

**B.C.H JOINT STOCK COMPANY**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**For the financial year ended 31 December 2025, audited by**

**NHAN TAM VIET AUDITING COMPANY LIMITED**

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## B.C.H JOINT STOCK COMPANY

### REPORT OF THE MANAGEMENT

The Management of B.C.H Joint Stock Company (hereinafter referred to as the "Company") presents its report together with the audited Consolidated Financial Statements for the fiscal year ended 31 December 2025.

#### Overview of the Company

B.C.H Joint Stock Company operates under Enterprise Registration Certificate No. 0800286887, initially registered on 10 March 2004 by the Department of Planning and Investment of Hai Duong Province.

During its operation, the Company amended its enterprise registration 10 times. The 10th amended Enterprise Registration Certificate was issued by the Department of Finance of Hai Phong City on 31 July 2025.

*Charter capital as per the 10th amended Enterprise Registration Certificate: VND 500,000,000,000*  
*Contributed charter capital as at 31 December 2025: VND 500,000,000,000*

#### Head office

Address : No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Vietnam  
Telephone : 02203.560.641  
Fax : 02203.560.642  
Tax code : 0 8 0 0 2 8 6 8 8 7

#### Financial position and business performance

The financial position of the Company as at 31 December 2025, its consolidated results of operations and consolidated cash flows for the fiscal year ended 31 December 2025 are presented in the accompanying Consolidated Financial Statements attached to this report (from page 07 to page 47).

#### Events after the end of the accounting period for preparation of the Consolidated Financial Statements

The Management of the Company confirms that there have been no significant events occurring after 31 December 2025 up to the date of this report which have not been considered for adjustment of figures or disclosure in the Consolidated Financial Statements.

#### Board of Directors and Executive Management

Members of the Board of Directors and Executive Management of the Company as at the date of preparation of the Consolidated Financial Statements comprise:

##### Board of Directors

Full name	Position
Mr. Pham Ba Phu	Chairman
Mr. Dang Ngoc Hung	Member
Mr. Nguyen Tong Thang	Member

##### Executive Management

Full name	Position	Date of appointment/dismissal
Mr. Dang Ngoc Hung	General Director	
Ms. Le Thu Phuong	Deputy General Director	
Ms. Dang Thi Tuyet Dung	Chief Accountant	



**B.C.H JOINT STOCK COMPANY**  
**REPORT OF THE MANAGEMENT (continued)**

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***Supervisory Board***

<u>Full name</u>	<u>Position</u>
Mr. Le Thanh Tuan	Head of the Supervisory Board
Mr. Vu Van Duong	Member
Ms. Nguyen Thi Linh	Member

**Auditor**

Nhan Tam Viet Auditing Company Limited has audited the Consolidated Financial Statements for the fiscal year ended 31 December 2025.

**Statement of responsibility of the Management for the Consolidated Financial Statements**

The Management of the Company is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view of the financial position, business performance and cash flows of the Company for the year. In preparing the Consolidated Financial Statements, the Management of the Company undertakes to comply with the following requirements:

- To establish and maintain internal control which the Management and the Board of Management of the Company determine is necessary to ensure that the preparation and presentation of the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error;
- To select appropriate accounting policies and apply them consistently;
- To make judgments and estimates that are reasonable and prudent;
- To state whether the applicable accounting standards have been complied with, and whether there are material departures that need to be disclosed and explained in the Consolidated Financial Statements;
- To prepare and present the Consolidated Financial Statements in compliance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations relating to the preparation and presentation of the Consolidated Financial Statements;
- To prepare the Consolidated Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue its business operations.

During 2025, the Company completed the liquidation of the entire steel billet production line and all assets attached to land plots No. 458 and No. 462 located at Km77+500, Phu Thai Commune, Hai Phong City. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. However, the Company has been progressively strengthening its trading activities, enabling it to maintain its position in the market, with revenue for 2025 amounting to VND 6,371,002,871,476. In addition, based on its demonstrated financial capability and positive business development orientation, the Company continued to obtain financing from the Joint Stock Commercial Bank for Investment and Development of Vietnam – Nam Thai Nguyen Branch during the year. Accordingly, the Company's working capital has been maintained at a stable level, facilitating its sustainable development. The Management undertakes to provide financial support for the Company's due obligations as necessary. Therefore, the consolidated financial statements for the year ended December 31, 2025 have been prepared on a going concern basis.



## **B.C.H JOINT STOCK COMPANY**

### **REPORT OF THE MANAGEMENT (continued)**

The Management of the Company assures that the accounting records are maintained so as to reflect the financial position of the Company, with reasonable accuracy, at any time and to ensure that the Consolidated Financial Statements comply with current regulations of the State. It is also responsible for safeguarding the assets of the Company and for taking appropriate measures to prevent and detect fraud and other irregularities.

The Management of the Company commits that the Consolidated Financial Statements have fairly and truly reflected the financial position of the Company as at 31 December 2025, its business performance and cash flows for the fiscal year ended 31 December 2025, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and in compliance with relevant legal regulations relating to the preparation and presentation of the Consolidated Financial Statements.

#### **Other commitments**

The Management commits that the Company complies with the Law on Securities No. 54/2019/QH14 dated 26 November 2019, the amended Law on Securities No. 56/2024/QH15 dated 29 November 2024, and the guiding circulars and decrees on information disclosure in the securities market.

Hai Phong, 31 March 2026  
For and on behalf of the Management,  
**Deputy General Director**



**Le Thu Phuong**

Under Power of Attorney No. 01/UQ-B.C.H dated 01 January 2026

No. : 3008.01.04/2025/BCTC-NTV2

**INDEPENDENT AUDITOR'S REPORT**  
**For the Consolidated Financial Statements for the year 2025**

To : **The Shareholders, the Board of Directors and the Board of Management**  
**B.C.H Joint Stock Company**

We have audited the accompanying Consolidated Financial Statements of B.C.H Joint Stock Company, prepared on 31 March 2026, from page 07 to page 47, which comprise the Consolidated Balance Sheet as at 31 December 2025, the Consolidated Income Statement, the Consolidated Statement of Cash Flows for the fiscal year then ended and the Notes to the Consolidated Financial Statements.

**Responsibility of the Management**

The Management of B.C.H Joint Stock Company is responsible for the preparation and fair presentation of these Consolidated Financial Statements in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations relating to the preparation and presentation of the Consolidated Financial Statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance as to whether the Company's Consolidated Financial Statements are free from material misstatement.

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

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



## INDEPENDENT AUDITOR'S REPORT (continued)

### **Auditor's opinion**

In our opinion, the accompanying Consolidated Financial Statements present fairly, in all material respects, the financial position of B.C.H Joint Stock Company as at 31 December 2025, and its consolidated results of operations and consolidated cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations relating to the preparation and presentation of the Consolidated Financial Statements.

### **Emphasis of Matter**

We draw the readers' attention to Note VIII.6 to the following matter:

During 2025, the Company completed the liquidation of the entire steel billet production line and all assets attached to land plots No. 458 and No. 462 located at Km77+500, Phu Thai Commune, Hai Phong City.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. However, the Company has been progressively strengthening its trading activities, enabling it to maintain its position in the market, with revenue for 2025 amounting to VND 6,371,002,871,476. In addition, based on its demonstrated financial capability and positive business development orientation, the Company continued to obtain financing from the Joint Stock Commercial Bank for Investment and Development of Vietnam – Nam Thai Nguyen Branch during the year. Accordingly, the Company's working capital has been maintained at a stable level, facilitating its sustainable development. The Management undertakes to provide financial support for the Company's due obligations as necessary. Therefore, the consolidated financial statements for the year ended December 31, 2025 have been prepared on a going concern basis.

This matter does not affect our audit opinion on the Consolidated Financial Statements as expressed above.

*Hanoi, 31 March 2026*

**NHAN TAM VIET AUDITING COMPANY LIMITED**

**Deputy General Director**

**Auditor**



**Pham Van Tuan**

Certificate of Audit Practising

Registration No.: 4497-2023-124-1

**Nguyen Thi Thuy**

Certificate of Audit Practising

Registration No.: 6229-2023-124-1



**B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Viet Nam

**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**CONSOLIDATED BALANCE SHEET**

As at 31 December 2025

Unit: VND

ASSET	Code	Explan ation	Ending Balance	Beginning Balance
<b>A - SHORT-TERM ASSETS</b>	<b>100</b>		<b>2,396,015,758,624</b>	<b>2,553,862,521,772</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>54,171,337,757</b>	<b>11,912,626,013</b>
1. Cash	111		54,171,337,757	11,912,626,013
2. Cash equivalents	112		-	-
<b>II. Short-term financial investment</b>	<b>120</b>		<b>20,236,953,487</b>	<b>142,766,953,487</b>
1. Trading securities	121	V.2a	9,766,953,487	9,766,953,487
2. Provision for impairment of trading securities	122		-	-
3. Held to maturity investment	123	V.2b	10,470,000,000	133,000,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>805,655,323,040</b>	<b>573,394,328,987</b>
1. Short-term trade receivables	131	V.3	848,010,685,037	523,600,201,616
2. Short-term vendor advance	132	V.4	47,617,518,193	118,611,895,902
3. Short-term internal receivables	133		-	-
4. Receivable according to construction contract progress plan	134		-	-
5. Short-term loan receivable	135		-	-
6. Other short-term receivables	136	V.5a	35,856,978,052	14,678,786,656
7. Provision for doubtful short-term receivables	137	V.6	(125,829,858,242)	(83,496,555,187)
8. Assets missing pending resolution	139		-	-
<b>IV. Inventory</b>	<b>140</b>	<b>V.7</b>	<b>1,498,604,381,857</b>	<b>1,720,469,712,590</b>
1. Inventory	141		1,504,752,330,453	1,720,970,168,861
2. Provision for inventory write-down	149		(6,147,948,596)	(500,456,271)
<b>V. Other short-term assets</b>	<b>150</b>		<b>17,347,762,483</b>	<b>105,318,900,695</b>
1. Short-term prepaid expenses	151	V.8a	9,412,638,584	15,814,099,064
2. Deductible value added tax	152		-	84,580,640,816
3. Taxes and other amounts receivable from the State	153	V.15	7,935,123,899	4,924,160,815
4. Government bond repurchase transaction	154		-	-
5. Other short-term assets	155		-	-

**B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Viet Nam

**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**Consolidated Balance Sheet (continued)**

ASSET	Code	Explan ation	Ending Balance	Beginning Balance
<b>B - LONG-TERM ASSETS</b>	<b>200</b>		<b>1,102,487,447,692</b>	<b>1,361,508,674,101</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>22,537,669,933</b>	<b>22,537,669,933</b>
1. Long-term receivables from customers	211		-	-
2. Long-term prepayment to seller	212		-	-
3. Working capital in affiliated units	213		-	-
4. Long-term internal receivables	214		-	-
5. Long-term loan receivable	215		-	-
6. Other long-term receivables	216	V.5b	22,537,669,933	22,537,669,933
7. Provision for doubtful long-term receivables	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>1,032,190,775,925</b>	<b>1,281,705,979,808</b>
1. Tangible fixed assets	221	V.9	1,030,969,939,837	1,280,110,444,300
<i>Original price</i>	222		2,286,368,472,516	2,729,109,250,119
<i>Accumulated depreciation</i>	223		(1,255,398,532,679)	(1,448,998,805,819)
2. Financial lease fixed assets	224		-	-
<i>Original price</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.10	1,220,836,088	1,595,535,508
<i>Original price</i>	228		4,147,741,000	3,972,741,000
<i>Accumulated depreciation</i>	229		(2,926,904,912)	(2,377,205,492)
<b>III. Investment real estate</b>	<b>230</b>		-	-
<i>Original price</i>	231		-	-
<i>Accumulated depreciation</i>	232		-	-
<b>IV. Long-term unfinished assets</b>	<b>240</b>		<b>5,444,450,232</b>	<b>27,500,583,608</b>
1. Long-term unfinished production and business costs	241		-	-
2. Cost of unfinished basic construction	242	V.11	5,444,450,232	27,500,583,608
<b>V. Long-term financial investment</b>	<b>250</b>		-	-
1. Investment in subsidiaries	251		-	-
2. Investment in joint ventures and associates	252		-	-
3. Investing in other entities	253		-	-
4. Long-term financial investment reserve	254		-	-
5. Held to maturity investment	255		-	-
<b>VI. Other long-term assets</b>	<b>260</b>		<b>42,314,551,602</b>	<b>29,764,440,752</b>
1. Long-term prepaid expenses	261	V.8b	41,344,237,713	28,334,379,861
2. Deferred income tax assets	262	V.12	970,313,889	1,430,060,891
3. Long-term replacement equipment, supplies and spare parts	263		-	-
4. Other long-term assets	268		-	-
5. Goodwill	269		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>3,498,503,206,316</b>	<b>3,915,371,195,873</b>



