provided Board of Directors resolutions and facilitated the Supervisory Board's collection of requested information.

### **III. TRANSACTIONS, REMUNERATION, AND BENEFITS SUBJECT TO GENERAL MEETING OF SHAREHOLDER'S APPROVAL FOR 2025**



No	Title	Remuneration (VND/person/month)
1	Chairman of the Board of Directors	8.000.000
2	Member of the Board of Directors	6.000.000
3	Head of the Supervisory Board	6.000.000
4	Member of the Supervisory Board	4.000.000

#### IV. CORPORATE GOVERNMENT REPORT BASED ON THE ASEAN SCORECARD.

Note:

- (1) : Fully compliant with best practices
- (2) : Partially compliant with best practices
- (3) : Not compliant with best practices
- (4) : Not applicable in the case of QBS

Code	Criterias	QBS's Compliance Status	
		Year 2024	Year 2025
A	Shareholder Rights		
A.1	Fundamental Shareholder Rights		
A.1.1	Does the company pay dividends equally and promptly; that is, are all shareholders treated equally and paid within 30 days of approval at the General Meeting of Shareholders for the year-end dividend? If the company announces a dividend payment option, will the company pay dividends within 60 days of the announcement date?	4	4
A.2	The right to participate in decisions related to significant changes to the company		
	Shareholders have the right to participate in		
A.2.1	Amendments to the Articles of Association and Company Regulations	4	4

A.2.2	Voting on the issuance of additional shares?	4	4
A.2.3	Transferring all or a majority of the company's assets, resulting in the sale of the company?	4	4
A.3	The right to effectively participate and vote at the General Meeting of Shareholders, and to be informed of the rules of the General Meeting of Shareholders, including the voting procedures		
A.3.1	Shareholders have the opportunity, as indicated by the agenda items, to receive remuneration (fees, allowances, in-kind benefits and other remuneration), or any increase in remuneration for non-executive members/commissioners of the Board of Directors?	1	1
A.3.2	Does the company allow shareholders to elect each member of the Board of Directors?	1	1
A.3.3	Does the company publish the nomination and voting procedures used, and publish both procedures before the General Meeting takes place?	1	1
A.3.4	Does the latest General Meeting minutes record that shareholders had the opportunity to ask questions, and were the questions and answers recorded?	1	1
A.3.5	Did the company publish the voting results, including the number of votes in favor, against, and abstentions for each draft item submitted for consideration at the most recent General Meeting?	1	1
A.3.6	Did the company publish the list of Board of Directors members who attended the most recent General Meeting?	1	1
A.3.7	Did the company publish that all Board of Directors members and the General Director attended the most recent General Meeting?	1	1
A.3.8	Did the company allow absentee voting?	3	3
A.3.9	Did the company use a voting method based on the number of votes cast by shareholders (not by show of hands) for all resolutions at the most recent General Meeting?	1	1



A.3.10	Did the company publish the appointment of an independent party (auditor, supervisor) to participate in the vote counting committee to count and/or verify the votes at the General Meeting?	3	3
A.3.11	Did the company publicly announce on the next business day the voting results for all resolutions at the most recent General Meeting?	1	1
A.3.12	Does the company provide notice of the Annual General Meeting and Extraordinary General Meeting at least 21 days in advance?	1	1
A.3.13	Does the company provide the basis, information, and explanation for each item in the draft resolution requiring shareholder approval in the notice of the General Meeting of Shareholders/General Meeting Documents/Draft and/or attached reports?	1	1
A.3.14	Are shareholders given the opportunity to contribute discussion points to the agenda of the General Meeting of Shareholders?	1	1
A.4	The market for corporate takeovers must be allowed to operate efficiently and transparently		
A.4.1	In mergers, acquisitions, and/or takeovers requiring shareholder approval, are members of the company's board of directors/commissioners of board members required to appoint an independent party to assess the reasonableness of the merger or acquisition transaction price?	4	4
A.5	It is necessary to create conditions for all shareholders, including institutional investors, to exercise their ownership rights.		
A.5.1	Does the company publicly disclose policies/practices to encourage participation from shareholders outside the framework of the General Meeting of Shareholders?	3	3
B	Equal treatment of shareholders		
B.1	Shares and voting rights		
B.1.1	Does each common share of a company have one voting	1	1

W

	right?		
B.1.2	In the case where a company has more than one type of stock, does the company disclose the number of voting rights associated with each type of stock (e.g., through a website/report/stock exchange/website of the regulatory authority)?	4	4
B.2	Announcement of the General Meeting of Shareholders		
B.2.1	All resolutions at the most recent General Shareholders' Meeting only concerned one item in the draft resolution, meaning multiple items were not combined into a single resolution?	3	3
B.2.2	The most recent General Meeting announcements and documents are fully translated into English and published on the same day as the documents in the local language	3	3
	Does the announcement regarding the General Shareholders' Meeting contain the following details:		
B.2.3	Is a biographical profile of the board member/ commissioner to be elected/ re-elected provided (minimum age, education level, expertise, date of first appointment, experience, and current board member position in other listed companies)?	1	1
B.2.4	Is the auditor/auditing firm to be elected/re-elected clearly identified?	1	1
B.2.5	Is the proxy form for attending the General Meeting of Shareholders readily available?	1	1
B.3	Insider trading and abuse of buying and selling for personal gain must be prohibited.		
B.3.1	Does the company have policies and/or regulations prohibiting board members and employees from profiting from non-public knowledge?	1	1
B.3.2	Are board members required to report company stock transactions within 3 business days?	1	1



B.4	Related-Party Transactions of Board Members and Senior Management		
B.4.1	Does the company have a policy requiring board members to disclose related-party interests in transactions and any conflicts of interest with the company?	3	3
	Does the company have a policy requiring a subcommittee of independent board members to review		
B.4.2	material/significant related-party transactions to determine whether those transactions serve the best interests of the company and its shareholders?	3	3
B.4.3	Does the company have a policy requiring board members not to attend board meetings concerning activities or transactions in which that member has a conflict of interest?	3	3
B.4.4	Does the company have a policy regarding loans to board members that prohibits such activities or ensures that loans are made on a fair market basis?	4	4
B.5	Protecting minority shareholders from abuses		
B.5.1	Does the company disclose that related-party transactions are conducted in a way that ensures those transactions are fair and market-based?	4	4
B.5.2	In cases where shareholder approval is required for related-party transactions, the approval vote must be cast by shareholders with no vested interest.	4	4
C	Role of Stakeholders		
C.1	The rights of stakeholders, as stipulated by law or by bilateral agreements, must be respected.		
C.1.1	What policies and practices are being publicized to protect customer rights?	3	3
C.1.2	Do you want to publicize your policies and practices, processes, and procedures for selecting suppliers/contractors?	3	3

C.1.3	Does this policy and practices disclose and describe the company's efforts to ensure its value chain is environmentally friendly or consistent with promoting sustainable development?	3	3
C.1.4	This policy and practices document, describing the company's efforts to engage with the communities where the company operates?	3	3
C.1.5	Does the company disclose its anti-corruption policies and practices?	3	3
C.1.6	Do you publish policies and practices that describe how you protect the rights of creditors?	3	3
C.1.7	Does the company write its own reports/content describing its efforts on environmental/economic and social issues?	3	3
C.2	When the interests of stakeholders are protected by law, stakeholders must have the opportunity to effectively file complaints when their rights are violated.		
C.2.1	Does the company provide contact information on its website or in its Annual Report so that interested parties (e.g., customers, suppliers, the public, etc.) can use it to voice concerns and/or file complaints about potential violations of their rights?	1	1
C.3	Mechanisms to enhance employee participation should be allowed to be developed.		
C.3.1	Does the company clearly disclose its policies and practices regarding employee health, safety, and well-being?	1	1
C.3.2	Does the company clearly disclose its policies and practices, and its efforts regarding training and development programs for employees?	1	1
C.3.3	Does the company have a reward policy that is linked to long-term rather than short-term performance?	1	1
C.4	Stakeholders, including workers and their representative organizations, must be free to communicate their concerns about illegal or unethical practices to the Board of Directors, and this must not affect their rights.		



C.4.1	Does the company have a whistleblower policy that includes a complaint process for employees and stakeholders regarding illegal (including corruption) or unethical conduct, and provides detailed complaint contact information mentioned on the company website or in the Annual Report?	4	4
C.4.2	The company has policies or procedures in place to protect employees/individuals from retaliation for disclosing misconduct	4	4
D	Information disclosure and transparency		
D.1	Transparent ownership structure		
D.1.1	Does shareholder information reveal the identities of owners holding 5% or more of the shares?	1	1
D.1.2	Does the company disclose the direct and (allegedly) indirect shareholding of its major shareholders?	1	1
D.1.3	Does the company disclose the direct and (allegedly) indirect shareholding of its board members?	1	1
D.1.4	Does the company disclose the direct and (allegedly) indirect ownership of shares by the Board of Directors?	1	1
D.2	Quality of the Annual Report		
	The company's annual report includes the following information:		
D.2.1	Company objectives	1	1
D.2.2	Financial performance indicators	1	1
D.2.3	Non-financial performance indicators	1	1
D.2.4	Dividend policy	1	1
D.2.5	Detailed biographical information (minimum age, educational qualifications, expertise, date of appointment, relevant experience, and any other board member positions held at listed companies) of the board member.	1	1
D.2.6	Details regarding the participation of each member of the	1	1

