

**ANNUAL REPORT
Quang Ninh School Book and Equipment Joint Stock Company
Year 2025**

I. General Information

1. Overview

- Trading Name: Quang Ninh Books and Educational Equipment JSC.
- Business Registration Certificate No.: 5700101549, first registered on December 14, 2004, 8th amendment registered on October 19, 2022.
- Charter Capital: VND 32,400,000,000.
- Owner's Investment Capital: VND 54,215,826,701.
- Address: No. 10 Long Tien Street - Bach Dang Ward - Ha Long City - Quang Ninh Province
- Phone Number: 0203 3816879
- Fax Number: 0203 3826332
- Website: <http://sachquangninh.vn>
- Stock Code: QST

Formation and Development Process

- Quang Ninh Books and School Equipment Company was established by the People's Committee of Quang Ninh Province on November 4, 1983 (under the Quang Ninh Department of Education). In 1997, it switched to a state-owned enterprise model operating for public benefit.
- On March 8, 2004, the People's Committee of Quang Ninh Province issued a decision to transform Quang Ninh Books and School Equipment Company into Quang Ninh Books and Educational Equipment Joint Stock Company.
- On November 25, 2008, the Hanoi Securities Trading Center issued Decision No. 467/QĐ-TTGDHN approving the listing of shares of Quang Ninh Books and Educational Equipment Joint Stock Company at the Hanoi Securities Trading Center with Stock Code QST

Type of Securities : Ordinary shares;

Par Value : VND 10,000/share;

Number of Listed Securities: 1,350,000 shares (initial listing)



- On February 16, 2009, Quang Ninh Books and Educational Equipment Joint Stock Company conducted its first trading session at the Hanoi Securities Trading Center.
- On June 4, 2013, the Company issued additional shares, increasing capital to VND 16,200,000,000 from owner's equity, and officially traded the additional shares from July 9, 2013 (equivalent to 1,620,000 shares).
- On January 7, 2021, the Company successfully issued 1,620,000 shares, equivalent to VND 16,200,000,000, increasing the Charter Capital to VND 32,400,000,000.

2. Business Lines and Location

- Business Lines:

- + Wholesale of other household goods (excluding wholesale of pharmaceuticals and medical equipment);
- + General wholesale;
- + Retail sale of audio and video tapes and discs (including blank tapes and discs) in specialized stores;
- + Retail sale of games and toys in specialized stores;
- + Retail sale of books, newspapers, magazines, and stationery in specialized stores;
- + Retail sale of sports equipment and tools in specialized stores;
- + Short-term accommodation services;
- + Educational support services;
- + Primary education;
- + Lower secondary education;
- + Upper secondary education;
- + Other education not elsewhere classified;
- + Other publishing activities;
- + Book publishing;
- + Travel agency activities;
- + Tour operator activities;
- + Mobile retail sale of food, foodstuffs, beverages, cigarettes, and pipe tobacco at markets.

- Business Location: Quang Ninh Province.

3. Information on Governance Model, Business Organization, and Management Apparatus

- Governance Model:

General Meeting of Shareholders, Board of Directors, Supervisory Board, Executive Board.

- Management Structure:

Director, Deputy Director, Heads of Functional Departments, Heads of Supermarkets and Self-Service Educational Bookstores, Principal of Van Lang Elementary, Middle, and High School, Director of Van Lang Travel Center Branch.

- Subsidiaries and Affiliated Companies:

No subsidiaries or affiliated companies.

4. Development Orientation

- Key Objectives of the Company:

+ Maintain and expand the scale of development into a Corporation pursuing multi-industry business; in which the main business area serves the Education and Training sector.

+ Pursue high-quality standards for the educational activities of Van Lang School, striving to increase the added value of the school.

+ Maintain wholesale market share through the system of Departments of schools in the province, expand the network of Supermarkets and Bookstores in residential areas.

- Medium and Long-Term Development Strategy:

+ Following the guidance of the Department of Education and Training and practical realities, in addition to maintaining its market share serving schools in the province and improving the efficiency of the 7 existing supermarkets and bookstores, the company will gradually open more retail outlets in areas and locations within the province that have favorable conditions for business.

+ Gradually expand and diversify the business of various types and items, based on the social characteristics of the province and the needs of the people. Gradually consolidate domestic tourism towards international tourism.

