
No: 01/BCTN- LCM

Lao Cai, April 06, 2025

ANNUAL REPORT
Year 2025

Dear: Hanoi Stock Exchange
State Securities Commission of Vietnam

I. General information

1. General information

- Trading name: **Lao Cai Mineral Exploitation and Processing Joint Stock Company**
- Business Registration Certificate No.: 5300208618
- Charter capital: 246,330,000,000 VND
- Owner's capital: 246,330,000,000 VND
- Address: House No. 28B, Phan Dinh Giot Street, Lao Cai Ward, Lao Cai Province.
- Telephone: 0203.830.036
- Fax: 0203.830.036
- Website: www.khoangsanlaocai.vn
- Securities code: **LCM**

Establishment and development process:

Lao Cai Mineral Exploitation and Processing Joint Stock Company, formerly Gia Long Company Limited, was established on September 18, 2002 with business registration number 12 02 000 192. After 6 times of changing business registration (the last time on December 9, 2010), Gia Long Company Limited changed its name to Lao Cai Mineral Exploitation and Processing Joint Stock Company on January 4, 2011. During its operation and development, the Company has always fulfilled its obligations to the State.

From a private joint stock company with initial charter capital of VND 2,000,000,000, the Company increased its capital for the first time to VND 80,000,000,000 on February 15, 2010 by additional capital contribution from the Company's shareholders. The Company completed the second capital increase on December 30, 2010 with a charter capital of VND 85,680,000,000. On September 16 2011, Lao Cai Mineral Exploitation and Processing Joint Stock Company was officially listed and traded on the first day on the Ho Chi Minh City Stock Exchange with the stock code: LCM.

On November 7, 2012, the Company completed the public offering of shares to increase its charter capital to VND 214,200,000,000.

On July 1, 2013, the Company completed the issuance of shares to pay 2012 dividends to increase charter capital to VND 246,330,000,000.

2. Establishment and development process

2.1. Business lines:

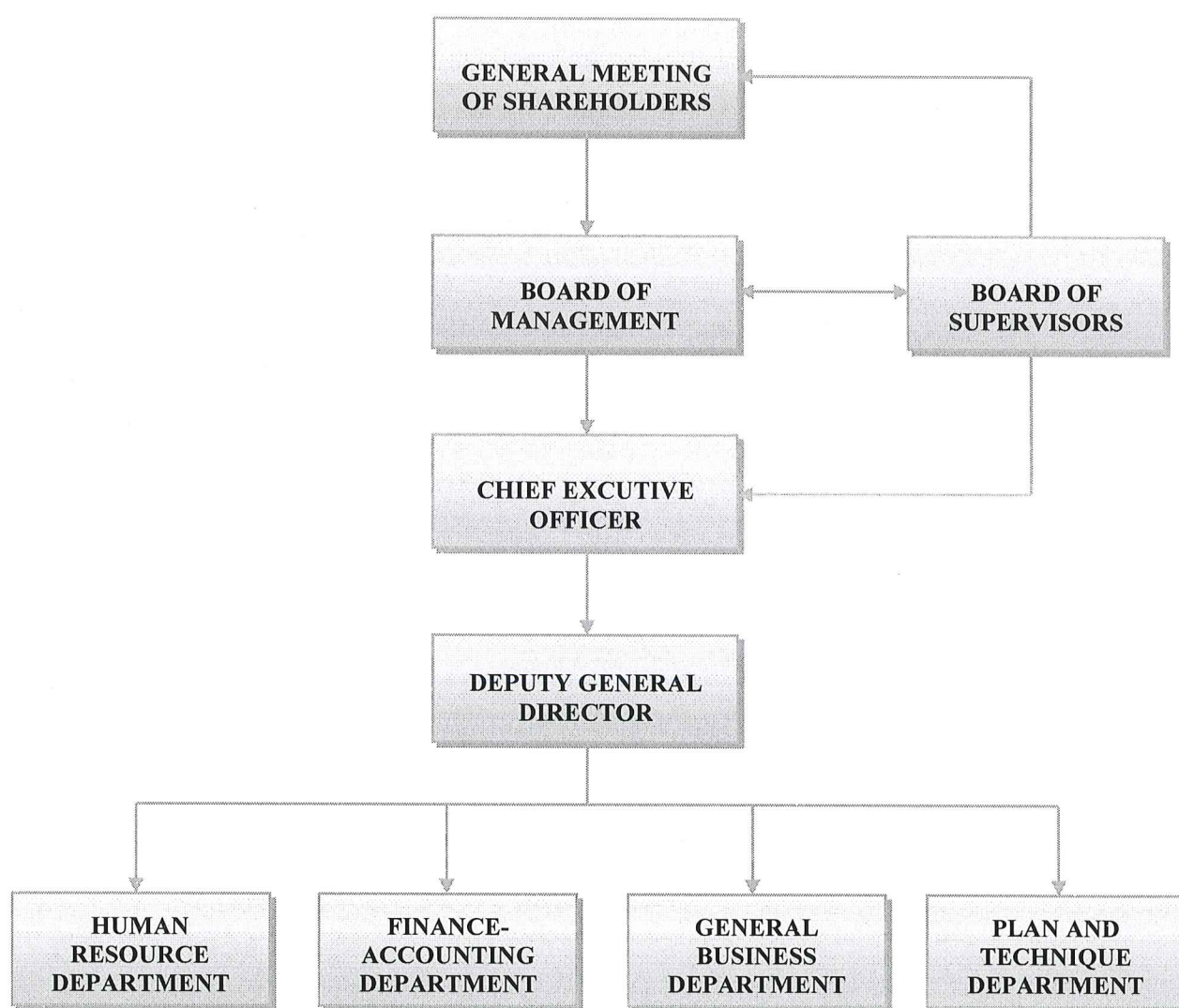
Mining of rare metal ores: Details: Mining, processing, trading of ferrous and non-ferrous metal ores;