	Board of Directors		
D.2.7	Total remuneration of each member of the Board of Directors	1	1
	Statement of Corporate Governance		
D.2.8	Does the annual report include statements and declarations affirming the company's full compliance with the corporate governance rules, and in the event of non-compliance, clearly identify and explain the reasons for each issue?	1	1
D.3	Disclosure of Related Party Transactions		
D.3.1	Does the company have a published policy regarding the review and approval of material/significant related-party transactions?	4	4
D.3.2	The company discloses the name of the related party, the relationship, the nature, and the value for each material/significant related party transaction?	4	4
D.4	Board members/ commissioners trading company shares.		
D.4.1	The company has published its stock transactions	4	4
D.5	Independent Audit and Audit Report		
	This applies when the same auditing firm provides both auditing and non-auditing services		
D.5.1	Are audit and non-audit fees publicly disclosed?	3	3
D.5.2	Are non-audit service fees higher than audit service fees?	4	4
D.6	Media		
D.6.1	Quarterly report	1	1
D.6.2	Company website	1	1
D.6.3	Analyst's assessment	4	4
D.7	Submit/publish annual reports/ financial statements on time		
D.7.1	The audited annual report must be publicly released within 120 days of the end of the fiscal year	1	1



D.7.2	Annual reports are to be publicly released within 120 days of the end of the fiscal year?	1	1
D.7.3	Can the accuracy and fairness of the annual financial statements be confirmed by authorized members of the Board of Directors and/or executive members of the company?	1	1
D.8	Company website		
D.8.1	Financial report (most recent quarter)	1	1
D.8.2	Documents from analysts and media outlets	4	4
D.8.3	The annual report can be downloaded	1	1
D.8.4	Notices and documents for the General Meeting of Shareholders and/or the Extraordinary General Meeting of Shareholders.	1	1
D.8.5	Minutes of the General Meeting of Shareholders and/or the Extraordinary General Meeting of Shareholders	1	1
D.8.6	The company charter can be downloaded	1	1
D.9	Investor relations		
D.9.1	Does the company publish contact information (e.g., phone number, fax, and email address) for the officer/department responsible for investor relations?	1	1
E	Responsibilities of the Board of Directors		
E.1	Roles and responsibilities of the Board of Directors		
	Responsibilities of the Board of Directors and corporate governance regulations		
E.1.1	The company has published its corporate governance regulations/charter of operations of the Board of Directors?	1	1
E.1.2	Are decisions requiring approval from board members publicly disclosed?	1	1
E.1.3	Are the roles and responsibilities of board members clearly defined and publicly disclosed?	1	1

	Company's vision/mission		
E.1.4	Does the company publish its vision and mission statement, which is reviewed and updated?	1	1
E.1.5	Did the board member play a leadership role in developing/monitoring the company's strategy for at least one year?	1	1
E.1.6	Do board members have procedures in place to review, monitor, and track the implementation of the company's strategy?	1	1
E.2	Board of Directors structure		
	Code of Ethics or Conduct		
E.2.1	Are the details of the Code of Ethics or Conduct made public?	4	4
E.2.2	Has the company announced that all members of the Board of Directors, senior management, and employees must adhere to the code of conduct?	4	4
E.2.3	Does the company disclose how it implements and monitors compliance with its Code of Ethics or Conduct?	4	4
	Composition and structure of the Board of Directors		
E.2.4	Independent board members must constitute at least 50% of the total number of board members.	3	3
E.2.5	Does the company have a term limit of 9 years or less, or a maximum of two 5-year terms for each independent board member? Are 5-year terms required by existing legislation prior to the introduction of the ASEAN Public Governance Scorecard in 2011?	3	3
E.2.6	Does the company set a maximum limit of five board positions that an independent/non-executive board member can hold simultaneously in other companies?	3	3
	Does the company have any executive board members		
E.2.7	serving on more than two boards of directors of listed companies outside the group?	1	1



	Human Resources Subcommittee		
E.2.8	Does the company have a Human Resources subcommittee?	4	4
E.2.9	Does the Human Resources Subcommittee include a majority of independent board members?	4	4
E.2.10	Is the Chairperson of the Human Resources Subcommittee an independent member of the Board of Directors?	4	4
E.2.11	Does the company publish the operating regulations/governance structure/charter of the Human Resources Subcommittee?	4	4
E.2.12	Is the participation of members in the Personnel Subcommittee meetings publicly disclosed, and if so, does the Personnel Subcommittee meet at least twice a year?	4	4
	Subcommittee on Compensation/Rewards		
E.2.13	Does the company have a Compensation Subcommittee?	4	4
E.2.14	Does the Compensation Subcommittee include a majority of independent board members?	4	4
E.2.15	Is the Chairperson of the Compensation Subcommittee a member of the independent Board of Directors?	4	4
E.2.16	Does the company publish the operating regulations/management structure/ charter of the Compensation Subcommittee?	4	4
E.2.17	Member participation in meetings of the Remuneration Subcommittee: Is participation publicly announced, and if so, does the Remuneration Subcommittee meet at least twice a year?	4	4
	Audit Subcommittee		
E.2.18	Does the company have an Audit Subcommittee?	4	4
E.2.19	Does the Audit Subcommittee include all members of the non-executive Board of Directors with a majority of independent members/ commissioners?	4	4

E.2.20	Is the Chairperson of the Audit Subcommittee also an independent member of the Board of Directors?	4	4
E.2.21	Does the company publish the operating regulations/governance structure/charter of the Audit Subcommittee?	4	4
E.2.22	Is there at least one independent member of the Audit Subcommittee's Board of Directors with expertise in accounting (professional qualifications or accounting experience)?	4	4
E.2.23	Member participation in Audit Subcommittee meetings: Are the meetings publicly announced, and if so, does the Audit Subcommittee meet at least four times a year?	4	4
E.3	Board of Directors Process		
	Attend and participate in Board of Directors meetings		
E.3.1	Are board meetings scheduled before the start of the fiscal year?	3	3
E.3.2	Do board members meet at least six times a year?	1	1
E.3.3	Does each member of the Board of Directors attend at least 75% of the Board meetings during the year?	1	1
E.3.4	Does the company require a minimum attendance of at least 2/3 of the Board of Directors for meetings requiring Board decisions?	1	1
E.3.5	Do non-executive members of a company's board of directors hold private meetings at least once a year without the presence of executive members?	1	1
	Access to information		
E.3.6	Are minutes for Board of Directors meetings provided to the Board of Directors at least five business days before the Board meeting takes place?	1	1
E.3.7	Does the company secretary play a crucial role in assisting the Board of Directors in fulfilling its responsibilities?	1	1
E.3.8	Are company secretaries trained in legal matters, accounting, or in the practical aspects of company	1	1



	secretarial work and kept up-to-date on relevant issues?		
	Appointment and re-election of Board of Directors members		
E.3.9	Has the company published the criteria it will use to select new members of the Board of Directors?	1	1
E.3.10	Does the company describe the process used in appointing new members to the Board of Directors?	1	1
E.3.11	Are all members of the Board of Directors eligible for re-election for a minimum of 3 years, or 5 years for listed companies in countries where the law stipulates a 5-year term? A 5-year term must be required by existing legislation prior to the ASEAN Public Governance Scorecard in 2011	1	1
E.3.12	Does the company disclose its compensation policy/practices (fees, remuneration, forms of in-kind benefits or other perks) (i.e., the use of incentive policies and short- and long-term performance indicators) for executive board members and the CEO?	1	1
E.3.13	Is the compensation structure for non-executive board members publicly disclosed?	1	1
E.3.14	Do shareholders or the Board of Directors approve the compensation of executive board members and/or senior management?	1	1
E.3.15	Does the company have measurable policies and standards that link the performance-based compensation of executive board members or management to the company's long-term interests, such as implementing lawback provisions or deferred bonus policies?	1	1
	Internal Audit		
E.3.16	Does the company have a separate internal audit department?	1	1
E.3.17	Is the head of the internal audit department publicly disclosed, or if an external audit firm is hired, is the name of the outsourced firm publicly disclosed?	1	1

E.3.18	Do the appointment and dismissal of internal auditors require approval from the Audit Subcommittee?	3	3
	Risk monitoring		
E.3.19	Does the company disclose its internal control procedures/risk management system and periodically review the effectiveness of the system it is implementing?	1	1
E.3.20	Does the annual report/corporate governance report disclose that members of the Board of Directors have reviewed the company's key controls (including operational, financial, and compliance controls) and risk management systems?	1	1
E.3.21	Does the company disclose how it manages key risks (such as financial, operational including IT, environmental, social, and economic risks)?	1	1
E.3.22	Does the annual report/corporate governance report include a statement from a member of the Board of Directors or the Audit Committee regarding the adequacy of the company's internal controls/risk management system?	1	1
E.4	Board of Directors personnel		
	Chairman of the Board		
E.4.1	Two different people hold the positions of Chairman of the Board and CEO	1	1
E.4.2	Is the Chairman an independent member of the Board of Directors?	3	3
E.4.3	Are any members of the Board of Directors former CEO/Chief Executive Officer of the company within the previous two years?	1	1
E.4.4	Are the roles and responsibilities of the chairman publicly disclosed?	1	1
	Chief Independent Board Member		
E.4.5	If the chairman is not an independent board member, does the board elect a Lead Independent Director, and is the role	3	3



	of this position clearly defined?		
	Skills and abilities		
E.4.6	Does the company have at least one non-executive board member with prior work experience in the core industry in which the company operates?	1	1
E.5	Board of Directors Effectiveness		
	Developing Board of Directors members		
E.5.1	The company has an orientation program for new members of the Board of Directors	1	1
E.5.2	Does the company have a policy of encouraging board members to participate in continuing education or professional development programs?	1	1
	Appointment and Effectiveness of the CEO/ Executive Board		
E.5.3	Does the company disclose how board members develop succession planning for CEO/Chief Executive Officer/Key Management positions?	2	2
E.5.4	Do the Board members conduct annual performance reviews of the CEO/Chief Executive Officer/Key Managers?	1	1
	Board of Directors Review		
E.5.5	Does the company conduct annual performance reviews of its Board of Directors and publish the review process and criteria used?	2	2
	Evaluating Board Members		
E.5.6	Does the company conduct annual performance reviews for each member of the Board of Directors and publish the review process and criteria used?	2	2
	Evaluation of the Board of Directors' subcommittee		
E.5.7	Does the company conduct annual performance reviews of the Board of Directors' subcommittees and publish the	2	2

	review process and criteria used?		
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## CHAPTER V: ENVIRONMENTAL AND SOCIAL IMPACT REPORT

### I. SUSTAINABLE VISION

*Sustainable Development Goal:* At QBS, we don't define sustainable development as a destination, but as the very essence of our business. As a pioneer in the fertilizer and chemical trading ecosystem, QBS is committed to creating green values, harmonizing economic benefits with resource conservation. We dedicate ourselves to providing our partners and customers with premium, eco-friendly product solutions, thereby directly contributing to the prosperity of Vietnamese agriculture and fulfilling our aspiration to serve the nation for generations to come.

