

# GIAI PHONG MOTOR JOINT STOCK COMPANY

## ANNUAL REPORT

Public Company Name: GIAI PHONG MOTOR JOINT STOCK COMPANY  
Report Year: 2025

### I. GENERAL INFORMATION

#### 1. General information

- Company name: GIAI PHONG MOTOR JOINT STOCK COMPANY
- Trading Name: GMC
- Business Registration Certificate No. 5100165283 issued by Ha Giang Department of Planning and Investment on 10/10/2001, amended for the 19th time on 12/06/2025
- Charter capital: 293,885,890,000 VND
- Owner's investment capital: 293,885,890,000 VND
- Address:
  - Head Office Address: Thanh Thuy border-gate economic zone, Thanh Thuy commune, Tuyen Quang province
  - Phone Number: (0219)382204 Fax: (0219)382121
  - Website: giaiphong.com.vn
  - Stock code: GGG

#### 2. Establishment and development process

Giai Phong Automobile Joint Stock Company was established on 10/10/2001 with 3 founding shareholders with the original name of Ha Giang M&E Joint Stock Company.

In 2008, according to the resolution of the Extraordinary General Meeting of Shareholders, the Company changed its name to Giai Phong Automobile Joint Stock Company.

The charter capital when the Company was established was 30 billion VND, up to now, after 23 years of operation, the Company's charter capital has increased to over 293 billion VND

Currently, the Company's shares are traded on Upcom with the trading code GGG.

#### 3. Business lines and areas

GMC specializes in the production and trading of trucks. The Company's main products are trucks weighing less than 25 tons.

Giai Phong Automobile Factory, located in Thanh Thuy border-gate economic zone, Thanh Thuy commune, Tuyen Quang province. invested on a scale of 7 hectares, fully meeting the standards of automobile manufacturing and assembling enterprises according to Decree 116/2017/ND-CP of the Government. The company has been granted the Certificate of eligibility for automobile production No. 1427/GCN-BCT by the Ministry of Industry and Trade on 27/05/2019.

GMC's distribution system is spread across the country. With an extensive distribution system, GMC can meet the needs of the majority of customers.

#### 4. Information on the governance model, business organization and management apparatus

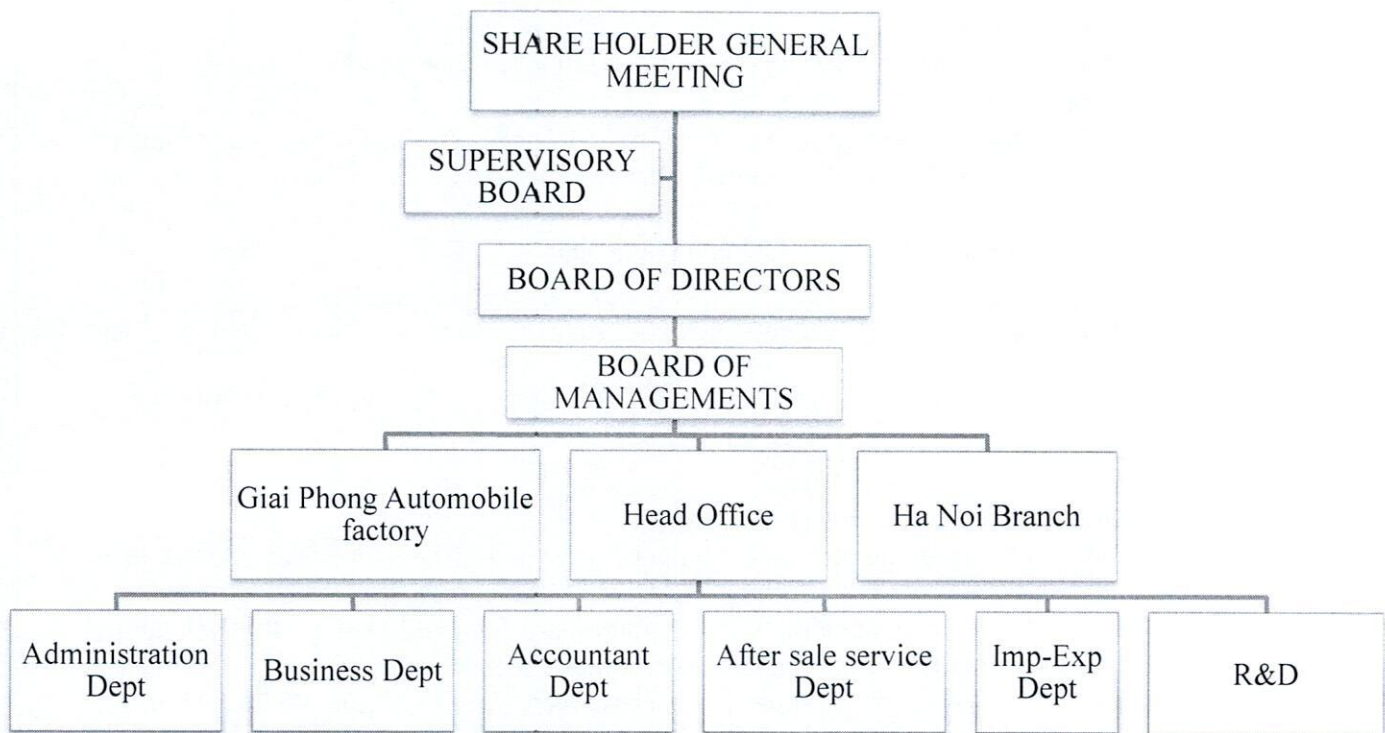
GMC's governance structure includes: General Meeting of Shareholders, Board of Directors, Supervisory Board, Board of Directors, member units (Giai Phong Automobile Factory, Hanoi Branch), functional departments.