- Buying and selling of machinery, equipment and spare parts;
- Consulting and supporting mineral exploitation activities;
- Buying and selling, producing construction materials;
- Buying and selling, importing and exporting crude oil, coal and their products;
- Building all kinds of houses; Building other civil engineering works..

2.2. *Location of business:* Mainly in the northern provinces

3. Information about governance model, business organization and managerial apparatus

3.1. Governance model



3.2. Management structure:

✦ General meeting of Shareholders

The General Meeting of Shareholders is the highest authority of the Company, comprising all Shareholders with voting rights. The General Meeting of Shareholders meets annually or

extraordinarily; at least once a year. The General Meeting of Shareholders has the following rights and duties:

- Approve, amend and supplement the Charter.
- Approve the Company's development plan, approve the annual financial report, the report of the Board of Management, the Board of Supervisors and the Auditor..
- Decide on the number of members of the Board of Management.
- Elect, dismiss, remove members of the Board of Management and Board of Supervisors.
- Other rights are stipulated in the Company's charter..

✚ Board of Management

The Board of Management, elected by the General Meeting of Shareholders, is the highest management body of the Company, with full authority to decide on all matters relating to the Company's purposes and interests between two General Meetings of Shareholders. The Board of Management has the following rights:

- Decide on the organizational structure and apparatus of the Company.
- Decide on the Company's investment and development strategy based on strategic goals approved by the General Meeting of Shareholders.
- Appoint, dismiss, remove, and supervise the activities of the Board of Directors.
- Propose amendments to the Charter, annual business performance reports, financial reports, annual settlements, profit distribution plans and development directions, production and business development plans and annual budgets to submit to the General Meeting of Shareholders.
- Convene and direct the preparation of content and agenda for the General Meeting of Shareholders.
- Propose restructuring or dissolution of the Company.
- Other rights are stipulated in the Charter.

✚ Board of Directors

The Board of Directors is appointed by the Board of Directors and is responsible for organizing, operating and managing all daily production and business activities of the Company according to the strategies and plans approved by the Board of Directors and the General Meeting of Shareholders. The Board of Directors is responsible for:

- Organize, operate and manage all production and business activities of the Company in accordance with the resolutions of the General Meeting of Shareholders, decisions of the Board of Management, the Company Charter and in compliance with the Law.
- Develop and submit to the Board of Management internal management regulations, production and business plans, annual and long-term financial plans of the Company.
- Propose the Board of Management to decide on appointment, dismissal, reward and discipline for Deputy Director and Chief Accountant.

- Sign and execute contracts in accordance with the provisions of the Law.
- Report to the Board of Management on the operation situation, production and business results, be responsible to the General Meeting of Shareholders, the Board of Management and the Law and any violations causing losses to the Company.
- Implement the resolutions of the Board of Management and the General Meeting of Shareholders, the Company's business plan and investment plan approved by the Board of Directors and the General Meeting of Shareholders.
- Other rights are stipulated in the Charter.

✚ ***Board of Supervisors***

The Company's Board of Supervisors is elected by the General Meeting of Shareholders and is responsible for representing shareholders to control all business activities, administration and management of the Company. Rights and obligations are as follows:

- Check the accounting books and financial reports of the Company, check the reasonableness and legality of the Company's production, business and financial activities, check the implementation of resolutions and decisions of the Board of Management.
- Submit to the General Meeting of Shareholders a report on the audit of the Company's financial statements, and have the right to present their independent opinions on the audit results of issues related to business operations, operations of the Board of Management and the Board of Directors.
- Request the Board of Management to convene an extraordinary General Meeting of Shareholders if deemed necessary.
- Other rights are stipulated in the Charter.

✚ ***Chief Accountant***

The Company's Chief Accountant is appointed and dismissed by the Company's Board of Management; responsible for organizing and directing the implementation of accounting, statistics, economic accounting and financial work of the Company; performing tasks authorized by the Company's Director.

✚ ***Departments***

Human Resources Department: has the following duties and functions:

- Build the organizational structure of the Company, develop training plans, improve professional qualifications and skills for employees; implement policies, salary regimes and other regimes for employees; manage and operate the Company's administrative work.
- Develop internal rules, regulations and management regulations within the Company.
- Advise the Directors on the arrangement and assignment of labor in the Company's departments, branches and factories to suit the nature of the work in accordance with the labor laws promulgated by the State.
- Manage and store employee records, resolve issues arising regarding employee benefits and policies in the past and present.

