

FORTEX

Until Perfect

2025 ANNUAL REPORT

www.fortex.com.vn

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Dear Shareholders, Partners, and Employees,

2025 was a year of significant volatility and challenges for the spinning industry as well as for our Company. The decline in global textile demand, fierce price competition, and fluctuations in raw material, logistics, and financing costs have exerted immense pressure on our operational efficiency. Against this backdrop, the Company's business results fell short of the established targets.

However, amidst these hardships, we have demonstrated resilience and adaptability. The Board of Directors and the Management Board focused on maintaining stable production, sustaining customer relationships, controlling costs, and ensuring job security for our workforce. We proactively adjusted production schedules based on order books, tightened cost controls, optimized inventory levels, and enhanced machine productivity to minimize the adverse impacts of the market.

We recognize that the spinning industry is inherently cyclical and that market recovery takes time. Therefore, the Company has proactively implemented production restructuring solutions, aligning our product mix with market demand while strengthening operational discipline and resource efficiency. These are vital steps toward building a foundation for sustainable development in the years to come.

Moving into 2026, the Board of Directors has identified financial stability, production efficiency enhancement, and incremental profit improvement as our core objectives. The Company will continue to drive cost optimization, expand market reach, improve product quality, and strengthen risk management.

The Board of Directors is confident that with the continued support of our Shareholders, the determination of the Management Board, and the dedicated efforts of all employees, the Company will progressively overcome this difficult period, stabilize operations, and move toward sustainable growth.

With the collective unity and resolve of the entire system, we believe the Company will navigate through these challenges, stabilize its foundation, and achieve positive growth in the future.

We sincerely thank our Shareholders, Partners, and Employees for your unwavering commitment to the Company.

Wishing you - Our esteemed shareholders

HEALTH – HAPPINESS – SUCCESS

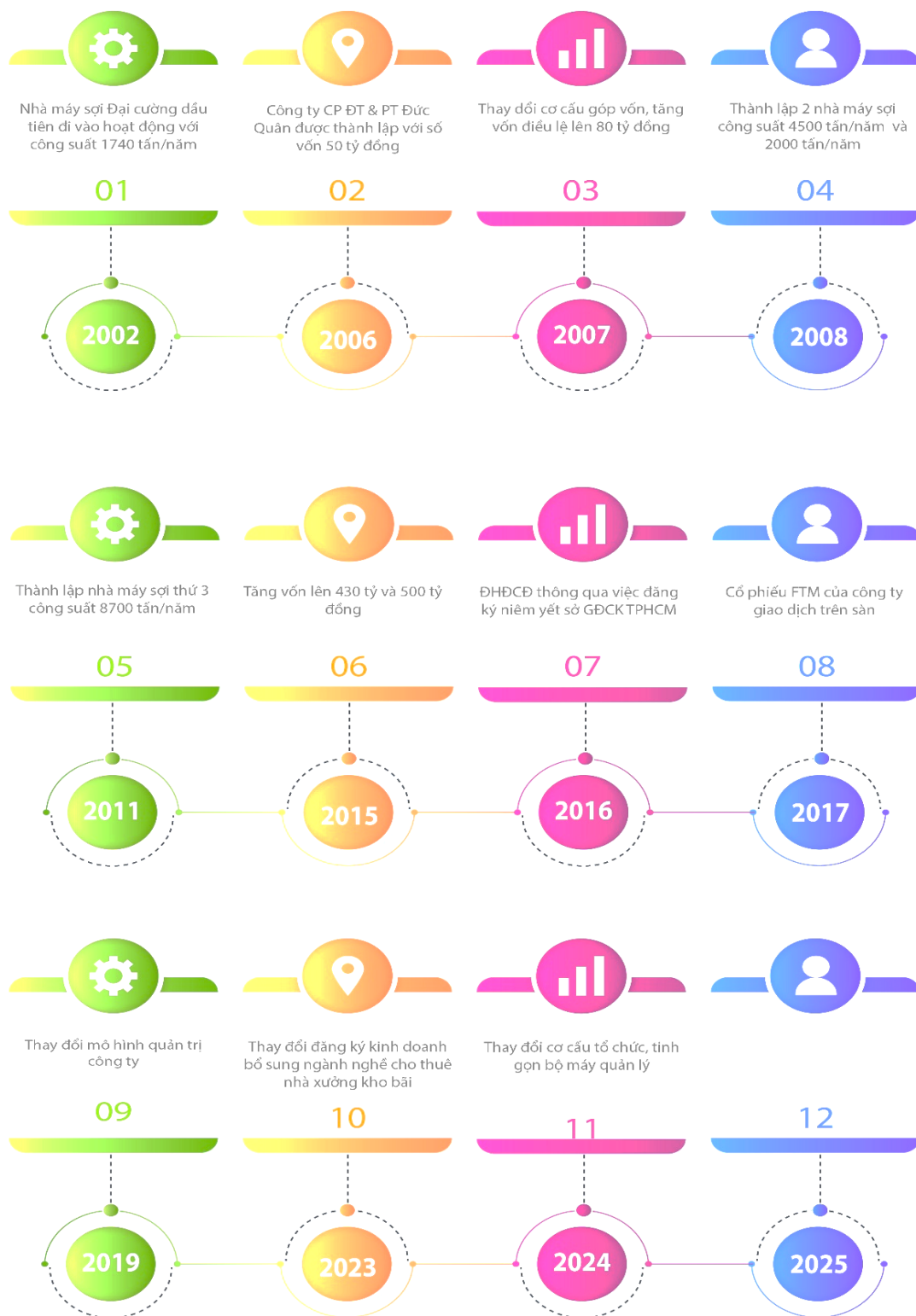
**CHAIRMAN OF THE BOARD OF
DIRECTORS**

(Signed)



LE MANH THUONG

Trading name	: Duc Quan Investment and Development Joint Stock Company
Business Registration Certificate	: No. 1000400095, initially issued by the Department of Finance of Hung Yen Province on 30 October 2006, with the 13th amendment on 04 August 2025.
Charter capital	: VND 500,000,000,000 (Five hundred billion Vietnamese Dong)
Address	: Lot A3 - Nguyen Duc Canh Industrial Park, Tran Thai Tong Street, Thai Binh Ward, Hung Yen Province.
Phone	: +84 22 7384 5379
Email	: contact@fortex.com.vn
Website	: http://fortex.com.vn/
Stock code	: FTM



Business Lines

- Yarn Manufacturing
 - + 100% Virgin Polyester Yarn
 - + 100% Recycled Dyed Polyester Yarn
 - + 100% Recycled Polyester Yarn
 - + 100% Cotton Carded (CD) and Combed (CM) Yarn
- Woven Fabric Manufacturing
- Textile Finishing
- Knitted, Crocheted, and Other Non-woven Fabric Manufacturing
- Garment Manufacturing, etc

Fortex's core business is the production and trading of high-quality cotton yarns, including Carded (CD) and Combed (CM) yarns, 100% Virgin Polyester (PE), and both regular and dyed 100% Recycled Polyester yarns. These new eco-friendly product lines do not undergo bleaching and dyeing processes after weaving and finishing, contributing to a greener textile production strategy. The yarns are part of Fortex's sustainable development approach, offering competitive advantages as 100% recycled yarns produced domestically in Vietnam—especially beneficial under trade agreements such as the EVFTA and CPTPP. In addition to finished yarn production and trading, Fortex also engages in the commercial distribution of various yarns, imported raw cotton, and wholesale supply of yarn-related materials and accessories to domestic textile enterprises.

Yarn Products

100% Virgin Polyester Yarn:

Polyester (PE) yarn is a synthetic fiber primarily composed of ethylene derived from petroleum. It is widely utilized across industries to manufacture apparel, home furnishings, industrial fabrics, and insulation materials. Compared to traditional fibers, Polyester offers superior advantages such as being non-hygienic (moisture-resistant) while effectively absorbing oils. These unique characteristics make it an ideal material for water-resistant, dust-proof, and fire-retardant applications. Its low absorbency also provides a natural resistance to stains. Furthermore, Polyester fabrics are shrink-resistant, wrinkle-free, and stretch-resistant. They are easily dyed and highly resistant to mildew. Due to its effective

thermal insulation properties, it is a preferred material for producing pillows, blankets, and outerwear.

100% Recycled Dyed Polyester Yarn

Recycled dyed polyester yarn is widely used in the textile industry to produce various products such as clothing and socks. Without the need for post-weaving bleaching or dyeing, recycled polyester yarn offers several advantages over traditional cotton and virgin polyester yarns, such as shortening post-processing steps, reducing production costs, and being environmentally friendly. Currently, this type of yarn is increasingly used in textile and garment products, with physical and mechanical properties comparable to conventional materials like virgin PE, cotton, and blended yarns. Especially, its low processing cost enhances competitiveness compared to similar products.

100% Cotton Carded and Combed Yarn

Cotton is a commonly used material in everyday clothing as it provides a cool and comfortable feel for the wearer. Since ancient times, following the advent of agriculture, humans have cultivated cotton plants. The harvested cotton bolls are spun into cotton yarn, which is then used for weaving fabric.

In terms of advantages, cotton offers good moisture absorption and excellent breathability, making it comfortable to wear. However, a drawback is that cotton fabric tends to be relatively stiff, making it more suitable for men's clothing.

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Fortex yarn products:



CD

(CD Combed Cotton Yarn)

- Composition: 100% raw carded cotton
- Technology: Ring spinning technology applied
- Requirement: Long-staple cotton fibers
- Quality: Smoother, softer, and more absorbent compared to OE yarns
- Characteristics: Excellent moisture absorption, comfortable on human skin
- Application: Commonly used for weaving soft fabrics, making high-quality shirts, underwear, and bed linens
- Specifications: Ne 28 – Ne 60



CM

(CM combed cotton yarn)

- Composition: 100% combed cotton
- Technology: Ring spinning technology applied
- Requirement: Long-staple cotton fibers
- Quality: Smoother, softer, and more absorbent compared to CD yarns
- Characteristics: Excellent moisture absorption, comfortable on human skin
- Application: Commonly used for weaving soft fabrics, making high-quality shirts, underwear, and bed linens
- Specifications: Ne 28 – Ne 60



**PE Virgin
(100% virgin polyester
yarn)**

- Composition: 100% Virgin Polyester Yarn
- Technology: Applied "ring spun" spinning technology
- Requirement: Type 1.2D - 1.4D; 38MM.
- Characteristics: Moisture-absorbing, heat-retaining, and comfortable when in contact with the skin.
- Applications: Commonly used to weave soft fabrics, produce clothing, socks, gloves, underwear, and high-quality bed sheets.
- Yarn used in knitting; air-texturing
- Yarn count: Ne 20/1 – Ne 50/1



**PE Recycled Dyed
(100% recycled dyed
polyester yarn)**

Composition: 100% recycled dyed polyester fiber

Technology: Ring spinning technology applied

Requirement: 1.2D – 1.4D; 38 mm

Characteristics: Moisture absorption and heat retention, comfortable when in contact with the skin

Application: Commonly used for weaving soft fabrics, producing garments, socks, and gloves

Processing: Yarn is not subjected to bleaching and dyeing processes before and after finishing

Yarn usage: Used in knitting and rapier weaving

Specifications: Ne 20/1 – Ne 40/1



**PE Recycled
(100% recycled polyester
yarn)**

- Composition: 100% recycled polyester fiber
- Technology: Ring spinning technology applied
- Requirement: 1.2D – 1.4D; 38 mm
- Characteristics: Moisture absorption and heat retention, comfortable when in contact with the skin
- Application: Commonly used for weaving soft fabrics, producing garments, socks, gloves, and underwear
- Yarn usage: Used in knitting and air-jet weaving
- Specifications: Ne 20/1 – Ne 40/1



Business market

In 2025, the Company completed the legal procedures for obtaining the BIS certification in order to re-enter the Indian market. At the same time, it continued to explore and develop niche markets such as Thailand, Bangladesh, China, and South Korea. The Company's export proportion accounted for 30%, with polyester yarn being the primary product line.

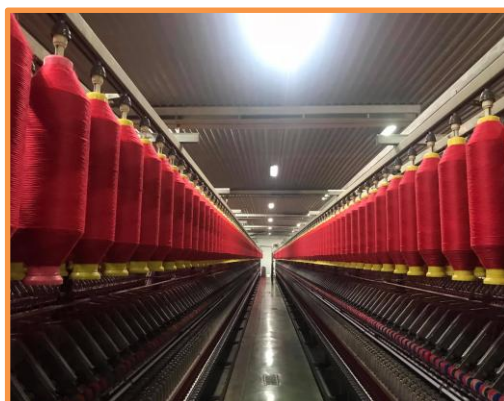
Manufacturing Plants and Technical Facilities

Fortex is headquartered at Lot A3 – Nguyen Duc Canh Industrial Park, Tran Thai Tong Street, Thai Binh Ward, Hung Yen Province, and operates two factories located in Nguyen Duc Canh Industrial Park, Thai Binh Ward, and one factory in Tien Hai Industrial Park, Tien Hai Commune, Hung Yen Province.

At present, Fortex's factories are equipped with synchronized and modern spinning production lines, including: blowroom systems (opening, blending, metal detection, and foreign fiber detection machines), carding machines, drawing frames, roving frames, combing machines, speed frames, ring spinning machines, automatic winding machines, air-conditioning systems, and laboratory equipment.

The Company's machinery is primarily imported from Switzerland, Germany, Japan, and China. Fortex's spinning system is mainly supplied by RIETER – Switzerland, a leading global supplier of spinning technology equipment.

The quality control center is equipped with testing instruments from USTER, a world-leading provider of measurement and quality testing equipment for yarn and textile products.