**B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Viet Nam

**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**Consolidated Balance Sheet (continued)**

CAPITAL SOURCE	Code	Explanation	Ending Balance	Beginning Balance
<b>C - LIABILITIES PAYABLE</b>	<b>300</b>		<b>2,548,430,435,701</b>	<b>3,415,756,601,306</b>
<b>I. Short-term debt</b>	<b>310</b>		<b>2,231,430,435,701</b>	<b>2,994,756,601,306</b>
1. Short-term trade payables	311	V.13	828,298,540,678	779,036,367,197
2. Short-term advance payment buyer	312	V.14	130,857,265	559,465,894
3. Taxes and other payments to the State	313	V.15	11,212,759,410	599,079,533
4. Payable to workers	314		11,862,127,380	10,844,548,829
5. Short-term payable expenses	315	V.16	2,648,072,003	61,291,959,940
6. Short-term internal payables	316		-	-
7. Payable according to construction contract progress schedule	317		-	-
8. Short-term unearned revenue	318		-	-
9. Other short-term payables	319	V.17	2,640,573,150	1,559,967,960
10. Short-term loans and finance leases	320	V.18a	1,374,526,249,122	2,140,753,955,260
11. Provision for short-term payables	321		-	-
12. Bonus and welfare fund	322	V.19	111,256,693	111,256,693
13. Price stabilization fund	323		-	-
14. Government bond repurchase transaction	324		-	-
<b>II. Long-term debt</b>	<b>330</b>		<b>317,000,000,000</b>	<b>421,000,000,000</b>
1. Long-term trade payables	331		-	-
2. Long term prepayment buyer	332		-	-
3. Long-term payable expenses	333		-	-
4. Internal payable on working capital	334		-	-
5. Long-term internal payables	335		-	-
6. Long-term unrealized revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term loans and financial leases	338	V.18b	317,000,000,000	421,000,000,000
9. Convertible bonds	339		-	-
10. Preferred stock	340		-	-
11. Deferred income tax payable	341		-	-
12. Long-term payables provision	342		-	-
13. Science and Technology Development Fund	343		-	-



**B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Viet Nam

**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**Consolidated Balance Sheet (continued)**

CAPITAL SOURCE	Code	Explanation	Ending Balance	Beginning Balance
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>950,072,770,615</b>	<b>499,614,594,567</b>
<b>I. Equity</b>	<b>410</b>	<b>V.20</b>	<b>950,072,770,615</b>	<b>499,614,594,567</b>
1. Owner's equity	411		500,000,000,000	190,000,000,000
- Common shares with voting rights	411a		500,000,000,000	190,000,000,000
- Preferred stock	411b		-	-
2. Capital surplus	412		139,500,000,000	-
3. Bond conversion option	413		-	-
4. Other owners' equity	414		-	-
5. Treasury stock	415		-	-
6. Asset revaluation difference	416		-	-
7. Exchange rate difference	417		-	-
8. Development investment fund	418		-	-
9. Enterprise Reorganization Support Fund	419		-	-
10. Other equity funds	420		-	-
11. Undistributed profit after tax	421		310,572,770,615	309,614,594,567
- Undistributed profit after tax accumulated to the end of previous period	421a		309,614,594,567	359,734,926,006
- Undistributed profit this period	421b		958,176,048	(50,120,331,439)
12. Source of capital for basic construction investment	422		-	-
13. Non-controlling interests	429		-	-
<b>II. Other funding sources and funds</b>	<b>430</b>		-	-
1. Funding sources	431		-	-
2. Funds for forming fixed assets	432		-	-
<b>TOTAL CAPITAL</b>	<b>440</b>		<b>3,498,503,206,316</b>	<b>3,915,371,195,873</b>

Prepared by

Chief Accountant

Prepared on 31 March 2026

Deputy General Director

Dang Thi Thu Hoa

Dang Thi Tuyet Dung

Le Thu Phuong



**B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Viet Nam

**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**CONSOLIDATED INCOME STATEMENT**

2025

Unit: VND

INDICATORS	Code	Explan ation	This year	Last year
1. Sales and service revenue	01	VI.1	6,381,521,926,936	5,567,860,349,708
2. Revenue deductions	02	VI.2	197,165,000	39,043,767,577
3. Net revenue from sales and services	10		6,381,324,761,936	5,528,816,582,131
4. Cost of goods sold	11	VI.3	6,143,820,624,050	5,359,019,797,751
5. Gross profit from sales and service provision	20		237,504,137,886	169,796,784,380
6. Financial revenue	21	VI.4	24,474,719,281	8,329,262,261
7. Financial costs	22	VI.5	147,441,737,467	162,101,389,525
Including: interest expense	23		141,437,733,865	147,740,528,203
8. Share of profit or loss in joint ventures and associates	24		-	-
9. Selling expenses	25	VI.6	14,902,659,214	3,345,699,253
10. Business management costs	26	VI.7	100,224,673,629	61,532,917,954
11. Net operating profit	30		(590,213,143)	(48,853,960,091)
12. Other income	31	VI.8	35,412,239,299	1,528,678,796
13. Other costs	32	VI.9	31,334,674,698	3,932,025,203
14. Other profits	40		4,077,564,601	(2,403,346,407)
15. Total accounting profit before tax	50		3,487,351,458	(51,257,306,498)
16. Current corporate income tax expense	51	VI.10	2,069,428,408	293,085,832
17. Deferred corporate income tax expense	52		459,747,002	(1,430,060,891)
18. Profit after corporate income tax	60		<u>958,176,048</u>	<u>(50,120,331,439)</u>
19. Profit after tax attributable to the parent company	61		<u>958,176,048</u>	<u>(50,120,331,439)</u>
21. Basic earnings per share	70	VI.11	<u>30</u>	<u>(2,638)</u>
22. Diluted earnings per share	71	VI.11	<u>30</u>	<u>(2,638)</u>

Prepared by

Chief Accountant



Dang Thi Thu Hoa



Dang Thi Tuyen Dung

Prepared on 31 March 2026  
Deputy General Director

**CÔNG TY  
CỔ PHẦN  
B.C.H**

THÀNH PHỐ HẢI PHÒNG



Le Thu Phuong



**B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Viet Nam

**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**CONSOLIDATED STATEMENT OF CASH FLOWS**

(By indirect method)

2025

Unit: VND

INDICATORS	Code	Explan ation	This year	Last year
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		3,487,351,458	(51,257,306,498)
2. Adjustments for:				
- Depreciation of fixed assets and investment properties	02		146,009,351,667	148,334,570,451
- Provisions	03		47,980,795,380	-
- Foreign exchange gains or losses arising from revaluation of monetary items denominated in foreign currencies	04		(288,177,848)	(35,242,348)
- Gains or losses from investing activities	05		(6,579,369,732)	(6,756,097,623)
- Interest expenses	06		141,437,733,865	147,740,528,203
- Other adjustments	07		-	-
3. Profit from operating activities before changes in working capital	08		332,047,684,790	238,026,452,185
- Increase or decrease in receivables	09		(153,607,931,566)	187,441,966,746
- Increase or decrease in inventories	10		216,217,838,408	(1,193,241,406,373)
- Increase or decrease in payables	11		2,850,958,817	(758,883,814,837)
- Increase or decrease in prepaid expenses	12		(6,608,397,372)	20,688,066,379
- Increase or decrease in trading securities	13		-	-
- Interest paid	14		(168,004,552,460)	(117,189,759,530)
- Corporate income tax paid	15		-	(41,498,907)
- Other cash receipts from operating activities	16		-	-
- Other cash payments for operating activities	17		-	-
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>222,895,600,617</b>	<b>(1,623,199,994,336)</b>
<b>II. Cash flows from investing activities</b>				
1. Cash payments for purchases and construction of fixed assets and other long-term assets	21		(24,293,375,454)	(27,530,172,727)
2. Cash receipts from disposal and sale of fixed assets and other long-term assets	22		132,724,223,859	150,000,000
3. Cash payments for lending and purchase of debt instruments of other entities	23		(400,470,000,000)	(160,000,000,000)
4. Cash receipts from collection of loans and resale of debt instruments of other entities	24		523,000,000,000	100,000,000,000
5. Cash payments for investments in other entities	25		-	-
6. Cash receipts from recovery of investments in other entities	26		-	-
7. Interest received, dividends and profits received	27		9,138,992,712	6,673,735,551
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>240,099,841,117</b>	<b>(80,706,437,176)</b>



**B.C.H JOINT STOCK COMPANY**

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**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

INDICATORS	Code	Explanation	This year	Last year
<b>III. Cash flows from financing activities</b>				
1. Cash receipts from issuing shares and receiving capital contributions from owners	31		449,500,000,000	-
2. Cash payments for returning capital contributions to owners and repurchasing issued shares	32		-	-
3. Cash receipts from borrowings	33		3,081,776,829,961	3,094,039,575,043
4. Cash payments for repayment of borrowings	34		(3,952,004,536,099)	(2,416,280,064,620)
5. Cash payments for repayment of finance lease liabilities	35		-	-
6. Dividends and profits paid to owners	36		-	-
<i>Net cash flows from financing activities</i>	<i>40</i>		<i>(420,727,706,138)</i>	<i>677,759,510,423</i>
<b>Net cash flows during the year</b>	<b>50</b>		<b>42,267,735,596</b>	<b>(1,026,146,921,090)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>60</b>	<b>V.1</b>	<b>11,912,626,013</b>	<b>1,038,024,304,755</b>
Effect of exchange rate changes on cash and cash equivalents	61		(9,023,852)	35,242,348
<b>Cash and cash equivalents at end of year</b>	<b>70</b>	<b>V.1</b>	<b>54,171,337,757</b>	<b>11,912,626,013</b>

Prepared by

Chief Accountant




Dang Thi Thu Hoa

Dang Thi Tuyen Dung

Prepared on 31 March 2026

Deputy General Director


  
 Le Thu Phuong

**B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**Notes to the Consolidated Financial Statements (continued)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Year 2025****I. COMPANY'S OPERATING CHARACTERISTICS**

1. **Form of ownership** : Joint stock company

2. **Overview of the Company**

B.C.H Joint Stock Company operates under Enterprise Registration Certificate No. 0800286887, initially registered on 10 March 2004 by the Department of Planning and Investment of Hai Duong Province.

During its operation, the Company amended its enterprise registration 10 times. The 10th amended Enterprise Registration Certificate was issued by the Department of Finance of Hai Phong City on 31 July 2025.

*Charter capital as per the 10th amended Enterprise Registration Certificate: VND 500,000,000,000*

*Contributed charter capital as at 31 December 2025: VND 500,000,000,000*

**Head office**

Address : No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Vietnam

Telephone : 02203.560.641

Fax : 02203.560.642

Tax code : 0 8 0 0 2 8 6 8 8 7

3. **Business lines** : Trading, manufacturing and services

4. **Principal business activities:**

The Company's principal business activities include:

- + Production, trading, import and export of steel billets and steel products;
- + Production, trading and processing of metals and metal products;
- + Mining, trading and processing of minerals (iron ore, manganese, aluminum bauxite, ferro, coke coal and electrode coal);
- + Provision of warehousing services and cargo weighing services;
- + Trading of automobiles, motorcycles, machinery and construction equipment;
- + Production and trading of construction materials;
- + Construction of industrial and civil works;
- + Production and trading of footwear and footwear materials;
- + Production and trading of agricultural, forestry, aquatic and seafood products./.