- The department performs functions and operates all activities under the direct direction and management of the Company's Board of Directors.

Finance – Accounting Department: has the following duties and functions:

- Synthesize and record data and financial situation of the Company; report directly to the Board of Directors; through the financial situation, help the Director direct the Company's production and business activities;
- Implement periodic reporting regime, comply with financial audit and inspection requirements of competent authorities.
- Accurately, honestly, fully, promptly, clearly and comprehensively reflect all aspects of the Company's production and business activities on the principle of independent accounting for professional operations.
- Propose measures to promptly correct and handle deviations in business operations and financial management.
- Analyze the financial situation in mining, advise on measures for the financial plan of the Board of Directors.

General Business Department: has the following duties and functions:

- Organize the development of business plans and advise the Board of Management and the Board of Directors on the medium and long-term development orientation of the Company. Based on the business plans of each department and unit, the department will develop an overall business plan for each quarter and each year to submit to the Board of Directors for review and approval.

Plan and Technique Department: has the following duties and functions:

- Develop investment plans for repairing machinery and equipment at factories and enterprises to serve production, business and mining activities at the company's factories. Advise the Board of Directors on investment plans for new machinery and equipment.
- Manage all existing repair workshops and machinery of the Company.
- Plan and supply materials according to actual progress at the Company's factories and construction sites.

3.3. Subsidiaries, associated companies

| Company's name | Address | Main business line | Charter Capital (VND) | Ownership ratio as of June 30, 2021 |
|---------------------------------------|---|---|------------------------------|--|
| Gia Long Hoa Binh Joint Stock Company | Tan Lap Hamlet, Tan Vinh Commune, Luong Son District, Hoa Binh Province | Mining and processing of minerals (except minerals prohibited by the state) | 171,000,000,000 | 95% |

3.4. Affiliated Company: None

4. Development orientations.

4.1. The main objectives of the Company

- Effective business, stable and sustainable development.
- Investment in technology, machinery, equipment and production lines, focusing on mining.
- Diversify business lines, in which mineral exploitation and trading is the main industry.
- Training a team of qualified employees with high industrial style and discipline.
- Ensure the rights of shareholders.

4.2. Medium and long term development strategy

Deep investment in the field of mineral exploitation and trading.

4.3. The Company's environmental, social and community goals

Actively participate in environmental protection and social work to build new rural areas and help localities according to the Company's actual capabilities.

5. Risks:

5.1. Economic risks

Tight fiscal and monetary policies: Many countries maintain tight fiscal and monetary policies, leading to higher borrowing costs and the risk of recession.

Geopolitical tensions: Conflicts in the Middle East and tensions between major powers like the US and China disrupt global supply chains and energy markets.

Market and technological fragmentation: The trend of market and technological fragmentation is increasingly evident, reflected in the expansion of the BRICS bloc and sanctions, undermining international cooperation and the efficiency of global supply chains.

Financial Market Instability: Global financial market instability, coupled with rising public debt, pose challenges to economic growth.

***Solution:** The company regularly monitors economic developments to have specific, flexible projects, strategies and plans to promptly respond to risks.

5.2. Legal risks

As an enterprise operating in the form of a public company, trading centrally at the Hanoi Stock Exchange, the Company's operations comply with legal documents of Joint Stock Companies, securities activities and the securities market, including: Enterprise Law, Securities Law, Trading Regulations of the Hanoi Stock Exchange and implementing guidelines... Although, over the past many years, the Vietnamese legal system has been continuously improved, its stability is not high, and many legal regulations are still in the process of being improved.

In addition, the Company operates in the mineral mining industry, which is a special industry and is subject to State regulations related to the activities of the mineral mining industry.

***Solution:** To limit this risk, the Company always focuses on researching and grasping new legal regulations, closely following the Party and State's guidelines and policies... thereby building legal and appropriate production and business strategies and plans for each period.

5.3. Mining licensing risks

Complicated and lengthy procedures cause difficulties for businesses. Financial risks due to high capital requirements and large financial leverage. Legal disputes in the transfer of mining rights. Violations of regulations can lead to penalties or suspension of mining. Lax supervision leads to fraud and loss of resources

***Solution:** The Company's activities always adhere to the specific established process of geological exploration and survey for each activity and project implemented, in order to minimize risks and maximize cost savings for this activity.

5.4. Other risks

Weather factors such as harsh heat, rain, storms, floods, and landslides greatly affect the output of quarry mining and production at the Company's factory.

***Solution:** To limit damages when force majeure occurs, the Company has proactively participated in insurance contracts for projects and works under implementation

II. Operations in the Year

1. Situation of production and business operations

In 2025, business and production activities continued to maintain a recovery and growth momentum as the economy gradually stabilized following previous fluctuations, with the industrial production index estimated to increase significantly compared to 2024. However, the global economic environment still poses many potential risks due to prolonged geopolitical conflicts, tightening monetary policies in several major economies, and fluctuations in energy and food prices.