*For society:* QBS is deeply aware of the symbiotic relationship between business and community, where social welfare is at the heart of every development path. We are rigorous in controlling environmental impact, ensuring that every step of the company is linked to the well-being of the community through green and humane products. Beyond ethical commitments, QBS proactively initiates value-sharing programs, making positive contributions to the local economy. In all our visions, we steadfastly uphold standards of integrity, continuously spreading a spirit of responsibility to build a future where the prosperity of the business always goes hand in hand with the quality of life of society.

*For our employees:* People are our most valuable asset and the powerful intrinsic driving force propelling QBS to greater heights. We create a workplace where employee rights are valued as core principles, with absolute respect for the law and professional ethics. Through humane compensation policies, in-depth training programs, and a comprehensive benefits system, QBS strives to ignite confidence so that each member can confidently contribute and be proud of the company's identity. In a dynamic, fair, and inspiring environment, we encourage creative breakthroughs, believing that when each individual is empowered and understood, they will become ambassadors creating sustainable success for the team.

*For our customers:* Customer trust is the truest measure of QBS's reputation and existence. We place our customers at the "heart" of every strategy, committed to serving them with absolute honesty and superior quality in every piece of information and every product we offer. QBS constantly evolves, listen with sincerity to understand and meet the increasingly demanding expectations of the market. We strive to build strong relationships based on a foundation of transparent business ethics and dedicated service, ensuring that every customer experience with QBS is a peace of mind regarding quality and satisfaction with value.

*For shareholders and partners:* Integrity and transparency are the guiding principles in all strategic partnerships between QBS and our shareholders. We are committed to protecting and enhancing the value of investors through a professional governance system, timely and absolutely accurate information disclosure. QBS continuously optimizes operational efficiency and improves core competitiveness to transform shareholder trust into long-term



prosperity. We always open up for conversation, valuing all feedback to strengthen bonds, build a solid foundation for development, and reach new heights of success in the future.

## II. ENVIRONMENTAL IMPACT REPORT

*Energy Management and Performance Optimization:* In its 2025 operational roadmap, QBS's total electricity consumption is projected at 18 kWh, primarily serving the office operations and management of its staff. This entire energy source is supplied by the national grid through EVN and its member units, ensuring stability for business operations. Simultaneously, fossil fuels such as gasoline and diesel are also managed efficiently for logistics, transportation, and backup power generation. Compared to 2024, the 2025 energy consumption index remains balanced, demonstrating the effectiveness of the energy saving initiatives implemented by QBS at its subsidiaries. Typical examples include prioritizing functionally optimized architecture, maximizing the use of natural light to minimize reliance on artificial lighting, and a roadmap for periodically replacing energy-consuming equipment with next-generation energy-saving systems while maintaining operational efficiency. In particular, QBS has always strongly responded to the government's call by maintaining air conditioning temperatures no lower than 25°C during peak summer periods. Looking to the future, QBS remains committed to increasing the proportion of clean energy, continuously improving technical measures to create a green and sustainable business environment.

*Resource and Supply Chain Management:* Operating in the trade and import/export sector, QBS's management strategy focuses on the circulation of raw materials rather than direct production. Due to the nature of its business model, which is strongly oriented towards distribution, the volume of internally consumed raw materials is kept to a minimum. This not only helps the company alleviate pressure on input costs but also creates a safe "buffer" against unpredictable fluctuations in market prices. By not being overly dependent on raw material suppliers, QBS possesses maximum flexibility in adjusting its business strategy, focusing core resources on expanding its network of strategic partners and improving customer service. Furthermore, maintaining negligible resource consumption helps the company avoid risks of supply shortages or barriers from tariff policies and international trade. This is the foundation upon which QBS maintains operational stability, enhances its competitive position, and optimizes long-term profit value.

*Water Resource Conservation:* In 2025, QBS managed to use approximately 300 cubic meters of water for its entire operational and office system. The water source was carefully selected from the Hai Phong clean water supply system, ensuring the strictest standards of hygiene and safety. Compared to 2024, the water resource consumption index remained stable, reflecting smart resource management thinking and QBS's commitment to conserving natural resources. Despite not generating significant water demand for production, QBS still focused on educating its staff about responsibility. Practical measures such as optimizing the water supply and drainage system, regularly reviewing the network to prevent losses, and encouraging a water-saving lifestyle have become a positive aspect of the office culture, contributing to the company's sustainable resource management roadmap.



*Legal Compliance and Environmental Standards:* Respect for the law is the guiding principle in all of QBS's activities, especially regulations on environmental protection and ecosystems. The company seriously implements decrees on waste management and efficient energy use in accordance with green standards issued by the State, ensuring harmony between business and community conservation. QBS continuously updates and pioneers the application of the latest environmental policies to promptly refine its management system. Besides strict compliance, we also proactively collaborate with relevant authorities and strategic partners to implement green projects, striving to build a nature-friendly workspace and aiming for long-term ESG (Environmental, Social, and Governance) goals.

*Emission Control and Waste Management:* QBS identifies waste and emissions management as a crucial pillar in its sustainable development strategy. Scientifically designed processes for waste reduction, recycling, and treatment aim to minimize negative impacts on the environment. Simultaneously, emission control mechanisms are closely monitored, with the goal of cleaning the air and protecting the surrounding ecosystem. Strategic collaboration with specialized treatment units ensures that all processes are safe, transparent, and compliant with legal standards. QBS believes that fostering a sense of responsibility in each individual through internal training programs on rational resource use is key to achieving sustainable development goals effectively.

*Biodiversity Conservation and Ecological Development:* Preserving biodiversity and maintaining ecological balance is a top priority in QBS's "Business for Life" philosophy. We implement rigorous measures to limit encroachment on the natural environment and strive to conserve natural resources for future generations. Through community awareness campaigns and green initiatives, QBS aims to spread the importance of living in harmony with nature. Our close collaboration with conservation organizations and direct participation in tree planting and ecosystem restoration programs clearly demonstrate our company's responsibility in maintaining biodiversity and protecting humanity's shared home in the long term.

### **III. LABOR POLICIES**

*Number of employees and average salary:* Currently, QBS has a total of 9 employees. QBS has been ensuring equal rights and supporting the participation of women in the workforce, with a rate of up to 77.78%. Regarding employee salaries, QBS always ensures the minimum wage as stipulated by law and aims to increase employee income. Accordingly, the average monthly salary of employees is 5,681,956 VND.

*QBS's labor policy ensures the health, safety, and welfare of its employees:* QBS always ensures compliance with Vietnamese law regarding its employees, including the Labor Code and the Law on Occupational Safety and Health. Employees are entitled to social insurance, annual health check-ups, company support for those in difficult circumstances, visits during illness, maternity leave, sick leave, etc. In addition, the company provides meals during shifts, drinking water, and other amenities. Simultaneously, QBS integrates internal bonding through cultural activities on holidays, sports events, internal celebrations, etc. By 2025, the company aims to have no recorded incidents, work accidents, or occupational injuries.



*Recruitment and Training Activities:* In 2025, facing a harsh market and challenging business conditions, QBS's workforce experienced a slight decrease compared to the previous year. Nevertheless, the company remains committed to encouraging continuous learning, providing equal training opportunities for all employees to enhance their professional skills and adapt to changing circumstances

#### **IV. RESPONSIBILITY FOR COMMUNITY**

The company collaborates in implementing a monthly gift-giving program (10 gifts/1 time/month) for children with serious and incurable diseases and those from disadvantaged backgrounds at the National Children's Hospital.

The company continues to maintain and promote its social responsibility with many charitable activities throughout the year, totaling 300 million VND.

The company organizes the "Warm and Prosperous Tet" program with the aim of donating many gifts (including money and goods) to disadvantaged families in Tan Duong commune and Ha Ly ward.

#### **CHAPTER VI: AUDITED FINANCIAL REPORT FOR 2025**



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**QUANG BINH IMPORT AND EXPORT JOINT  
STOCK COMPANY**

Audited Financial Statements  
for the fiscal year ended December 31<sup>st</sup>, 2025



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**QUANG BINH IMPORT AND EXPORT JOINT STOCK COMPANY**

No 23, Lot 01. Area 97 Bach Dang, Hong Bang Ward, Hai Phong City, Viet Nam

**STATEMENT OF THE BOARD OF DIRECTORS**

The Board of Directors of Quang Binh Import and Export Joint Stock Company (hereinafter referred to as "the Company") presents this report together with the Company's Financial Statements for the fiscal year ended 31 December 2025.

**GENERAL INFORMATION**

Quang Binh Import and Export Joint Stock Company (hereinafter referred to as the "Company") is a Joint Stock Company established and operating in Vietnam under the Enterprise Registration Certificate No. 0200730878 first registered on March 12<sup>th</sup>, 2007 and was amended for the 33<sup>rd</sup> time on July 23<sup>rd</sup>, 2025 issued by the Business Registration and Enterprise Management Office - Hai Phong Department of Finance.