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GMC is organized and operated under the model of a Joint Stock Company in accordance with the provisions of the Law on Enterprises No. 68/2014/QH13 approved by the National Assembly of the Socialist Republic of Vietnam on 26/11/2014, other relevant laws and the Company's Charter approved by the General Meeting of Shareholders of the Company.

### ORGANIZATIONAL MODEL OF CORPORATE GOVERNANCE AND ADMINISTRATION



#### 5. Development orientation

- Key Objectives of the Company

The main production and business goal of the Company is to constantly improve the quality and quantity of Giai Phong truck products, and at the same time expand the Company's distribution agent system and after-sales service to meet the maximum needs of customers. In the new period, the Company will expand investment, deeply participate in the green transformation process, and gradually transform from the production and assembly of traditional energy vehicles to new energy vehicles

Implement the management and operation of the Company in a transparent and effective manner, meet the best governance standards, bring maximum benefits to Shareholders, Investors, and employees of the Company

- Medium and long-term development strategy

- In the period from now to 2030, continue to produce and assemble traditional products (gasoline engines, diesel engines) in combination with research and development of products using new energy.

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- Participating in the transition to new energy, researching and cooperating in investment in energy supply systems (charging stations, battery swapping stations)...
- The Company's environmental, social and community objectives.

During its operation, GMC always pays attention to environmental protection, ensuring occupational hygiene and safety in and around the factory area. Always fully comply with the provisions of the Law as well as those of the province in environmental protection, occupational safety and fire protection.

### 6. Risks:

In addition to general risk factors such as economic growth rate, geopolitical conflicts, etc., the shortage of capital is the biggest factor affecting the Company's operations in 2026 and the following years

### Production and business activities

2025 is a year of strong growth for the Company in terms of sales and vehicle sales with sales revenue growing more than 5 times compared to 2024. However, due to part of the revenue coming from inventory sales from 2022 with a selling price lower than the cost price along with high financial costs, the business results continued to be negative.

### 1. Organization and personnel:

#### 1.1. Board of Directors:

Personnel of the Board of Directors and Supervisory Board for the term 2022-2027 up to now include

- Board of Directors:
  - Mr. Nguyen Duy Kien – Chairman of the Board of Directors (Appointed from May 2025)
  - Mr. Nguyen Cuong – Vice Chairman of the Board of Directors (Appointed from May 2025)
  - Mr. Tran Tan Hong Cuong – Members
  - Mr. Vu Hai Anh – Members
  - Mr. Pham Nguyen Hoang – Members
- Supervisory Board:
  - Ms. Le Thi Hang – Head of Department
  - Mr. Quach Nguyen Van Hoc – Member
  - Ms. Pham Hong Yen – Members