Despite these challenges, the business community has demonstrated strong adaptability, with the number of newly established and reactivated enterprises remaining at a high level. Performance compared to the plan::

Unit: Billion VND

| No | Object | Plan | Year 2025 |
|----|--------------------------|----------------|----------------|
| 1 | Consolidated net revenue | 20-50 billions | 45.15 billions |
| 2 | Consolidated net income | 2-5 billions | -2.89 billions |

2. Organization and Human resource:

❖ Board of Directors

| STT | Name | Position |
|-----|---------------------|-------------------------|
| 1 | Mr Nguyen Duc Thang | CEO |
| 2 | Mr Ngo Truong An | Deputy General Director |
| 3 | Mrs Nguyen Thi Hoa | Chief Accountant |

- **CEO – Mr Nguyen Duc Thang**

Date of birth : 30/03/1979
 ID : 111473848 Date of issue: July 25, 2012 Place of issue: Hanoi City Police Department
 Address : House No. 9, Alley 41, Chua Nen Lane, Lang Thuong Ward, Dong Da, Hanoi.
 Professional qualifications : Electronics and Telecommunications Engineer
 Number of shares held : 0 share, 0% of charter capital

- **Deputy General Director – Mr Ngo Truong An**

Date of birth : 07/02/1985
 ID : 090783419 Date of issue: 06/08/2020 Place of issue: Thai Nguyen City Police Department
 Address : Lane 169 Quang Trung Ward, Thai Nguyen City, Thai Nguyen Province
 Professional qualifications : Bachelor
 Number of shares held : 50 shares

- **Chief Accountant – Mrs Nguyen Thi Hoa**

Date of birth : 30/09/1960
 ID : 063034972 Date of issue: 21/11/2007 Place of issue: Lao Cai City Police Department
 Address : K3 Street - Pho Moi Ward - Lao Cai City
 Professional qualifications : Intermediate Accounting
 Number of shares held : 28,750 shares, 0,0000117% of charter capital

Changes in the Board of Management: In 2024, Lao Cai Mineral Exploitation and Processing Joint Stock Company has no changes in personnel in the Board of Management.

Number of staffs. Brief information and changes on the employee's policies:

| Criteria | Quantity | Proportion |
|-----------------------------|-----------|-------------|
| Classified by level | | |
| Above University | 3 | 11.54% |
| University | 5 | 19.23% |
| College/high school | 8 | 30.77% |
| Worker/Technician | 10 | 38.46% |
| Classified by gender | | |
| Male | 18 | 69.23% |
| Female | 8 | 30.77% |
| Total | 26 | 100% |

- The Company has ensured the full implementation of all regimes and policies for employees in accordance with current legal regulations.

- **Training activities:** The Company has proactively sent its staff and employees to participate in training and professional development programs in their respective fields, aiming to build a highly qualified workforce with a professional working style..
- **Rewarding system:**
 - Timely rewards have been given to individuals who have excellently completed their assigned tasks, contributing to improved work efficiency
 - Periodic bonuses have been granted on holidays and Tet to encourage and motivate employees.
- **Other policies:** The management has closely coordinated with the Trade Union in implementing welfare policies, such as providing support to employees in difficult circumstances, ensuring benefits for female employees, facilitating Youth Union activities, and granting rewards to employees' children with outstanding academic achievements.

3. Investment activities, project implementation

3.1. Major investments:

In 2024, Lao Cai Mineral Exploitation and Processing Joint Stock Company has no major investments.

3.2. Subsidiaries, associated companies:

In 2025, Gia Long Hoa Binh Joint Stock Company focused its resources on accelerating the completion of the mineral processing plant project serving the exploitation of the polymetallic mine in Ngoc Lam Hamlet, Cao Ram Commune, Luong Son District, and Dang Long Hamlet, Bac Son Commune, Kim Boi District, Hoa Binh Province.

At the same time, the Company has proactively expanded cooperation, actively seeking and working with strategic partners in the mining sector. Currently, the Company is promoting negotiations with potential partners, aiming to soon put the plant into operation, thereby efficiently exploiting and maximizing the value of the mine's resources.

4. Financial condition:

a) Financial condition:

| Indicator | Year 2024 | Year 2025 | Change |
|---------------------------------|-----------------|-----------------|--------|
| Total asset | 170.318.655.293 | 194.351.339.330 | 14,1% |
| Net revenue | 33.565.216.052 | 45.157.152.800 | 34,5% |
| Profit from business activities | 1.677.267.209 | -2.890.585.699 | |
| Other profits | 0 | 0 | 0 |
| Profit before tax | 1.677.267.209 | -2.890.585.699 | 272,3% |
| Profit after tax | 1.677.267.209 | -2.890.585.699 | 272,3% |
| Payout ratio | | | |

b) Key financial indicators:

| Indicators | Year 2023 | Year 2024 | Note |
|--|-----------|-----------|------|
| <i>1. Solvency ratio</i> | | | |
| + Current ratio: Short term Asset/Short term debt | 2.40 | 1.28 | |
| + Quick ratio: | 2.40 | 1.28 | |

| | | | |
|---|------|------|--|
| <u>Short term Asset – Inventories</u> | | | |
| Short term Debt | | | |
| <i>2. capital structure Ratio</i> | | | |
| + Debt/Total assets ratio | 0.13 | 0.27 | |
| + Debt/Owner's Equity ratio | 0.14 | 0.37 | |
| <i>3. Operation capability Ratio</i> | | | |
| + Inventory turnover: | | | |
| <u>Cost of goods sold/Average inventory</u> | | | |
| + Total asset turnover | 0 | 0 | |
| Net revenue/Average Total Assets | 0.37 | 0.20 | |
| <i>4. Profitability</i> | | | |
| + profit after tax/Net revenue Ratio | 0.06 | 0.05 | |
| + profit after tax/total capital Ratio | 0.03 | 0.01 | |
| + profit after tax/Total assets Ratio | 0.02 | 0.01 | |
| + Profit from business activities/Net revenue Ratio | 0.08 | 0.05 | |