5. **Normal operating cycle**

The Company's normal operating cycle does not exceed 12 months

6. **List of consolidated subsidiaries**

Name of company	Head office address	Principal business activity	Actual ownership interest	Ownership interest per ERC
Tuyen Quang Iron and Steel Company Limited	Long Binh An Industrial Park, Binh Thuan Ward, Tuyen Quang Province, Vietnam	Manufacture of iron, steel and cast iron	100%	100%



## **B.C.H JOINT STOCK COMPANY**

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### **CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

#### **Notes to the Consolidated Financial Statements (continued)**

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**7. Statement on comparability of information in the Consolidated Financial Statements**

The Consolidated Financial Statements for the fiscal year ended 31 December 2025 are fully consistent with, and comparable to, the Consolidated Financial Statements for the fiscal year ended 31 December 2024.

**8. Operating characteristics during the period affecting the Consolidated Financial Statements**

On 25 March 2025, the Resolution of the Board of Directors approved the transfer of assets attached to land at land plot No. 458 and land plot No. 462 at Km77+500, Phu Thai Commune, Hai Phong City. Under the Contract for Sale and Purchase of Assets Attached to Leased Land No. 25.03.2025/HĐCNTS/BCH-HG-1 dated 25 March 2025, the transaction value was VND 98,230,000,000 (VAT included), and under the Contract for Sale and Purchase of Assets Attached to Leased Land No. 25.03.2025/HĐCNTS/BCH-HG-2 dated 09 May 2025, the transaction value was VND 83,270,000,000 (VAT included). As at 12 September 2025, the Company had completed the handover of all the above assets to the purchaser, Hoang Gia Shipbuilding One Member Company Limited.

**9. Employees**

As at 31 December 2025, the Company had 896 employees in service (beginning balance: 902 employees).

## **II. FISCAL YEAR AND ACCOUNTING CURRENCY**

**1. Fiscal year**

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

**2. Accounting currency**

The accounting currency is Vietnam Dong (VND), as most receipts and payments are made in VND.

## **III. ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM APPLIED**

**1. Applicable accounting standards**

The Company applies the Vietnamese Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC in 2016 amending and supplementing Circular No. 200/2014/TT-BTC, Circular No. 202/2014/TT-BTC dated 22 December 2014, and the circulars guiding the implementation of accounting standards and accounting regime issued by the Ministry of Finance.

**2. Statement of compliance with accounting standards and accounting system**

The Management assures that it has complied with the requirements of accounting standards and the Vietnamese Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC in 2016 amending and supplementing Circular No. 200/2014/TT-BTC, Circular No. 202/2014/TT-BTC dated 22 December 2014, as well as the circulars guiding the implementation of accounting standards issued by the Ministry of Finance in the preparation of the Consolidated Financial Statements.



## **B.C.H JOINT STOCK COMPANY**

Address: No. 26, Ngo Be, Tan Hung Ward, Hai Phong City, Vietnam

### **CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

#### **Notes to the Consolidated Financial Statements (continued)**

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#### **IV. ACCOUNTING POLICIES APPLIED**

##### **1. Basis of preparation of the Consolidated Financial Statements**

The Consolidated Financial Statements are prepared on the accrual basis of accounting (except for information relating to cash flows).

The Consolidated Financial Statements comprise the Financial Statements of B.C.H Joint Stock Company (the parent company) and its subsidiary. A subsidiary is an entity controlled by the parent company. Control exists where the parent company has the power, directly or indirectly, to govern the financial and operating policies of the subsidiary so as to obtain economic benefits from its activities. In assessing control, currently exercisable or convertible potential voting rights are taken into account.

The results of operations of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the date of acquisition or up to the date of disposal of the investment in such subsidiary.

Where a subsidiary's accounting policies differ from the uniform accounting policies adopted by the Company, appropriate adjustments are made to the subsidiary's Financial Statements before they are used for preparing the Consolidated Financial Statements.

Balances of accounts on the Balance Sheet among companies within the Group, internal transactions and unrealized internal profits arising from such transactions are eliminated in preparing the Consolidated Financial Statements. Unrealized losses arising from internal transactions are also eliminated unless the cost giving rise to such losses is not recoverable.

Minority interests represent the portion of profit and net assets of subsidiaries not held by the shareholders of the parent company and are presented as a separate item in the interim Consolidated Income Statement and interim Consolidated Balance Sheet. Minority interests include the value of minority interests at the date of the initial business combination and the minority interests' share of changes in equity since the date of the business combination. Losses attributable to minority interests in excess of their share in the equity of a subsidiary are charged against the Group's interests unless the minority shareholders have a binding obligation and are able to make good such losses.

##### **2. Business combinations**

Business combinations are accounted for using the acquisition method. The cost of a business combination includes the fair value, at the exchange date, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. Assets acquired, liabilities identifiable and contingent liabilities assumed in a business combination are recognized at their fair value at the date of the business combination.

The excess of the cost of a business combination over the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities recognized at the acquisition date is recognized as goodwill. If the cost of a business combination is lower than the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities recognized, the difference is recognized in the results of operations in the period in which the acquisition occurs.

##### **3. Cash and cash equivalents**

Cash includes cash on hand, demand deposits at banks, and monetary gold held as a store of value, excluding gold classified as inventories for use as raw materials in production or as goods held for sale.



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**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**Notes to the Consolidated Financial Statements (continued)****4. Foreign exchange rates applied in accounting and principles for accounting for exchange differences**

The Company has transactions denominated in the following foreign currency: USD.

Exchange differences arising during the period and exchange differences arising from the year-end revaluation of monetary items denominated in foreign currencies are recognized as income or expenses in the period. Exchange differences arising from the year-end revaluation of foreign currency-denominated balances are accounted for in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance.

Transactions denominated in foreign currencies are translated at the exchange rates prevailing on the transaction dates. Balances of monetary items denominated in foreign currencies at the end of the period are translated at the exchange rates prevailing at the end of the fiscal year.

Exchange differences arising during the period from foreign currency transactions of monetary items denominated in foreign currencies and exchange differences arising from the year-end revaluation of foreign currency-denominated monetary items, after offsetting exchange gains against exchange losses, are recognized in financial income or financial expenses.

The exchange rate used for translating foreign currency transactions is the actual exchange rate at the time of the transaction of the commercial bank where the Company conducts the transaction. The exchange rate used for revaluing year-end balances of foreign currency-denominated monetary items is the buying rate of the commercial bank, or the average buying rate of the commercial banks where the Company maintains its accounts, as announced at the end of the fiscal year/accounting period.

The exchange rates used for translation as at 30 June 2025 were as follows:

Bank deposits, deposits and pledges, and receivables are translated at the buying rate of Joint Stock Commercial Bank for Investment and Development of Vietnam: VND 25,910/USD.

Payables are translated at the selling rate of Joint Stock Commercial Bank for Investment and Development of Vietnam: VND 26,270/USD.

**5. Accounting principles for financial investments*****Trading securities***

An investment is classified as trading securities when it is held for trading purposes to earn profits.

Trading securities are recorded at cost. The cost of trading securities is determined based on the fair value of payments at the transaction date plus transaction costs directly attributable to the purchase of such trading securities.

The recognition date of trading securities is the date on which the Company obtains ownership, specifically as follows:

- For listed securities: recognized on the matching date (T+0).

Interest, dividends and profits of periods prior to the acquisition of trading securities are recorded as a reduction in the carrying value of such trading securities. Interest, dividends and profits of periods after the acquisition of trading securities are recognized as revenue. Stock dividends received are monitored only in terms of the additional number of shares received and no value is recognized for the shares received/is recognized at par value.

***Held-to-maturity investments***



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**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**Notes to the Consolidated Financial Statements (continued)**

An investment is classified as held to maturity when the Company has the intention and ability to hold it to maturity. The Company's held-to-maturity investments include term bank deposits (including treasury bills and promissory notes), bonds, preference shares that the issuer is required to repurchase at a specified future date, loans held to maturity for the purpose of collecting periodic interest, and other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost, including purchase price and transaction costs directly attributable to the acquisition of such investments. After initial recognition, these investments are measured at recoverable value. Interest income from held-to-maturity investments arising after the acquisition date is recognized in the Income Statement on an accrual basis. Interest receivable accrued before the Company obtains the investment is deducted from cost at the acquisition date.

Where there is reliable evidence that part or all of an investment may not be recoverable and the amount of loss can be measured reliably, such loss is recognized in financial expenses during the year and deducted directly from the carrying value of the investment.

**6. Receivables**

Receivables are presented at carrying amount less allowance for doubtful receivables.

Receivables are classified into trade receivables and other receivables in accordance with the following principles:

- Trade receivables reflect receivables of a commercial nature arising from purchase and sale transactions between the Company and buyers that are independent entities, including receivables relating to export sales entrusted to other entities.
- Other receivables reflect non-commercial receivables that are not related to purchase and sale transactions.

Allowance for doubtful receivables is made for each doubtful receivable based on the overdue age of the receivable or the estimated loss likely to arise, specifically as follows:

- For overdue receivables:
  - 30% of value for receivables overdue from 6 months to under 1 year.
  - 50% of value for receivables overdue from 1 year to under 2 years.
  - 70% of value for receivables overdue from 2 years to under 3 years.
  - 100% of value for receivables overdue for 3 years or more.
- For receivables not yet overdue but likely to be irrecoverable: allowance is made based on the estimated loss.

**7. Inventories**

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

Cost of inventories is determined as follows:

- Raw materials and goods: include purchase costs and other directly attributable costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price of inventories in the normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



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**CONSOLIDATED FINANCIAL STATEMENTS**

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**Notes to the Consolidated Financial Statements (continued)**

The value of inventories is determined using the weighted average method and accounted for under the perpetual inventory method.

Allowance for inventory devaluation is made for each item of inventory whose cost exceeds its net realizable value. Increases or decreases in the balance of allowance for inventory devaluation required to be made at the fiscal year-end are recognized in cost of goods sold.

**8. Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets includes all costs incurred by the Company up to the time the asset is ready for use. Expenditures incurred after initial recognition are capitalized only when they are certain to increase the future economic benefits derived from the use of such asset. Expenditures that do not satisfy the above condition are recognized as production and business expenses in the period.

When tangible fixed assets are sold or disposed of, their cost and accumulated depreciation are written off, and any resulting gains or losses are recognized in income or expenses during the year. Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives. The depreciation periods for tangible fixed assets are as follows:

<u>Category of fixed assets</u>	<u>Number of years</u>
Buildings and structures	05 – 30
Machinery and equipment	02 – 25
Means of transportation and transmission equipment	03 – 07
Management equipment and tools	05

**9. Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of intangible fixed assets includes all costs incurred by the Company up to the time the asset is ready for use. Costs relating to intangible fixed assets incurred after initial recognition are recognized as production and business expenses in the period, unless such costs are associated with a specific intangible fixed asset and increase the economic benefits generated from that asset.

When intangible fixed assets are sold or disposed of, their cost and accumulated amortization are written off, and any resulting gains or losses are recognized in income or expenses during the year.

The Company's intangible fixed assets comprise:

***Computer software***

The purchase cost of computer software that is not an integral part of the related hardware is capitalized. The cost of computer software includes all expenditures incurred by the Company up to the time the software is put into use. Computer software is amortized using the straight-line method over 03 years.

***Mining costs***

Compensation and site clearance costs include expenditures incurred in securing the site necessary for the use of leased land serving mining activities. These costs are recognized in the Income Statement using the straight-line method over the mining term of 11 years.



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**Notes to the Consolidated Financial Statements (continued)**

**10. Accounting principles for prepaid expenses**

Prepaid expenses include actual expenses incurred but relating to the results of production and business activities of many accounting periods. The Company's prepaid expenses include the following:

***Tools and supplies***

Tools and supplies that have been put into use are allocated to expenses using the straight-line method over a period not exceeding 12 months.

***Other prepaid expenses***

These are costs serving multiple production and business periods and are allocated to production and business expenses over a period not exceeding 03 years.

**11. Construction in progress**

Construction in progress reflects costs directly attributable (including borrowing costs eligible in accordance with the Company's accounting policy) to assets under construction, machinery and equipment under installation for production, leasing and administrative purposes, as well as costs relating to repairs of fixed assets in progress. These assets are recognized at original cost and are not depreciated.