#### 1.2. Executive Board:

1. Deputy General Director: Mr. Pham Nguyen Hoang
  - Born in 1974
  - Term of office at the Company: from 2025
  - Number of shares held: 10,605 shares
2. Chief Accountant: Ms. Dinh Thi Ngan
  - Born in 1977
  - Position at the Company: Since 2003
  - Number of shares held: 0



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**1.3. Changes in the Board of Directors:** In 2025, the Company appoints Mr. Pham Nguyen Hoang to the position of General Director of the Company

**1.4. Number of officers and employees**

a. Number of officers and employees:

- Number of employees at the Company's Office: 8 people
- Number of workers directly producing: 22 people
- Number of indirect employees at the Automobile Factory: 6 people

b. Policies for employees:

- For direct production workers, the Company applies a flat salary policy.
- For indirect employees at the Factory and the Company's Office, the Company applies a salary policy from time to time.
- The company fully ensures policies for employees in accordance with the provisions of the law, including policies on social insurance and health insurance.
- Per capita income in 2025 for workers directly at the factory: 12,000,000 VND/person/month.
- Per capita income at the Company's Office: 15,000,000 VND/person/month.

**2. Financial situation**

a. Financial situation

Criteria	Year 2024	Year 2025	% increase and decrease
Total Asset Value	33,812,638,327.00	19,950,196,700	-41%
Net Revenue	22,619,246,102	114,855,617,422	407.78%
Profit from business activities	(19,544,643,446)	(14,710,668,267)	
Other Profits			
Profit before tax	(19,544,643,446)	(14,710,668,267)	
Profit after tax	(19,544,643,446)	(14,710,668,267)	
Dividend-paying profit ratio	-	-	

b. Major financial indicators

Criteria	Year 2024	Year 2025	Notes
1. Solvency criteria			
<i>Short-term ratio:</i>	0.26	0.08	
<i>Quick Payout Factor:</i>	0.05	0.07	
2. Indicators on capital structure			
<i>Debt/Total Assets Ratio</i>	2.51	4.30	
<i>Debt/Equity Ratio</i>			
3. Indicators of operational capacity			
- Inventory Turnover:			
- Net Revenue/Total Assets	3.60	5.76	
4. Profitability indicators			

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- Profit after tax/Net revenue ratio	-0.86	-0.13	
- Profit after tax/Equity ratio			
- Profit after tax/Total assets ratio	-0.58	-0.74	

### 3. Shareholder structure, change of owner's investment capital

#### a. Stakes:

- Total number of shares outstanding: 29,388,589 shares, of which:
- Ordinary shares: 29,388,589 shares
- + Freely transferable shares: 29,388,589 shares
- + Shares restricted from transfer: 0
- Preferred Shares: 0

#### b. Shareholder structure:

STT	Type of Shareholder	Number of shares owned	Rate	
1	Major shareholders	18,626,332	63.38%	
2	Individual Shareholders	28,113,705	95.75%	
3	Institutional Shareholders	1,248,884	4.25%	
4	Domestic Shareholders	28,773,259	97.91%	
5	Foreign Shareholders	615,330	2.09%	
6	State Shareholders	-	0.00%	

#### c. Change of owner's investment capital: No

d. Trading of treasury shares: During the year, the Company did not incur trading of treasury shares

e. Other securities: During the year, the Company does not issue other securities

## II. REPORT AND EVALUATION OF THE BOARD OF MANAGEMENTS

### 1. Evaluation of production and business results

The Company's revenue has an impressive growth rate with an increase of nearly 5 times compared to 2024. However, part of the revenue comes from inventory sales and high financial costs, so business results continue to be negative.

### 2. Financial situation

#### a. Asset situation

Regarding fixed assets: No new fixed assets arise

Regarding inventory: At the end of the year, the inventory is mainly motorcycles and damaged components and spare parts that have not been treated.

#### b. Liability situation

At the end of 202, the Company no longer has outstanding loans at credit institutions.

Short-term payables are the amount that the component supplier to the Company is delayed from 6 months to 1 year.

Long-term debt is personal debt.

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

In 2025, the Company will have changes in key personnel:

- Mr. Nguyen Duy Kien was elected as Chairman of the Board of Directors and acted as the legal representative in place of Mr. Nguyen Cuong
- Appointing Mr. Pham Nguyen Hoang to hold the position of General Director of the Company.