5. Shareholders structure. change in the owner's equity as of 11/04/2025

a) *Shares*: Total outstanding shares are 24.633.000 common shares. with no transfer restrictions./.

b) *Shareholders structure*:

| Capital Structure | Number of shareholders | Number of shares | Value (VND) | Proportion |
|--------------------------------------|------------------------|-------------------|------------------------|---------------|
| <i>1. Domestic shareholders</i> | 2.740 | 23.520.964 | 235.209.640.000 | 95,49% |
| <i>a. Legal entity</i> | 11 | 89.172 | 891.720.000 | 0,36% |
| <i>b. Individual</i> | 2.729 | 23.431.792 | 234.317.920.000 | 95,12% |
| <i>2. International shareholders</i> | 19 | 1.111.845 | 11.118.450.000 | 4,51% |
| <i>a. Legal entity</i> | 3 | 35.568 | 355.680.000 | 0,14% |
| <i>b. Individual</i> | 16 | 1.076.277 | 10.762.770.000 | 4,37% |
| Total | 2.759 | 24.633.000 | 246.330.000.000 | 100% |

c) Change in the owner's equity: No

d) Transaction of treasury stocks: No

e) Other securities: No.

6. Environment-Social-Governance (ESG) Report of the Company

6.1. Environmental impact: Không

6.2. Environment-Social-Governance (ESG) Report of the Company:

a) The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year:

b) The percentage of materials recycled to produce products and services of the organization: không

6.3. Energy consumption:

a) Energy consumption - directly and indirectly: 547.069 kwh

b) Energy savings through initiatives of efficiently using energy: No

c) The report on energy saving initiatives (providing products and services to save energy or use renewable energy); report on the results of these initiatives.: No.

6.4. Water consumption (water consumption of business activities in the year)

a) Water supply and amount of water used..

- Clean water source of water usage: 4.500 m³/year.

- Well water source of water used: 550m³/year

b) Water consumption (water consumption of business activities in the year): 0

6.5. Water consumption (water consumption of business activities in the year):

a) Number of times the company is fined for failing to comply with laws and regulations on environment: No

b) The total amount to be fined for failing to comply with laws and regulations on the environment: 0 VND

6.6. Policies related to employees

a) Number of employees. average wages of workers..

- Average number of employees per year: 26

- Average income per person/month: 6 million VND

b) Labor policies to ensure health. safety and welfare of workers:

- Continuously improve the material and spiritual well-being of employees; ensure stable income, while regularly organizing collective activities, celebrating holidays, and holding quarterly birthday events to strengthen internal cohesion.

- Implement timely and transparent reward policies to recognize and encourage individuals and teams with outstanding achievements in production and business activities.

- Maintain and improve the quality of meals provided during work shifts, contributing to employees' health and working conditions.

- Strengthen occupational safety and fire prevention and fighting measures to ensure a safe working environment and minimize potential risks.

c) Employee training

The average number of training hours per year. according to the staff and classified staff

- + Labor safety and fire prevention training 48 hours/year.

- The skills development and continuous learning program to support workers employment and career development: No

6.7. Report on responsibility for local community: The company always supports Agent Orange fund; Association of the blind. flood victims ...

6.8. Report on green capital market activities under the guidance of the SSC: No.

III. Reports and assessments of the Board of Management (the Board of Management reports and assesses the Company's situation through every face)

1. Assessment of operating results:

In 2025, Lao Cai Mineral Mining and Processing Joint Stock Company focused its resources on investing in, completing, and putting into operation the mineral processing plant project serving the exploitation of the polymetallic mine in Ngoc Lam Hamlet (Cao Ram Commune, Luong Son District) and Dang Long Hamlet (Bac Son Commune, Kim Boi District, Hoa Binh Province). The project is oriented toward modern development, applying advanced technologies to enhance recovery efficiency and optimize the value of mineral resources.

Alongside the project completion process, the Company has proactively expanded cooperation, actively seeking and working with both domestic and international strategic partners to promote mining, processing, and product consumption activities. To date, the plant has completed its new technological production line and has officially commenced stable operations, with technical support and technology transfer from experts from Australia and Japan. This serves as an important foundation for the Company to enhance its competitiveness, improve business performance, and maximize the potential of polymetallic mines in the region..