Duc Quan Investment and Development Joint Stock Company operates three manufacturing plants, including:

- Workshop 1 – Duc Quan I Plant: 17,460 spindles. Capacity: 3,300 tons/year
- Workshop 2 – Duc Quan I Plant: 38,400 spindles. Capacity: 6,200 tons/year
- Duc Quan II Spinning Plant: 45,360 spindles. Capacity: 7,500 tons/year

The total number of spindles is 101,000, equivalent to a total capacity of 17,500 tons/year.

Machinery and equipment are imported from Switzerland, India, etc.

OUTSTANDING ACHIEVEMENTS

With continuous efforts and contributions throughout its operations, Fortex is honored to receive outstanding accolades.



The Vietnam Golden Star Award for outstanding Vietnamese brands and products in international integration



The National Committee on International Economic Cooperation awarded a Certificate of Merit for "Outstanding Achievements in Brand Building and Development and Participation in International Economic Integration"



The People's Committee of Thai Binh City certified the Company as an "Outstanding Enterprise in Technological Innovation."



The People's Committee of Thai Binh City certified the Company as an "Outstanding Enterprise in Technological Innovation."



Certified and protected by the Intellectual Property Office for a range of yarn products



The People's Committee of Thai Binh Province awarded a Certificate of Merit for "Outstanding achievements in import-export production and business activities in 2017, contributing to the socio-economic development of the Province."

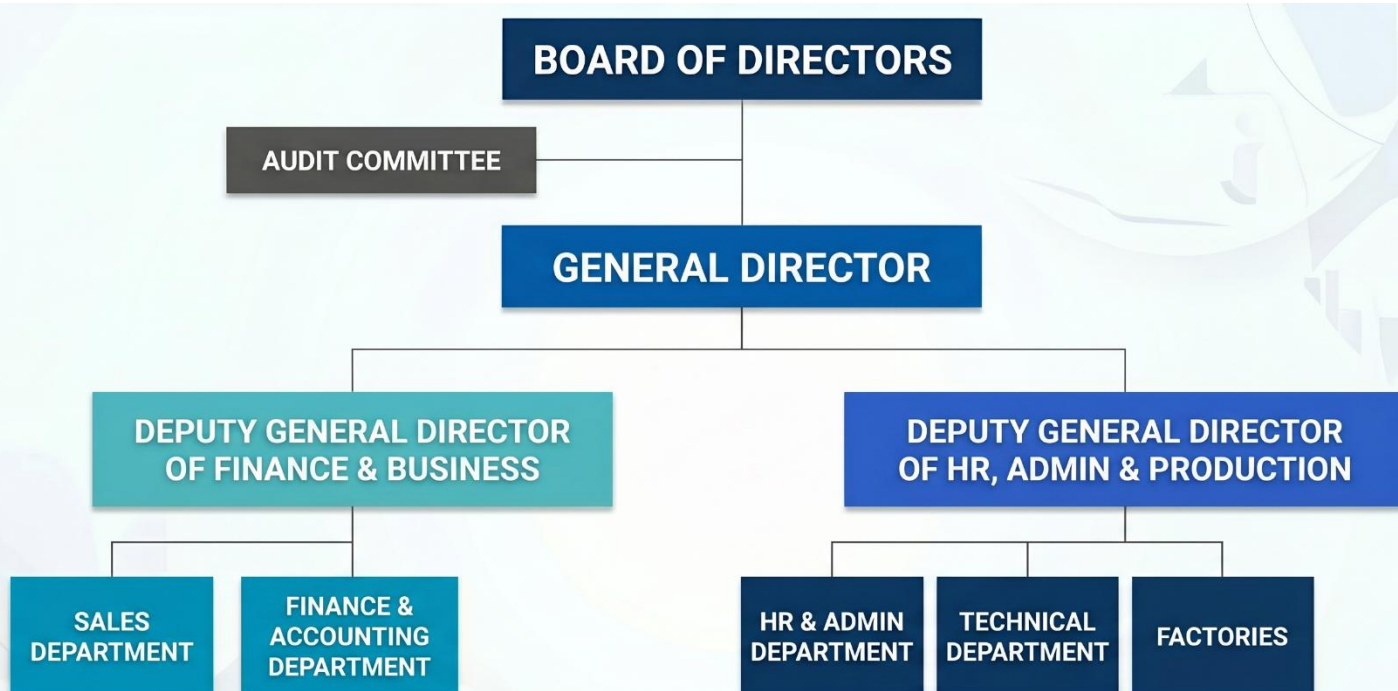


The People's Committee of Thai Binh Province awarded a Certificate of Merit for "Outstanding achievements in social welfare activities in 2019."

Governance Model

The Company operates under the corporate governance model of a joint stock company as prescribed in Point b, Clause 1, Article 137 of the Law on Enterprises, having been converted from the governance model prescribed in Point a, Clause 1, Article 137 of the Law on Enterprises since June 25, 2020.

Organizational Structure Diagram for 2025



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Subsidiaries and affiliated companies:

Subsidiaries: None

Affiliated companies: None

The Company's main objectives



Business objectives

Pursuant to the Company's Charter on organization and operation, the Company's primary objective is: "To mobilize and utilize capital in the most efficient manner, continuously organize and develop business operations across various sectors with the aim of maximizing profits, ensuring benefits for shareholders, creating stable employment and improving employees' income, fulfilling tax obligations to the State Budget, and developing the Company in a sustainable manner."

General Development Strategy

In the context of macroeconomic challenges and an unfavorable business environment in 2023, the Executive Board of Đức Quân Investment and Development Joint Stock Company has proactively sought opportunities amidst adversity, with a strong focus on improving production efficiency, expanding markets, and maintaining the existing customer network. The Company remains committed to sustaining and accelerating its growth momentum, maximizing customer value, and creating shared value for both the Company and society. From 2023 to 2030, the Company targets an average annual growth rate of 10% or higher in both revenue and profit.



Company Objectives on Environment, Society, and Community

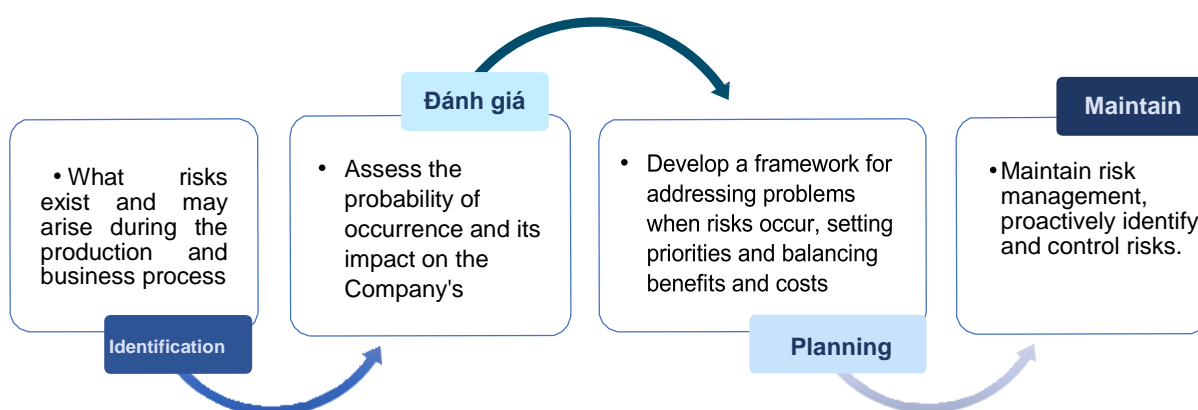
The Company aims to provide partners and customers with products of the highest quality at the most reasonable prices, while minimizing environmental pollution.

At the same time, the Company ensures the rights and benefits of its employees and shareholders.

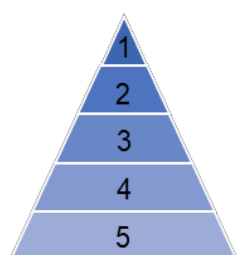
Risk Management

Recognizing the importance of risk management in production and business operations, the Board of Management annually directs the review and approval of the overall risk management framework for the entire Company. The Company has established a risk management framework and applies processes for identifying, analyzing, measuring, evaluating, and addressing potential risks, thereby developing and implementing measures to control and mitigate the impacts of risks on business and production activities. The ultimate objective is to minimize losses to the lowest possible level, while transforming disadvantages arising from risks into opportunities for success.

Risk management process flowchart



Các rủi ro Công ty gặp phải



Probability scale of occurrence

- 1 - Probability of occurrence = 0
- 2 - Low probability of occurrence
- 3 - Average probability of occurrence
- 4 - High probability of occurrence
- 5 - Very high probability of occurrence

Impact scale

- 1 – No impact
- 2 – Small impact
- 3 - Normal impact
- 4 – Large impact
- 5 - Very large impact



In 2025, the Company operated in a context where the global textile and yarn industry continued to face numerous adverse fluctuations, such as declining consumer demand, intense competition, and volatility in raw material prices. The Board of Directors directed the Board of Management to strengthen risk management in a proactive manner, focusing on identifying, assessing, and controlling factors that may affect the Company's production and business operations as well as its financial position. The risk management system is implemented comprehensively from the strategic level to operational activities, focusing on the following key risk categories:

Table 1: Risk factors

Risk Identification	Evaluation	Solution
Market Risk: Description: Yarn demand in 2025 declined due to the slow recovery of the global textile industry, particularly in export markets. Yarn selling prices fluctuated significantly, under competitive pressure from major producers (China, India, Indonesia).	* Revenue declines * Profit margins narrow * Inventory increases Assessment: Probability: 4, Impact: 4	* Diversify export markets * Increase the proportion of domestic customers and long-term stable customers * Adjust the product mix in line with market demand (high-quality yarn, recycled yarn, etc.)
Raw Material Price Volatility Risk Description: The main raw material (polyester staple fiber – PSF) is heavily dependent on oil prices,	* Increase in production costs * Profit fluctuations in line with raw material price cycles * Risk of losses due to high-cost inventory	* Develop a flexible inventory policy * Negotiate procurement contracts based on forward terms/reference pricing

which frequently fluctuate significantly and are difficult to forecast.	Assessment: Probability: 4, Impact: 4	* Strengthen forecasting and monitoring of the raw material market
Interest Rate Risk	<p>Lending interest rates constitute the cost of capital and are an input cost of production and business operations, directly affecting the Company's operating efficiency. Fluctuations in lending interest rates have a significant impact on the Company's business performance. In 2025, in order to stabilize the macroeconomy and control inflation, the State Bank tightened monetary policy and increased interest rates, which also had a notable impact on the Company.</p> <p>Assessment: Probability: 1, Impact: 1</p>	<p>Given the characteristics of its business operations, the Company requires substantial working capital to finance its production and business activities. The Company must remain proactive and make continuous efforts to seek low-cost funding sources. In addition to increasing equity capital, the Company selects credit institutions and non-credit institutions offering competitive interest rates to mobilize funds in order to reduce costs.</p>
Operational and Production Risk Machinery and equipment depreciation, risk of production disruptions, and technical failures affecting product quality	<ul style="list-style-type: none"> * Increase in repair and maintenance costs * Decline in product quality * Impact on reputation with customers <p>Assessment: Probability: 2, Impact: 2</p>	<ul style="list-style-type: none"> * Conduct periodic maintenance and servicing * Invest in equipment upgrades * Strengthen quality control
	<p>The textile and garment industry is one of the most labor-intensive sectors in Vietnam; therefore, labor issues are of significant concern to the Company. Currently, Vietnam</p>	<p>To ensure an adequate labor supply, the Company has implemented incentive policies for employees, including adjustments to increase salary scales, with</p>

<p>Human resource risks</p>	<p>has passed its “golden population” period, and the labor supply for the textile and garment industry is expected to gradually decline in the future, while manufacturing sectors are also attracting workers through better incentives and working conditions. As a result, the risk of labor shortages in the future may affect the Company’s production activities.</p> <p>Assessment: Probability: 3, Impact: 3.</p>	<p>priority given to skilled workers, and periodic salary reviews; application of bonus schemes based on productivity, quality, attendance, and year-end performance; implementation of allowances; and close coordination with the Trade Union to take care of employees’ spiritual and material well-being.</p> <p>At the same time, the Company also focuses on training and improving the qualifications and skills of employees, as well as developing a succession workforce.</p>
<p>Legal and International Trade Risk</p> <p>Trade barriers, anti-dumping duties, rules of origin, and environmental standards are becoming increasingly stringent.</p>	<ul style="list-style-type: none"> * Increase in compliance costs * Risk of losing export markets * Legal risk <p>Assessment: Probability: 2, Impact: 2</p>	<ul style="list-style-type: none"> * Closely monitor international regulations * Standardize certificates of origin (C/O) documentation * Invest in green production to meet environmental standards
<p>Environmental risks</p>	<p>The manufacturing industry is highly dependent on environmental factors. Environmental protection and the treatment of waste generated from production and business activities pose significant challenges for the Company.</p>	<p>At present, the Company fully complies with and effectively implements legal regulations on environmental protection. Necessary costs arising in relation to environmental protection are incorporated into the Company’s cost plan. The Company has planned to invest in additional production lines</p>