**THE MEMBERS OF AND THE BOARD OF DIRECTORS, THE BOARD OF SUPERVISORS, THE BOARD OF MANAGEMENT**

The members of the Board of Directors, the Board of Supervisors, and the Board of Management of the Company during the period and to the date of this statement are as follows:

**The Board of Directors**

<u>Full name</u>	<u>Duty</u>
Mrs. Tran Thi Yen Chi	Chairman
Mrs. Ha Thi Mai Huong	Member
Mrs. Le Thi Thanh Hai	Member

**The Board of Supervisors**

<u>Full name</u>	<u>Duty</u>
Mrs. Dang Thi Phuong Thao	Head of BOS
Mrs. Nguyen Thi Quynh Trang	Member
Mrs. Tran Thi Thu Trang	Member

**The Board of Management**

<u>Full name</u>	<u>Duty</u>
Mr. Hoang Van Hung	General Director
Mr. Nguyen Van Trung	Chief Accountant

The legal representative of the Company during the period and to the date of this statement is Mrs. Tran Thi Yen Chi - Chairman of the Board of Directors

The Company's chief accountant is Mr. Nguyen Van Trung

**AUDITORS**

International Auditing and Valuation Company Limited has been appointed to be the auditor to perform an audit of the Company's Financial Statements for the financial year ended December 31<sup>st</sup>, 2025.

## **STATEMENT OF THE BOARD OF DIRECTORS (Continued)**

### **DISCLOSURE OF THE RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR FINANCIAL STATEMENTS**

The Board of Directors of the Company is responsible for preparing the Financial Statements that give a true and fair view of the Company's own financial situation as at December 31<sup>st</sup>, 2025, as well as its Income Statement and its Cash Flow Statements for the fiscal year ended 31<sup>st</sup> December 2025. in accordance with accounting standards, accounting regimes for Vietnamese enterprises and legal regulations related to the preparation and presentation of financial statements. In preparing this Financial Statement, the Board of Directors 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 the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the Financial statements so as to minimize errors and frauds.

The Board of Directors of the Company 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 that the Financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in preparing these Financial statements.

### **APPROVAL OF THE FINANCIAL STATEMENTS**

The Board of Directors approves the attached Financial statements. The Financial statements reflected truly and fairly the Company's financial position as at 31 December 2025, as well as the Financial performance and Cash flows for the fiscal year ended 31 December 2025, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

### **COMMITMENT TO INFORMATION DISCLOSURE**

The Board of Directors commits that the Company complies with Decree 155/2020/ND-CP dated 31/12/2020 detailing the implementation of a number of articles of the securities law and the Company does not violate the obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC dated 16/11/2020 of the Ministry of Finance guiding the disclosure of information on the Stock Market and Circular No. 68/2024/ TT-BTC dated 18/09/2024 of the Ministry of Finance on amending and supplementing a number of articles of circulars regulating securities trading on the securities trading system; clearing and settlement of securities transactions; activities of securities companies and information disclosure on the stock market.

For and on behalf of The Board of Directors,



**Mrs. Tran Thi Yen Chi**  
Chairman of the Board of Directors  
Hai Phong, 28th March 2026



No: 21071/2025/BCTC/IAV

## INDEPENDENT AUDITOR'S REPORT

**To:** **The Shareholders**  
**The Board of Directors, The Board of Supervisor and The Board of General Directors**  
**Quang Binh Import and Export Joint Stock Company**

We have audited the enclosed financial statements of Quang Binh Import-Export Joint Stock Company (hereinafter referred to as the "Company"), prepared on March 28<sup>th</sup>, 2026, from pages 05 to page 30 including the Balance Sheet as of December 31<sup>st</sup>, 2025, Income Statements, Cash Flow statements for the fiscal year ending on the same day and accompanying financial statement notes.

### **The Board of Directors' Responsibility**

The Board of Directors of the Company is responsible for the preparation and honest and reasonable presentation of the Company's financial statements in accordance with accounting standards, Vietnamese corporate accounting regimes and legal regulations related to the preparation and presentation of financial statements and is responsible for internal controls determined by the Board of Directors is necessary to ensure that the preparation and presentation of the Financial Statements are free from material errors due to fraud or error.

### **Auditor's Responsibility**

It is our responsibility to provide an opinion on the Financial Statements based on the results of the audit. We have conducted audits in accordance with Vietnamese auditing standards. However, due to the issues described in the "Basic for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient appropriate audit evidence to base an audit opinion.

### **Basic for Disclaimer of Opinion**

As the date of issuance of the Audit Report on Financial Statements for the fiscal year ended 31 December 2025, we have not received confirmation balance of debts: Short-term receivables, Short-term advances to suppliers and Short-term Payables as at 31<sup>st</sup> December 2025 with an amount of inturn VND 524.9 billion; VND 128.8 billion and VND 7.2 billion. Alternative audit procedures did not provide sufficient evidence to assess the existence, completeness, and accuracy of these receivables and liabilities mentioned above along with adjustments (if any) for provisions for short-term bad debts of VND 417.3 billion. The reconciliations confirmed on 01<sup>st</sup> January 2025 were also not collected and other audit procedures did not provide a basis for us to assess the existence, adequacy and valuation of the above liabilities along with adjustments (if any) to the provisions for short-term bad debts with a value of approximately VND 341.7 billion.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Disclaimer of Opinion

Due to the significance of the matters described in the "Basis for Disclaimer of Opinion" section, we were unable to obtain sufficient and appropriate audit evidence to serve as the basis for giving an audit opinion. As a result, we do not give an audit opinion on the accompanying Financial Statements.

### Emphasis of Matter

In 2025, the Company losses an amount of VND 78 billion. As at 31 December 2025, the Company's accumulated losses is about VND 480 billion, equivalent to 69% of Owner's equity. At the same time, at the time of issuance of this Report, the Company is being forced to invoice due to failure to fulfill tax obligations. These events are subject to uncertainties that affect the Company's ability to going concern. The Company's Financial Statements are still presented on going concern.

### Other matter

The Financial Statements for the fiscal year ended December 31st, 2024 have been audited by another independent auditing firm. The auditor issued a disclaimer of opinion on this Financial Statement on March 31<sup>st</sup>, 2025.



**Do Thi Thanh Huyen**  
**Deputy Director**

Audit Registration Number: 2421-2024-283-1

**INTERNATIONAL AUDITING AND VALUATION CO., LTD**

Hanoi, March 28<sup>th</sup>, 2026

**Nguyen Hai Phuong**  
**Auditor**

Audit Registration Number: 1329-2023-283-1



**BALANCE SHEET**  
As at 31<sup>st</sup> December 2025

ASSETS	Code	Note	Closing balance VND	Opening balance VND
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>247,124,469,139</b>	<b>326,093,629,601</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>10,388,382,425</b>	<b>10,224,908,453</b>
1. Cash	111		388,382,425	224,908,453
2. Cash equivalents	112		10,000,000,000	10,000,000,000
<b>III. Short-term receivable</b>	<b>130</b>		<b>236,670,696,311</b>	<b>315,848,224,252</b>
1. Short-term trade receivables	131	4.2	524,972,700,280	525,791,380,280
2. Short-term prepayments to suppliers	132	4.3	128,842,268,893	131,543,268,893
3. Other short-term receivables	136	4.4	289,826,211	289,826,211
4. Short-term allowance for doubtful debts	137	4.6	(417,434,099,073)	(341,776,251,132)
<b>V. Other current assets</b>	<b>150</b>		<b>65,390,403</b>	<b>20,496,896</b>
1. Short-term prepaid expenses	151	4.5	152,170	76,091
2. Deductible VAT	152		65,238,233	20,420,805
<b>B. NON - CURRENT ASSETS</b>	<b>200</b>		<b>8,031,379,107</b>	<b>8,621,623,333</b>
<b>II. Fixed assets</b>	<b>220</b>		<b>8,031,165,231</b>	<b>8,619,060,967</b>
1. Tangible fixed assets	221	4.7	8,031,165,231	8,619,060,967
- Historical costs	222		15,377,198,132	15,377,198,132
- Accumulated depreciation	223		(7,346,032,901)	(6,758,137,165)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>213,876</b>	<b>2,562,366</b>
1. Long-term prepaid expenses	261	4.5	213,876	2,562,366
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>255,155,848,246</b>	<b>334,715,252,934</b>

# **BALANCE SHEET (CONTINUED)**

As at 31<sup>st</sup> December 2025

CAPITAL	Code	Note	Closing balance VND	Opening balance VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>29,491,561,366</b>	<b>30,685,857,418</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>29,491,561,366</b>	<b>30,685,857,418</b>
1. Short-term trade payables	311	4.8	7,319,977,255	7,207,894,724
2. Short-term advances from customers	312		1,920,000	-
3. Taxes and other payable to State budget	313	4.10	2,959,551,085	4,332,108,240
4. Payables to employees	314		74,769,000	-
5. Other short-term payables	319	4.9	742,119,889	752,630,317
6. Short-term loans and finance lease liabilities	320	4.11	10,617,000,000	10,617,000,000
7. Bonus and welfare fund	322		7,776,224,137	7,776,224,137
<b>II. Long-term liabilities</b>	<b>330</b>		<b>-</b>	<b>-</b>
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>225,664,286,880</b>	<b>304,029,395,516</b>
<b>I. Owner's equity</b>	<b>410</b>	4.12	<b>225,664,286,880</b>	<b>304,029,395,516</b>
1. Contributed capital	411		693,299,280,000	693,299,280,000
- Ordinary shares with voting rights	411a		693,299,280,000	693,299,280,000
2. Share premium	412		(3,249,100,000)	(3,249,100,000)
3. Development investment funds	418		15,692,449,297	15,692,449,297
4. Undistributed profit after tax	421		(480,078,342,417)	(401,713,233,781)
- Undistributed post-tax profits accumulated by the end of the previous period	421a		(401,713,233,781)	(261,249,683,863)
- Undistributed profit after tax for the current period	421b		(78,365,108,636)	(140,463,549,918)
<b>TOTAL CAPITAL (440=300+400)</b>	<b>440</b>		<b>255,155,848,246</b>	<b>334,715,252,934</b>