+ Established the Ka Long Trade Center (Mong Cai) with 3 main objectives: To become the main center for books and cultural products in the region; To effectively operate the Ka Long Hotel within the Center to gradually participate deeply in the potential and advantageous tourism sector of Quang Ninh province; To be the focal point for implementing import-export activities, initially importing goods to serve the retail system in Quang Ninh of the Company and other units within the educational book publishing system of Northern Vietnam.

+ Innovated management practices to improve labor productivity.

+ Invested in facilities and equipment for Van Lang School, improved the quality of education at the school in accordance with the high-quality school goals,

expanded the international cooperative class model, and firmly consolidated the school's brand.

- Sustainable development goals (environment, society, and community) and the main programs related to the Company's short-term and medium-term plans:

- + Actively participated in programs for children in disadvantaged areas, building official housing for teachers in mountainous areas, and the program to ensure students attending school are not lacking textbooks, initiated by the Department of Education and Training, Vietnam Education Publishing House, and the Central Association of Teams, the Ho Chi Minh Communist Youth Union, to help students in mountainous areas and students in difficult circumstances to study and have a better life. Participated in sustainable development programs to build a rich, beautiful, cultural of Quang Ninh.

5. Risks:

From all perspectives of asset management and current and long-term business operations of the Company, the risk potential is not significant. Factors that may affect the Company's ability to achieve its goals include:

- + The government's salary increase roadmap, which increases salary costs and consequently increases insurance premiums annually, affecting the Company's after-tax profits.

- + The impact of economic recession on sales revenue and service revenue of Van Lang School, and the Van Lang Travel Center branch.

II. Operational Performance in the Year

1. Production and Business Performance

- Results of production and business operations during the year:

- + Advantages: The Company has many years of experience in business and serving the education sector, and has a good reputation with teachers, students, and people in Quang Ninh province. The collective of employees is united and wholeheartedly overcomes difficulties and challenges. The business is relatively stable.

- + Challenges: Increasing competition due to the slow economic recovery and changes in the administrative structure to a two-tiered local government system.

- + In 2025, the Company will continue to innovate its management by strengthening the outsourcing model while granting autonomy to its business units. Bringing the Ka Long Commercial Center and upgrading the Cam Pha Bookstore Supermarket into operation will contribute to increased revenue and business efficiency for the Company.

- + Results of implemented tasks:

Ensuring policies, regimes, and employment for employees: The company has strictly implemented policies and regimes for employees in accordance with State regulations and the signed Collective Labor Agreement. Employees' jobs are stable, with an average income of 13 million VND per person per month. The company also takes care of the material and spiritual well-being of employees on Tet holidays, public holidays, etc. The company pays a 13th-month salary to employees; depending on the business results of each unit, employees may receive more than 1 month's salary.

- Implementation compared to plan:

Results of implementing the tasks assigned by the General Meeting of Shareholders:

indicators	shareholders meeting	perform	ratio
1. Revenue	VND 190 billion	VND 188.114.337.193	99%
2. Profit after tax	VND 9,2 billion	VND 11.992.634.522	129,3%
3. Dividends	(Minimum) 18%	(Proposed) 20%	111%

2. Organization and Personnel

- List of Executive Board Members:

No	Full Name	Title	Brief Biography	Number of Shares held on 12/31/2018
1	Vu The Hoa	Chairman of the Board	Born: 02/19/1954; Education: University	267.474
2	Nguyen Thi Yen	Board Member, Director	Born: 02/08/1967; Education: University	60.000
3	Pham Xuan Truong	Board Member, Deputy Director	Born: 29/10/1965; Education: University	16.024
4	Vu The Trieu	Board Member, Deputy Director	Born: 08/08/1967; Education: University	29.440
5	Tran Hoai An	Chief Accountant	Born: 03/04/1973; Education: University	63.120

- Changes in the Executive Board:

Remained the same as of 12/31/2024.

- Number of officers and employees. Summary of policies and changes in policies for employees: 206 people. No major changes.