	<p>Increasing pressures from rising costs, including environmental resource fees, waste treatment fees, and land rental expenses, also affect the Company's business performance.</p>	<p>for colored yarn that do not require bleaching and dyeing processes, thereby minimizing waste discharged into the environment.</p> <p>The Company does not directly discharge waste into the environment; wastewater is collected and treated through the industrial park's centralized collection and treatment system. The Company has entered into contracts for the treatment of solid waste and hazardous waste with specialized service providers. It is also gradually introducing clean energy sources, such as solar power, into its production activities.</p>
Macroeconomic risks	<p>Global economic downturn: When major economies such as the US, EU, and China experience a slowdown, overall consumer demand, particularly for garments, declines, leading to a reduction in orders.</p> <p>Exchange rate volatility: The textile and yarn industry relies heavily on imported raw materials. Exchange rate fluctuations may increase input costs and reduce profitability.</p> <p>Inflation and high interest rates: Prolonged inflation may increase financial costs for textile enterprises due to higher borrowing rates, thereby affecting</p>	<p>Diversify export markets, expand domestic sales channels, and leverage tax incentives under CPTPP, EVFTA, and RCEP to enhance competitiveness.</p> <p>Regularly monitor exchange rate movements and enter into forward foreign exchange contracts to mitigate currency fluctuation risks.</p> <p>Diversify funding sources and avoid excessive foreign currency borrowing to reduce interest rate pressure.</p>

	<p>investment and production expansion.</p> <p><i>Assessment: Probability: 4; Impact: 4</i></p>	
<p>Technology Risks & Digital Transformation</p>	<p>Competition from automated production: Countries such as China, Bangladesh, and India are applying robotics and AI in manufacturing, reducing Vietnam's advantage of low-cost labor.</p> <p>Slow technological innovation: If the Company does not invest in modern machinery and apply IoT and ERP in production management, it may lag behind competitors.</p> <p><i>Assessment: Probability: 2; Impact: 3</i></p>	<p>Apply ERP, AI, IoT, and appropriate digital software solutions in line with the production model to optimize the supply chain and production management.</p>

In 2025, the global context continued to evolve in a complex and unpredictable manner, and Vietnam's textile and garment industry faced numerous challenges arising from geopolitical tensions among major economies. In particular, the industry was confronted with challenges from fluctuations in U.S. tariff policies and a slowdown in global demand, resulting in limited improvement in industry performance. In 2025, Vietnam's export unit prices for fibers and yarn decreased significantly compared to 2024, with an approximate decline of 8% year-on-year, reflecting weak global demand (especially from China, the largest importer of Vietnam's yarn) and intense competition from regional markets such as Bangladesh, India, and Pakistan, which supply yarn at lower prices. This shift has required the industry to restructure its position within the global supply chain. However, most importantly, changes in geopolitical strategies and purchasing behaviors have compelled textile enterprises to adopt solutions to enhance capabilities and diversify sales approaches.



In addition, the Indian market (one of the Company's key export markets in recent years) requires BIS (Bureau of Indian Standards) certification for exports to India. This constitutes a market barrier in India, resulting in instability in the Company's export activities. Furthermore, exchange rate risk has also been a challenge, as in 2025 the exchange rate increased by nearly 5%, causing significant difficulties for enterprises. All of these factors partly reflect the challenges faced by management and employees in maintaining stable production and business operations.

The Company has made efforts to promote sales and proactively seek and develop both domestic and international markets. However, due to the aforementioned difficulties, business performance did not meet the planned targets, as the Company's net revenue in 2025 reached only VND 191.91 billion, an increase of 4.91% compared to 2024.

HR HUMAN RESOURCES MANAGEMENT

11.

OPERATIONAL PERFORMANCE

List of Executive Board members

Table 2: Executive Board Member

1. Executive Board Members in 2025

Full Name	Position	Number of shares held	Percentage
Mr. Do Van Sinh	Board Member – General Director	0 share	0%
Mr Tran Xuan Tien	Board Member – Deputy General Director	0 share	0%
Mr Dao Van Nam	Deputy General Director / Chief Accountant	0 share	0%

Profiles of Executive Board Members:

General Director – Mr. Do Van Sinh

Full name	: Do Van Sinh	Work Experience
Gender	: Male	2004 – 2012: Head of Sales Department, Dai Cuong Group Joint Stock Company
Date of birth	: 31/03/1980	2013 – 2016: Deputy Sales Director, Duc Quan Investment and Development Joint Stock Company
Nationality	: Viet Nam	2017 – 2018: Assistant to the General Director – Deputy Sales Director, Central Seafoods Import-Export Joint Stock Company
Ethnicity	: Kinh	T12/2018 - 4/2019: Sales Director, Duc Quan Investment and Development Joint Stock Company
Qualification	: Bachelor of Business Administration	Apr 2019 – present: General Director, Duc Quan Investment and Development Joint Stock Company
Position	: General Director	

Deputy General Director – Mr. Tran Xuan Tien

Full name	: Tran Xuan Tien	Work Experience
Gender	: Male	Jun 2007 – Aug 2010: Technical Staff, Duc Quan Investment and Development Joint Stock Company
Date of birth	: 19/10/1975	Aug 2010 – Oct 2019: Head of Technical Department, Duc Quan Investment and Development Joint Stock Company
Nationality	: Viet Nam	Nov 2019 – Present: Deputy General Director, Duc Quan Investment and Development Joint Stock Company
Ethnicity	: Kinh	
Qualification	: Electrical Engineer – Bachelor of Business Administration	
Position	: Deputy General Director	

Chief Accountant – Mr. Dao Van Nam

Full name : Dao Van Nam

Gender : Male

Date of birth : 23/06/1990

Nationality : Viet Nam

Ethnicity : Kinh

Qualification : Master of Business Administration – Bachelor of Accounting and Finance

Position : Deputy General Director in charge of Finance / Chief Accountant

Work Experience

Jul 2018 – Dec 2018: Accounting Staff, Duc Quan Investment and Development Joint Stock Company

Dec 2018 – Nov 2019: Deputy Head of Accounting Department, Duc Quan Investment and Development Joint Stock Company

Nov 2019 – Present: Chief Accountant, Duc Quan Investment and Development Joint Stock Company

Sep 2024 – Present: Deputy General Director in charge of Finance



Labor Policy:

1. Perspectives and Orientation

In 2025, the Company identifies human resources as a key factor determining production capacity, product quality, and competitiveness in the context of continued challenges in the yarn industry. The labor policy is developed in the direction of stability – flexibility – efficiency, ensuring both the maintenance of a core workforce and adaptation to market fluctuations.

2. Labor Situation in 2025

During the year, the Company's workforce experienced a decline, including:

- Shortage of technical workers in certain production departments.
- Shortage of unskilled workers due to labor shifts to other industries.
- Increasing pressure from rising salary and welfare costs.

As a result, labor shortages affected production plans and delivery schedules at certain times.

3. Salary and Remuneration Policy

The Company's core value is to create stable employment for employees and improve the material and spiritual well-being of staff through the establishment of an appropriate salary structure. The salary policy is transparent, with a piece-rate wage system based on output, which encourages employees to improve productivity and efficiency.

Additional allowances are provided to motivate employees, such as attendance allowance,

skill allowance, and night-shift allowance. On an annual basis, depending on business performance, the Company awards employees an additional income equivalent to one month's salary.

The Company regularly issues a Reward and Disciplinary Regulation each year on the principles of publicity, transparency, and clear reward and penalty mechanisms. This is communicated in advance to employees to encourage higher work efficiency while ensuring compliance with Company regulations and maintaining corporate culture.

The Company frequently organizes employee welfare activities such as International Women's Day (March 8), Vietnamese Women's Day (October 20), "Tet Reunion" programs, and gifts for employees in difficult circumstances. Gifts are also given to employees' children on International Children's Day (June 1) and Mid-Autumn Festival. Annually, scholarship programs are organized to encourage employees' children in their studies.

Occupational safety policies are given top priority, with the provision of protective equipment and measures to ensure workplace safety and hygiene. At the same time, the Company builds a fair and equal working environment, is committed to attracting and developing talent, and ensures both material and spiritual well-being for all employees.

4. Recruitment Policy

The Company's recruitment objective is to attract competent personnel who are aligned with its development orientation. Depending on each job position, the Company sets specific mandatory criteria, balancing internal and external recruitment.

The recruitment policy focuses on screening and evaluating candidates suitable for each position, assessing applicants not only on professional competence but also on qualities such as learning spirit, responsibility, ambition, and long-term commitment.

Each individual, regardless of position, is provided opportunities for self-development, capacity building, and career advancement. Every employee is considered an indispensable and meaningful part in achieving the Company's overall objectives.

5. Training Policy

In parallel with recruitment activities, the Company places great emphasis on training. Training is conducted before employment, during employment, and through advanced training programs to improve professional knowledge and working skills, thereby enabling employees to perform their duties effectively and have opportunities to take on higher

positions. Short-term external courses and internal training programs are regularly organized on an annual basis for all employees of the Company.

Through training, employees enhance their knowledge, professional qualifications, and other skills. At the same time, the training process helps employees define their personal development goals in alignment with the Company's overall development objectives.

The Company's training programs are designed effectively based on the practical requirements of each functional department, ensuring that employees can maximize the application of acquired skills and knowledge in their work. The Company provides all favorable conditions for employees to have career advancement opportunities, especially for those who are proactive, eager to learn, dynamic, and creative in their work.

6. Working Conditions

The Company implements labor policies in accordance with the Labor Code and legal regulations. Regarding working conditions: Offices and factories are designed to be spacious and well-ventilated, ensuring maximum occupational health and safety (OHS) and providing optimal working conditions to enable employees to maximize their productivity.

The canteen is well-ventilated and clean, meeting food safety and hygiene standards. A variety of drinking water options are provided for employees, including filtered water, hot water, and tea. Each employee is equipped with an individual water bottle to ensure hygiene and convenience during work.



7. Labor relations

The Company maintains harmonious labor relations among employees throughout the Company.

Ensuring compliance with labor laws and regulations.

Strengthening dialogue between Management and employees.

Cooperating with the trade union to care for employees' welfare.

Timely resolving any arising grievances and issues.



Major investments

Table 3: Major Investments of Fortex

No	Financial Investment/Project	Implementation Status
1	Bonds of Vietnam Joint Stock Commercial Bank for Investment and Development	<p>Time Deposit Contract No. 2037040600000177 dated 23/06/2023, with Ho Chi Minh City Development Bank - Hai Phong Branch. The term of the time deposit contract is 12 months, from 23/06/2024 to 23/06/2025. The interest rate is 5.40% per annum, with interest calculation on 23/12/2023.</p> <p>The time deposit contract serves as collateral for the performance guarantee letter of Contract No. 0006/24/PGDHĐa/HĐCBL/BL-HDB01 dated 24/06/2024, with Thai Binh Power Company - Northern Power Corporation branch.</p>
2	Duc Quan 6 Spinning Mill	<p>The Duc Quan 6 Spinning Mill project is being implemented at the Tien Hai Gas-Mine Industrial Park, Thai Binh Province, and commenced in April 2015 with a total investment of VND 505,749.78 million. The construction of the Duc Quan 6 Spinning Mill is temporarily halted due to the impact of the COVID-19 pandemic, which resulted in a significant decrease in order volumes, leading to reduced production demand. As a result, the company has suspended the construction of the mill. The basic construction costs already incurred amount to VND 64,509 million.</p>

Subsidiaries and affiliates: None.

3	<p>The investment cooperation in the real estate project with New City Real Estate Joint Stock Company.</p>	<p>The investment cooperation between Duc Quan Investment and Development Joint Stock Company (Investor) and New City Real Estate Joint Stock Company (Company) was signed on 05/06/2019, regarding the investment and construction project for a residential area in accordance with urban planning standards approved in Decision No. 3249/QĐ-UBND dated 31/12/2014, for the detailed planning of the South Thai Binh urban area with a scale of 1/500. The project is located at Tran Lam Ward, Thái Bình City, Thai Binh Province, with a total land area of 490,185.3 m² for building subdivided houses, commercial buildings, parks, roads, and technical infrastructure. Accordingly, the Investor agreed to contribute capital to develop the project with an amount of VND 50,000,000,000, which was to be contributed by 31/12/2019. The Investor will transfer the capital contribution to the designated capital contribution account. The implementation of the investment cooperation agreement will be carried out within 24 months from the effective date of the contract.</p> <p>Upon successful completion of the project, the Company is responsible for handing over to the Investor the right to exploit and use 15 villa plots with an area of 6,000 m², or the Company must repay the total capital contribution along with an interest rate of 7% per year, calculated on the total amount of capital the Investor has contributed, from the date the Investor transfers the capital until the Company fully repays the capital contribution.</p>
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13.

FINANCIAL STATUS

Table 4: Financial status of the company in 2025

Unit: million dong

Chỉ tiêu	Năm 2025	Năm 2024	% tăng/giảm
Total asset	565.287,97	639.436,93	-11,60%
Net revenue	191.838,35	182.779,63	4,96%
Net profit from operating activities	-134.670,20	-174.248,76	-
Other profit	-20.593,13	46.959,87	-
Profit before tax	-155.263,33	-127.288,89	-
Profit after tax	-155.263,33	-127.288,89	-
Dividend payout ratio	-	-	-

(Source: Audited Financial Statements 2025)

Table 5: Financial indicators

No	Indicators	31/12/2025	31/12/2024
1	Liquidity		
-	Current ratio: Current assets/current liabilities	0,2247	0,2452
-	Quick ratio: (Current assets- inventories)/current liabilities	0,1371	0,1428
2	Capital		
-	Debt/Total assets	2,7504	2,3046
-	Debt/Equity	-1,5713	-1,7665
3	Efficiency		
-	Asset turnover ratio: Net sales/Average total assets	0,32	0,26
-	Inventory turnover ratio COGS/Average inventory	1,54	1,33
4	Profitability		
-	Return on sales: Net profit/Net sales	-80,93%	-69,64%
-	Return on asset: Profit after tax/Average total asset	-27,47%	-19,91%
-	Operating profit to net sales ratio	-70,20%	-69,64%

(Source: Audited Financial Statements 2025)

Shares

Total number of outstanding share : **50.000.000 shares**

Type of shares outstanding : **Common shares**

The company does not have any restricted shares.