**12. Payables and accrued expenses**

Payables and accrued expenses are recognized for amounts payable in the future relating to goods and services received. Accrued expenses are recognized based on reasonable estimates of amounts payable.

The classification of payables into trade payables, accrued expenses and other payables is made in accordance with the following principles:

- Trade payables reflect payables of a commercial nature arising from transactions for the purchase of goods, services and assets from sellers that are independent entities from the Company, including payables arising from imports through entrusted import agents.
- Accrued expenses reflect payables for goods and services received from sellers or provided to buyers but not yet paid due to the absence of invoices or incomplete accounting documents and supporting records, as well as payables to employees for annual leave salaries and production and business expenses to be accrued in advance.
- Other payables reflect payables of a non-commercial nature, unrelated to transactions for the purchase, sale or supply of goods and services.

**13. Borrowings and finance lease liabilities**

The Company monitors in detail the repayment terms of borrowings and finance lease liabilities. Amounts with repayment terms of more than 12 months from the date of preparation of the Financial Statements are presented as long-term borrowings and finance lease liabilities. Amounts due for repayment within the next 12 months from the date of preparation of the Financial Statements are presented as short-term borrowings and finance lease liabilities for payment planning purposes.

For finance lease liabilities, the total lease liability reflected on the credit side of Account 341 is the total amount payable calculated at the present value of minimum lease payments or the fair value of the leased asset.



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**CONSOLIDATED FINANCIAL STATEMENTS**

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**Notes to the Consolidated Financial Statements (continued)**

Foreign currency borrowings and liabilities are translated into the accounting currency at the actual exchange rate prevailing at the transaction date;

- Upon repayment of foreign currency borrowings, the debit side of Account 341 is translated at the specific actual book exchange rate for each counterparty;

- At the date of preparation of the Financial Statements, balances of foreign currency borrowings and finance lease liabilities are revalued at the actual exchange rate prevailing at that date.

- Exchange differences arising from settlement and year-end revaluation of foreign currency borrowings and finance lease liabilities are accounted for in financial income or financial expenses.

**14. Owners' equity*****Owners' contributed capital***

Owners' contributed capital is recognized based on the actual capital contributed by shareholders.

***Share premium***

Share premium is recognized as the difference between the issuance price and the par value of shares upon initial issuance or additional issuance, or the difference between the reissuance price and the carrying amount of treasury shares. Direct costs related to the additional issuance of shares and the reissuance of treasury shares are deducted from share premium.

**15. Distribution of profits**

Profit after corporate income tax is distributed to shareholders after appropriations to funds in accordance with the Company's Charter and legal regulations and upon approval by the General Meeting of Shareholders.

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

**16. Revenue and income recognition*****a) Revenue from sale of goods***

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

- The Company has transferred substantially all risks and rewards associated with ownership of the products or goods to the buyer.
- The Company no longer retains the right to manage the goods as owner of the goods or control over the goods.
- Revenue is determined with reasonable certainty. Where the contract provides the buyer with the right to return products or goods purchased under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer no longer has the right to return the products or goods (except where the customer has the right to return goods in exchange for other goods or services).
- The Company has obtained or will obtain economic benefits from the sale transaction.
- Costs relating to the sale transaction can be determined

***b) Revenue from rendering of services***

Revenue from rendering of services is recognized when the outcome of the transaction can be measured reliably. Where services are rendered over many periods, revenue is recognized in the period based on the proportion of work completed at the end of the accounting period. The outcome of a service transaction is determined when all of the following conditions are satisfied:

- Revenue is determined with reasonable certainty. Where the contract provides the buyer with the right to return services purchased under specific conditions, revenue is recognized



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**CONSOLIDATED FINANCIAL STATEMENTS**

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**Notes to the Consolidated Financial Statements (continued)**

only when those specific conditions no longer exist and the buyer no longer has the right to return the services rendered.

- It is probable that the economic benefits associated with the service transaction will flow to the Company.
- The stage of completion at the end of the fiscal year can be determined.
- Costs incurred for the transaction and costs to complete the service transaction can be determined.

**c) Interest income**

Interest income is recognized on an accrual basis, determined based on deposit account balances and the actual interest rate applicable in each period.

**17. Accounting principles for deductions from revenue**

Deductions from revenue include trade discounts, sales discounts and sales returns.

Trade discounts, sales discounts and sales returns arising in the same period as the sale of products, goods or services are deducted from revenue of the period in which they arise;

Where products, goods or services were sold in previous periods but trade discounts, sales discounts or sales returns arise only in a subsequent period, the enterprise shall reduce revenue in accordance with the following principles:

- + If products, goods or services sold in previous periods are subject to price reductions, trade discounts or returns in a subsequent period, but such events arise before the issuance date of the Financial Statements, the accountant shall treat them as adjusting events after the Balance Sheet date and reduce revenue in the Financial Statements of the reporting period (the prior period).
- + Where products, goods or services are subject to price reductions, trade discounts or returns after the issuance date of the Financial Statements, the enterprise shall reduce revenue in the period in which such events arise (the subsequent period).

**18. Cost of goods sold.**

Cost of goods sold during the year is recognized consistently with revenue arising in the period and in compliance with the prudence principle.

For direct material costs consumed in excess of normal levels, labor costs and fixed manufacturing overheads not allocated to the value of inventories, the accountant shall immediately recognize them in cost of goods sold (after deducting any compensation, if any), even where the products or goods have not yet been identified as sold.

Allowance for inventory devaluation is included in cost of goods sold based on inventory quantities and the difference by which the net realizable value is lower than the original cost of inventories. In determining the quantity of inventories requiring an allowance for devaluation, the accountant shall exclude inventories already covered by sales contracts (whose net realizable value is not lower than their carrying amount) but not yet delivered to customers, provided there is persuasive evidence that customers will not withdraw from performing the contracts.

**19. Borrowing costs**

Borrowing costs include interest on borrowings and other costs incurred directly in connection with borrowings.

Borrowing costs are recognized as expenses when incurred. Where borrowing costs are directly attributable to the construction or production of assets in progress requiring a substantial period of



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**CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

**Notes to the Consolidated Financial Statements (continued)**

time (more than 12 months) before they can be put into use for their intended purpose or sold, such borrowing costs are capitalized. For specific borrowings used for the construction of fixed assets or investment property, borrowing costs are capitalized even where the construction period is less than 12 months. Income arising from the temporary investment of borrowings is deducted from the original cost of the related assets.

For general borrowings partly used for the purpose of constructing or producing assets in progress, borrowing costs eligible for capitalization are determined by applying the capitalization rate to the weighted average accumulated expenditures incurred for the construction or production of such assets. The capitalization rate is determined as the weighted average interest rate of outstanding borrowings during the year, excluding specific borrowings obtained for the purpose of forming a specific asset.

**20. Accounting principles for selling expenses and general and administrative expenses**

Selling expenses reflect actual expenses incurred in the process of selling products and goods or rendering services, including expenses for marketing, product introduction, product advertising, sales commissions, product and goods warranty costs (except for construction activities), preservation, packaging and transportation costs.

General and administrative expenses reflect general management expenses of the enterprise, including expenses for salaries of management personnel (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance for management personnel; office materials, working tools, depreciation of fixed assets used for administrative purposes; land rental, business license tax; allowance for doubtful receivables; purchased services (electricity, water, telephone, fax, asset insurance, fire and explosion insurance, etc.); and other cash expenses (guest entertainment, customer conferences, etc.).

**21. Corporate income tax*****Current corporate income tax***

Current corporate income tax is the tax calculated based on taxable income. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting, non-deductible expenses, adjustments to non-taxable income and tax losses carried forward.

The Company is obliged to pay corporate income tax at the rate of 20%.

**22. Financial instruments****i. Financial assets*****Classification of financial assets***

The Company classifies financial assets into the following categories: financial assets recognized at fair value through the Income Statement, held-to-maturity investments, loans and receivables, and available-for-sale financial assets. The classification of these financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

***Financial assets recognized at fair value through the Income Statement***

Financial assets are classified as recognized at fair value through the Income Statement if they are held for trading or designated as recognized at fair value through the Income Statement upon initial recognition.

Financial assets are classified as held-for-trading securities if:

- They are acquired or generated principally for the purpose of resale in the short term;
- The Company intends to hold them for short-term profit-taking purposes;
- They are derivative financial instruments (except for derivative financial instruments designated as financial guarantee contracts or effective hedging instruments).



## **B.C.H JOINT STOCK COMPANY**

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### **CONSOLIDATED FINANCIAL STATEMENTS**

for the fiscal year ended 31 December 2025

#### **Notes to the Consolidated Financial Statements (continued)**

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##### *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Company has the intention and ability to hold to maturity.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments and are not quoted in the market.

##### *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets designated as available for sale or not classified as financial assets recognized at fair value through the Income Statement, held-to-maturity investments, or loans and receivables.

##### *Initial carrying amount of financial assets*

Financial assets are recognized on the purchase date and derecognized on the sale date. At initial recognition, a financial asset is measured at purchase price/issuance cost plus other costs directly attributable to the acquisition or issuance of that financial asset.

#### **ii. Financial liabilities**

The Company classifies financial liabilities into the following categories: financial liabilities recognized at fair value through the Income Statement and financial liabilities measured at amortized cost. The classification of these financial liabilities depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition.

##### *Financial liabilities recognized at fair value through the Income Statement*

Financial liabilities are classified as recognized at fair value through the Income Statement if they are held for trading or designated as recognized at fair value through the Income Statement upon initial recognition.

Financial liabilities are classified as held-for-trading securities if:

- They are issued or incurred principally for the purpose of repurchasing in the short term;
- The Company intends to hold them for short-term profit-taking purposes;
- They are derivative financial instruments (except for derivative financial instruments designated as financial guarantee contracts or effective hedging instruments).

##### *Financial liabilities measured at amortized cost*

Financial liabilities measured at amortized cost are determined as the initial carrying amount of the financial liability less principal repayments, plus or minus cumulative amortization calculated using the effective interest method for the difference between the initial carrying amount and the maturity amount, less any reductions (either directly or through the use of an allowance account) due to impairment or uncollectibility.

The effective interest method is a method of calculating the amortized cost of a financial liability or a group of financial liabilities and allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument or, where appropriate, a shorter period, to the current net carrying amount of the financial liability.

##### *Initial carrying amount of financial liabilities*

At initial recognition, financial liabilities are measured at the issue price plus costs directly attributable to the issuance of such financial liabilities.

#### **iii. Equity instruments**

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

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**Notes to the Consolidated Financial Statements (continued)**

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**23. Segment reporting**

A business segment is a separately identifiable component engaged in producing or providing products or services and subject to risks and economic returns that are different from those of other business segments.

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

**24. Related parties**

Parties are considered related if one party has the ability to control or exercise significant influence over the other party in making financial and operating policy decisions. Parties are also considered related if they are under common control or common significant influence.

In considering related party relationships, substance is given priority over legal form.

Transactions with related parties during the year are presented in Note VIII.1.



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**Notes to the Consolidated Financial Statements (continued)****V. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN THE CONSOLIDATED BALANCE SHEET****1. Cash and cash equivalents**

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	3,252,148,098	7,518,452,108
Non-term bank deposits	50,919,189,659	4,394,173,905
<b>Total</b>	<b>54,171,337,757</b>	<b>11,912,626,013</b>

**2. Short-term financial investments****a) Trading securities**

	<u>Ending balance</u>			<u>Beginning balance</u>		
	<u>Original cost</u>	<u>Fair value</u>	<u>Provision</u>	<u>Original cost</u>	<u>Fair value</u>	<u>Provision</u>
<i>Shares</i>	9,766,953,487	9,766,953,487	-	9,766,953,487	9,766,953,487	-
Duong Hieu						
Trading and						
Mineral						
Exploitation Joint						
Stock Company	9,766,953,487	9,766,953,487	-	9,766,953,487	9,766,953,487	-
<b>Total</b>	<b>9,766,953,487</b>	<b>9,766,953,487</b>	<b>-</b>	<b>9,766,953,487</b>	<b>9,766,953,487</b>	<b>-</b>

**b) Held-to-maturity investments**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Original cost</u>	<u>Book value</u>	<u>Original cost</u>	<u>Book value</u>
Short-term				
Term deposits	10,470,000,000	10,470,000,000	133,000,000,000	133,000,000,000
Joint Stock Commercial				
Bank for Investment and				
Development of Vietnam				
- Hai Duong Branch	-	-	91,000,000,000	91,000,000,000
Joint Stock Commercial				
Bank for Industry and				
Trade of Vietnam – Nam				
Thai Nguyen Branch (2)	10,470,000,000	10,470,000,000	42,000,000,000	42,000,000,000
<b>Total</b>	<b>10,470,000,000</b>	<b>10,470,000,000</b>	<b>133,000,000,000</b>	<b>133,000,000,000</b>

This is a term deposit contract amounting to VND 10,470,000,000 of the Company, which is pledged as collateral for borrowings from Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Thai Nguyen Branch (See details in Note V.18).