3. Investment Status, Project Implementation Status

a) Major Investments:

In 2025, investment will be made to upgrade building A with 5 additional classrooms and improve the fire safety system at Van Lang University.

b) Subsidiaries and affiliated companies: None

4. Financial Situation

a) Financial Situation

Indicators	Year 2024	Year 2025	% Change
* For organizations that are not credit institutions and non-bank financial institutions:			
Total Assets	111.774.394.765	115.537.538.062	103,36
Net Revenue	202.083.050.136	188.114.337.193	93,08
Profit from Business Activities	10.936.811.401	13.036.492.886	119,2
Other Profit	411.385.869	408.226.338	99,23
Profit Before Tax	11.348.197.270	13.444.719.224	118,47
Profit After Tax	10.105.517.371	11.992.634.522	118,67
Dividend Payout Ratio	64,12%	54,03%	84,26

- Other indicators:

Total number of classes: 67 classes (increased by 5 classes); number of students: 2,590 students (increased by 210 students).

b) Key Financial Indicators:

Indicators	Year 2024	Year 2025	Notes
Liquidity Ratios			
+ Current Ratio			
Current Assets / Current Liabilities	64,1	52,54	
+Quick Ratio:			
(Current Assets - Inventory)	52,9	48,15	
Current Liabilities			
2. Capital Structure Ratios			
+ Debt-to-Total Assets Ratio	55,5	53,07	
+ Debt-to-Equity Ratio	124,9	113,1	
3. Activity Ratios			

+ Inventory Turnover Ratio:			
Cost of Goods Sold / Average Inventory	25,35	32,97	
Net Revenue / Total Assets	1,81	1,02	
Profitability Ratios			
+ Net Profit After Tax / Net Revenue	0,05	0,06	
+ Net Profit After Tax / Equity	0,20	0,22	
+ Net Profit After Tax / Total Assets	0,90	1,04	
+ Operating Profit / Net Revenue	0,05	0,07	

5. Shareholder Structure, Changes in Owners' Investment Capital

a) Shares:

Total outstanding shares: 3,240,000 shares, equivalent to VND 32.4 billion at par value, of which 100% are common shares.

b) Shareholder Structure:

No significant changes.

Shareholder Structure	Number of Shares Held	Percentage of Charter Capital
Number of Major Shareholders: 5 Shareholders	1.247.454 Shares	38,5%
Number of Institutional Shareholders: 6 Shareholders	32.959 Shares	1,0%

c) Changes in Owners' Investment Capital: None

d) Treasury Stock Transactions: None

e) Other Securities: None

6. Environmental and Social Impact Report of the Company

6.1. Management of Raw Materials: The company is a trading business, so it does not use raw materials for production.

6.2. Energy Consumption: Direct and indirect energy consumption: 150,000 kWh

6.3. Water Consumption: 15,000 m³ Water supply source and amount of water used: Quang Ninh Clean Water Company.

6.4. Compliance with Environmental Protection Laws: The company has not violated any regulations on environmental hygiene management.

6.5. Policies Related to Employees

a) Number of Employees, Average Salary for Employees

- Average number of employees: 232 people.
- Average salary: VND 15.5 million/person/month.

b) Labor policies to ensure the health, safety and welfare of employees:

- The company fully complies with regulations on protecting the rights of employees in accordance with the provisions of the Labor Code.

- Implement regimes for protection and healthcare, and welfare for employees according to the annual collective labor agreement.

c) Employee Training Activities

- Average training hours per year, per employee and by employee classification: 50 hours.

- Skill development and continuous learning programs to support employees in maintaining employment and career advancement:

- + Sending teachers to postgraduate training courses.

- + Sending management staff to advanced management training courses.

- + Providing time allowances and tuition support, and incentivizing employees through benefits to attend professional development courses.

- + Inviting lecturers to teach specialized topics to improve management skills and professional expertise relevant to the tasks of work groups.

6.6. Reports related to responsibility to the local community.

Annually, in addition to actively participating in movements to support and assist students and teachers in remote and disadvantaged areas, and underprivileged students overcoming difficulties in accordance with the programs of the Ministry, Departments of Education and Training, and other organizations, with an amount ranging from VND 80 to 100 million each year; the Company provides direct support through tuition fee waivers for students in the aforementioned categories at Van Lang Primary School, Secondary School, and High School of the Company, with an annual expenditure ranging from VND 450 to 500 million.

6.7. Reports related to green capital market activities according to the guidance of the SSC.

The Company does not have access to this capital market.