Shareholder Structure

Table 6: Shareholder Structure as of 31/12/2025

	Cổ đông	Số lượng	Cổ phần	Tỷ lệ sở hữu
State shareholders and other shareholders				
1	State shareholders	-	-	0%
2	Other shareholders	4,101	50,000,000	100%
Institutional and individual shareholders				
1	Institutional shareholders	29	86,881	0.18%
2	Individual shareholders	4,092	49,913,119	99.82%
By ownership ratio				
1	By ownership ratio	2	15,866,500	31.73%
2	Minor shareholders	4,099	34,133,500	68.27%
Domestic and foreign shareholders				
1	Domestic shareholders	4,087	49,814,870	99.63%
2	Foreign shareholders	14	185,130	0.37%
Total		4,839	50,000,000	100%

Tình hình thay đổi vốn đầu tư của chủ sở hữu

Duc Quan Investment and Development Joint Stock Company, formerly known as Dai Cuong Thai Binh Textile Co., Ltd., was converted into a joint-stock company on 27/11/2013 according to the Business Registration Certificate No. 1000400095 issued by the Department of Planning and Investment of Thai Binh Province, with an initial charter capital of 150,000,000,000 VND. As of 31/12/2024, the company has carried out the following capital increases:

No	Complete on time	Increase in Charter Capital (VND million)	Charter Capital After Issuance (VND million)	Hình thức phát hành	Cơ sở pháp lý
1	16/09/2015	280.000	430.000	Private Share Issuance to Dai Cuong Group Joint Stock Company	<ul style="list-style-type: none"> - Resolution of the General Meeting of Shareholders No. 05/NQ-ĐHĐCĐ on 02/02/2015, approving the plan for charter capital increase - Enterprise Registration Certificate No. 1000400095, 8th revision on 16/09/2015 - The approving authority: Department of Planning and Investment of Thai
2	31/12/2015	70.000	500.000	Private Share Issuance to Dai Cuong Group Joint Stock Company	<ul style="list-style-type: none"> -Resolution of the General Meeting of Shareholders No. 01/NQ-ĐHĐCĐ on 21/12/2015, approving the plan for charter capital increase - Enterprise Registration Certificate No. 1000400095, 9th revision on 31/12/2015 - The approving authority: Department of Planning and Investment of Thai Binh Province

Treasury Stock Transactions

In 2023, the company did not engage in buying or selling treasury stocks.

Other Securities

Currently, there are no other securities apart from the common shares of Duc Quan Investment and Development Joint Stock Company.

1. Objectives:

- **Environment:**

Use resources efficiently and employ renewable energy.

Implement automation systems in the production process.

Consistently apply measures to reduce electricity and water consumption and limit waste and scrap rates.

- **Economy:**

Achieve revenue and profit growth according to set targets.

Develop eco-friendly product lines.

Maintain high-value-added product lines.

- **Society:**

Share profits with stakeholders.

Enhance workforce capacity through training programs.

Improve the work environment and ensure occupational health and safety.

Improve labor policies and enhance working skills and career development for employees.

- **Waste reduction:**

Increase the recycling rate of waste materials.

Increase the recycling rate of defective yarns.

Increase the reuse of materials such as paper tubes, packaging, pallets, and plastics, etc

2. Specific solutions:**Energy consumption**

During its business operations, the company primarily uses electricity as its main energy source.

In operating both the factory and office buildings, the company always focuses on lighting the work environment while using electricity efficiently by:

- Controlling lighting usage based on work hours, implementing appropriate penalties for electricity wastage, and maintaining air conditioning at optimal temperatures of 25-26°C during the day.
- Organizing production schedules effectively to minimize the operation of high-power-consuming equipment (such as shredders, carding machines, combing machines, and air compressors) during peak hours from 5 p.m. to 8 p.m., ensuring that electrical equipment is not operating idle.
- Investing in and gradually replacing old, outdated, and inefficient equipment with high-efficiency, energy-saving technologies.
- Install additional electricity metering devices at various departments

- (teams/sections/production lines) to monitor electricity consumption and assign responsibility for energy savings to these departments within the company.
- Promote awareness among all employees and workers regarding electricity-saving practices, emphasizing that electricity costs are a critical input cost for the business. It is essential to regularly monitor and save energy at all stages of production and operations.
- The company is currently installing green energy sources, such as solar power, to further improve energy efficiency and reduce environmental impact.

Tree planting

The company maintains a ratio of green space within its premises and regularly plants additional trees to ensure a fresh and healthy environment. Trees help absorb CO₂, release O₂, and filter out harmful pollutants. Additionally, they help reduce noise pollution.

Water consumption

The main source of water for the company is municipal water.

In response to the growing challenges of climate change, the company emphasizes water conservation, ensuring efficient and effective use of water resources. It also maximizes the use of collected rainwater and water from rivers and lakes during production. The company has installed water meters in each department and assigned responsibility for water savings to each section. We conduct regular checks to detect and fix leaks every year. In the office area, low-flow devices are installed on faucets, and water usage for decorative landscaping is minimized.

The water consumed by the company is mainly for domestic use and not for product manufacturing.

Compliance with Environmental Protection Laws

In the production process, the company follows waste discharge procedures that comply with environmental laws and regulations. Additionally, Fortex continuously reviews and updates environmental protection policies and regulations. The company ensures that all employees are informed and adhere strictly to environmental protection standards.

Furthermore, the company is in the process of increasing the proportion of recycled colored yarn products that do not require bleaching or dyeing, making them eco-friendly and contributing to environmental protection.

Policies Regarding Employees

Fortex employees work in shifts, with two shifts per day (morning and evening), arranged flexibly to allow breaks for employees to ensure good health during labor. The company provides two free meals per shift. Fortex also fully complies with holiday and maternity leave regulations and insurance policies as per state laws. It supports travel expenses for employees working far from the company and provides overtime pay, with additional bonuses for employees who complete their tasks excellently.

In terms of workplace safety, the company provides employees with personal protective

equipment (PPE) such as uniforms, helmets, aprons, gloves, etc., on a regular basis. The workplace is fully equipped with fire and electrical hazard prevention devices. Employees are trained in fire safety knowledge and are always encouraged to maintain a high level of vigilance. In 2023, Fortex organized internal training courses to improve the skills of workers, managerial skills for factory managers, and advanced training for employees to meet the demands of the modern 4.0 economy.

Corporate Social Responsibility

Along with business and production activities, the Company always pays attention to corporate social responsibility:

- Providing stable employment for local labor.
- Participating in social welfare activities when conditions permit.
- Building a humane working environment that respects employees.

16.

REPORT OF THE BOARD OF DIRECTORS (BOM)

Business performance in 2025

In 2025, the global situation continued to evolve in a complex and unpredictable manner. Vietnam's textile and garment industry faced numerous challenges from political conflicts among major powers, particularly the volatility of US tariffs and slowing global demand, resulting in stagnant industry performance. In 2025, Vietnam's export unit price for yarn decreased significantly by approximately 8% year-on-year, reflecting weak global demand (especially from China—Vietnam's largest yarn import market) and fierce competition from regional markets such as Bangladesh, India, and Pakistan, which offer lower prices. These shifts have forced the industry to reshape its position within the global supply chain. Most importantly, changes in geopolitical strategies and purchasing behaviors have compelled textile enterprises to implement diverse solutions to enhance capabilities and sales approaches.

Storms and tropical depressions in 2025 (particularly from July to September) caused flooding and production stagnation. Many factories in central industrial zones were submerged, leading to machinery damage and temporary shutdowns. These events resulted in supply chain disruptions and surging logistics costs, adversely affecting order schedules.

Additionally, the Indian market—one of the Company's primary export markets—now requires BIS (Bureau of Indian Standards) certification. This trade barrier has rendered our exports unstable. Furthermore, exchange rate risks, with a nearly 5% increase in 2025, posed

significant difficulties. All these factors underscore the immense challenges faced by management and employees in maintaining stable business operations.

Despite the Company's efforts to promote sales and proactively exploit domestic and international markets, the aforementioned difficulties resulted in a total net revenue of VND 191.91 billion for 2025, a 4.91% increase compared to 2024; however, profit after tax failed to meet the target.

FINANCIAL POSITION

Asset

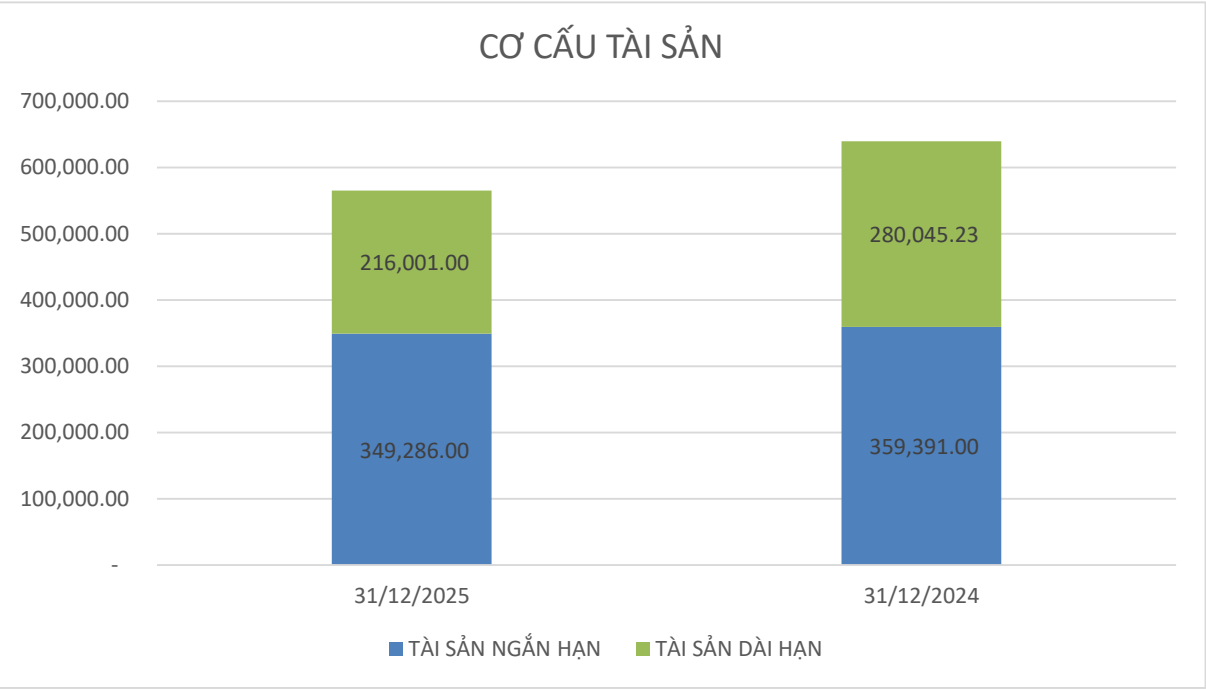


Table 7: Company's asset structure table

Unit: million dong

No	Item	31/12/2025	31/12/2024	% Variance 2025 vs 2024
1	CURRENT ASSET	349.286,00	359.391,00	-3%
1.1	Cash and cash equivalents	584,00	8.733,00	-93%
1.2	Short-term financial investments	1.500,00	1.500,00	0%
1.3	Short-term receivables	198.168,00	198.214,00	0%
1.4	Inventories	148.299,00	149.990,00	-1%
1.5	Other short-term assets	734,00	953,00	-23%
2	LONG TERM ASSET	216.001,00	280.045,23	-23%
2.1	Long-term receivables	7.796,00	24.166,37	-68%
2.2	Fixed assets	142.485,00	189.568,22	-25%
2.3	Long-term asset in progress	64.098,00	64.048,71	0%
2.4	Long-term financial investments	2.261,93	2.261,93	0%
TOTAL ASSET		565.287,00	639.436,93	-12%

(Source: Audited financial statements 2025)

Table 8: Company's capital structure

Unit: million dong

No	Item	31/12/2025	31/12/2024	% Variance 2025 vs 2024
1	Current liabilities	1.554.791,00	1.465.973,00	6,06%
	Short-term account payable to suppliers	51.024,50	49.041,94	4,04%
	Advances from customers (short-term)	10.426,11	13.203,73	-21,04%
	Taxes and payable to state budget	148,24	21,08	603,23%
	Payables to employees	2.324,14	3.063,60	-24,14%
	Short-term accrued expenses	666.432,72	587.099,48	13,51%
	Short term unearned revenue	38,33	505,61	-92,42%
	Other short-term payables	26.382,94	27.261,43	-3,22%
	Short-term borrowings and financial lease	787.891,75	785.272,25	0,33%
	Bonus and welfare funds	123,15	123,15	0,00%
2	Long-term liabilities	-	7.704,53	-100,00%
	Long-term accrued expenses	-	-	-
	Long-term borrowings and financial lease	-	7.704,53	-100,00%
3	Owners' equity	-989.503,93	- 834.240,60	18,61%
	Owner's contributed capital	500.000,00	500.000,00	0,00%
	Investment and development fund	9.142,93	9.142,93	0,00%
	Undistributed earnings	- 1.498.646,86	-1.343.383,53	11,56%
TOTAL LIABILITIES AN EQUITY			639.436,93	-11,60%

(Source: Audited financial statements 2025)

IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

In 2025, the Company further restructured its organizational model toward a lean management system, streamlining the apparatus from the Board of General Directors down to functional departments. This involved merging departments, plants, and production units to better align with the business environment. Enhanced digitalization in management has facilitated swifter, more timely, and precise decision-making.