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**Notes to the Consolidated Financial Statements (continued)****3. Short-term trade receivables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>187,212,314,733</i>	<i>405,088,927,118</i>
Thai Hung Trading Joint Stock Company	187,212,314,733	405,088,927,118
<i>Receivables from other customers</i>	<i>660,798,370,304</i>	<i>118,511,274,498</i>
Van Loi Pig Iron Joint Stock Company	76,103,062,353	76,103,062,353
Thai Nguyen Iron and Steel Joint Stock Company	312,650,876,180	5,906,576,849
NIKKO Vietnam Minerals Joint Stock Company	94,505,164,217	-
Other customers	177,539,267,554	36,501,635,296
<b>Total</b>	<b>848,010,685,037</b>	<b>523,600,201,616</b>

**4. Short-term advances to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Advances to other suppliers</i>	<i>47,617,518,193</i>	<i>118,611,895,902</i>
Thuan Thong Dat Mining and Trading Joint Stock Company	21,800,501,943	21,800,501,943
Hoa Yen Minerals Joint Stock Company	11,107,137,272	11,107,137,272
Duong Hieu Trading and Mineral Exploitation Joint Stock Company	-	67,238,672,060
Other suppliers	14,709,878,978	18,465,584,627
<b>Total</b>	<b>47,617,518,193</b>	<b>118,611,895,902</b>

**5. Other receivables****a. Other short-term receivables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>16,408,777,430</i>	-
Thai Hung Trading Joint Stock Company – overdue interest receivable	16,408,777,430	-
<i>Receivables from other organizations and individuals</i>	<i>19,448,200,622</i>	<i>14,678,786,656</i>
Advances	2,866,168,787	174,999,408
Deposit interest	407,211,289	1,943,010,045
Deposits and pledges	5,274,307,135	828,569,820
Trade discounts receivable	2,427,257,900	4,829,062,670
Do Thi Tuyet Chinh - compensation for assets	3,122,445,000	3,122,445,000
Tran Thi Kim Oanh - compensation for assets	1,955,509,800	1,955,509,800
Other short-term receivables	3,395,300,711	1,825,189,913
<b>Total</b>	<b>35,856,978,052</b>	<b>14,678,786,656</b>

**b. Other long-term receivables**

These are long-term deposits and pledges.

**6. Allowance for doubtful short-term receivables**

Details of allowance for doubtful short-term receivables are presented in the attached Appendix 01.



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**Notes to the Consolidated Financial Statements (continued)****7. Inventories**

	<b>Ending balance</b>		<b>Beginning balance</b>	
	<b>Original cost</b>	<b>Provision</b>	<b>Original cost</b>	<b>Provision</b>
Raw materials and supplies	915,676,438,480	-	1,332,684,569,849	(500,456,271)
Tools and supplies	3,710,039,850	-	10,612,100,506	-
Work in progress	-	-	39,696,556	-
Finished goods	260,818,526,486	-	89,101,063,902	-
Merchandise inventories	324,547,325,637	(6,147,948,596)	288,532,738,048	-
<b>Total</b>	<b>1,504,752,330,453</b>	<b>(6,147,948,596)</b>	<b>1,720,970,168,861</b>	<b>(500,456,271)</b>

**8. Prepaid expenses****a. Short-term prepaid expenses**

	<b>Ending balance</b>	<b>Beginning balance</b>
Tools and supplies issued for use	7,979,740,347	14,357,015,153
Insurance expenses	702,900,103	995,887,631
Other short-term prepaid expenses	729,998,134	461,196,280
<b>Total</b>	<b>9,412,638,584</b>	<b>15,814,099,064</b>

**b. Long-term prepaid expenses**

	<b>Ending balance</b>	<b>Beginning balance</b>
Report preparation service fees	1,032,372,348	466,856,077
Tools and supplies	22,097,123,253	14,772,738,904
Land rental	2,412,846,923	2,419,705,504
Other long-term prepaid expenses	15,801,895,189	10,675,079,376
<b>Total</b>	<b>41,344,237,713</b>	<b>28,334,379,861</b>

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**Notes to the Consolidated Financial Statements (continued)****9. Tangible fixed assets**

	Buildings and structures	Machinery and equipment	Means of transportation and transmission equipment	Management equipment and tools	Other tangible fixed assets	Total
<b>Original cost</b>						
Beginning balance	958,456,439,397	1,721,674,060,388	32,141,859,768	14,572,518,298	2,264,372,268	2,729,109,250,119
Additions during the year	10,470,605,083	56,139,306,229	191,775,000	4,217,996,121	-	71,019,682,433
<i>Purchases during the year</i>	-	4,075,610,000	64,850,000	36,111,111	-	4,176,571,111
<i>Transferred from completed construction in progress</i>	10,470,605,083	52,063,696,229	126,925,000	4,181,885,010	-	66,843,111,322
Disposals and liquidations	(124,350,517,315)	(378,849,949,231)	(9,574,445,590)	(985,547,900)	-	(513,760,460,036)
<b>Ending balance</b>	<b>844,576,527,165</b>	<b>1,398,963,417,386</b>	<b>22,759,189,178</b>	<b>17,804,966,519</b>	<b>2,264,372,268</b>	<b>2,286,368,472,516</b>
<i>Of which:</i>						
Fully depreciated but still in use	2,607,703,336	24,476,138,277	17,724,853,269	8,241,602,152	1,656,541,668	54,706,838,702
<b>Accumulated depreciation</b>						
Beginning balance	449,259,636,079	957,113,556,057	30,032,092,964	10,671,053,189	1,922,467,530	1,448,998,805,819
Depreciation during the year	43,669,562,390	99,384,440,252	760,636,393	1,569,034,372	75,978,840	145,459,652,247
Disposals and liquidations	(96,770,141,717)	(231,729,790,180)	(9,574,445,590)	(985,547,900)	-	(339,059,925,387)
<b>Ending balance</b>	<b>396,159,056,752</b>	<b>824,768,206,129</b>	<b>21,218,283,767</b>	<b>11,254,539,661</b>	<b>1,998,446,370</b>	<b>1,255,398,532,679</b>

**Net book value**

Beginning balance	509,196,803,318	764,560,504,331	2,109,766,804	3,901,465,109	341,904,738	1,280,110,444,300
<b>Ending balance</b>	<b>448,417,470,413</b>	<b>574,195,211,257</b>	<b>1,540,905,411</b>	<b>6,550,426,858</b>	<b>265,925,898</b>	<b>1,030,969,939,837</b>

Certain tangible fixed assets with original cost and net book value amounting to VND 1,512,544,745,099 and VND 620,536,052,720, respectively, have been pledged as collateral for borrowings from the Joint Stock Commercial Bank for Investment and Development of Vietnam.

During 2025, the Company completed the liquidation of the entire steel billet production line and all assets attached to land plots No. 458 and No. 462 located at Km77+500, Phu Thai Commune, Hai Phong City.



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**Notes to the Consolidated Financial Statements (continued)****10. Intangible fixed assets**

	<b>Mining rights</b>	<b>Computer software</b>	<b>Total</b>
<b>Original cost</b>			
Beginning balance	2,140,779,000	1,831,962,000	3,972,741,000
Purchases during the year	-	175,000,000	175,000,000
<b>Ending balance</b>	<b>2,140,779,000</b>	<b>2,006,962,000</b>	<b>4,147,741,000</b>
<i>Of which:</i>			
Fully amortized but still in use	-	367,562,000	367,562,000
<b>Accumulated amortization</b>			
Beginning balance	1,848,854,601	528,350,891	2,377,205,492
Amortization during the year	194,832,756	354,866,664	549,699,420
<b>Ending balance</b>	<b>2,043,687,357</b>	<b>883,217,555</b>	<b>2,926,904,912</b>
<b>Net book value</b>			
Beginning balance	291,924,399	1,303,611,109	1,595,535,508
<b>Ending balance</b>	<b>97,091,643</b>	<b>1,123,744,445</b>	<b>1,220,836,088</b>

**11. Construction in progress**

	<b>Beginning balance</b>	<b>Additions during the year</b>	<b>Transferred to tangible fixed assets</b>	<b>Transferred to intangible fixed assets</b>	<b>Ending balance</b>
Purchase of fixed assets	4,747,100,000	10,737,679,820	(12,130,256,010)	(175,000,000)	3,179,523,810
Construction in progress	22,753,483,608	28,173,558,498	(48,662,115,684)	-	2,264,926,422
Repair item for the 2024 bar rolling line	22,753,483,608	14,430,427,111	(37,183,910,719)	-	-
Domestic wastewater system of the Iron and Steel Plant	-	1,986,223,148	(1,986,223,148)	-	-
Purchase of equipment for the ore briquette production line	-	2,876,454,500	(2,876,454,500)	-	-
Early streamer emission and surge protection system	-	4,181,885,010	(4,181,885,010)	-	-
Renovation and expansion of the raw material warehouse of the Pig Iron Workshop	-	2,433,642,307	(2,433,642,307)	-	-
Investment project for the planning of the Beneficiation Workshop and extension of the Cay Nhan Mine license	-	2,264,926,422	-	-	2,264,926,422
Major repair of tangible fixed assets	-	6,050,739,628	(6,050,739,628)	-	-
<b>Total</b>	<b>27,500,583,608</b>	<b>44,961,977,946</b>	<b>(66,843,111,322)</b>	<b>(175,000,000)</b>	<b>5,444,450,232</b>

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**Notes to the Consolidated Financial Statements (continued)****12. Deferred income tax assets**

Deferred income tax assets arising during the year in relation to unrealized internal profit in inventories are detailed as follows:

	<u>Current year</u>
Beginning balance	1,430,060,891
Arising during the year	970,313,889
Reversed during the year	<u>(1,430,060,891)</u>
<b>Ending balance</b>	<b><u>970,313,889</u></b>

**13. Short-term trade payables**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Amount</u>	<u>Amount payable</u>	<u>Amount</u>	<u>Amount payable</u>
<i>Payables to related parties</i>				
Thai Hung Trading Joint Stock Company	32,387,244,134	32,387,244,134	272,624,048,610	272,624,048,610
<i>Payables to other suppliers</i>				
Duong Hieu Trading & Mineral Exploitation Joint Stock Company	380,491,149,930	380,491,149,930	203,857,591,092	203,857,591,092
Thai Nguyen Iron and Steel Joint Stock Company	233,085,043,477	233,085,043,477	227,540,945,491	227,540,945,491
DAO FORTUNE (HONG KONG) CO., LIMITED	113,267,545,239	113,267,545,239	-	-
Other suppliers	69,067,557,898	69,067,557,898	75,013,782,004	75,013,782,004
<b>Total</b>	<b><u>828,298,540,678</u></b>	<b><u>828,298,540,678</u></b>	<b><u>779,036,367,197</u></b>	<b><u>779,036,367,197</u></b>



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**Notes to the Consolidated Financial Statements (continued)****14. Short-term advances from customers**

	Ending balance	Beginning balance
<i>Advances from other customers</i>	<u>130,857,265</u>	<u>559,465,894</u>
Other customers	130,857,265	559,465,894
<b>Total</b>	<u>130,857,265</u>	<u>559,465,894</u>

**15. Taxes and amounts payable to the State**

	Beginning balance		Arising during the year			Ending balance	
	Payable	Receivable	Amount payable	Amount paid	Other reductions	Payable	Receivable
VAT on domestic sales	-	3,000,000,000	29,054,462,643	(17,375,791,204)	-	8,678,671,439	-
VAT on imported goods	-	-	11,252,607,476	(11,252,607,476)	-	-	-
Corporate income tax	-	103,413,075	2,069,428,408	-	-	2,069,428,408	103,413,075
Personal income tax	599,079,533	-	6,870,888,445	(7,005,308,415)	-	464,659,563	-
Natural resources tax	-	1,820,747,740	248,631,531	(232,144,701)	-	-	1,804,260,910
Land rental	-	-	473,143,446	(536,560,258)	-	-	63,416,812
Foreign contractor tax	-	-	2,737,520,920	(1,243,691,420)	(7,457,862,602)	-	5,964,033,102
Other taxes	-	-	3,055,734,175	(3,055,734,175)	-	-	-
Fees, charges and other payables	-	-	31,660,488	(31,660,488)	-	-	-
<b>Total</b>	<u>599,079,533</u>	<u>4,924,160,815</u>	<u>55,794,077,532</u>	<u>(40,733,498,137)</u>	<u>(7,457,862,602)</u>	<u>11,212,759,410</u>	<u>7,935,123,899</u>

The Company's tax finalization is subject to examination by the tax authorities. Because the application of tax laws and regulations to many different types of transactions may be subject to various interpretations, the tax amounts presented in the Consolidated Financial Statements may be changed according to the decisions of the tax authorities.