2. Financial Situation

a) Assets

Unit: VND

| ASSETS | 31/12/2025 | 31/12/2024 | Change |
|---------------------------------|------------------------|------------------------|-------------------------|
| CURRENT ASSETS | 139.143.887.490 | 59.404.271.007 | 79.739.616.483 |
| Cash and cash equivalent | 135.412.663 | 217.284.998 | (81.872.335) |
| Short term recievables | 137.255.178.812 | 57.204.545.572 | 80.050.633.240 |
| Inventories | 107.900.000 | 322.350.000 | (214.450.000) |
| Other current assets | 1.645.396.015 | 1.660.090.437 | (14.694.422) |
| NON CURRENT ASSETS | 55.207.451.840 | 110.914.384.286 | (55.706.932.446) |
| Long-term receivables | 171.177.000 | 55.300.177.000 | (55.129.000.000) |
| Fixed asset | 1.087.243.259 | 1.665.175.705 | (577.932.446) |
| Long term financial investments | 47.914.666.450 | 47.914.666.450 | - |
| Long term asset in progress | 6.034.365.131 | 6.034.365.131 | - |
| TOTAL | 194.351.339.330 | 170.318.655.293 | 24.032.684.037 |

b) Liabilities

| LIABILITIES | 31/12/2025 | 31/12/2024 |
|---|-----------------------|-----------------------|
| Current Liabilities | 73.261.033.630 | 46.337.763.894 |
| Account payables | 49.551.082.465 | 40.478.857.560 |
| Short-term advances from customers | 356.020.240 | 356.020.240 |
| Short-term accrued expenses | 431.545.116 | 431.545.116 |
| Short-term borrowings and finance lease liabilities | 7.896.078.831 | 45.034.000 |
| Bonus, welfare fund | 12.230.000.000 | 2.230.000.000 |
| Non current liabilities | - | - |

As of December 31, 2025, the Company has no long-term loans or debts,

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

- ✓ Improve the quality of technical and safety assurance work and optimize material and fuel costs,
- ✓ Strengthen management of equipment, materials, fuel and strictly control costs,

4. Development plans in future :

The company focuses on investing deeply in the field of mineral exploitation and trading,

5. Explanation of the Board of Management for auditor's opinions (if any) - (In case the auditor's opinions are not unqualified)

1. Disclaimer of Opinion on Investments in Associates

We were unable to access the financial statements and audited financial statements for the fiscal year ended December 31st, 2025, of Van Son Green Environment Cooperative with an equity investment value of VND 24.145 billion and of Binh Thanh Green Environment Investment. Alternative procedures were not available. Therefore, we cannot assess the net value of the investments or their impact on the relevant indicators in the Consolidated Financial statements for the fiscal year ended December 31st, 2025, of the Company.

- At the time of auditing the 2025 financial statements, we were unable to contact the management or accountants of the two affiliated companies. Therefore, the provision of financial records related to these two companies was delayed, resulting in the auditors being unable to assess the value of the impairment provision for the investment.

2. Disclaimer of Opinion on Receivables:

VND. As of December 31st, 2025, the "Other Short-Term Receivables" item recorded advances to several officers and employees for production and business activities totaling VND 60,400,000,000. We have not been provided with complete documentation regarding the use of these advances. Although the Board of Directors has assessed these advances as recoverable and not causing any loss of assets for the Company, at the time of this report, we are unable to assess the reasonableness, purpose, and recoverability of these advances.

- At the time of auditing the 2025 report, we had not yet recovered advances made to some officers and employees to support the company's production and business activities, totaling VND 60,400,000,000. Therefore, the auditors could not yet assess the reasonableness of the outstanding balances of the aforementioned advances.

4. Opinion on the Company's Operational Status

As of December 31, 2025, the Company's accumulated losses amounted to VND 139,240,781,707, representing 57% of equity. Loans and financial lease liabilities of VND 2,230,000,000 were overdue. These factors, along with the issues presented by the Company in Note 2.2, indicate material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. At the time of this report, we are unable to express an opinion on whether the Company's going concern assumption is adequately formulated.

- Currently, our company is focusing on renewing the gold mining project of Gia Long Hoa Binh Co., Ltd. (a subsidiary), but we still generate revenue from other core activities. Therefore, we are committed to and guarantee the company's continued operation both now and in the future.

6. Assessment Report related to environmental and social responsibilities of the Company

Due to the nature of operating in the mining sector, the Company always considers occupational safety as a key priority. Accordingly, the Company has implemented a range of comprehensive measures to ensure employee safety, including full compliance with insurance policies, provision of adequate personal protective equipment and tools, and regular training and awareness programs on workplace safety.

In addition to its production and business activities, the Company actively participates in environmental protection initiatives and social welfare programs, contributing to rural development and supporting local communities in line with its capabilities and actual conditions.

IV, Assessments of the Board of Management on the Company's operation (for joint stock companies)

1. Assessments of the Board of Management on the Company's operation

In 2025, in order to enhance governance efficiency, the Board of Directors held five meetings and issued four resolutions, thereby providing timely direction and guidance for the Company's operations. The Board of Directors effectively fulfilled its supervisory role, ensuring that resolutions were implemented in a serious and consistent manner, while regularly assessing the performance of the General Director in production, business, and investment activities.

The Board of Directors and the Board of Management maintained close coordination, proactively providing information and fully responding to the requirements of the Supervisory Board, thereby creating favorable conditions for the Supervisory Board to effectively perform its oversight function and fulfill its assigned duties.