III. Report and Assessment of the Board of Directors (The Board of Directors reports and assesses the overall situation of the company)

1. Assessment of Production and Business Performance

- In 2025, the Company's operations were stable and developed steadily. Although the income of people in the province did not change significantly, and the budget for education investment was reduced, which had a limited impact on purchasing power, the Company responded to this situation early with appropriate solutions, making good use of sales opportunities. As Van Lang School is increasingly trusted by parents and students, the number of student applications

exceeded the school's capacity, contributing to increased revenue and overall profit for the Company.

- Timely innovation of management mechanisms in the direction of delegating authority coupled with responsibility to all levels, creating conditions to maximize the capacity of the entire system and the collective strength within each unit and the entire Company.

2. Financial Situation

a) Asset Status

The company's fixed assets mainly consist of construction projects serving the business, such as: school buildings, supermarkets, and bookstores; the average age of fixed assets is relatively young (approximately 10 years) and they are always in a state of being utilized to their full capacity. In 2025, the company will put the Ka Long Commercial Center and the Cam Pha Bookstore Supermarket (after renovation and upgrading) into operation, including the Ka Long Hotel with 30 rooms meeting 3-star standards and the largest bookstore in the Mong Cai area.

The company's short-term assets primarily consist of inventory on display shelves in supermarkets and short-term receivables from schools for textbooks delivered in December 2024 for the second semester.

Regarding inventory: The company has fully provisioned for the risk associated with changes to educational books.

Regarding short-term debt: This mainly consists of debts from schools in the province that received textbooks for the second semester at the end of the year and were not paid for within the year, and are always paid at the beginning of the following year. The company has virtually no bad debts..

b) Debt Situation In general,

The Company's liabilities for 2025 are not significant.

The Company has no bad debts and is not affected by exchange rate fluctuations.

3. Improvements in organizational structure, policies, and management:

- Innovation in management mechanisms towards linking benefits with responsibilities and granting autonomy to business units.

- Reforming the appointment mechanism for management personnel.

4. Future Development Plans

- Maximize the use of facilities and premises at the Company's units to develop business plans for additional service types, initially focusing on the capabilities of the

Ka Long Commercial Center; Increase the sourcing of various goods from China through partnerships with companies within the same educational book publishing system nationwide.

- Continue to improve the quality of education at Van Lang School, thereby increasing revenue and investment efficiency from this service segment of the Company.

- Renovating the Ha Long Educational Bookstore Supermarket.

5. Management's Explanation Regarding the Audit Opinion

The audit opinion is an unqualified opinion.

6. Report on Evaluation Related to the Company's Environmental and Social Responsibilities

a. Evaluation related to environmental indicators:

With the goal of saving costs and protecting the environment, the Company has included this indicator in contracts with each unit, thereby limiting electricity and water consumption and negative environmental impacts.

b. Evaluation related to labor issues:

Employees are able to develop their abilities, have many learning opportunities, opportunities for advancement, and increased income.

c. Evaluation related to the company's responsibility to the local community:

The Company always values and participates in activities that connect with the local area and community, considering this both an operational goal and a core responsibility of the Company, contributing to improving the quality of education in the locality, which is the main environment for the Company to operate sustainably.

IV. Assessment of the Board of Directors on the Company's Operations (for joint-stock companies)

1. Assessment of the Board of Directors on the Company's operations, including an assessment related to environmental and social responsibilities:

Although the market in 2025 remained challenging due to the slow economic recovery, impacting revenue targets (reducing them), the Board of Directors paid close attention and issued many resolutions providing strict guidance to the management team, resulting in the after-tax profit target set by the General Shareholders' Meeting being significantly exceeded.

2. Board of Directors' Assessment of the Management Board's Performance:

The Management Board has closely adhered to the policies, effectively implemented the Board of Directors' Resolutions, and managed the business operations to achieve the stated results.

3. Plans and Orientations of the Board of Directors:

- Continue to promote, with adjustments, the contracting policy associated with responsibility and delegating authority to business units. Strengthen inspection efforts.

- Consolidate and develop the retail system through the Company's Supermarkets, combined with distribution channels through Departments of Education & Training and high schools to create a closed loop in the supply of educational products in Quang Ninh province.