Prepared by  
Nguyen Thi Thanh Thuy

Chief Accountant  
Nguyen Van Trung

Chairman  
Tran Thi Yen Chi  
Hai Phong, Viet Nam  
28<sup>th</sup> March 2026



**INCOME STATEMENT**

*For the fiscal year ended as at 31 December 2025*

ITEMS	Code	Notes	Current year VND	Prior year VND
1. Revenue from sale of goods and rendering of services	01	5.1	150,000,000	55,540,335,400
2. Deductions	02		-	-
3. Net revenue from sale of goods and rendering of services (10 = 01 - 02)	10		150,000,000	55,540,335,400
4. Cost of goods sold and services rendered	11	5.2	89,457,228	55,476,376,475
5. Gross profit from sale of goods and rendering of services (20 = 10 - 11)	20		60,542,772	63,958,925
6. Financial income	21	5.3	190,228,391	211,953,115
7. Financial expenses	22	5.4	100,148,981	136,250,931
<i>In which: Interest expenses</i>	23		-	585,571
8. Selling expenses	25	5.5	18,062,372	54,187,104
9. General and administrative expenses	26	5.6	78,219,852,741	134,297,767,183
10. Operating loss {30 = 20 + (21 - 22) - (25 + 26)}	30		(78,087,292,931)	(134,212,293,178)
11. Other income	31	5.7	-	226,228,677
12. Other expenses	32	5.8	277,815,705	2,159,434,573
13. Other loss (40 = 31 - 32)	40		(277,815,705)	(1,933,205,896)
14. Accounting loss before tax (50=30+40)	50		(78,365,108,636)	(136,145,499,074)
15. Current corporate income tax expense	51	5.9	-	4,318,050,844
16. Deferred tax expenses	52		-	-
17. Net loss after tax (60 = 50 - 51 - 52)	60		(78,365,108,636)	(140,463,549,918)
18. Basic loss per share	70	5.10	(1,130)	(2,026)
19. Diluted loss per share	71	5.10	(1,130)	(2,026)



**Prepared by**  
**Nguyen Thi Thanh Thuy**



**Chief Accountant**  
**Nguyen Van Trung**



  
**Chairman**  
**Tran Thi Yen Chi**  
Hai Phong, Viet Nam  
28<sup>th</sup> March 2026

## CASH FLOW STATEMENT

For the fiscal year ended as at 31 December 2025  
(Indirect method)

ITEMS	Code	Notes	Current year VND	Prior year VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. <i>Loss before tax</i>	1		(78,365,108,636)	(136,145,499,074)
2. <b>Adjustment for:</b>				
- Depreciation and amortisation	2		587,895,736	820,398,063
- Provisions	3		75,657,847,941	130,427,237,708
- Foreign exchange (gains)/losses arisen from revaluation of monetary accounts denominated in foreign currency	4		14,121,328	(135,665,360)
- (Profits)/loss from investing activities	5		(190,228,391)	(438,181,792)
- Interest expenses	6		-	585,571
3. <b>Operating profit/(loss) before changes in working capital</b>	8		(2,295,472,022)	(5,471,124,884)
- (Increase)/decrease in receivables	9		3,474,862,572	(49,870,902,372)
- (Increase)/decrease in inventories	10		-	55,308,044,791
- Increase/(decrease) in payables (excluding interest, corporate income tax)	11		418,397,434	2,342,924,544
- (Increase)/decrease in prepaid expenses	12		2,272,411	18,244,090
- Interest paid	14		-	(585,571)
- Corporate income tax paid	15		(1,627,000,000)	(1,646,120,000)
<b>Net cash flows from/(used in) operating activities</b>	20		(26,939,605)	680,480,598
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Proceeds from disposals of fixed assets and other long-term assets	22		-	2,263,636,364
2. Interest and dividends received	27		190,228,391	231,185,992
<b>Net cash flows from/(used in) investing activities</b>	30		190,228,391	2,494,822,356
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Repayment of borrowings	34		-	(3,126,666,686)
<b>Net cash flows from/(used in) financing activities</b>	40		-	(3,126,666,686)



**CASH FLOW STATEMENT (CONTINUED)**

*For the fiscal year ended as at 31 December 2025*

*(Indirect method)*

Net increase/(decrease) in cash for the year (50=20+30+40)	50		163,288,786	48,636,268
Cash and cash equivalents at the beginning of the year	60	4.1	10,224,908,453	10,175,244,925
Impact of exchange rate fluctuation	61		185,186	1,027,260
Cash and cash equivalents at the end of the year (70=50+60+61)	70	4.1	10,388,382,425	10,224,908,453

Prepared by  
Nguyen Thi Thanh Thuy

Chief Accountant  
Nguyen Van Trung

Chairman  
Tran Thi Yen Chi  
Hai Phong, Viet Nam  
28<sup>th</sup> March 2026



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QUẢNG BÌNH  
HẢI PHÒNG

**NOTE TO THE FINANCIAL STATEMENTS**

*For the fiscal year ended 31 December 2025*

These notes are an integral part of and should be read in conjunction with the accompanying Financial statements.

**1. GENERAL INFORMATION**

**1.1. Structure of ownership**

Quang Binh Import and Export Joint Stock Company (hereinafter referred to as the "Company") is a Joint Stock Company established and operating in Vietnam under the Enterprise Registration Certificate No. 0200730878 first registered on March 12<sup>th</sup>, 2007 and was amended for the 33<sup>rd</sup> time on July 23<sup>rd</sup>, 2025 issued by the Business Registration and Enterprise Management Office - Hai Phong Department of Finance.

The Company's charter capital: VND 693,299,280,000 (In word: Six hundred and ninety-three billion two hundred and ninety-nine million two hundred and eighty thousand VND). The total number of shares is 69,329,928 shares.

The total number of employees of the Company as at 31 December 2025 was 11 people (31 December, 2024: 11 people).

**1.2. Business area**

The Company's main business activities are: Import-export business of Urea fertilizer products and chemical products serving domestic fertilizer production. At the same time, the Company provides bonded warehouse services and import-export trust services.

**1.3. Business activities**

- The Company's business lines are: trading and service business.

**1.4. Normal production and business cycle**

The Company's normal production and business cycle is carried out for a time period of 12 months.

**1.5. The Company's structure**

The Company's member entities are as follows:

Name of member entities	Address	Main business activities
Branch Quang Binh -Quang Binh Import and Export Joint Stock Company	Quang Binh	Trade and services

**1.6. Disclosure of information comparability in the Financial Statements**

The figures presented in the Financial Statements for the fiscal year ended December 31<sup>st</sup>, 2025 ensure information comparability.

**2. ACCOUNTING CONVENTION AND FISCAL YEAR**

**2.1. Basic of preparation of Financial Statements**

The accompanying Financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying Financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.



## 2.2. Going concern assumption

The Financial Statements have been prepared on a going concern basis, assuming that the Company will be able to utilize its assets and settle its liabilities in the normal course of business in the foreseeable future.

As at 31 December 2025, the Company's accumulated loss was VND 480,078,342,417, equivalent to 69% of equity. This issue suggests the existence of material uncertainties that could lead to significant doubts about the company's ability to going concern in the future.

During the year, the company's main business activities were at a moderate level, the low gross profit was not enough to offset the business management expenses. At the date of this Financial Statement, the Company is still looking for new business activities to be more efficient and to restructure financial investments. Therefore, the Board of Directors of the Company is still preparing financial statements on the basis of meeting the assumption of going concern.

Accordingly, the accompanying Financial Statements have been prepared on a going concern basis.

## 2.3. Fiscal year

The Company's financial year begins on 01 January and ends on 31 December.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 3.1. Accounting estimates

The preparation of financial statements in compliance with accounting standards, accounting regimes for Vietnamese enterprises and legal regulations related to the preparation and presentation of financial statements requires the Board of Directors to have estimates and assumptions that affect the reporting figures on debts, assets and the presentation of liabilities and contingent assets at the date of preparation of the financial statements as well as the reporting figures on revenues and expenses throughout the financial year. Although accounting estimates are made to the best of the Board's knowledge, the actual amounts incurred may differ from the estimates and assumptions made.

### 3.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 3.3. Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less allowance for doubtful debts.

Allowance for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

### 3.4. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The historical cost of tangible fixed assets made by self-made and self-built includes construction costs, actual production costs incurred plus installation and commissioning costs.

The historical cost of tangible fixed assets made by self-made and self-built includes construction costs, actual production costs incurred plus installation and commissioning costs.

Depreciation of tangible fixed assets is deducted by the straight-line method with the depreciation time estimated as follows:

	Depreciation period (years)
Building and structures	25 – 45
Machinery and equipment	06 – 10
Transportation equipment	06 – 10
Office equipment	03 - 06



**3.5. Account payable and accrued expenses**

Account payable and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Accrued expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payable to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue. When such expenses actually arise, if there is a difference with the amount deducted, the accountant will record an additional or reduce the cost corresponding to the difference.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions

**3.6. Borrowings and financial lease liabilities**

Borrowings are tracked according to each object, each contract and repayment term. In case of borrowings in foreign currency, detailed tracking is done in the original currency.

**3.7. Borrowing costs**

Borrowing costs are recognised in the statement of income in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

**3.8. Owner's equity**

Capital is recorded according to the amount actually invested by shareholders.

Share premium reflects the difference between the par value and the issue price of shares (including cases of re-issuance of treasury shares) and can be a positive surplus (if the issue price is higher than the par value) or a negative surplus (if the issue price is lower than the par value).