**Value added tax**

The Company applies the credit method for declaration and payment of value added tax at tax rates of 8% and 10%.

**Corporate income tax**

The Company is liable to corporate income tax on taxable income at the rate of 20%.

**Other taxes**

The Company declares and pays other taxes in accordance with prevailing regulations.

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**CONSOLIDATED FINANCIAL STATEMENTS**

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**Notes to the Consolidated Financial Statements (continued)****16. Short-term accrued expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Accrued loan interest expenses	1,958,146,411	60,985,966,990
Other short-term accrued expenses	689,925,592	305,992,950
<b>Total</b>	<b>2,648,072,003</b>	<b>61,291,959,940</b>

**17. Other payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
Surplus assets awaiting resolution	-	10,661,334
Trade union funds	27,239,771	70,239,771
Social insurance	-	5,266,104
Health insurance	-	1,174,708
Unemployment insurance	-	588,000
Short-term deposits and pledges received	740,000,000	840,000,000
Other short-term payables	1,873,333,379	632,038,043
<b>Total</b>	<b>2,640,573,150</b>	<b>1,559,967,960</b>

**18. Borrowings and finance lease liabilities****a. Short-term borrowings and finance lease liabilities**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Amount</u>	<u>Amount repayable</u>	<u>Amount</u>	<u>Amount repayable</u>
<b>Short-term bank borrowings</b>	<b>1,270,526,249,122</b>	<b>1,270,526,249,122</b>	<b>1,436,753,955,260</b>	<b>1,436,753,955,260</b>
Short-term borrowings from Joint Stock Commercial Bank for Industry and Trade of Vietnam - Thai Nguyen Branch	-	-	50,000,000,000	50,000,000,000
Short-term borrowings from BIDV - Hai Duong Branch	-	-	79,953,961,827	79,953,961,827
Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Thai Nguyen Branch (1)	1,270,526,249,122	1,270,526,249,122	1,306,799,993,433	1,306,799,993,433
<b>Short-term borrowings from other organizations</b>	<b>-</b>	<b>-</b>	<b>600,000,000,000</b>	<b>600,000,000,000</b>
Excel Pearl (HONGKONG) Limited	-	-	600,000,000,000	600,000,000,000
<b>Current portion of long-term borrowings (See Note V.18b)</b>	<b>104,000,000,000</b>	<b>104,000,000,000</b>	<b>104,000,000,000</b>	<b>104,000,000,000</b>
<b>Total</b>	<b>1,374,526,249,122</b>	<b>1,374,526,249,122</b>	<b>2,140,753,955,260</b>	<b>2,140,753,955,260</b>

(1) This is a loan from the Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Thai Nguyen Branch under Credit Limit Agreement No. 01/2025/3971222/HDTD dated 29 April 2025. The maximum credit limit is VND 1,400,000,000,000 for the purposes of supplementing working capital, providing guarantees and opening L/Cs. The term of the credit limit is from the signing date of the agreement until 29 April 2026. The lending interest rate is stipulated in each drawdown note.

Collateral for the loan includes:

+ Land use rights and assets attached to land under Certificate of Land Use Rights, Ownership of Residential House and Other Assets Attached to Land No. CG 617642, entered in the certificate issuance book under No. CT 40173, issued by the People's Committee of Tuyen Quang Province on 20 June 2017 to Tuyen Quang Iron and Steel Company Limited at Long Binh An Industrial Park, Doi Can Ward, Tuyen Quang City, Tuyen Quang Province.



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+ Land use rights and assets attached to land under Certificate of Land Use Rights, Ownership of Residential House and Other Assets Attached to Land No. CM 918034, entered in the certificate issuance book under No. CT 04779, issued by the People's Committee of Tuyen Quang Province on 20 March 2019 to Tuyen Quang Iron and Steel Company Limited at Long Binh An Industrial Park, Doi Can Ward, Tuyen Quang City, Tuyen Quang Province.

+ Land use rights and assets attached to land under Certificate of Land Use Rights, Ownership of Residential House and Other Assets Attached to Land No. CT 779236, entered in the certificate issuance book under No. CT 04925, issued by the People's Committee of Tuyen Quang Province on 24 August 2020 to Tuyen Quang Iron and Steel Company Limited at Long Binh An Industrial Park, Doi Can Ward, Tuyen Quang City, Tuyen Quang Province.

+ Land use rights and assets attached to land under Certificate of Land Use Rights, Ownership of Residential House and Other Assets Attached to Land No. BT 161056, entered in the certificate issuance book under No. CT 04098, issued by the People's Committee of Tuyen Quang Province on 25 November 2016 to Tuyen Quang Iron and Steel Company Limited at Long Binh An Industrial Park, Doi Can Ward, Tuyen Quang City, Tuyen Quang Province.

+ Assets under the "Investment Project for the Steel Billet Production Plant" at Long Binh An Industrial Park, Doi Can Ward, Tuyen Quang City, Tuyen Quang Province, including: raw material warehouse; Water Treatment Station 1-2; duty room of the steel rolling mechanical workshop; finished steel warehouse 1-2; Scale No. 3; Scale Station No. 3; oxygen office; rice husk warehouse; duty room of the bag dust filter system; Scale House No. 2; Scale No. 2; central water pumping station; storage tank and filter tank; Power Station No. 4; experts' houses No. 1-2-3-4; settling tank S21; slag bay house; electrical control room No. 1; dust filter system No. 1-2-3; Tank No. 2; sintered material warehouse; steel rolling office; materials warehouse 1; central power station; distribution tower; oxygen workshop 1-2; pressure regulating station; volume expansion room; water pumping station for the rolling area; water pump room; settling tank S14; power station house for the rolling area S22; Power Station 1 S23; steelmaking and steel rolling workshop S24; steelmaking office; scrap steel warehouse; sludge pressing area 1-2; pumping station for the steelmaking area S34-S35; ore recovery warehouse; Scale House No. 4; Scale No. 4; water pumping station for the slag workshop; Grinding Station S137; electrical duty room for the grinding station; Grinding Station 2.

The total value of collateral is VND 544,734,000,000.

+ Machinery and equipment and means of transportation owned by the Company with a pledged value of VND 1,439,521,000,000.

+ Receivables of Tuyen Quang Iron and Steel Company Limited with a pledged value of VND 449,000,000,000.

+ Inventories circulating in the course of production and business operations owned by the Company with a pledged value of VND 1,299,000,000,000.

+ Term deposit contracts owned by the Company.

Details of movements in short-term borrowings and finance lease liabilities are as follows:

		<b>Beginning balance</b>	<b>Additional borrowings during the year</b>	<b>Transferred from long-term borrowings</b>	<b>Repayments during the year</b>	<b>Ending balance</b>
Short-term borrowings	bank	1,436,753,955,260	3,081,776,829,961	-	(3,248,004,536,099)	1,270,526,249,122
Short-term borrowings	from other organizations	600,000,000,000	-	-	(600,000,000,000)	-
Current portion of long-term borrowings		104,000,000,000	-	104,000,000,000	(104,000,000,000)	104,000,000,000
<b>Total</b>		<b>2,140,753,955,260</b>	<b>3,081,776,829,961</b>	<b>104,000,000,000</b>	<b>(3,952,004,536,099)</b>	<b>1,374,526,249,122</b>



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**Notes to the Consolidated Financial Statements (continued)****b. Long-term borrowings and finance lease liabilities**

	Ending balance		Beginning balance	
	Amount	Amount repayable	Amount	Amount repayable
<i>Long-term bank borrowings</i>				
<i>Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Thai Nguyen Branch (2)</i>	317,000,000,000	317,000,000,000	421,000,000,000	421,000,000,000
<b>Total</b>	<b>317,000,000,000</b>	<b>317,000,000,000</b>	<b>421,000,000,000</b>	<b>421,000,000,000</b>

(2) This is a long-term loan from the Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Thai Nguyen Branch under Credit Agreement No. 02/2023/1949269/HDTD signed on 25 December 2023, with a loan term of 72 months. The maximum outstanding amount that may be drawn under the loan is VND 600,000,000,000 and shall not exceed 60% of the purchase price of the transferred capital contribution under the Capital Transfer Agreement among B.C.H Joint Stock Company, Excel Pearl (Hong Kong), Hengxing Group and Tuyen Quang Iron and Steel Company Limited, and the maximum payment guarantee to be issued is VND 650,000,000,000. The purpose of the loan is to acquire the entire capital contribution owned by Excel Pearl (Hong Kong) in Tuyen Quang Iron and Steel Company Limited and to issue payment guarantees relating to such acquisition. The current lending interest rate is 8% per annum. The loan is secured by specific pledge and mortgage agreements as follows:

- Mortgage of Movable Assets and Property Rights Agreement No. 01/2023/1949269/HBTC signed on 25 December 2023 between B.C.H Joint Stock Company and the Joint Stock Commercial Bank for Investment and Development of Vietnam, under which the mortgaged assets comprise all rights, ownership and interests of the Company in respect of the assets (existing at present or to be formed in the future) under the project for acquiring the entire capital contribution owned by Excel Pearl (Hong Kong) in Tuyen Quang Iron and Steel Company Limited. The value of the mortgaged assets is VND 1,200,000,000,000.

- Real Estate Mortgage Agreement No. 03/2023/12024075/HDBD signed on 21 December 2023 between Thai Hung Trading Joint Stock Company and the Joint Stock Commercial Bank for Investment and Development of Vietnam. The mortgaged asset is the land use right and assets attached to land at Group 03, Mai Dich Ward, Cau Giay District, Hanoi, under Certificate of Land Use Rights No. BO 474050 issued by the People's Committee of Cau Giay District on 01 August 2013, owned by Thai Hung Trading Joint Stock Company. The value of the mortgaged asset is VND 55,050,000,000.

Details of movements in long-term borrowings and finance lease liabilities are as follows:

	bank	Transferred to			Ending balance
		Beginning balance	short-term borrowings	Repayments during the year	
Long-term borrowings		421,000,000,000	(104,000,000,000)	-	317,000,000,000
<b>Total</b>		<b>421,000,000,000</b>	<b>(104,000,000,000)</b>	<b>-</b>	<b>317,000,000,000</b>

**19. Bonus and welfare fund**

	Beginning balance	Tăng do trích lập từ lợi nhuận	Chi quỹ trong năm	Ending balance
Bonus and welfare fund	111,256,693	-	-	111,256,693
<b>Total</b>	<b>111,256,693</b>	<b>-</b>	<b>-</b>	<b>111,256,693</b>



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**Notes to the Consolidated Financial Statements (continued)****20. Owners' equity****a) Reconciliation of movements in owners' equity**

	Owners' contributed capital	Share premium	Undistributed earnings	Total
Beginning balance of prior year	190,000,000,000	-	359,734,926,006	549,734,926,006
Profit for the prior year	-	-	(50,120,331,439)	(50,120,331,439)
Ending balance of prior year	190,000,000,000	-	309,614,594,567	499,614,594,567
Beginning balance of current year	190,000,000,000	-	309,614,594,567	499,614,594,567
Capital increase during the year (*)	310,000,000,000	139,500,000,000	-	449,500,000,000
Profit for the year	-	-	958,176,048	958,176,048
Ending balance	500,000,000,000	139,500,000,000	310,572,770,615	950,072,770,615

(\*) Resolution of the 2024 Annual General Meeting of Shareholders No. 01/2024/NQ-DHDCD dated 22 April 2024 approved the plan for private placement of shares to increase the charter capital of B.C.H Joint Stock Company. Resolution of the General Meeting of Shareholders No. 03/2024/NQ-DHDCD dated 01 October 2024 approved, through the second round of collecting written opinions from shareholders, the plan for private placement of shares to increase the charter capital of B.C.H Joint Stock Company.