In addition to striving to achieve the targets set out in the Resolution of the 2025 Annual General Meeting of Shareholders, the Company has consistently paid attention to employee welfare, ensuring full entitlement to social insurance, health insurance, unemployment insurance, and other related benefits. At the same time, the Board of Directors and the Executive Management have supported and facilitated the activities of socio-political organizations within the Company in compliance with legal regulations, contributing to a stable working environment and sustainable development.

2. Assessment of Board of Management on Board of Management's performance

In 2025, amid numerous difficulties and challenges facing production and business activities, the Company's Board of Management demonstrated proactiveness, flexibility, and strong determination in its management efforts to maintain stability and gradually promote

growth. With firm resolve and close direction, the Company effectively implemented the targets and objectives set out in the Resolution of the 2024 Annual General Meeting of Shareholders, while ensuring stable employment and income for its employees.

The achievements attained have not only strengthened the Company's internal capacity but also established a solid foundation for sustainable development in the coming periods.,

3. Plans and orientations of the Board of Management

In 2026, the outlook is expected to remain volatile, as the global economic and political environment continues to present complex and unpredictable factors, with both opportunities and challenges intertwined. Building on its existing capabilities and resources, the Board of Directors aims to further enhance its role in strategic orientation and direction, while strengthening close coordination with the Executive Management to effectively implement the targets and objectives approved by the General Meeting of Shareholders.

Accordingly, the Board of Directors will maintain regular periodic meetings and proactively convene extraordinary meetings when necessary to promptly issue appropriate resolutions and decisions, thereby addressing difficulties, ensuring flexible operations, compliance with legal regulations, and alignment with actual business conditions. At the same time, the Company will continue to review, refine, and update its internal governance system toward greater professionalism and transparency, thereby improving management and operational efficiency.

In the short term, the Company will focus on several key solutions, including maintaining stability and promoting growth in production and business activities under the new context; strengthening control over economic and technical norms while optimizing human resources to improve operational efficiency; and accelerating investment in and modernization of machinery and equipment to enhance labor productivity and product quality.

With clear direction and synchronized solutions, the Board of Directors is confident that the Company will continue to achieve stable and sustainable development in 2026 and build a solid foundation for the following periods.

V, Corporate governance

1. Member of Board of Management

a) Members and structure of the Board of Management:

| No | Member | Position (independent member of the Board of Directors, non-executive member of the Board of Directors)) | Date of starting/cease being a member of the Board of Management/Independent Board of Management | |
|----|----------------------|---|--|----------------|
| | | | Date of appointment | Dismissal Date |
| 1 | Mr Vu Dinh Vinh | Chairman of the Board | 25/06/2021 | |
| 2 | Mr, Nguyen Duc Thang | Board Member | 26/05/2016 | |
| 3 | Mr, Ngo Truong An | Board Member | 14/06/2014 | |
| 4 | Mr, Hoang Quoc Tung | Independent/Non-Executive Board Member | 24/06/2020 | |
| 5 | Mr, Bui Thanh Binh | Independent/Non-Executive Board Member | 24/06/2020 | |

In 2025, the Board of Directors (BOD) strengthened its role in direction and supervision, ensuring the Company's strict compliance with the Law on Enterprises and its Charter, while effectively implementing the resolutions of the General Meeting of Shareholders (GMS).

Specifically, the BOD directed the dissemination and implementation of the Annual GMS Resolution to the Board of Management and relevant units, ensuring consistency and alignment across the entire system. On that basis, the BOD maintained a high level of consensus on the objective of consolidating the Company's foundation and promoting sustainable development of its production and business activities; at the same time, fulfilling all obligations to the State while paying due attention to improving employees' material and spiritual well-being and ensuring their legitimate rights in accordance with regulations.

In addition, the BOD issued a number of important resolutions related to strategic direction, governance policies, management, investment, and service development, thereby enhancing the overall operational efficiency of the Company. The BOD also worked closely with the Supervisory Board in selecting an independent audit firm to audit the financial statements, ensuring transparency, accuracy, and compliance with applicable standards.

With the above-mentioned orientations and synchronized solutions, the BOD continues to affirm its leadership role, laying a solid foundation for the Company's stability and sustainable development in 2026 and the following periods.

b) The committees of the Board of Management: No committees established

c) Activities of the Board of Management :

| No | Resolution/Decision Number | Date | Content | Approval rate |
|----|----------------------------|------------|---|---------------|
| 1 | 01/2025/NQ-HĐQT | 24/03/2025 | Extension of time to hold the 2025 Annual General Meeting of Shareholders | 100% |
| 2 | 02/2025/NQ-HĐQT | 24/03/2025 | Organizing the 2025 Annual General Meeting of Shareholders | 100% |
| 3 | 03/2025/NQ-HĐQT | 02/05/2025 | Approval of documents for the General Meeting of Shareholders | 100% |
| 4 | 04/2025/NQ-HĐQT | 28/07/2025 | Selecting an auditor for fiscal year 2024 | 100% |
| 5 | 05/2025/NQ-HĐQT | 25/12/2025 | Summary of production and business performance in 2025 and orientation for 2026 | 100% |

d) Activities of the Board of Management' independent members :

- In 2025, the Board of Directors (BOD) managed and implemented activities in line with the established orientation, closely following the contents of the Resolution of the General Meeting of Shareholders (GMS), while ensuring full compliance with the Company's Charter, internal governance regulations, and advanced corporate governance standards.