**3.9. Distribution of profits**

Profits after corporate income tax is distributed to shareholders after setting up funds in accordance with the Company's Charter as well as the provisions of law and have been approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-monetary items included in undistributed after-tax profits that may affect cash flow and dividend payability such as interest from revaluation of assets to be contributed to capital, interest in revaluation of monetary items, etc financial instruments and other non-monetary items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders and notified of the closing date of the right to receive dividends of the Vietnam Securities Depository.



### 3.10. Revenue and earnings

#### Revenue from sales and product supply

Revenue from the sale of goods and finished products is recorded when the following conditions are simultaneously satisfied:

- The company has transferred most of the risks and benefits associated with ownership of the product or goods to the buyer.
- The company no longer holds control of the goods as the owner of the goods or control of the goods.
- Revenue is determined relatively firmly.
- The company has obtained or will obtain an economic benefit from the sale.
- Identify costs associated with sales.

#### Revenue from service rendered

The revenue of a service rendered transaction is recognized when the outcome of the transaction is reliably determined. In case the service is performed in many periods, the turnover recorded in the period shall be based on the results of the completed work on the end of the accounting period. The result of a transaction for the provision of services is determined when all of the following conditions are met:

- Revenue is determined relatively certainly.
- There is a possibility of obtaining economic benefits from the transaction of providing such services.
- Identify the portion of work that has been completed by the end of the fiscal year.
- Determine the costs incurred for the transaction and the costs to complete the transaction to provide such services.

#### Financial income

##### Interest

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

### 3.11. Cost of goods sold and service rendered

Cost of goods sold includes the cost of products, goods and service rendered during the period and is recognised in accordance with revenue during the period. The cost of direct raw materials consumed in excess of normal levels, labor costs, and fixed general production costs that are not allocated to the value of warehoused products must be immediately calculated into the cost of goods sold (after minus compensation, if any) even when the products and goods have not been determined to be consumed.

### 3.12. Selling expenses

Selling costs reflect the actual costs in the process of selling goods and providing services. Mainly covering the costs of sales staff salaries, pitching costs, product introductions, advertising and sales commissions.

### 3.13. General and administrative expenses

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

### 3.14. Taxation

Corporate income tax represents the total value of the current payable tax amount and the deferred tax amount.

The current tax payable amount is calculated based on taxable income for the year. Taxable income is different from the pre-tax profit presented on the Income Statement because taxable income does



not include taxable or deductible income or expenses in other years (including carry-over losses, if any) and does not include non-taxable or non-deductible items.

Deferred income tax is calculated on the difference between the book value and the income tax calculation basis of the assets or liabilities items on the financial statements and is recorded according to the Balance Sheet method. Deferred income tax payable must be recorded for all temporary differences, while deferred income tax assets are only recognized when there is certain that there is sufficient taxable profit in the future to deduct temporary differences.

Deferred income tax is determined at the estimated tax rate that will apply to the year the property is recovered or liabilities are paid. Deferred income tax is recorded in the Statement of Income of Business and is credited to equity only when the tax is related to items recorded directly in equity.

Deferred income tax assets and deferred income tax liabilities payable are offset when the Company has the legal right to set off between the applicable income tax assets and the applicable income tax payable and when the deferred income tax assets and deferred income tax liabilities payable in relation to corporate income tax are administered by the same tax authority and the Company intends to pay the applicable income tax on a net basis.

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the inspection results of the competent tax authority.

Other taxes are applied according to the current tax laws in Vietnam.

### **3.15. Related parties**

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions.

In considering the relationship of the parties involved, the nature of the relationship is more emphasized than the legal form of the relationship.

## **4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF FINANCIAL POSITION**

### **4.1. Cash and cash equivalent**

	<b>Closing balance</b>	<b>Opening balance</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	4,467,686	54,307,537
Demand deposits in banks	383,914,739	170,600,916
Cash equivalents (*)	10,000,000,000	10,000,000,000
	<b>10,388,382,425</b>	<b>10,224,908,453</b>

(\*) As at 31 December 2025, cash equivalents are 3-month term deposits with a value of VND 10,000,000,000 deposited at Joint Stock Commercial Bank for Investment and Development of Vietnam - Cao Bang Branch with an interest rate of 1.9%/year. This is a term margin deposit contract for the purpose of ensuring the implementation of business conditions for temporary import and re-export of frozen food goods.



QUANG BINH IMPORT AND EXPORT JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continued)

Form B 09 – DN

4.2. Short - term trade receivables

	Closing balance		Opening balance	
	Amount VND	Provision VND	Amount VND	Provision VND
Nhat Thuy Import-Export Trading Company Limited	9,595,261,492	(9,595,261,492)	9,595,261,492	(9,595,261,492)
Hoang Cau Trading and Investment Company Limited	130,805,750,000	(116,583,080,000)	131,258,750,000	(82,399,345,000)
Abavia Vietnam Trading Joint Stock Company	166,445,828,800	(63,775,389,110)	166,805,828,800	(43,076,236,250)
Dinh Vu Fertilizer Development Joint Stock Company	107,316,072,995	(107,316,072,995)	107,316,072,995	(107,316,072,995)
Hanoi Import-Export Joint Stock Company	99,040,155,500	(67,831,969,150)	99,050,155,500	(48,028,938,050)
Other trade receivables	11,769,631,493	(7,068,560,811)	11,765,311,493	(6,096,631,830)
	<b>524,972,700,280</b>	<b>(372,170,333,558)</b>	<b>525,791,380,280</b>	<b>(296,512,485,617)</b>

4.3. Short - term advances to suppliers

	Closing balance		Opening balance	
	Amount VND	Provision VND	Amount VND	Provision VND
Phuc Lam Chemical Joint Stock Company	4,465,825,912	(4,465,825,912)	4,465,825,912	(4,465,825,912)
Duc Nguyen Import Export Joint Stock Company	38,406,500,000	(38,406,500,000)	38,406,500,000	(38,406,500,000)
Tran Trang Trading Service and Import - Export Joint Stock Company	20,599,000,000	-	22,150,000,000	-
Hanoi Import Export Joint Stock Company	56,145,000,000	-	56,145,000,000	-
Bach Viet Hanoi Import Export Trading and Service One Member Limited Liability Company	5,410,000,000	-	6,665,000,000	-
Others	3,815,942,981	(2,242,222,981)	3,710,942,981	(2,242,222,981)
	<b>128,842,268,893</b>	<b>(45,114,548,893)</b>	<b>131,543,268,893</b>	<b>(45,114,548,893)</b>

4.4. Other short-term receivables

	Closing balance		Opening balance	
	Amount VND	Provision VND	Amount VND	Provision VND
<b>Other short-term receivables</b>				
Deposits	112,500,000	-	112,500,000	-
Others	149,216,622	(149,216,622)	149,216,622	(149,216,622)
Deposit Interest	28,109,589	-	28,109,589	-
	<b>289,826,211</b>	<b>(149,216,622)</b>	<b>289,826,211</b>	<b>(149,216,622)</b>

4.5. Prepaid expenses

4.5.1. Short-term prepaid expenses

	Closing balance VND	Opening balance VND
Other attribution costs	152,170	76,091
	<b>152,170</b>	<b>76,091</b>

4.5.2. Long-term prepaid expenses

	Closing balance VND	Opening balance VND
Other attribution costs	213,876	2,562,366
	<b>213,876</b>	<b>2,562,366</b>



**QUANG BINH IMPORT AND EXPORT JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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**4.6. Bad debts**

	31/12/2025		01/01/2025	
	Original cost VND	Recoverable value VND	Provision VND	Provision VND
<b>Overdue receivables</b>				
Dinh Vu Fertilizer				
- Development Joint Stock Company	107,316,072,995	-	107,316,072,995	-
Abavia Vietnam				
- Trading Joint Stock Company	166,805,828,800	103,030,439,690	63,775,389,110	123,729,592,550
SW Intertrade Trading Company	4,486,106,650	516,471,130	3,969,635,520	1,488,400,111
Hoang Cau Trading and Investment Company Limited	130,805,750,000	14,222,670,000	116,583,080,000	48,859,405,000
Duc Nguyen Import Export Joint Stock Company	38,406,500,000	-	38,406,500,000	-
Hanoi Import Export Joint Stock Company	99,040,155,500	31,208,186,350	67,831,969,150	51,031,217,450
Other overdue receivables	19,551,452,298	-	19,551,452,298	-
	<b>566,411,866,243</b>	<b>148,977,767,170</b>	<b>417,434,099,073</b>	<b>225,108,615,111</b>
			<b>566,884,866,243</b>	<b>341,776,251,132</b>

QUANG BINH IMPORT AND EXPORT JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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4.7. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Transportation equipment VND	Office equipment VND	Total VND
<b>Historical cost</b>					
Opening balance	11,214,964,082	397,272,773	2,933,840,453	831,120,824	15,377,198,132
Closing balance	11,214,964,082	397,272,773	2,933,840,453	831,120,824	15,377,198,132
<b>Accumulated depreciation</b>					
Opening balance	3,004,101,221	397,272,773	2,537,764,089	818,999,082	6,758,137,165
Increase in the period	423,182,892	-	156,631,696	8,081,148	587,895,736
- Depreciation charged	423,182,892	-	156,631,696	8,081,148	587,895,736
Closing balance	3,427,284,113	397,272,773	2,694,395,785	827,080,230	7,346,032,901
<b>Carrying amount</b>					
- Opening balance	8,210,862,861	-	396,076,364	12,121,742	8,619,060,967
- Closing balance	7,787,679,969	-	239,444,668	4,040,594	8,031,165,231

The historical cost of tangible fixed assets that have been fully depreciated but are still in use as of December 31<sup>st</sup>, 2025 is VND 3,445,131,633 (As of January 1<sup>st</sup>, 2025, it is VND 2,473,610,633).