Report on the results of the private placement No. 55/BCH dated 14 April 2025 of B.C.H Joint Stock Company summarized that 31,000,000 shares were successfully offered, equivalent to 100% of the total shares offered for sale; weighted average selling price: VND 14,500/share. Total proceeds from the offering: VND 449,500,000,000.

**b) Details of owners' contributed capital**

	Ending balance	Ratio	Beginning balance	Ratio
Thai Hung Trading Joint Stock Company	97,317,000,000	19.46%	18,674,000,000	9.83%
Other shareholders	402,683,000,000	80.54%	171,326,000,000	90.17%
Total	500,000,000,000	100.00%	190,000,000,000	100.00%

**c) Shares**

	Ending balance	Beginning balance
Number of shares authorized for issuance	50,000,000	19,000,000
Number of shares issued/sold to the public	50,000,000	19,000,000
- Ordinary shares	50,000,000	19,000,000
- Preference shares	-	-
Number of shares outstanding	50,000,000	19,000,000
- Ordinary shares	50,000,000	19,000,000
- Preference shares	-	-
Par value of shares outstanding: VND 10,000.		

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**Notes to the Consolidated Financial Statements (continued)****21. Off-balance sheet items of the Consolidated Balance Sheet****a, Foreign currencies**

	<u>Ending balance</u>	<u>Beginning balance</u>
United States Dollar (USD)	41,774.50	38,989.39

**VI. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN THE CONSOLIDATED INCOME STATEMENT****1. Revenue from sale of goods and rendering of services**

	<u>Current year</u>	<u>Previous year</u>
Revenue from sale of merchandise	2,563,269,381,283	2,112,375,014,783
Revenue from sale of finished goods	3,807,733,490,193	3,439,928,241,026
Revenue from rendering of services	10,519,055,460	15,557,093,899
<b>Total</b>	<b>6,381,521,926,936</b>	<b>5,567,860,349,708</b>

**Revenue from sales and rendering of services to related parties:**

	<u>Current year</u>	<u>Previous year</u>
Thai Hung Trading Joint Stock Company	2,625,948,362,220	(*)

(\*) Thai Hung Trading Joint Stock Company was a related party as at December 31, 2025.

**2. Deductions from revenue**

	<u>Current year</u>	<u>Previous year</u>
Sales returns	197,165,000	10,082,344,895
Trade discounts	-	28,961,422,682
<b>Total</b>	<b>197,165,000</b>	<b>39,043,767,577</b>

**3. Cost of sales**

	<u>Current year</u>	<u>Previous year</u>
Cost of merchandise sold	2,500,281,372,571	2,040,007,440,121
Cost of finished goods sold	3,598,192,107,456	3,290,689,753,980
Cost of services rendered	9,735,664,079	28,322,603,650
Production interruption expenses	29,963,987,619	-
Allowance/(Reversal of allowance) for inventory devaluation	5,647,492,325	-
<b>Total</b>	<b>6,143,820,624,050</b>	<b>5,359,019,797,751</b>

**4. Finance income**

	<u>Current year</u>	<u>Previous year</u>
Interest on term deposits	7,603,193,956	6,713,923,069
Realized foreign exchange gains	174,570,047	1,579,927,050
Foreign exchange gains from revaluation of monetary items denominated in foreign currencies	288,177,848	35,242,348
Overdue payment interest income	16,408,777,430	-
Other finance income	-	169,794
<b>Total</b>	<b>24,474,719,281</b>	<b>8,329,262,261</b>



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**Notes to the Consolidated Financial Statements (continued)**

<b>5. Finance expenses</b>		
	<b>Current year</b>	<b>Previous year</b>
Borrowing interest expenses	141,437,733,865	147,740,528,203
L/C, guarantee and deferred payment interest expenses	5,896,869,622	14,055,838,120
Realized foreign exchange losses	514,041	61,949,650
Other finance expenses	106,619,939	243,073,552
<b>Total</b>	<b>147,441,737,467</b>	<b>162,101,389,525</b>
<b>6. Selling expenses</b>		
	<b>Current year</b>	<b>Previous year</b>
Staff costs	800,642,485	935,662,872
Purchased services	8,880,737,135	956,280,009
Other expenses	5,221,279,594	1,453,756,372
<b>Total</b>	<b>14,902,659,214</b>	<b>3,345,699,253</b>
<b>7. General and administrative expenses</b>		
	<b>Current year</b>	<b>Previous year</b>
Staff costs	30,461,905,039	33,433,258,027
Management materials expenses	2,885,244,543	3,463,771,144
Office supplies expenses	107,647,488	59,224,750
Depreciation expenses of fixed assets	9,933,348,546	11,371,621,547
Taxes, fees and charges	4,424,613,048	2,766,274,265
Allowance/(Reversal of allowance) for doubtful receivables	42,333,303,055	-
Purchased services	3,789,229,998	3,426,509,856
Other expenses	6,289,381,912	7,012,258,365
<b>Total</b>	<b>100,224,673,629</b>	<b>61,532,917,954</b>
<b>8. Other income</b>		
	<b>Current year</b>	<b>Previous year</b>
Gain on disposal and sale of fixed assets	-	586,363,636
Foreign contractor tax income from waived loan interest	7,457,862,602	-
Income from waiver of loan interest	27,654,807,587	-
Penalties for breach of contract	180,840,000	290,358,875
Other income	118,729,110	651,956,285
<b>Total</b>	<b>35,412,239,299</b>	<b>1,528,678,796</b>
<b>9. Other expenses</b>		
	<b>Current year</b>	<b>Previous year</b>
Loss on disposal and sale of fixed assets	1,023,824,224	-
Tax penalties and tax arrears	27,688,991,922	749,816,916
Prepaid expenses during the production suspension period	1,020,372,100	751,678,098
Insurance expenses for Chinese employees	-	707,883,224
Other expenses	1,601,486,452	1,722,646,965
<b>Total</b>	<b>31,334,674,698</b>	<b>3,932,025,203</b>

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**Notes to the Consolidated Financial Statements (continued)****10. Current corporate income tax expense**

Corporate income tax payable during the year is estimated as follows:

	<b>Current year</b>	<b>Previous year</b>
Total accounting profit before tax	3,487,351,458	(51,257,306,498)
Adjustments to accounting profit to determine taxable income for corporate income tax purposes:		
- Upward adjustments	100,227,917,239	97,698,602,466
Non-deductible borrowing interest expenses	100,227,917,239	99,731,590,049
Depreciation expenses of fixed assets and prepaid expenses during the production suspension period	50,748,056,883	70,272,759,464
Tax penalties and tax arrears	23,069,231,344	18,930,693,009
Other non-deductible expenses	27,688,991,922	749,816,916
Gain/loss arising from consolidation	1,020,372,100	2,628,019,205
- Downward adjustments	(2,298,735,010)	7,150,304,455
Foreign exchange loss of the previous year	-	(2,032,930,583)
Taxable income	103,715,268,697	46,441,355,968
Tax losses carried forward from previous years	(93,368,126,658)	(46,441,355,968)
Assessable income	10,347,142,039	
Corporate income tax rate	20%	20%
Corporate income tax payable	2,069,428,408	-
Adjustment to corporate income tax payable of previous years	-	293,085,832
<b>Total corporate income tax</b>	<b>2,069,428,408</b>	<b>293,085,832</b>

**11. Basic/diluted earnings per share**

	<b>Current year</b>	<b>Previous year</b>
Profit after corporate income tax	958,176,048	(50,120,331,439)
Adjustments to accounting profit to determine profit attributable to ordinary shareholders:	-	-
Profit attributable to ordinary shareholders	958,176,048	(50,120,331,439)
Weighted average number of ordinary shares outstanding during the year	32,325,275	19,000,000
<b>Basic/diluted earnings per share</b>	<b>30</b>	<b>(2,638)</b>

The weighted average number of ordinary shares outstanding during the year is calculated as follows:

	<b>Current year</b>	<b>Previous year</b>
Ordinary shares outstanding at the beginning of the year	19,000,000	19,000,000
Effect of ordinary shares issued during the year	13,325,275	-
<b>Weighted average number of ordinary shares outstanding during the year</b>	<b>32,325,275</b>	<b>19,000,000</b>



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**Notes to the Consolidated Financial Statements (continued)****12. Production and business costs by element**

	<u>Current year</u>	<u>Previous year</u>
Raw material costs	3,193,923,025,802	2,679,340,032,039
Labor costs	160,838,492,032	311,904,662,898
Depreciation expenses of fixed assets	146,009,351,667	148,334,570,451
Allowance for doubtful receivables	42,333,303,055	-
Purchased services	337,364,908,716	265,073,403,928
Other expenses	25,295,399,174	15,543,663,201
<b>Total</b>	<b>3,905,764,480,446</b>	<b>3,420,196,332,517</b>

**VII. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS**

During the year, the Company had the following non-cash transactions affecting the Consolidated Statement of Cash Flows:

	<u>Current year</u>	<u>Previous year</u>
Offsetting of interest payable and tax receivable with Xingbao Co., Ltd	4,806,194,397	-
Waived borrowing interest expenses	27,654,807,587	-

**VIII. OTHER INFORMATION****1. Information on related parties**

The related parties of the Company include key management personnel, individuals related to key management personnel and other related parties.

**A, Transactions and balances with key management personnel and individuals related to key management personnel**

Key management personnel include members of the Board of Directors and members of the Executive Management (the Board of Management and the Chief Accountant). Individuals related to key management personnel are close family members of key management personnel.

*Transactions with related parties*

The main transactions arising during the year between the Company and related parties are as follows:

	<u>Current year</u>	<u>Previous year</u>
<b>Mr. Dang Ngoc Hung</b>		
Authorization for opening term deposits	200,000,000,000	-
Collection of proceeds from authorized opening of term deposits	200,000,000,000	-

*Income from salaries, bonuses and allowances of key management personnel:*

	<u>Current year</u>	<u>Previous year</u>
Mr. Dang Ngoc Hung – General Director	202.120.368	190,325,715
Ms. Le Thu Phuong – Deputy General Director	282.802.072	279,341,717
Ms. Dang Thi Tuyet Dung – Chief Accountant	144.415.000	97,068,000

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**Notes to the Consolidated Financial Statements (continued)****B, Transactions with other related parties**

Other related parties of the Company include subsidiaries, associates, jointly controlled business establishments, individuals having direct or indirect voting power in the Company and their close family members, and enterprises controlled by key management personnel, individuals having direct or indirect voting power in the Company, and their close family members.

Other related parties of the Company comprise:

<b>Related party</b>	<b>Relationship</b>
Thai Hung Trading Joint Stock Company	Major shareholder

Major transactions arising during the year between the Company and other related parties were as follows:

	<u>Current year</u>	<u>Previous year</u>
<b>Thai Hung Trading Joint Stock Company</b>		
<i>Receivables from sale of goods</i>	2,904,493,198,442	(*)
<i>Cash receipts from sale of goods</i>	2,276,257,192,000	(*)
<i>Payables for purchases of goods and services</i>	2,230,589,651,495	(*)
<i>Payments for purchases of goods</i>	1,624,713,837,144	(*)
<i>Offsetting of receivables and payables</i>	846,112,618,827	(*)
<i>Receivable from late payment interest</i>	16,408,777,430	(*)

(\*) Thai Hung Trading Joint Stock Company was a related party as at December 31, 2025.