- Effectively exploit the Ka Long Hotel, seek to develop the Chinese tourist market, and find sources for products suitable for the Company's business lines from manufacturers and suppliers in China.

- Continue to improve the quality of education and the brand of Van Lang School to affirm its leading position among private schools in Quang Ninh province and as a high-quality school.

- 2026 is the year of changes in the province's textbook publishing policy, which profoundly affects the company's publishing business. The Board of Directors has closely supervised the work and implemented appropriate solutions to minimize the impact on the company's business.

- Specific Objectives:

Revenue: VND 210 billion;

Profit after tax: VND 11 billion;

Dividend: 18%

V. Corporate Governance:

1. Board of Directors

a) Members and Structure of the Board of Directors:

The Board of Directors consists of 9 people: 01 Chairman and 08 members. Currently, 7 members of the Board of Directors are officers and employees of the company, 02 independent members are not involved in operations.

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No	Board Member	Position	Ownership (%) Non	Executive Board Member
1	Vu The Hoa	Chairman	8,26	
2	Nguyen Thi Yen	Member	1,85	
3	Pham Xuan Truong	Member	0,5	
4	Nguyen Trong Nha	Member	5,8	(độc lập)
5	Vu The Trieu	Member	0,91	
6	Hoang Thi Kim Khanh	Member	2,26	
7	Vu The Anh	Member	10,02	(độc lập)
8	Tran Hoai An	Member	1,95	
9	Vu Thanh Huyen	Member	1,13	

b) Subcommittees of the Board of Directors:

The Company's 2018 Annual General Meeting of Shareholders decided not to establish Subcommittees of the Board of Directors anymore because the Company's corporate governance institutions have become stable.

c) Activities of the Board of Directors:

Number of Board Meetings:

No	Board Member	Position	Number of Meetings	Percentage (%)	Reason for Non-Attendance
1	Vu The Hoa	Chairman	16	100	
2	Nguyen Thi Yen	Member	16	100	
3	Pham Xuan Truong	Member	16	100	
4	Vu The Trieu	Member	16	100	
5	Hoang Thi Kim Khanh	Member	16	100	
6	Nguyen Trong Nha	Member	8	50	Independent Member
7	Vu The Anh	Member	8	50	Independent Member
8	Tran Hoai An	Member	16	90	
9	Vu Thanh Huyen	Member	16	90	

Main Resolutions of the Board of Directors:

No	Resolution No, Decision No	Date	Content	Approval Rate
1	02-NQ/HĐQT-2025	14/01/2025	The Board of Directors' work plan for January 2025.	100%
2	06-NQ/HĐQT-2025	11/02/2025	Review of work in January, and orientation for work in February.	100%
3	07-NQ/HĐQT-2025	26/02/2025	Review of work in February, and orientation for work in March.	100%
4	12-NQ/HĐQT-2025	05/04/2025	Review of work in the first quarter and orientation for the second quarter.	100%
5	17-NQ/HĐQT-2025	21/04/2025	Reviewing the work of April, setting directions for May, and approving the plan for organizing the 2025 Annual General Meeting of Shareholders.	100%
6	25-NQ/HĐQT-2025	05/05/2025	Implementing the contents of the Annual General Meeting Resolution 2025 and the work plan for May 2025.	100%
7	27-NQ/HĐQT-2025	04/06/2025	Review of work in May, and orientation for work in June.	100%
8	32-NQ/HĐQT-2025	19/07/2025	NQ reviews work in the second quarter and sets directions for the third quarter of 2025.	100%
9	38-NQ/HĐQT-2025	31/07/2025	Resolution of the Board of Directors on the management of work in August 2025	100%