Regarding production, the Company developed and implemented a revised payroll policy, transitioning from a monthly piece-rate system to a unit-based compensation model

calculated by man-hours and workdays. This transparency allows employees to clearly recognize their own productivity while incentivizing internal motivation to achieve daily output targets, thereby increasing personal income, stabilizing the workforce, and boosting total output and revenue.

To address the severe labor shortage in the industry, the Company focused on the effective allocation of personnel based on capability, while increasing overtime and working hours. Recruitment was intensified through both online and direct channels, alongside enhanced salary, bonus, and welfare regimes. Energy-saving solutions remained a priority through production balancing, operational optimization, and the installation of specialized monitoring and control devices for auxiliary electrical systems. Furthermore, product quality management was implemented in accordance with international standards and successfully achieved BIS certification.

In terms of financial management, despite challenges in accessing credit from domestic banks, the Board of General Directors proactively secured alternative funding sources, particularly from foreign partners. Consequently, the Company established an import credit limit for raw materials, sustaining production during periods of tight liquidity. Notably, by the end of 2025, partners demonstrated confidence by increasing financing limits. This serves as a critical foundation for seeking additional financing sources and optimizing raw material inventory in 2026.



NĂNG LỰC SẢN XUẤT SỢI LỚN NHẤT MIỀN BẮC

STRATEGIC ORIENTATION AND BUSINESS PLAN FOR 2026

Faced with the assessment of difficulties and challenges in 2025, the Company's Board of General Directors has set strategic directions and specific objectives for each plant, along with the following solutions:

Optimization of production capacity and cost management:

Enhancement of efficiency: Focus on technological improvements to enhance product quality and output; maximize the utilization of existing machinery and equipment capacity.

Operational management: Allocate human resources and equipment flexibly to optimize production capacity, while strictly reducing auxiliary energy costs and raw material consumption norms.

Proactive maintenance: Strengthen strict control over materials and supplies, and seek and replace improved spare parts suitable to actual conditions in order to enhance proactiveness and reduce periodic maintenance costs.

Product diversification strategy:

The Company continues to maintain a diversified yarn product portfolio with various specifications to meet all market demands:

Recycled Polyester yarn: This is identified as the key strategic product, in line with the global trend toward green and sustainable consumption. The Company will prioritize all resources to

develop this product line.

Virgin Polyester yarn: The Company focuses on selecting high-quality raw material inputs to enhance product quality, targeting customer segments with stringent requirements.

100% Cotton yarn: It is forecasted that in 2026, the market will continue to face difficulties and require significant working capital. To ensure financial safety, the Company maintains its orientation toward processing activities rather than proprietary trading for this product.

Strengthening sales and customer service:

The Company identifies sales and after-sales services as critical factors in its sustainable development strategy. The management directs a strong focus on enhancing business activities and maintaining regular customer visits to directly gather feedback. Based on these practical requirements, the Company will refine its production processes to supply specialized product lines that precisely meet the needs of each specific market.

Expansion of the domestic market:

The key focus in 2026 is to continue strengthening and developing the customer network in major markets such as Hanoi, Ho Chi Minh City, and surrounding provinces. These are key consumption areas that help the Company maintain stable cash flows.

Recovery and breakthrough in export markets:

For international markets, the Company's top priority in 2026 is to complete the procedures and obtain BIS certification. This is a critical key to resuming export activities to the Indian market. With sustained efforts from the previous period, the Company has high expectations of completing this certification in the second quarter of 2026, thereby creating a significant breakthrough in revenue and export output for the latter part of the year.

Financial solutions:

In 2026, the Company identifies as a top priority the self-sufficiency of working capital to overcome barriers in accessing domestic credit. The core of this strategy is to maintain strong relationships and negotiate to further increase credit limits from existing foreign financing partners.

The expansion of foreign credit facilities will not only provide the Company with sufficient financial resources to proactively procure and stock raw materials at favorable market prices in order to optimize production costs, but will also be closely integrated with a flexible business

policy by encouraging customers to make advance payments through appropriate incentive mechanisms.

This comprehensive solution will help maximize the utilization of market-based funding sources, reduce borrowing pressure and interest expenses, and at the same time ensure strong liquidity for the Company’s day-to-day operations.

Table 9: Production and business plan for 2026.

No	Targets	Unit of measurement	Plan for 2026
1	Output	Tons (T)	15.100
2	Revenue	Billion VND	555
3	Profit before tax	Billion VND	6,3



EXPLANATION OF THE BOARD OF GENERAL DIRECTORS REGARDING THE AUDITOR'S OPINION

Despite the general difficulties of the market, the Company's production and business activities have remained stable and have fully fulfilled its obligations to the State budget. During the year, the Company offset VND 16.6 billion of VAT (an increase of 25% compared to 2024) and directly contributed VND 12.8 billion to the State budget in import VAT and import–export duties, together with land rental fees and personal income tax incurred. The Company has no outstanding tax liabilities and has not been subject to invoice enforcement measures.

In addition, with 100% of loans secured by collateral, the Company has proactively coordinated with banks to implement support policies and restore production activities. Alongside a comprehensive restructuring roadmap in organizational and financial management, the Company has been focusing on restructuring overdue loan obligations, while maintaining and expanding its credibility in post-import payment credit limits with foreign partners to ensure a sustainable supply of raw materials.

EVALUATION OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATIONS

Business Operations:

In the context of significant global market volatility, the Vietnamese textile and garment industry continues to face numerous challenges, including declining consumer demand, rising raw material costs, and impacts from international economic fluctuations. Against this backdrop, the Company recorded results that did not meet the planned production and business targets: net revenue reached VND 192 billion (equivalent to only 45.9% of the plan), and profit before tax amounted to a loss of VND 155 billion.

Corporate Governance:

The Board of Directors always directs departments to operate in accordance with the Company's Charter, Internal Governance Regulations, and the Operating Regulations of the Board of Directors, which have been approved by the General Shareholders' Meeting.

Financial Management and Supervision:

In response to challenges related to receivables and financial risks, the Company has proactively made provisions for doubtful receivables, thereby minimizing potential losses and ensuring transparency in the financial statements. At the same time, a cash-in-advance sales policy has been implemented, helping to improve cash flow and reduce financial pressure in business operations.

In addition, the Company has actively strengthened debt collection efforts to ensure timely recovery of outstanding receivables, avoiding prolonged receivables that could adversely affect overall operations. Notably, through proactive and flexible financial management, the Company successfully obtained waivers of overdue interest and adjustments to eliminate penalty interest on overdue loans. This has not only reduced financial cost pressure but also created favorable conditions for future business plans.

BOARD OF DIRECTORS' EVALUATION OF THE ACTIVITIES OF THE COMPANY'S GENERAL DIRECTOR

The Board of Directors (BOD) performs its duties of directing and supervising the operations of the Company's Board of General Directors in production and business activities, ensuring alignment with the objectives and plans approved by the General Meeting of Shareholders.

In 2025, the Board of General Directors demonstrated proactive, flexible, and decisive management in the context of a highly volatile textile and garment market. The BOD acknowledges and highly appreciates the efforts of the Board of General Directors in the following areas:

Management and administration: The Board of General Directors implemented its duties in accordance with the resolutions/decisions of the BOD and within the rights and obligations stipulated in the Company Charter.

Production and business operation management: The Board of General Directors proactively developed scenarios to respond to market fluctuations and effectively implemented production plans in line with order demand, thereby contributing to the maintenance of cash flow. With a proactive approach and close adherence to production plans and market conditions, the Board of General Directors made continuous efforts to identify business and production solutions to sustain plant operations and ensure employment for employees.

Financial management: Financial management was conducted in a transparent, disciplined, and timely manner. Under conditions of rising input costs, the Board of General Directors actively implemented cost-reduction measures, optimized material consumption norms, improved production processes, and enhanced machinery utilization efficiency. Inventory management, cash flow management, and capital balancing were given strong attention to ensure liquidity and limit financial risks in the context of operating losses.

Market development: Despite declining overall demand, the Board of General Directors continued to maintain and strengthen relationships with customers, building trust with all customers and suppliers, while expanding into new markets, thereby reducing dependence on a limited number of customers and markets and maintaining sales performance. Orders and contracts were typically secured 2–3 months ahead of production plans.

Human resource management: Facing difficulties in recruitment, the Board of General Directors implemented workforce restructuring measures, adjusted the production model in line with actual conditions, reduced the number of budgeted personnel, and improved employees' income. At the same time, emphasis was placed on training and enhancing the capabilities of managers and employees, increasing labor productivity in a highly competitive labor market. However, labor shortages remained a major challenge, affecting output and delivery schedules at certain times.

Technological innovation, digital transformation, and green product development: The Board of General Directors continued to produce recycled colored yarn products without bleaching or dyeing, which are environmentally friendly. The Company also implemented measures to improve production quality while reducing environmental impact by saving energy and water consumption, reducing emissions, and properly managing waste and wastewater. Digital technologies continued to be applied in production management through the Base.vn platform, and investments in modern production lines and digital transformation in management were gradually implemented.

Overall assessment: Pursuant to the Company Charter, regulations, and issued policies, the BOD authorizes the Board of General Directors to decide on the Company's monthly and quarterly business operations, and to implement decisions, resolutions, and strategic directions assigned by the BOD and the General Meeting of Shareholders. Through supervisory mechanisms, including quarterly reports, business performance results, operational reports, and ad-hoc reports when required, the BOD assesses that the Board of General Directors has exercised its assigned rights and obligations in accordance with applicable laws, the Company Charter, and resolutions of the General Meeting of Shareholders and the BOD, and has acted honestly and prudently to ensure the best interests of the Company.

The 2025 business results did not meet the set targets due to significant market impacts. The Board of General Directors needs to make further efforts in 2026 in the context of continued business challenges. The Board of General Directors is expected to develop more specific business strategies, continue to stabilize and expand markets, and improve product quality to enhance price competitiveness. Functional departments must fully perform their responsibilities to support the Board of General Directors in managing and supervising production and business activities, identifying areas for improvement to prevent internal risks, thereby strengthening internal capacity to respond to external risks.

THE BOARD OF DIRECTORS' STRATEGIC PLANS FOR 2026

Based on the actual situation in 2025, the forecast for the yarn industry market, and the Company's existing capacity, the Board of Directors has developed the 2026 production and business plan with the key objectives of: stabilizing production, improving efficiency, and gradually restoring profitability, as follows:

Production plan:

- + Organize production in accordance with orders, minimizing finished goods inventory.
- + Increase machine efficiency, reduce downtime and production losses.
- + Focus on producing yarn product lines with good profit margins and stable demand.
- + Proactively plan equipment maintenance to ensure continuous production operations.
- + Optimize norms for raw material consumption, electricity usage, and labor.
- + Develop operating scenarios corresponding to different levels of market fluctuations.

Market and business plan:

- + Maintain existing traditional customers while developing new customer relationships.
- + Expand export markets in the Asian region and gradually access other potential markets.
- + Implement flexible sales policies in response to fluctuations in raw material prices and exchange rates.
- + Shorten delivery lead times and improve customer service quality.
- + Strengthen marketing activities and trade connectivity.

Financial plan:

- + Strictly control production costs and administrative expenses.
- + Restructure loan facilities to reduce interest burden and improve cash flow.
- + Tighten customer receivables management and limit bad debt risks.
- + Optimize raw material inventories in line with market price trends.
- + Consider options to increase working capital when necessary to ensure production activities.
- + Reposition the Company's projects toward leasing industrial workshops and industrial production activities to optimize the business efficiency of these projects.

Human resource plan:

- + Stabilize the core workforce and improve labor productivity.
- + Develop appropriate recruitment and employee retention policies.
- + Strengthen training on technical skills, equipment operation, and cost-saving awareness.
- + Improve the performance evaluation mechanism linked to productivity and quality.

The Board of Directors believes that, with appropriate strategies and the efforts of the Board of General Directors and all employees, the Company will gradually overcome challenges, consolidate its market position, and move toward sustainable development in the future.