### 4. Future development plan

#### 4.1. In the field of automobile production and business:

- Continue to produce and assemble trucks with a total tonnage of up to 16 tons, mainly in the form of semi-trucks. The company focuses on producing from FAW components as a branded and reliable partner.
- Research to select partners to produce new energy car products (Pure Electric, Hybrid)

#### 4.2. Other fields

- Issuance of charter capital increase to supplement operating capital

## III. REVIEW OF THE BOARD OF DIRECTORS ON THE COMPANY'S PERFORMANCE

### 1. Evaluation of the Board of Directors on aspects of the Company's activities

- In 2025, the Company's production and business activities will be affected by many objective and subjective difficulties. However, the executive board has also been proactive in managing and minimizing negative impacts. Revenue has good growth, but has not met expectations as planned

### 2. Evaluation of the Board of Directors on the performance of the Board of Directors of the company

During the year, the Board of Directors of the Company has fully performed its functions. Fully implement the Resolutions of the Board of Directors.

The Board of Directors has also been proactive in implementing measures to develop business, expand markets and introduce and promote products.

Although the equity has been negative, the Board of Directors has actively sought other sources of capital to maintain the Company's operations.

### 3. Plans and orientations of the Board of Directors

- Continue to develop the product line of medium trucks.
- Research and development of small cars, gasoline engines and electric vehicles
- Expanding production and business industries
- Increase capital to supplement business capital

## IV. CORPORATE GOVERNANCE

### 1. Board of Directors

Name	Position	Holding Rate	Notes
Nguyen Duy Kien	Chairman	6.70%	



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Nguyen Cuong	Vice Chairman	8.34%	
Pham Nguyen Hoang	Members	0.04%	General Director
Tran Tan Hong Cuong	Members	3.97%	
Vu Hai Anh	Members	3.07%	

### 2. Supervisory Board

Name	Position
Le Thi Hang	Head of Department
Quach Nguyen Van Hoc	Members
Pham Hong Yen	Members

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

- Salary, bonuses, remuneration, benefits: The Board of Directors and the Supervisory Board do not receive remuneration
- Trading of shares of internal shareholders: In 2025, there will be trading of shares of internal shareholders:
  - Mr. Tran Tan Hong Cuong – Member of the Board of Directors – bought 400,000 shares, the number of shares held after the transaction was 1,167,855 shares (3.97%)
- Contracts or transactions with internal shareholders: No
- The implementation of regulations on corporate governance: During the year, the Board of Directors, the Board of Directors and the Company have fully and seriously implemented the regulations on corporate governance.

## V. FINANCIAL STATEMENTS

### 1. Audit opinion (NVA Auditing Co., Ltd. – Northern Branch)

#### "Audit opinion"

In our opinion, the mentioned consolidated financial statements have honestly and reasonably reflected the material aspects of the consolidated financial situation of Giai Phong Motor Joint Stock Company as of December 31, 2025 as well as the consolidated business results and consolidated cash flows for the financial year on the same day, in accordance with accounting standards, accounting regimes for Vietnamese enterprises and legal regulations related to the preparation and presentation of consolidated financial statements.

#### Issue emphasis

We would like to draw the reader's attention to Explanation No. VIII.3 regarding the fact that: The loss in the fiscal year ending December 31, 2025 is VND 14,710,668,267 and the accumulated loss until December 31, 2024 is VND 360,558,522,024 which has exceeded the owner's investment capital. In addition, as of December 31, 2024, short-term liabilities were greater than short-term assets of VND 44,983,426,565. These factors lead to doubts about the Company's ability to continue operating. The company is taking a number of measures to remove the current situation through the implementation of a plan to issue individual shares to supplement business capital and expand the factory. The Company's Board of Directors commits to use personal resources to handle overdue debts if the measures given are not guaranteed. Therefore,

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the Consolidated Financial Statements for the financial year ended December 31, 2025 are still prepared on the assumption that the Company continues to operate its business.

2. **Audited Financial Statements** According to the enclosed Financial Statements

CERTIFICATION OF THE LEGAL REPRESENTATIVE  
OF COMPANY

Chairman of the Board of Directors



NGUYEN DUY KIEN