4.8. Short-term trade payables

	Closing balance		Opening balance	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
Hung Tri Refrigeration Industry Company Branch of Chemical Import-Export and Materials Joint Stock Company in Hai Phong	1,262,500,000	1,262,500,000	1,262,500,000	1,262,500,000
DAP-VINACHEM Joint Stock Company	888,362,000	888,362,000	888,362,000	888,362,000
Fagro Internatoinal Trading Fze	1,039,530,800	1,039,530,800	1,039,530,800	1,039,530,800
Other	3,225,324,168	3,225,324,168	3,124,322,623	3,124,322,623
	904,260,287	904,260,287	893,179,301	893,179,301
	<b>7,319,977,255</b>	<b>7,319,977,255</b>	<b>7,207,894,724</b>	<b>7,207,894,724</b>

4.9. Other payablea

	Closing balance VND	Opening balance VND
Union fees	631,180	11,141,608
Social insurance:	-	-
Other short-term payables	741,488,709	741,488,709
- Transworld QBV ICD Joint Stock Company	741,488,709	741,488,709
	<b>742,119,889</b>	<b>752,630,317</b>

QUANG BINH IMPORT AND EXPORT JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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4.10. Taxes and amounts payable to the State budgets

C	Opening balance		In the period		Closing balance	
	Taxes payables VND	Taxes receivables VND	Amount payable VND	Paid VND	Taxes payables VND	Taxes receivables VND
Value added tax	23,167,899	-	7,920,000	31,087,899	-	-
Corporate income tax	2,161,930,844	-	-	1,627,000,000	534,930,844	-
Personal income tax	304,254	-	29,187,871	29,392,832	99,293	-
Other taxes	-	-	4,000,000	4,000,000	-	-
Fees and other obligations	2,146,705,243	-	278,114,092	298,387	2,424,520,948	-
	<b>4,332,108,240</b>	<b>-</b>	<b>319,221,963</b>	<b>1,691,779,118</b>	<b>2,959,551,085</b>	<b>-</b>

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Financial statements could be changed at later date upon final determination by the tax authorities.

4.11. Borrowings and financial lease liabilities

	Opening balance		In the period		Closing balance	
	Giá trị VND	Số có khả năng trả nợ VND	Tăng VND	Giảm VND	Giá trị VND	Số có khả năng trả nợ VND
Short-term borrowings	10,617,000,000	10,617,000,000	-	-	10,617,000,000	10,617,000,000
Short-term personal borrowings	10,617,000,000	10,617,000,000	-	-	10,617,000,000	10,617,000,000
- Mr. Nguyen Thanh Binh (*)	10,617,000,000	10,617,000,000	-	-	10,617,000,000	10,617,000,000
Short-term borrowings and financial lease liabilities	10,617,000,000	10,617,000,000	-	-	10,617,000,000	10,617,000,000

(\*) Personal borrowing: Personal loan of Mr. Nguyen Thanh Binh contract No. 06-2021/HĐVT/QB-NTBF with 0% interest rate, loan term of 12 months. Loan purpose: to supplement working capital for production and business. Form of loan guarantee: trust; Appendix to the loan contract No. 01-062021/HĐVT/QB-NTBF dated 01/11/2022 on changing the loan term to 24 months. The two parties signed the debt clearing record No. 1204/BTKV/QB-NTBF dated April 12, 2024 to agree after clearing the debt owed by Quang Binh Import-Export Company to Mr. Nguyen Thanh Binh in the amount of VND 10,617,000,000.



QUANG BINH IMPORT AND EXPORT JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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4.12. Owner's equity

4.12.1 Reconciliation table of equity

	Owner's contributed capital VND	Share premium VND	Development investment funds VND	Retained earnings VND	Total VND
Prior year's opening balance	693,299,280,000	(3,249,100,000)	15,692,449,297	(261,249,683,863)	444,492,945,434
Decrease in the year	-	-	-	(140,463,549,918)	(140,463,549,918)
- Loss for the year	-	-	-	(140,463,549,918)	(140,463,549,918)
Prior year's closing balance	693,299,280,000	(3,249,100,000)	15,692,449,297	(401,713,233,781)	304,029,395,516
Current period's opening balance	693,299,280,000	(3,249,100,000)	15,692,449,297	(401,713,233,781)	304,029,395,516
Decrease in the period	-	-	-	(78,365,108,636)	(78,365,108,636)
- Loss for the period	-	-	-	(78,365,108,636)	(78,365,108,636)
Current period's closing balance	693,299,280,000	(3,249,100,000)	15,692,449,297	(480,078,342,417)	225,664,286,880

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4.12.2 Detail of owner's investment capital

	Opening balance		Closing balance	
	Actual contributed capital VND	Ratio %	Actual contributed capital VND	Ratio %
Mrs. Nguyen Thi Thanh Huong	92,005,790,000	13.27%	92,005,790,000	13.27%
Others	601,293,490,000	86.73%	601,293,490,000	86.73%
	<b>693,299,280,000</b>	<b>100.00%</b>	<b>693,299,280,000</b>	<b>100.00%</b>

4.12.3 Capital transactions with owners and dividend distribution, profit sharing

	Year 2025 VND	Year 2024 VND
<b>Owner's invested equity</b>		
Capital contribution at the beginning of the period	693,299,280,000	693,299,280,000
Contribution capital increased during the period	-	-
Contribution capital decreased during the period	-	-
Capital contribution at the end of the period	693,299,280,000	693,299,280,000
<b>Dividends or distributed profits</b>	-	-

4.12.4 Shares

	Opening balance Share	Closing balance Share
- Number of shares registered for issuance	69,329,928	69,329,928
- Number of shares issued to the public	69,329,928	69,329,928
+ Ordinary shares	69,329,928	69,329,928
+ Preference shares	-	-
- Number of shares repurchased	-	-
+ Ordinary shares	-	-
+ Preference shares	-	-
- Number of outstanding shares in circulation	69,329,928	69,329,928
+ Ordinary shares	69,329,928	69,329,928
+ Preference shares	-	-

An ordinary share has par value: 10,000 VND/CP



**5. ADDITION INFORMATION ON THE PRESENTED SECTIONS ON THE INCOME STATEMENT**

**5.1. Revenue from goods sold and services rendered**

	<b>Current year VND</b>	<b>Prior year VND</b>
Sales revenue	-	55,321,183,800
Revenue from services rendered	150,000,000	219,151,600
	<b>150,000,000</b>	<b>55,540,335,400</b>

**5.2. Cost of goods sold and services rendered**

	<b>Current year VND</b>	<b>Prior year VND</b>
Cost of goods sold	-	55,308,044,791
Cost of services rendered	89,457,228	168,331,684
	<b>89,457,228</b>	<b>55,476,376,475</b>

**5.3. Financial income**

	<b>Current year VND</b>	<b>Prior year VND</b>
Interests on bank deposits and loans	190,228,391	211,953,115
	<b>190,228,391</b>	<b>211,953,115</b>

**5.4. Financial expenses**

	<b>Current year VND</b>	<b>Prior year VND</b>
Interest expense	-	585,571
Exchange rate loss incurred in the year	86,027,653	-
Exchange rate loss incurred at the end of the year	14,121,328	-
Unrealized exchange rate loss	-	135,665,360
	<b>100,148,981</b>	<b>136,250,931</b>

**5.5. Selling expenses**

	<b>Current year VND</b>	<b>Prior year VND</b>
Depreciation expenses	18,062,372	54,187,104
	<b>18,062,372</b>	<b>54,187,104</b>

5.6. General and administrative expenses

	Current year VND	Prior year VND
Labor	1,408,176,329	2,055,721,365
Office supplies expenses	34,056,293	63,138,908
Depreciation expenses	480,376,136	617,329,275
Expenses from external services	593,887,874	959,248,524
Other expenses by cash	45,508,168	175,091,403
Allowance expenses	75,657,847,941	130,427,237,708
	<b>78,219,852,741</b>	<b>134,297,767,183</b>

5.7. Other income

	Current year VND	Prior year VND
Gain from liquidating, disposing fixed assets	-	226,228,677
	<b>-</b>	<b>226,228,677</b>

5.8. Other expenses

	Current year VND	Prior year VND
Interest in late payment of taxes and insurance	277,815,705	-
Fines for administrative violations	-	2,159,434,573
	<b>277,815,705</b>	<b>2,159,434,573</b>

5.9. Corporate income tax expenses

	Current year VND	Prior year VND
Corporate income tax expenses based on taxable profit in the current year (i)	-	4,318,050,844
<b>Total current corporate income tax expense</b>	<b>-</b>	<b>4,318,050,844</b>

(i) Current corporate income tax expense for the year is computed as follows:

	Current year VND	Prior year VND
<b>Profit/(Loss) before tax</b>	<b>(78,365,108,636)</b>	<b>(136,145,499,074)</b>
- Adjustments to taxable profit	277,815,705	2,190,352,465
+ Non-deductible expenses	277,815,705	2,190,352,465
<b>Profits for calculation of corporate income tax</b>	<b>(78,087,292,931)</b>	<b>(133,955,146,609)</b>
Income from business contracts is subject to a tax rate of 20%	(78,087,292,931)	(133,955,146,609)
<b>Current corporate income tax expense</b>	<b>-</b>	<b>-</b>
Additional adjustment of CIT expenses collected in arrears in previous years	-	4,318,050,844
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>-</b>	<b>4,318,050,844</b>



5.10. Basic loss per share

	Current year	Prior year
<b>Basic loss per share</b>		
Profit after corporate income tax (VND)	(78,365,108,636)	(140,463,549,918)
Profits distributed to shareholders who own common shares (VND)	(78,365,108,636)	(140,463,549,918)
<i>Common shares are circulating on average in the year (shares)</i>	69,329,928	69,329,928
<b>Basic loss per share (VND/ Shares)</b>	<b>(1,130)</b>	<b>(2,026)</b>