- Members of the BOD consistently maintained a high sense of responsibility, worked professionally, and strictly fulfilled their assigned duties; all decisions were carefully considered with the Company's overall interests as the top priority.
- The BOD flexibly introduced various appropriate solutions and timely supported the Board of Management in the execution process, contributing to overcoming difficulties and improving operational efficiency; at the same time, it effectively performed its supervisory role to ensure the Company's compliance with legal regulations.
- In addition, the BOD directed the Company to fully fulfill its obligations to the State, maintain stable income for employees, and coordinate with the Board of Management to promote the development of a positive and sustainable corporate culture. With its flexible and effective management approach, the BOD made a significant contribution to strengthening the Company's development foundation and guiding it toward stable and long-term growth,

e) The list of members of the Board of Management possessing certificates on corporate governance

2. Board of Supervisors/Audit Committee:

- a) *Members and structure of the Board of Supervisors/Audit Committee:* Consists of 03 members including Head of Supervisory Board and 02 members

| No | Member | Position | Date of starting/ceasing a member of the Board of Supervisors | Professional qualifications |
|----|---------------------|------------------------------|---|-----------------------------|
| 1 | Mr, Nhu Ngoc Quang | Head of Board of Supervisors | 26/06/2019 | Bachelor of Accounting |
| 2 | Mr, Ngo Gia Huy | Board member | 20/05/2016 | Bachelor of Economics |
| 4 | Mr, Nguyen Van Tuan | Board member | 12/07/2022 | Master of Economics |

b) Activities of the Board of Supervisors/Audit Committee:

- In 2024, the Supervisory Board fully performed its functions and duties in accordance with the Company's Charter on organization and operation, while strictly complying with applicable legal regulations.
- Specifically, the Head of the Supervisory Board proactively assigned clear responsibilities to each member and established overall orientations and operational plans, serving as a basis for effective implementation throughout the year.
- The Supervisory Board maintained close coordination with the Board of Directors (BOD) and the Executive Management in reviewing and inspecting production, business, investment, and financial activities to ensure compliance with legal regulations and alignment with the objectives and plans approved by the General Meeting of Shareholders. In addition, the Board regularly monitored information disclosure and controlled the

implementation of financial management and internal expenditure regulations of the Company.

- Furthermore, the Supervisory Board actively made practical recommendations and proposals to the BOD and the Board of Management to enhance governance efficiency, including proposing the selection of an independent audit firm to audit the financial statements, thereby ensuring transparency and objectivity in the Company's financial activities,

3. Transactions, remunerations and benefits of the Board of Management, Board of Management and Board of Supervisors/Audit Committee

a) Salary, bonus, remuneration, benefits:

| No | Name | Remuneration (VND) |
|----|---|--------------------|
| | BOM | 60,000,000 |
| 1 | Mr, Vu Dinh Vinh - Chairman of the Board of Management, | 0 |
| 2 | Mr, Nguyen Duc Thang – Board member | 0 |
| 3 | Mr, Ngo Truong An – Board member | 0 |
| 4 | Mr, Bui Thanh Binh - Independent/non-executive member of the Board of Management | 0 |
| 5 | Mr, Hoang Quoc Tung - Independent/non-executive member of the Board of Management | 60,000,000 |
| | Board of Directors | 96,000,000 |
| 1 | Nguyen Duc Thang | 96,000,000 |
| 2 | Ngo Truong An | 0 |
| | Board of Supervisors | 0 |
| 1 | Mr Ngu Ngoc Quang | 0 |
| 2 | Mr Ngo Gia Huy | 0 |
| 3 | Nguyen Van Tuan | 0 |

b) Share transactions by internal shareholders:

| Stt No, | The person who makes the transaction | Insider Relations | Number of shares owned at the beginning of the period | | Number of shares owned at the end of the period | | Reason for change |
|---------|--------------------------------------|-------------------|---|------------|---|------------|-------------------|
| | | | Number of shares | Proportion | Number of shares | Proportion | |
| | | | | | | | |

c) Contracts or transactions with internal shareholders: No

d) Assessing the implementation of regulations on corporate governance:

- The Company regularly and promptly updates new regulations and policies related to corporate governance, and organizes their strict and consistent implementation within the internal governance system to enhance management efficiency.
- At the same time, the Company places strong emphasis on developing governance capacity by encouraging and facilitating members of the Board of Directors, the Board of Management, the Supervisory Board, and managerial staff to participate in specialized training and development programs on corporate governance,

VI, Financial statements:

1. Auditor's opinions: Disclaimer of opinion

Because of the significance of the matters described in the "Basis for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion, Accordingly, we are unable to express an audit opinion on the accompanying consolidated financial statements,

2. Audited financial statements (Audited annual financial statements include: Balance sheet; Income statement; Cash flow statement; Notes to the financial statements,

Recipient:

- Stock Exchange, State Securities Commission;
- Archived: VT,

**CONFIRMATION BY THE COMPANY'S
LEGAL REPRESENTATIVE**



Nguyễn Đức Thịnh
TỔNG GIÁM ĐỐC