MEMBERS AND STRUCTURE OF THE BOARD OF DIRECTORS

Table 10: Board Members of Fortex as of December 31, 2025

No	Full name	Positon	Number of Shares Held	Percentage
1.	Le Manh Thuong	Chairman	5.100.000	10,2%
2.	Nguyen Hoang Giang	Independent Board Member	0	0%
3.	Do Van Sinh	Board Member / General Director	0	0%
4.	Tran Xuan Tien	Board Member / Vice General Director	0	0%
5.	Dao Thi Hue	Board Member	0	0%

PROFILES OF THE BOARD OF DIRECTORS'S MEMBERS

Chairman – MR LE MANH THUONG

Year of birth : 1975
 Nationality : Viet Nam
 Ethnicity : Kinh
 Place of birth : Thai Thuy, Thai Binh

Qualification : Master of Business
 Administration

Current positions : General director of
 held at other Vinaland JSC
 organizations

Employment history:

2006 – 2013: Chairman of the BOD- Vinaland
 JSC

2006 – 2016: Chairman of the BOD- Phu Viet
 Invesment and Development JSC

2013 – nay: Chairman of the BOD- Duc Quan Investment
 and Development JSC

Member of BOD – MR DO VAN SINH

Year of birth : 1980
 Nationality : Viet Nam
 Ethnicity : Kinh
 Place of birth : Thai Thuy, Thai Binh

Qualification : Bachelor of Business
 Administration

Current positions : none
 held at other
 organizations

Employment history:

2004 - 2012: Head of sale department- Dai
 Cuong Group JSC

2013 - 2016: Deputy Sale Director- Duc Quan Investment
 and Development JSC

2017 - 2018: Assistant to General Director, Deputy
 Sales Director- Central Seafood Import Export JSC

12/2018 - 4/2019: Sales Director, Duc Quan
 Investment and Development JSC

4/2019 - present: General Director, Duc Quan
 Investment and Development JSC

Member of BOD – MR NGUYEN HOANG GIANG

Year of birth	: 1980	Employment history:
Nationality	: Viet Nam	10/2002 - 6/2007: Head of Financial Accounting Policy and General Accounting Section – Finance and Accounting Department, Hanoi Post Office
Ethnicity	: Kinh	7/2007 - 2/2010: Deputy advisory manager Bao Viet Securities Joint Stock Company
Place of birth	: Kim Bang, Ha Nam	2/2008 - 4/2010: Member of the Supervisory Board – Bac Kan Minerals JSC
Qualification	: Doctor of Economics	3/2010 - 2/2012: Deputy Director of Hanoi Branch, Deputy Director of Investment Banking, Director of Corporate Finance Advisory Division – Saigon Thuong Tin Securities JSC
Current positions held at other organizations	: Member of BOD Fideco JSC Head of the Supervisory Board of Ho Chi Minh City Medical Import-Export JSC	4/2010 - 6/2012: Member of BOD Dinh Vu Steel JSC 3/2012 - 1/2013: Director of Advisory Services at Bamboo Capital JSC 3/2012 - 4/2013: Member of the Supervisory Board of AAA Insurance JSC 02/2013 - 6/2013: Head of Advisory Department of National Securities JSC 6/2015 – present: Member of BOD Fideco JSC 10/2015 – 03/2017: Member of BOD and General Director- Central Seafood Import Export JSC 8/2015 – 5/2020: Chairman of the Supervisory Board of Truong Thanh Real Estate and Construction JSC 08/2018 – 09/2020: Deputy General Director of National Securities JSC 05/2016 – 04/2021: Head of the Supervisory Board Danapha Pharmaceutical JSC 9/2015 – present: Member of BOD Duc Quan Investment and Development JSC 06/2020 – present: Head of the Supervisory Board of Ho Chi Minh City Medical Import-Export JSC

Member of BOD – MRS DAO THI HUE

Year of birth	: 1985	Employment history:
Nationality	: Viet Nam	2011 – 2012: Staff of Planning and Import-Export Department- Dai Cuong Group JSC
Ethnicity	: Kinh	2012 – 2015: Deputy manager of Planning and Import-Export Department-Dai Cuong Group JSC
Place of birth	: Hung Ha, Thai Binh	2016 – 2018: Deputy manager of Human resources department Duc Quan Invesment and Development JSC
Qualification	: Automation Engineer	09/2017 – 09/2018: Secretary of the BOD- Duc Quan Invesment and Development JSC
Current positions held at other organizations	: None	04/2019 – 04/2020: Member of the Board of Supervisors- Duc Quan Invesment and Development JSC
		2019 – Present: Purchasing Director- Duc Quan Invesment and Development JSC

Member of BOD – MR TRAN XUAN TIEN

Year of birth	: 1975	Employment history:
Nationality	: Viet Nam	08/2010 – 11/2019: Head of Technical Department- Duc Quan Investment and Development JSC
Ethnicity	: Kinh	11/2019 – present: Deputy General Director- Duc Quan Investment and Development JSC
Place of birth	: Vu Thu, Thai Binh	
Qualification	: Electrical Engineer Bachelor of Business Administration	
Current positions held at other organizations	: none	

ACTIVITIES OF THE BOARD OF DIRECTORS

Information about the activities of the Board of Directors (BOD) members in 2024:

Table 11: Information about the Members of the Board of Directors

No	Member	Position	Start Date/End Date as a Member of the Board of Directors	Number of Board of Directors Meetings Attended	Attendance Rate	Reason for Absence from Meetings
1	Le Manh Thuong	Chairman	Appointed on 27/06/2021	4/4	100%	
2	Nguyen Hoang Giang	Independent Board Member	Appointed on 27/06/2021	4/4	100%	
3	Do Van Sinh	Member	Appointed on 27/06/2021	4/4	100%	
4	Tran Xuan Tien	Member	Appointed on 27/06/2021	4/4	100%	
5	Dao Thi Hue	Non-executive member	Appointed on 27/06/2021	4/4	100%	

In 2025, the Board of Directors approved 6 resolutions:

Table 12: Board Resolutions

No	Number of Resolutions/Decisions	Date	Content
1	26/2025/NQ-FTM-HĐQT	28/03/2025	Approval of the audited financial statements for the year 2024
2	27/2025/NQ-FTM-HĐQT	28/03/2025	Approval of the extension of the time for organizing the 2025 Annual General Meeting of Shareholders
3	46/2025/NQ-FTM-HĐQT	10/05/2025	Agreement on the deadline for finalizing the

			shareholder list to exercise their right to attend the meeting, and the anticipated time and location for holding the 2025 Annual General Meeting of Shareholders
4	58/2025/NQ-FTM-HĐQT	06/06/2025	Agreement on the time and location for holding the 2025 Annual General Meeting of Shareholders and approval of the agenda and materials to be presented at the 2025 Annual General Meeting of Shareholders
5	81/2025/NQ-FTM-HĐQT	14/07/2025	Approval of the selection of the unit: VIETNAM AUDITING AND VALUATION COMPANY LIMITED (AVA) as the auditor for the semi-annual financial statement review and the audited financial statements for the year 2025.
6	108/2025/NQ-FTM-HĐQT	25/12/2025	Approval of the preliminary business performance results for 2025 and the production and business plan for 2026.

SUBCOMMITTEES UNDER THE BOARD OF DIRECTORS.

On 25/06/2020, the Board of Directors issued a decision to establish the Internal Audit Committee (Audit Committee). After its establishment, the Internal Audit Committee has operated according to the operating regulations of the Audit Committee, the Company's Charter, and the internal regulations on corporate governance.

Table 13: Information about the members of the Audit Committee in 2025

No	Member	Position	Start date	Qualifications
1	Mr Nguyen Hoang Giang	Independent Member of the Board of Directors	05/07/2021	Doctor of economic
2	Mrs Dao Thi Hue	Member of the Board of Directors	05/07/2021	Electrical and Automation

The activities of independent members of the Board of Directors

The independent non-executive members of the Board of Directors have actively participated in the governance of the company as a whole, as well as in the management of the Executive Board. They have provided objective evaluations and feedback, with the ultimate goal of improving the corporate governance practices of the company. At the same time, they have fulfilled the duties entrusted to the Board by the General Shareholders' Meeting.

- Supervising the governance and operational activities of the Board of Directors and the Executive Board.
- Monitoring the implementation of the Board of Directors' resolutions.
- Overseeing the company's financial situation.
- Attending all quarterly BOD meetings and, as requested, providing independent and objective opinions to assist the BOD in discussions, evaluations, and making optimal decisions.

In 2024, the Audit Committee held 2 meetings:

Table 14: Audit Committee meetings in 2025

No	Member	The number of	Attendance rate	Voting rate
1	Nguyen Hoang Giang	2	100%	100%
2	Dao Thi Hue	2	100%	100%

TRANSACTIONS, REMUNERATIONS, AND BENEFITS OF THE BOARD OF DIRECTORS AND THE GENERAL BOARD OF DIRECTORS.

Salary, Bonus, and Remuneration

According to Clause 3, Article 163 of the 2020 Enterprise Law, the remuneration of each member of the Board of Directors, the salary of the CEO, and other managers are considered business expenses of the company in accordance with the provisions of the corporate income tax law. These amounts are presented as a separate item in the company's annual financial

statements. The total salary, bonus, and remuneration for the Board of Directors and the General Board of the company in 2025 is 1,200,000,000 VND.

No	FULL NAME	POSITION	INCOME IN 2025	
			Salary	Remuneration
I	BOARD OF DIRECTORS		-	360.000.000
1		Le Manh Thuong - Chairman		96.000.000
2		Do Van Sinh - Member, General Director		60.000.000
3		Nguyen Hoang Giang - Member		60.000.000
4		Tran Xuan Tien - Member, Deputy General Director		60.000.000
5		Dao Thi Hue - Member		60.000.000
6		Luu Thi Thuy Minh - Secretary		24.000.000
II	AUDIT COMMITTEE		-	60.000.000
1		Nguyen Hoang Giang - Head of the Committee		36.000.000
2		Dao Thi Hue - Thành viên		24.000.000
III	MANAGEMENT BOARD			-
1		Do Van Sinh - General Director	300.000.000	
2		Tran Xuan Tien - Deputy General Director	240.000.000	
3		Dao Van Nam - Deputy General Director	240.000.000	
	TỔNG CỘNG		780.000.000	420.000.000

Share transactions of internal shareholders: None

Contracts or transactions with related parties: None

Implementation of corporate governance regulations:

Duc Quan Investment and Development Joint Stock Company always complies with and strictly follows the legal provisions and internal regulations on Corporate Governance. The company consistently considers best practices in corporate governance to apply to its own operations.

DUC QUAN INVESTMENT AND DEVELOPMENT
JOINT STOCK COMPANY

AUDITED FINANCIAL STATEMENTS

For the financial year ended 31 December 2025
(Audited)

Ký bởi: CÔNG TY CỔ PHẦN ĐẦU TƯ VÀ PHÁT TRIỂN ĐỨC QUẢN
Ký ngày: 1-4-2026 (06:59:03)



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BOARD OF GENERAL DIRECTORS' REPORT

The Board of General Directors of Duc Quan Investment and Development Joint Stock Company (hereinafter referred to as the "Company") presents this report together with the Company's financial statements for the financial year ended 31 December 2025.

The company

Duc Quan Investment and Development Joint Stock Company

Business Registration Certificate No.

No. 1000400095, registered for the first time on 30 October 2006 and registered for 13th time on 4 August, 2025
Issued by the Department of Finance of Hung Yen Province.

Headquarters

Lot A3, Nguyen Duc Canh Industrial Park, Tran Thai Tong Street, Thai Binh Ward, Hung Yen Province.

Board of Management

The Board of Management in the fiscal year and to the reporting date are:

Mr. Le Manh Thuong	Chairman
Mr. Nguyen Hoang Giang	Member
Mr. Do Van Sinh	Member
Mr. Tran Xuan Tien	Member
Ms. Dao Thi Hue	Member

Internal Audit Committee

The Internal Audit Committee in the fiscal year and to the reporting date are:

Mr. Nguyen Hoang Giang	Head
Ms. Dao Thi Hue	Member

Board of General Directors

The Board of General Directors in the fiscal year and to the reporting date are:

Mr. Do Van Sinh	General Director
Mr. Tran Xuan Tien	Deputy General Director
Mr. Dao Van Nam	Deputy General Director

Legal Representative of the Company

Mr. Do Van Sinh	General Director
-----------------	------------------

Auditor

Vietnam Auditing and Valuation Company Limited (AVA)

Responsibilities of the board of general directors

The Board of General Directors of the Company is responsible for preparing the financial statements that fairly and reasonably reflect the financial position, business performance, and cash flow of the Company for the year, in accordance with accounting standards, the accounting regime for Vietnamese enterprises, and relevant legal regulations related to the preparation and presentation of financial statements. In preparing these financial statements, the Board of General Directors is required to:

- Develop and maintain internal controls that the Board of General Directors and the Board of Directors deem necessary to ensure that the preparation and presentation of the financial statements are free from material misstatements due to fraud or error;
- Select appropriate accounting policies and apply them consistently;
- Make reasonable and prudent judgments and estimates;
- Clearly state whether the appropriate accounting principles have been followed, and disclose and explain any material deviations in the financial statements;
- Prepare the financial statements on a going concern basis, unless it is not possible to assume that the Company will continue its business operations; and
- Design and implement an effective internal control system for the purpose of preparing and presenting the financial statements reasonably to minimize risks and fraud.

The Board of General Directors of the Company ensures that the accounting records are maintained to reflect the financial position of the Company, with accuracy and fairness at any given time, and ensures that the financial statements comply with the current regulations of the State. At the same time, the Board is responsible for ensuring the safety of the Company's assets and implementing appropriate measures to prevent and detect fraudulent activities and other violations.

The Board of General Directors of the Company affirms that the financial statements fairly and reasonably reflect the financial position of the Company as of 31 December 2025, the results of its operations, and its cash flow for the financial year ending on the same date, in accordance with Vietnamese accounting standards and regulations, and comply with the relevant current legal provisions.

Other Commitments

The Board of Management represents that the Company is in compliance with Decree No. 155/2020/ND-CP dated December 31, 2020, detailing the implementation of a number of articles of the Law on Securities, and that the Company has not violated its information disclosure obligations in accordance with Circular No. 96/2020/TT-BTC dated November 16, 2020, as amended by Circular No. 68/2024/TT-BTC dated September 18, 2024, issued by the Ministry of Finance on information disclosure in the securities market.

Hung Yen, 27 March 2026
On behalf of and representing

the Board of General
General Director



Do Van Sinh



No: 207/BCKT-TC/AVA.NV9

INDEPENDENT AUDITOR'S REPORT

To: Shareholders
The Board of Directors and the Board of General Directors
Duc Quan Investment and Development Joint Stock Company

We have audited the balance sheet as of 31 December 2025, together with the Income Statement, the Cash Flow Statement for the financial year ended 31 December 2025, and the accompanying notes to the financial statements (collectively referred to as the "Financial Statements") of Duc Quan Investment and Development Joint Stock Company (the "Company"), from page 5 to page 30.