At the end of the fiscal year, balances with related parties are presented in Note V.3, V.5a, V.13.

**2. Segment information****A, Information by business segment**

The Company has the following principal business segments:

- + Trading segment
- + Manufacturing segment
- + Service segment (transportation)



Information on operating results, fixed assets and other long-term assets, and the value of significant non-cash expenses by the Company's business segments is as follows:

	Trading segment	Service segment	Manufacturing segment	Total
<b>Current year</b>				
Net revenue from external sales of goods and rendering of services	2,563,072,216,283	10,519,055,460	3,807,733,490,193	6,381,324,761,936
Net revenue from inter-segment sales of goods and rendering of services				-
<b>Total net revenue from sales of goods and rendering of services</b>	<b>2,563,072,216,283</b>	<b>10,519,055,460</b>	<b>3,807,733,490,193</b>	<b>6,381,324,761,936</b>
Operating expenses by segment	(2,505,928,864,896)	(9,735,664,079)	(3,598,192,107,456)	(6,113,856,636,431)
Segment operating results				267,468,125,505
Unallocated expenses				(145,091,320,462)
Profit from operating activities				122,376,805,043
Finance income				24,474,719,281
Finance expenses				(147,441,737,467)
Other income				35,412,239,299
Other expenses				(31,334,674,698)
Current corporate income tax expense				(2,069,428,408)
Deferred corporate income tax expense				(459,747,002)
<b>Profit after corporate income tax</b>				<b>958,176,048</b>
<b>Total costs incurred for acquisition of fixed assets and other long-term assets</b>				<b>(87,369,193,263)</b>
<b>Total depreciation and amortization of long-term prepaid expenses</b>				<b>(171,230,138,021)</b>

#### B, Information by geographical area

All of the Company's operations are conducted within the territory of Vietnam.

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for the fiscal year ended 31 December 2025

**Notes to the Consolidated Financial Statements (continued)****3. Financial risk management**

The Company's activities give rise to the following financial risks: credit risk, liquidity risk and market risk. The Board of Management is responsible for establishing policies and controls to minimize financial risks as well as monitoring the implementation of the established policies and controls.

**A, Credit risk**

Credit risk is the risk that one party to a contract will fail to perform its obligations, causing financial loss to the Company.

The Company's credit risks arise mainly from trade receivables and bank deposits.

*Trade receivables*

The Company mitigates credit risk by transacting only with entities having sound financial capacity, requiring letters of credit or collateral from first-time counterparties or counterparties for which there is no information on their financial capacity. In addition, the receivables accounting staff regularly monitors receivables in order to urge collection.

The Company's trade receivables relate to many entities and individuals; therefore, the concentration of credit risk in respect of trade receivables is low.

*Bank deposits*

The Company's term and non-term bank deposits are placed with domestic banks. The Board of Management does not identify any material credit risk arising from these deposits.

**B, Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to shortage of funds.

The Board of Management has ultimate responsibility for liquidity risk management. The Company's liquidity risk arises mainly from mismatches in the maturity dates of financial assets and financial liabilities..

The Company manages liquidity risk by maintaining an appropriate level of cash and cash equivalents and borrowings at levels which the Board of Management considers sufficient to meet the Company's operating needs, thereby minimizing the impact of fluctuations in cash flows.

The contractual undiscounted maturity profile of financial liabilities is as follows:

	Within 1 year	Over 1 year to 5 years	Over 5 years	Total
<b>Ending balance</b>				
Borrowings and liabilities	1,374,526,249,122	317,000,000,000	-	1,691,526,249,122
Trade payables	828,298,540,678	-	-	828,298,540,678
Other payables	17,150,772,533	-	-	17,150,772,533
<b>Total</b>	<b>2,219,975,562,333</b>	<b>317,000,000,000</b>	<b>-</b>	<b>2,536,975,562,333</b>
<b>Beginning balance</b>				
Borrowings and liabilities	2,140,753,955,260	421,000,000,000	-	2,561,753,955,260
Trade payables	779,036,367,197	-	-	779,036,367,197
Other payables	73,696,476,729	-	-	73,696,476,729
<b>Total</b>	<b>2,993,486,799,186</b>	<b>421,000,000,000</b>	<b>-</b>	<b>3,414,486,799,186</b>

The Company believes that the concentration of risk in respect of debt repayment is low. The Company is able to settle liabilities as they fall due from cash flows generated from operating activities and cash collected from maturing financial assets.



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**Notes to the Consolidated Financial Statements (continued)****C, Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types: foreign currency risk, interest rate risk and other price risk.

The sensitivity analyses presented below are prepared on the basis that the value of net debt, and the proportion between fixed-interest debt and floating-interest debt, remain unchanged.

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in exchange rates.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's interest rate risk relates mainly to borrowings.

The Company manages interest rate risk by analyzing market conditions in order to obtain the most favorable interest rates while remaining within its risk management limits.

**Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices other than changes in interest rates and exchange rates.

**4. Fair value of financial assets and liabilities**

	Book value		Fair value	
	Ending balance	Beginning balance	Ending balance	Beginning balance
<b>Financial assets</b>				
Cash and cash equivalents	54,171,337,757	11,912,626,013	54,171,337,757	11,912,626,013
Trading securities	9,766,953,487	9,766,953,487	9,766,953,487	9,766,953,487
Held-to-maturity investments	10,470,000,000	133,000,000,000	10,470,000,000	133,000,000,000
Trade receivables	771,809,953,984	447,399,470,563	771,809,953,984	447,399,470,563
Other receivables	52,540,709,968	31,362,518,572	52,540,709,968	31,362,518,572
<b>Total</b>	<b>898,758,955,196</b>	<b>633,441,568,635</b>	<b>898,758,955,196</b>	<b>633,441,568,635</b>
<b>Financial liabilities</b>				
Borrowings and liabilities	1,691,526,249,122	2,561,753,955,260	1,691,526,249,122	2,561,753,955,260
Trade payables	828,298,540,678	779,036,367,197	828,298,540,678	779,036,367,197
Other receivables	17,150,772,533	73,696,476,729	17,150,772,533	73,696,476,729
<b>Total</b>	<b>2,536,975,562,333</b>	<b>3,414,486,799,186</b>	<b>2,536,975,562,333</b>	<b>3,414,486,799,186</b>

The fair values of financial assets and financial liabilities are reflected at the values at which the instruments could be exchanged in a current transaction between knowledgeable and willing parties.

The Company uses the following methods and assumptions to estimate fair values:

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**Notes to the Consolidated Financial Statements (continued)**

- The fair values of cash, short-term bank deposits, trade receivables, trade payables and other short-term liabilities approximate their carrying amounts because these instruments have short maturities.
- The fair values of receivables and loans bearing fixed or variable interest rates are assessed based on information such as interest rates, risk, repayment ability and the risk nature associated with the debt. Based on this assessment, the Company estimates an allowance for the portion that may not be recoverable.

The fair value of available-for-sale financial assets listed on the stock market is the quoted transaction price at the end of the fiscal year. The fair value of unlisted available-for-sale financial assets is estimated using appropriate valuation methods.

**5. Collateral assets**

The Company is using fixed assets of Thai Hung Trading Joint Stock Company as collateral for the Company's loan at the Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Thai Nguyen Branch (see Note V.18b).

**6. Going concern information**

During 2025, the Company completed the liquidation of the entire steel billet production line and all assets attached to land plots No. 458 and No. 462 located at Km77+500, Phu Thai Commune, Hai Phong City. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. However, the Company has been progressively strengthening its trading activities, enabling it to maintain its position in the market, with revenue for 2025 amounting to VND 6,371,002,871,476. In addition, based on its demonstrated financial capability and positive business development orientation, the Company continued to obtain financing from the Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Thai Nguyen Branch during the year. Accordingly, the Company's working capital has been maintained at a stable level, facilitating its sustainable development. The Management undertakes to provide financial support for the Company's due obligations as necessary. Therefore, the consolidated financial statements for the year ended December 31, 2025 have been prepared on a going concern basis.

**7. Significant events after the end of the fiscal year**

The Management of the Company confirms that there have been no events occurring after 31 December 2025 up to the date of this report that have not been considered for adjustment of figures or disclosure in the Consolidated Financial Statements.



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**Notes to the Consolidated Financial Statements (continued)**

**8. Comparative information**

The comparative figures are taken from the audited Consolidated Financial Statements for 2024, which were audited by Nhan Tam Viet Auditing Company Limited.

Prepared on 31 March 2026

Prepared by

Chief Accountant

Deputy General  
Director



Dang Thi Thu Hoa

Dang Thi Tuyet Dung

Le Thu Phuong

**Appendix 01: Details of bad debts and allowance for doubtful short-term receivables**

	Ending balance			Beginning balance		
	Overdue period	Original cost	Provision	Overdue period	Original cost	Provision
<b>Other short-term receivables</b>		<b>5,853,938,017</b>	<b>(5,853,938,017)</b>		<b>5,853,938,017</b>	<b>(5,853,938,017)</b>
Tran Thi Kim Oanh	Receivables likely to be irrecoverable	1,955,509,800	(1,955,509,800)	Receivables likely to be irrecoverable	1,955,509,800	(1,955,509,800)
Do Thi Tuyet Chinh	Receivables likely to be irrecoverable	3,122,445,000	(3,122,445,000)	Receivables likely to be irrecoverable	3,122,445,000	(3,122,445,000)
Other parties	Receivables likely to be irrecoverable	775,983,217	(775,983,217)	Receivables likely to be irrecoverable	775,983,217	(775,983,217)
<b>Short-term trade receivables</b>		<b>76,200,731,053</b>	<b>(76,200,731,053)</b>		<b>76,200,731,053</b>	<b>(76,200,731,053)</b>
Van Loi Pig Iron Joint Stock Company	Receivables likely to be irrecoverable	76,103,062,353	(76,103,062,353)	Receivables likely to be irrecoverable	76,103,062,353	(76,103,062,353)
Thanh Hoa Iron and Steel Joint Stock Company	Overdue for more than 3 years	97,668,700	(97,668,700)	Overdue for more than 3 years	97,668,700	(97,668,700)
<b>Short-term advances to suppliers</b>		<b>43,775,189,172</b>	<b>(43,775,189,172)</b>		<b>43,775,189,172</b>	<b>(1,441,886,117)</b>
Ha Quang Joint Stock Company	Overdue for more than 3 years	273,767,593	(273,767,593)	Overdue for more than 3 years	273,767,593	(136,883,797)
Tan Lien Thanh Manufacturing and Trading Joint Stock Company	Overdue for more than 3 years	1,000,000,000	(1,000,000,000)	Overdue for more than 3 years	1,000,000,000	(1,000,000,000)
Tuan Vinh Manufacturing, Trading and Overdue for more than 3 years	Overdue for more than 3 years	1,016,674,400	(1,016,674,400)	Overdue for more than 3 years	1,016,674,400	(305,002,320)
Transport Company Limited	Receivables likely to be irrecoverable	21,800,501,943	(21,800,501,943)	Receivables likely to be irrecoverable	21,800,501,943	-
Thuan Thong Dat Mining and Trading Joint Stock Company	Receivables likely to be irrecoverable	11,107,137,272	(11,107,137,272)	Receivables likely to be irrecoverable	11,107,137,272	-
Hoa Yen Minerals Joint Stock Company	Receivables likely to be irrecoverable	3,708,362,265	(3,708,362,265)	Receivables likely to be irrecoverable	3,708,362,265	-
Anh Thang Minerals and Real Estate One Member Company Limited	Receivables likely to be irrecoverable	3,966,878,379	(3,966,878,379)	Receivables likely to be irrecoverable	3,966,878,379	-
Dai Bac TNKS Investment Joint Stock Company	Receivables likely to be irrecoverable	901,867,320	(901,867,320)	Receivables likely to be irrecoverable	901,867,320	-
Vietnam Trung Hoa Joint Stock Company	Receivables likely to be irrecoverable	125,829,858,242	(125,829,858,242)	Receivables likely to be irrecoverable	125,829,858,242	(83,496,555,187)
<b>Total</b>						