10	41-NQ/HĐQT-2025	29/08/2025	The Board of Directors will oversee operations in September 2025.	100%
11	45-NQ/HĐQT-2025	13/10/2025	Resolution on organizing the 20th anniversary celebration of Van Lang University.	100%
12	47-NQ/HĐQT-2025	18/10/2025	NQ reviews work in the third quarter and sets directions for the fourth quarter of 2025.	100%
13	48-NQ/HĐQT-2025	30/11/2025	Resolution on the first settlement of allowances for the Board of Directors and Supervisory Board in 2025.	100%
14	50-NQ/HĐQT-2025	10/12/2025	Resolution of the Board of Directors on the management of work in December 2025	100%
15	51-NQ/HĐQT-2025	30/12/2025	NQ reviews work in 2025 and sets directions for work in 2026.	100%
16	52-NQ/HĐQT-2025	30/12/2025	Resolution approving the salary rates for the business sector in 2025.	100%
17	53-NQ/HĐQT-2025	30/12/2025	Resolution approving the provision for inventory devaluation in 2025.	100%
18	54-NQ/HĐQT-2025	30/12/2025	Resolution approving the provision for doubtful receivables in 2025.	100%
19	55-NQ/HĐQT-2025	31/12/2025	Resolution approves the deduction of the 13th month salary for business sector employees in 2025.	100%
20	56-NQ/HĐQT-2025	31/12/2025	NQ Approves the source of salary payments for the Company's Management Board.	100%

d) Activities of Board of Directors' Subcommittees:

The Board of Directors closely monitors the Company's activities and projects, as well as changes in the business environment, in order to develop solutions and direct the Executive Board to make appropriate adjustments.

e) List of Board of Directors members with corporate governance training certificates. List of Board of Directors members participating in corporate governance programs during the year.

- Attended corporate governance training courses

Mr. Vu The Hoa;

Ms. Nguyen Thi Yen.

2. Supervisory Board

a) Members and structure of the Supervisory Board:

No	Supervisory Board Member	Position	Ownership Ratio (%)
1	Nguyen Thi Hong Hai	Head of Board	0,53
2	Pham Dinh Lap	Member	0,43
3	Dinh Van Nghiem	Member	0,04

b) Activities of the Supervisory Board

The Supervisory Board fulfills its functions and duties; number of Supervisory Board meetings, content and outcomes of the meetings:

No	Supervisory Board Member	Number of SB Meetings	Content
1	Nguyen Thi Hong Hai	3	Regular meetings to resolve tasks within the SB's work plan
2	Pham Dinh Lap	3	
3	Dinh Van Nghiem	3	

3. Transactions, remuneration, and benefits of the Board of Directors, Management, and Supervisory Board

a) Salaries, bonuses, remuneration, and benefits

Board Member	Position	Remuneration	Salary and bonuses
Vu The Hoa	Chairman of the Board of Directors	219.185.000	810.614.000
Nguyen Thi Yen	Member of the Board of Directors, Director	150.690.000	629.865.000
Pham Xuan Truong	Member of the Board of Directors, Deputy Director	150.690.000	597.476.000
Vu The Trieu	Member of the Board of Directors, Deputy Director	150.690.000	537.066.400
Hoang Thi Kim Khanh	Member of the Board of Directors, Head of Department	150.690.000	649.312.496
Tran Hoai An	Member of the Board of Directors, Chief Accountant	150.690.000	528.429.360
Vu Thanh Huyen	Member of the Board of Directors	150.690.000	472.147.535
Nguyen Trong Nha	Member of the Board of Directors	75.343.000	
Vu The Anh	Member of the Board of Directors	75.343.000	
Nguyen Thi Hong Hai	Head of the Supervisory Board	68.495.000	
Pham Dinh Lap	Member of the Supervisory Board	47.947.000	
Dinh Van Nghiem	Member of the Supervisory Board	47.947.000	

b) Insider Trading: No transactions.

c) Contracts or Transactions with Insiders: No contracts.

d) Implementation of Corporate Governance Regulations:

The Company fully and correctly implements the regulations on corporate governance in accordance with the Law on Enterprises.

VI. Financial Statements

(Details can be found at <http://sachquangninh.vn/new/index.php/hoat-dong-cong-ty-qni>)

1. Audit Opinion In the auditor's opinion, in all material respects, the Financial Statements present fairly and accurately the financial position of the Company as at

December 31, 2025, and its results of operations and cash flows for the financial year ended December 31, 2025, in accordance with Vietnamese Accounting Standards, Accounting System, and relevant current legal regulations on the preparation and presentation of Financial Statements.

2. Audited Financial Statements: The audited annual financial statements include: Balance Sheet; Income Statement; Cash Flow Statement; Notes to the Financial Statements in accordance with legal regulations on accounting and auditing.

To:

- The State Securities Commission;
- Hanoi Stock Exchange;
- Information Disclosure;
- File

CHAIRMAN OF THE BOARD


Vũ The Hoa