Responsibilities of the Board of General Directors

The Board of General Directors of the Company is responsible for the preparation and fair presentation of the Company's financial statements in accordance with accounting standards, the Vietnamese Enterprise Accounting System, and legal regulations related to the preparation and presentation of financial statements. They are also responsible for the internal control that the Board of General Directors deems necessary to ensure that the preparation and presentation of the financial statements are free from material misstatements due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to express an opinion on the financial statements based on the results of the audit. We conducted the audit in accordance with Vietnamese auditing standards. However, due to the issues described in the "Basis for Disclaimer of Opinion" section, we were unable to obtain sufficient appropriate audit evidence to form the basis for an audit opinion.

Basis for disclaimer of opinion

Going concern assumption

As presented in Note 2.1, these financial statements have been prepared on a going concern basis, despite the fact that as of 31 December 2025, the Company's total liabilities exceeded its total assets by VND 989,503,933,145, and a loss of VND 155,263,332,625 was incurred as reflected in the financial statements.

In addition, the overdue bank loans amount to VND 774,094,985,391 as disclosed in Note 23, and the overdue bank interest, which has not been extended, amounts to VND 405,528,503,569 as disclosed in Note 20.

The value of the going concern assumption used in the preparation of these financial statements is fundamentally dependent on the management's ability to implement business strategies to improve the Company's situation, as well as to maintain operations and settle its outstanding debts.

However, since 2019, the Company has been facing significant financial difficulties and has been implementing various measures for restructuring in terms of organization, business, and financial management. Accordingly, the Board of Directors assesses that the Company's ability to continue as a going concern in the future depends largely on the restructuring of its organization, business, and financial management, including the restructuring of overdue debts as mentioned above and the addition of capital for production and business activities.

Therefore, we have not obtained sufficient evidence to assess the appropriateness of the going concern assumption applied in the preparation of these financial statements. As a result, we are unable to determine whether any adjustments to the financial statements are necessary in the event that the Company is unable to continue as a going concern.

As of December 31, 2025, we have not yet fully collected the confirmation letters of other receivables in the amount of: VND 374,875,666,566 in note 7, prepayments to sellers in the amount of: VND 72,219,248,110 in note 8, nor have we assessed the recoverability of this amount. We have not performed alternative procedures, so we cannot give our opinion on the existence and assessment of these balances in the Financial Statements ending on the same day.

Disclaimer of Opinion

Due to the significance of the issue mentioned in the "Basis for Disclaimer of Opinion" section, we were unable to obtain sufficient appropriate audit evidence to form the basis for an audit opinion. Therefore, we are unable to and do not express an audit opinion on the financial statements of the Company as of and for the year ended 31 December 2025.

VIETNAM AUDITING AND VALUATION COMPANY LIMITED



Mai Quang Hiep
Deputy General Director
Audit Practicing Certificate
No. 1320-2023-126-1
Ha Noi, 28 March, 2026

Nguyen Bao Trung
Auditor
Audit Practicing Certificate
No. 0373-2023-126-1

DUC QUAN INVESTMENT AND DEVELOPMENT JOINT STOCK COMPANY

Lot A3, Nguyen Duc Canh Industrial Park, Tran Thai Tong Street,
Thai Binh Ward, Hung Yen Province.

Financial statements
For the financial year ended 31/12/2025

Form B01 - DN

BALANCE SHEET

At 31/12/2025

Unit: VND

ASSETS	Code	Note	31/12/2025	01/01/2025
A. CURRENT ASSETS	100		349,286,818,532	359,391,703,020
I. Cash and cash equivalents	110	5	584,540,342	8,733,737,152
1. Cash	111		584,540,342	8,733,737,152
II. Short-term financial investments	120	6	1,500,000,000	1,500,000,000
1. Held to maturity investments	123		1,500,000,000	1,500,000,000
III. Short-term receivables	130		198,168,201,808	198,214,581,624
1. Short-term receivables from customers	131	7	390,050,731,831	389,629,220,935
2. Short-term advances to suppliers	132	8	218,962,101,365	219,232,159,404
3. Other short-term receivables	136	10	54,845,986,828	55,043,819,501
4. Provisions for short-term doubtful debts	137	11	(465,690,618,216)	(465,690,618,216)
IV. Inventories	140	12	148,299,860,065	149,990,368,362
1. Inventories	141		148,299,860,065	149,990,368,362
V. Other short-term assets	150		734,216,317	953,015,882
1. Short-term prepaid expenses	151	13	609,191,146	692,217,115
2. Value added tax deductibles	152	19	125,025,171	260,798,767
B. NON-CURRENT ASSETS	200		216,001,151,307	280,045,231,203
I. Long-term receivables	210		7,796,795,818	24,166,370,318
1. Long-term loan receivables	215	9	7,796,795,818	24,166,370,318
II. Fixed assets	220		142,485,889,934	189,568,222,288
1. Tangible fixed assets	221	14	141,566,300,359	187,729,043,169
- Cost	222		1,010,421,130,106	1,010,421,130,106
- Accumulated depreciation	223		(868,854,829,747)	(822,692,086,937)
2. Intangible fixed assets	227	15	919,589,575	1,839,179,119
- Cost	228		7,944,995,383	7,944,995,383
- Accumulated depreciation	229		(7,025,405,808)	(6,105,816,264)
III. Long-term asset in progress	240	16	64,098,399,230	64,048,708,230
1. Construction in progress	242		64,098,399,230	64,048,708,230
IV. Other long-term assets	260		1,620,066,325	2,261,930,367
1. Long-term prepaid expenses	261	13	1,620,066,325	2,261,930,367
TOTAL ASSETS (270=100+200)	270		565,287,969,839	639,436,934,223

**DUC QUAN INVESTMENT AND DEVELOPMENT JOINT
STOCK COMPANY**

Lot A3, Nguyen Duc Canh Industrial Park, Tran Thai Tong Street,
Thai Binh Ward, Hung Yen Province.

Financial statements
For the financial year ended 31/12/2025

Form B01 - DN

BALANCE SHEET

At 31/12/2025

(continued)

Unit: VND

RESOURCES	Code	Note	31/12/2025	01/01/2025
A. LIABILITIES (300=310+330)	300		1,554,791,902,984	1,473,677,534,743
I. Current liabilities	310		1,554,791,902,984	1,465,973,007,743
1. Short-term account payable to suppliers	311	17	51,024,501,869	49,041,942,433
2. Advances from customers (short-term)	312	18	10,426,116,367	13,203,737,507
3. Taxes and payable to state budget	313	19	148,245,855	21,808,877
4. Payables to employees	314		2,324,139,000	3,063,601,000
5. Short-term accrued expenses	315	20	666,432,725,122	587,099,485,624
6. Short term unearned revenue	318	21	38,333,333	525,609,091
7. Other short-term payables	319	22	26,382,941,937	27,621,426,600
8. Short-term borrowings and financial lease	320	23	797,891,753,213	785,272,250,323
9. Bonus and welfare funds	322		123,146,288	123,146,288
II. Long-term liabilities	330		-	7,704,527,000
1. Long-term borrowings and financial lease	338	23	-	7,704,527,000
B. EQUITY (400=410)	400		(989,503,933,145)	(834,240,600,520)
I. Owners' equity	410	24	(989,503,933,145)	(834,240,600,520)
1. Owner's contributed capital	411		500,000,000,000	500,000,000,000
- Ordinary shares with voting rights	411a		500,000,000,000	500,000,000,000
2. Investment and development fund	418		9,142,927,632	9,142,927,632
3. Undistributed earnings	421		(1,498,646,860,777)	(1,343,383,528,152)
- Accumulated undistributed earnings	421a		(1,343,383,528,152)	(1,216,094,637,430)
- Undistributed earnings	421b		(155,263,332,625)	(127,288,890,722)
TOTAL LIABILITIES AN EQUITY (440=310+400)	440		565,287,969,839	639,436,934,223

Hung Yen, 27 March, 2026

Preparer

Chief Accountant

General Director

Tran Thi Quy

Dao Van Nam



Do Van Sinh

**DUC QUAN INVESTMENT AND DEVELOPMENT JOINT
STOCK COMPANY**

Lot A3, Nguyen Duc Canh Industrial Park, Tran Thai Tong Street,
Thai Binh Ward, Hung Yen Province.

Financial statements
For the financial year ended 31/12/2025

Form B02 - DN

INCOME STATEMENT
For the year ended 31 December 2025

Unit: VND

ITEM	Note	Code	2025	2024
1. Revenue from sale of goods and rendering of services	25	01	191,913,831,084	182,924,996,098
2. Deductions	26	02	75,473,996	145,358,196
3. Net revenue from sale of goods and rendering of services (10=01-02)	27	10	191,838,357,088	182,779,637,902
4. Costs of goods sold	28	11	229,940,641,803	182,290,761,045
5. Gross profit from sale of goods and rendering of services		20	(38,102,284,715)	488,876,857
6. Income from financial activities	29	21	949,519,555	6,499,230,699
7. Expenses from financial activities	30	22	85,434,600,873	91,367,974,530
- In which: Interest expenses		23	77,497,825,433	76,004,305,555
8. Selling expenses	31	25	992,020,822	1,795,892,105
9. General and administrative expenses	31	26	11,090,812,646	88,073,001,507
10. Operating profit (30=20+(21-22)-(25+26))		30	(134,670,199,501)	(174,248,760,586)
11. Other income	32	31	653,277,258	110,633,474,840
12. Other expenses	33	32	21,246,410,382	63,673,604,976
13. Other profit (40=31-32)		40	(20,593,133,124)	46,959,869,864
14. Net profit before tax (50=30+40)		50	(155,263,332,625)	(127,288,890,722)
15. Current corporate income tax expense		51	-	-
16. Deferred corporate income tax expense		52	-	-
17. Net profit after tax (60=50-51-52)		60	(155,263,332,625)	(127,288,890,722)
18. Basic earnings per share	34	70	(3,105)	(2,546)

Hung Yen, 27 March, 2026

Preparer

Tran Thi Quy

Chief Accountant

Dao Van Nam

General Director



Do Van Sinh

**DUC QUAN INVESTMENT AND DEVELOPMENT JOINT
STOCK COMPANY**

Lot A3, Nguyen Duc Canh Industrial Park, Tran Thai Tong Street,
Thai Binh Ward, Hung Yen Province.

Financial statements
For the financial year ended 31/12/2025

Form B03 - DN

CASH FLOWS STATEMENTS

(Indirect method)

For accounting period 31/12/2025

Unit: VND

ITEM	Code	2025	2024
I. Cash flow from operating activities			
1. Profit before tax	01	(155,263,332,625)	(127,288,890,722)
2. Adjustments for			
- Depreciation and amortisation	02	46,162,742,810	46,810,350,641
- Allowances and provisions	03	-	74,381,288,110
- Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	7,160,833,885	9,321,722,843
- Interest expense	06	77,497,825,433	76,004,305,555
3. Operating profit before changes in working capital	08	(24,441,930,497)	79,228,776,427
- Increase/ Decrease in receivables	09	(25,542,463,993)	7,212,962,083
- Increase/ Decrease in inventories	10	1,690,508,297	(25,930,274,341)
- Increase/ Decrease in payables	11	32,732,881,756	(94,482,216,045)
- Increase/ Decrease in prepaid expenses	12	724,890,011	1,972,285,069
- Interest paid	14	1,835,414,065	1,924,495,461
Net cash flows from operating activities	20	(13,000,700,361)	(30,073,971,346)
II. Cash flow from investing activities			
1. Expenses for purchasing, constructing fixed assets and	21	-	-
2. Loans to other entities and payments for purchase of	23	-	-
3. Collections from borrowers and proceeds from sale of	24	-	43,973,416,900
4. Interest and dividends received	27	-	-
Net cash flow from investing activities	30	-	43,973,416,900
III. Cash flows from financing activities			
1. Short-term and long-term loans received	33	5,684,655,290	-
2. Payments of loan	34	(833,151,739)	(6,252,684,415)
Net cash flows from financing activities	40	4,851,503,551	(6,252,684,415)
Net cash flows during the year	50	(8,149,196,810)	7,646,761,139
Cash and cash equivalents at the beginning of the year	60	8,733,737,152	1,086,976,013
Impact of exchange rate fluctuations	61	-	-
Cash and cash equivalents at the end of the year	70	584,540,342	8,733,737,152

Hung Yen, 27 March, 2026

Preparer

Tran Thi Quy

Chief Accountant

Dao Van Nam

General Director

Do Van Sinh

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

1. GENERAL INFORMATION

Ownership structure

Duc Quan Investment and Development Joint Stock Company
Business Registration Certificate No. 1000400095, registered for the first time on 30 October 2006 and registered for 13th time on 4 August, 2025 Issued by the Department of Finance of Hung Yen Province.
The Company's headquarters is located at Lot A3, Nguyen Duc Canh Industrial Zone, Tran Thai Tong Street, Thai Binh Ward, Hung Yen Province.
The Company's charter capital: VND 500,000,000,000;
The total number of shares is 50,000,000 shares, with a par value of VND 10,000 per share.

Business field

Business fields of the Company are Manufacturing and trading various types of yarn.

Business activities and main operations

The company's business activities include: Manufacturing and trading various types of yarn; Weaving fabric production; Textile product finishing; Production of knitted fabric, crocheted fabric, and other non-woven fabrics; Manufacturing ready-made garments (except apparel); Garment manufacturing (except fur clothing); Manufacturing products from fur; Manufacturing knitted and crocheted apparel; Wholesale of fabrics, garments, and footwear; Construction of all types of houses; Construction of railway and road projects; Other specialized wholesale not classified elsewhere (specifically: wholesale of yarn); Construction of other civil engineering projects (specifically: construction of residential and industrial infrastructure); Demolition; Site preparation; Installation of electrical systems; Installation of water supply, drainage, heating, and air conditioning systems; Completion of construction works; Wholesale of materials and other installation equipment in construction; Retail of hardware, paint, glass, and other installation equipment in construction at specialized stores; road freight transport;...