5.11. Production by nature

	Current year VND	Prior year VND
Cost of materials	34,056,293	63,138,908
Labour costs	1,408,176,329	2,055,721,365
Depreciation	587,895,736	820,398,063
Allowance expenses	75,657,847,941	130,427,237,708
Expenses from external services	593,887,874	978,698,524
Other expenses by cash	45,508,168	175,091,403
	<b>78,327,372,341</b>	<b>134,520,285,971</b>

6. FINANCIAL INSTRUMENTS

6.1. Types of financial instruments

	Book Value		Fair value	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
<b>Financial assets</b>				
Cash and cash equivalents	10,388,382,425	10,224,908,453	-	-
Trade and other receivables	107,828,427,418	184,304,955,359	-	-
Short-term financial investments	-	-	-	-
Long-term financial investments	-	-	-	-
	<b>118,216,809,843</b>	<b>194,529,863,812</b>	<b>-</b>	<b>-</b>
	Book Value		Fair value	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
<b>Financial liabilities</b>				
Trade payables, Other payables	8,062,097,144	7,960,525,041	-	-
Accrued expenses	-	-	-	-
Borrowings and lease	10,617,000,000	10,617,000,000	-	-
	<b>18,679,097,144</b>	<b>18,577,525,041</b>	<b>-</b>	<b>-</b>

(i) The book value is recorded at net value, i.e., after deducting provisions

The company has not determined the fair value of financial assets and financial debts at the end of the accounting year due to Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on November 6, 2009 ("Circular 210") as well as current regulations have not provided specific guidance on determining the fair value of assets and financial debts. Circular 210 requires the application of the International Mid-Year Financial Reporting Standards on the presentation of mid-year financial statements and explanations of information for financial instruments but does not provide equivalent guidance for the evaluation and recognition of financial instruments, including the application of fair value, in order to comply with the International Mid-Year Financial Reporting Standards.

## 6.2. Financial risk management object

The Company has built a risk management system to detect and assess the risks to which the Company is subjected, and establish risk control policies and procedures at an acceptable level. The risk management system is periodically reviewed to reflect changes in market conditions and the Company's operations.

Financial risk includes market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

### **Market risk**

The Company's business will be mainly subject to risks when there are changes in exchange rates, interest rates and prices. The Company does not take these risk precautions due to the lack of active markets for trading these financial instruments.

#### *Exchange rate risk management*

The Company conducts a number of transactions of foreign currency origin, whereby, the Company will bear the risk of fluctuations in exchange rates.

#### *Interest rate risk management*

The company bears the interest rate risk arising from the signed interest-bearing loans. This risk will be managed by the Company by maintaining a reasonable level of loans and analyzing the competitive situation in the market in order to obtain interest rates in the Company's favor from appropriate lending sources.

#### *Managing commodity price risk*

The company buys raw materials and goods from domestic and foreign suppliers to serve production and business activities. Therefore, the Company will bear the risk of changing the selling price of raw materials and goods.

### **Credit risk**

Credit risk occurs when a customer or partner fails to meet the obligations in the contract, resulting in financial losses for the Company. The Company has an appropriate credit policy and regularly monitors the situation to assess whether the Company bears credit risk. The company does not have any material credit risk to its clients or partners because the receivables come from a large number of customers operating in various industries and are distributed in different geographical areas.

Credit risk occurs when a customer or partner fails to meet the obligations in the contract, resulting in financial losses for the Company. The Company has an appropriate credit policy and regularly monitors the situation to assess whether the Company bears credit risk.



**Liquidity Risk Management**

The purpose of liquidity risk management is to ensure sufficient capital to meet current and future financial obligations. Liquidity is also managed by the Company to ensure that the excess between debts due and assets due during the period is at a controllable level for the amount of capital that the Company believes can be generated during that period. It is the Company's policy to regularly monitor current and projected future liquidity requirements to ensure that the Company maintains sufficient cash reserves, loans and sufficient capital that the owner has committed to contribute to meet short-term and longer-term liquidity regulations.

The tables below detail the remaining contractual maturity levels for financial assets and non-derivative financial liabilities and payment terms as agreed. These tables are presented based on the undiscounted cash flow of financial assets and the undiscounted cash flow of financial liabilities by the earliest date payable by the Company. The presentation of non-derivative financial asset information is necessary to understand the Company's liquidity risk management when liquidity is managed on a debt and net asset basis.

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Opening balance</b>				
Cash and cash equivalents	10,224,908,453	-	-	10,224,908,453
Trade and other receivables	184,304,955,359	-	-	184,304,955,359
Short-term financial investments	-	-	-	-
Long-term financial investments	-	-	-	-
	<b>194,529,863,812</b>	<b>-</b>	<b>-</b>	<b>194,529,863,812</b>

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Opening balance</b>				
Trade payables, Other payables	7,960,525,041	-	-	7,960,525,041
Accrued expenses	-	-	-	-
Borrowings and lease	10,617,000,000	-	-	10,617,000,000
	<b>18,577,525,041</b>	<b>-</b>	<b>-</b>	<b>18,577,525,041</b>

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Closing balance</b>				
Cash and cash equivalents	10,388,382,425	-	-	10,388,382,425
Trade and other receivables	107,828,427,418	-	-	107,828,427,418
Short-term financial investments	-	-	-	-
Long-term financial investments	-	-	-	-
	<b>118,216,809,843</b>	<b>-</b>	<b>-</b>	<b>118,216,809,843</b>

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Closing balance</b>				
Trade payables, Other payables	8,062,097,144	-	-	8,062,097,144
Accrued expenses	-	-	-	-
Borrowings and lease	10,617,000,000	-	-	10,617,000,000
	<b>18,679,097,144</b>	<b>-</b>	<b>-</b>	<b>18,679,097,144</b>

The Board of Directors assesses the liquidity risk at a low level. The Board of Directors is confident that the Company can generate sufficient funds to meet its financial obligations when due.

## 7. OTHER INFORMATION

### 7.1. Potential liabilities

There are no potential liabilities arising from events that have occurred that may affect the information presented in the interim financial statements over which the Company has no control or has not been recorded.

### 7.2. Events after the reporting date

The Board of Directors and the Board of Directors of the Company affirm that there are no extraordinary events that occur after the end of the accounting period that affect the financial situation and operations of the Company that need to be adjusted or presented in the Financial Statements for the interim of this fiscal year.

### 7.3. Segment report

The company does not make divisional reports because it does not satisfy 1 of the 3 conditions for making divisional reports by business field or geographical area specified in Circular No. 20/2006/TT-BTC dated March 20<sup>th</sup>, 2006 of the Ministry of Finance, etc. guiding the implementation of six (06) accounting standards issued under Decision No. 12/2005/QD-BTC dated February 15<sup>th</sup>, 2005 of the Minister of Finance.

### 7.4. Transactions and balance with related parties

Key management members include: members of the Board of Directors, members of the Supervisory Board and members of the Board of Directors. Individuals related to key management members are close family members of key management members.

#### The Company's related parties:

Related parties	Duty	Note
- Mr. Hoang Van Hung	General Directors	
- Mr. Nguyen Thanh Binh	Deputy General Directors	Dismissal on 18 <sup>th</sup> March, 2024

#### Transactions primarily with related parties:

Related parties	Content	Year 2025	Year 2024
- Mr. Nguyen Thanh Binh	Loan principal payment	-	3,060,000,000



**Balances with related parties:**

Related parties	Content	31/12/2025	01/01/2025
- Mr. Nguyen Thanh Binh	Short-term borrowings	10,617,000,000	10,617,000,000

**7.4.1. Transactions with key management members and individuals related to key management members.**

Key management members include: members of the Board of Directors, members of the Supervisory Board and members of the Board of Directors. Individuals related to key management members are close family members of key management members.

**Income of key management members**

The total income of key management members in the period is as follows:

	Title	Current year VND	Prior year VND
<b>Board of Directors</b>			
Mrs. Tran Thi Yen Chi	Chairman of the Board of Directors (appointed on 24/06/2024)	111,430,818	47,799,879
Mrs. Vu Thi Duong	Chairman of the Board of Directors (dismissed on 24/06/2024)	108,832,496	160,891,339
Mrs. Ha Thi Mai Huong	Member	62,208,000	163,785,706
Mrs. Le Thi Thanh Hai	Member	62,208,000	86,400,000
<b>Board of Supervisors</b>			
Mrs. Dang Thi Phuong Thao	Head of department	62,208,000	86,400,000
Mrs. Nguyen Thi Quynh Trang	Member	46,656,000	64,800,000
Mrs. Tran Thi Thu Trang	Member	110,752,065	139,200,805
<b>Board of General Directors</b>			
Mr. Hoang Van Hung	General Directors	124,040,556	143,452,626
<b>Internal Audit Department</b>			
Mrs. Le Thi Hiep	Head of the Internal Audit Department	12,000,000	12,000,000
		<b>700,335,935</b>	<b>904,730,355</b>

**7.5. Event after the closing date of the accounting fiscal year**

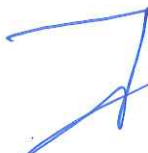
The Board of Directors affirms that, according to the Board of Directors, in terms of material aspects, there are no unusual events that occur after the closing date of the accounting year that affect the Company's financial position and operations that need to be adjusted or presented in this Financial Statement.

7.6. Comparative figures

The comparative data is the data on the Company's Financial Statements for the fiscal year ended as at 31 December 2024 that have been audited by Hanoi Branch - UHY Auditing and Consulting Co., Ltd.



Prepared by  
Nguyen Thi Thanh Thuy



Chief Accountant  
Nguyen Van Trung



Chairman  
Tran Thi Yen Chi  
Hai Phong, Viet Nam  
28<sup>th</sup> March 2026