The normal production and business cycle.

The Company's normal production and business cycle is carried out within a period not exceeding 12 months.

Business structure

Labour

As of December 31, 2025, the total number of employees in the Company was 232 (As of December 31, 2024, the total number of employees in the Company was 380).

2. BASIS OF FINANCIAL STATEMENT PREPARATION

2.1. Basis of preparation of Financial Statements

The accompanying financial statements are presented in Vietnamese Dong (VND), based on the historical cost principle and in accordance with Vietnamese accounting standards, the enterprise accounting regime, and relevant legal regulations on the preparation and presentation of financial statements on a going concern basis.

The accompanying financial statements are not intended to reflect the financial position, business performance, and cash flows in accordance with generally accepted accounting principles and practices in countries other than Vietnam.

2.2. Accounting Period

The Company's financial year starts on January 1 and ends on December 31 each year.

2.2. Reporting Currency

The currency unit used in accounting records is the Vietnamese Dong (VND).

3. ACCOUNTING STANDARDS AND REGULATIONS APPLIED

3.1. Accounting Regulations Applied

The Company applies the Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance, which amends and supplements certain provisions of Circular No. 200/2014/TT-BTC.

3.2. Statement of Compliance with Accounting Standards and Regulations

The Company has applied the Vietnamese Accounting Standards and the relevant guidance documents issued by the State. The financial statements have been prepared and presented in full compliance with all applicable accounting standards, circulars guiding the implementation of accounting standards, and the currently applied Enterprise Accounting System.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of no more than 3 months, which are highly liquid, easily convertible into cash, and subject to minimal risk of changes in value.

4.2. Loans Receivable

Loans receivable are based on agreements between parties but are not traded in the market, like securities. Depending on the contract, loans may be repaid in full at maturity or repaid in installments over time.

For loans receivable, if no provision for bad debts has been made according to the legal requirements, the accounting department will assess the recoverability. If there is clear evidence that part or all of the loan may not be recoverable, the accounting department will recognize the loss in financial expenses for the period. If the amount of loss cannot be reliably determined, the accounting department will disclose the recoverability of the loan in the financial statements.

4.3. Receivables

Receivables are presented on the financial statements at their book value, which is the total amount of receivables from customers and other receivables after deducting provisions made for doubtful debts.

The determination of receivables requiring provision for doubtful debts is based on the classification of these receivables as short-term or long-term items on the Balance Sheet. The provision for doubtful debts is calculated for each receivable based on the aging of overdue debts or the estimated level of loss that may occur.

4.4. Inventory

Inventory is valued at cost. If the net realizable value is lower than the cost, the inventory is valued at the net realizable value. The cost of inventory includes purchase costs, processing costs, and other directly related costs incurred to bring the inventory to its current location and condition.

The value of inventory is determined using the weighted average method.

Work-in-progress valuation method: Costs incurred for unfinished production are accumulated based on actual expenses for each production stage in the process.

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Inventory is recorded using the periodic inventory system.
Provision for inventory obsolescence is made at the end of the year and is the difference between the cost of inventory and its net realizable value.

4.5. Prepaid expenses

Prepaid expenses include actual expenses that have been incurred but are related to the results of business operations over multiple accounting periods. Prepaid expenses include costs and other prepaid items.

Other prepaid expenses include the value of small tools, instruments, components used, advertising expenses, and training costs incurred during the phase before the company officially starts its operations. These expenses are capitalized as prepaid items and are allocated to the income statement using the straight-line method according to current accounting regulations.

4.6. Tangible Fixed Assets and Depreciation

Tangible fixed assets and intangible fixed assets are recorded at cost. During their use, tangible and intangible fixed assets are recorded at original cost, accumulated depreciation, and carrying value.

Depreciation is calculated using the straight-line method. The depreciation period is applied in accordance with Circular 45/2013/TT-BTC dated April 25, 2013, issued by the Ministry of Finance, which provides guidelines on the management, use, and depreciation of fixed assets. The estimated depreciation periods are as follows:

	2025
	Years
Buildings and structure	6 – 20
Machinery and equipment	10 – 15
Vehicles	5 – 10
Management tools and other assets	3 – 10

The difference between the net proceeds from disposal or sale and the remaining value of fixed assets is recognized as income or expense in the Income Statement.

4.7. Construction in progress

Assets that are under construction for production, leasing, management, or any other purposes are recognized at cost. This cost includes service costs and related interest expenses in accordance with the company's accounting policies. The depreciation of these assets is applied similarly to other assets, starting when the asset is ready for use.

4.8. Accrued expenses

Accrued expenses are actual costs that have not yet occurred but are anticipated and recorded as expenses in the current period to ensure that when the actual costs arise, they do not cause significant fluctuations in production and business expenses, based on the matching principle between revenue and expenses. When these expenses occur, if there is a difference from the accrued amount, accounting will make an adjustment by increasing or decreasing the expense accordingly.

4.9. Principle of accounting for liabilities

Liabilities are monitored in detail by their due date, the party to whom payment is owed, the type of currency payable, and other factors based on the company's management needs.

When preparing the financial statements, accounting classifies liabilities as current or non-current based on their remaining term.

When there is evidence indicating that a loss is likely to occur, accounting immediately recognizes the liability in accordance with the prudence principle.

4.10. Principle of recognizing loans and financial lease liabilities

Loans and financial lease liabilities with repayment terms exceeding 12 months from the date of the financial statements are presented as long-term loans and financial lease liabilities. Amounts due for repayment within the next 12 months from the financial statement date are presented as short-term loans and financial lease liabilities to ensure proper payment planning.

When preparing the financial statements, the balances of loans and financial lease liabilities in foreign currency are revalued according to the actual exchange rate at the time the financial statements are prepared.

The exchange rate differences arising from the settlement and revaluation of foreign currency loans and financial lease liabilities at the end of the period are recorded as income or financial expenses.

4.11. Principle of recognizing and capitalizing borrowing costs

Borrowing costs are recognized as production and business expenses in the period when incurred, except for borrowing costs directly related to the construction investment or production of assets under construction, which are capitalized into the value of those assets (capitalized) when the conditions specified in Vietnam Accounting Standard No. 16 "Borrowing Costs" are met.

Borrowing costs directly related to the investment in the construction or production of assets under construction that require a significant amount of time (more than 12 months) before they can be used for their intended purpose or sold, are capitalized into the value of those assets. This includes interest on loans, amortization of discounts or premiums on bond issuance, and any ancillary costs incurred during the borrowing process.

4.12. Principle of recognizing equity

Recognition of owners' contributions, share capital surplus, convertible bond options, and other equity from owners

The owners' investment is recognized according to the actual amount contributed by the owners. Share capital surplus is recognized based on the difference, either greater or smaller, between the actual issue price and the par value of shares when the shares are issued for the first time, issued additionally, or reissued from treasury stock. Direct costs related to issuing additional shares or reissuing treasury stock are deducted from share capital surplus.

Recognition of undistributed profit

Undistributed after-tax profit is the profit from the Company's operations after deducting (-) adjustments due to retrospective application of accounting policy changes and retrospective correction of material prior period errors. The undistributed after-tax profit can be distributed to investors based on their shareholding ratio, following approval by the Board of Directors and after making provisions for reserves as per the Company's charter and the regulations of Vietnamese law.

4.13. Revenue Recognition

Sales Revenue

Sales revenue is recognized when all five (5) of the following conditions are simultaneously satisfied:

- (a) The company has transferred most of the risks and rewards associated with the ownership of the product or goods to the buyer;
- (b) The company no longer retains control over the goods as the owner or has management rights over the goods;
- (c) The revenue can be reliably determined;
- (d) The company will receive the economic benefits from the sales transaction;
- (e) The costs related to the sales transaction can be reliably determined.

Financial Revenue

Revenue arising from interest, royalties, dividends, profit-sharing, and other financial income is recognized when both of the following two (2) conditions are met simultaneously:

- It is probable that economic benefits will be obtained from the transaction.
- Revenue can be reliably measured.

Interest income on deposits is recognized on an accrual basis, determined based on deposit balances and applicable interest rates (if any, and if interest income is deemed significant).

Interest from investments is recognized when the Company has the right to receive the interest (if any, and if interest income is deemed significant).

Dividends and profit-sharing are recognized when the Company has the right to receive the dividend or profit from its capital contribution.

Other Income

This reflects income arising from activities outside the core production and business operations of the company, including:

- Income from the sale or liquidation of fixed assets (TSCD);
- Fines received from customers for breach of contract;
- Compensation received from third parties to cover losses to assets (e.g., insurance compensation, compensation for relocating business facilities, and similar items);
- Income from bad debts that have been written off;
- Income from liabilities that cannot be identified with a creditor;
- Other income not covered by the categories above.

4.14. Accounting principles for Cost of Goods Sold (COGS)

This reflects the cost of products, goods, services, and the production cost of construction products sold during the period.

Provision for inventory write-downs is included in the cost of goods sold based on the quantity of inventory and the difference between the net realizable value being lower than the original cost of the inventory.

When selling products or goods with accompanying equipment or spare parts, the value of the equipment and spare parts is recorded in the cost of goods sold.

For inventory losses or damages, the cost is immediately included in the cost of goods sold (after deducting any compensation, if applicable).

For direct material consumption costs exceeding the normal level, labor costs, and fixed production overhead costs not allocated to the product cost in stock, these costs are immediately included in the cost of goods sold (after deducting any compensation, if applicable), even if the products or goods have not yet been recognized as sold.

Import taxes, special consumption taxes, and environmental protection taxes that are included in the purchase value of goods, when refunded upon the sale of the goods, are deducted from the cost of goods sold.

Cost of goods sold expenses are not considered deductible for corporate income tax (CIT) purposes according to tax laws. However, if they are fully supported by invoices and receipts and have been accounted for correctly according to the company's accounting policies, they are not reduced from accounting costs but are adjusted during the CIT settlement to increase the amount of CIT payable.

4.15. Accounting principles for financial expenses

Financial expenses reflect costs or losses related to financial activities, including expenses or losses related to financial investments, borrowing and lending costs, joint venture and affiliate contributions, losses from the sale of short-term securities, securities transaction costs; provision for the decline in the value of trading securities, provision for investment loss in other entities, losses incurred from the sale of foreign currencies, and foreign exchange losses, etc.

Financial expenses are not considered deductible expenses for corporate income tax (CIT) purposes according to tax laws. However, if they are fully supported by invoices and receipts and have been accounted for correctly according to the company's accounting policies, they are not reduced from accounting costs but are adjusted during the CIT settlement to increase the amount of CIT payable.

4.16. Accounting principles for selling expenses and general administrative expenses

Selling expenses include actual costs incurred in the process of selling products, goods, or providing services, including costs related to sales promotions, product introductions, advertising, sales commissions, product warranties (excluding construction activities), storage, packaging, transportation, etc.

General administrative expenses include costs related to the salaries of employees in the company's management department (wages, salaries, allowances, etc.); social insurance, health insurance, union fees, and unemployment insurance for management employees; office materials, tools and equipment, depreciation of fixed assets used for business management; land rent, business license tax; provision for bad debts; outsourced services (electricity, water, telephone, fax, property insurance, fire insurance, etc.); other expenses (entertainment, customer meetings, etc.).

Selling expenses and general administrative expenses are not considered deductible expenses for corporate income tax (CIT) purposes according to tax laws. However, if they are fully supported by invoices and receipts and have been accounted for correctly according to the company's accounting policies, they are not reduced from accounting costs but are adjusted during the CIT settlement to increase the amount of CIT payable.

4.17. Principles and methods for recognizing current corporate income tax expense and deferred corporate income tax expense

Current corporate income tax expense

Current corporate income tax expense is the amount of corporate income tax payable based on taxable income for the year and the applicable corporate income tax rate.

Tax assets and liabilities for the current year and previous years are determined by the amounts expected to be payable to (or recoverable from) the tax authorities, based on the tax rates and tax laws in effect at the end of the fiscal year.

Deferred income tax expense

Deferred corporate income tax expense is the amount of corporate income tax that will be payable in the future arising from:

- The recognition of deferred tax liabilities in the year;
- The reversal of deferred tax assets previously recognized from prior years.

4.18. Other accounting principles and methods

4.18.1. Basis of financial statements preparation

The financial statements are presented based on the historical cost principle.

The financial statements of the Company are prepared based on the aggregation of transactions and events that have occurred and are recorded in the accounting books at the Company's office.

4.18.2. Related parties

Entities, individuals, either directly or indirectly through one or more intermediaries, that have control over the Company or are controlled by the Company, or are under common control with the Company, including parent companies, subsidiaries, and associates, are considered related parties. Related parties also include entities or individuals, either directly or indirectly holding voting rights in the Company that significantly influence the Company, key management personnel such as directors and officers of the Company, close family members of these individuals or related entities, or companies associated with these individuals.

In considering each relationship with related parties, attention should be paid to the nature of the relationship, not just the legal form of these relationships.

5. CASH AND CASH EQUIVALENTS

	31/12/2025	01/01/2025
	VND	VND
Cash on hand	454,972,541	7,852,596,810
Cash at bank	129,567,801	881,140,342
	584,540,342	8,733,737,152

6. FINANCIAL INVESTMENTS

	31/12/2025		01/01/2025	
	Original cost	Book value	Original cost	Book value
	VND	VND	VND	VND
a. Held-to-maturity investments	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
Development Commercial Joint Stock Bank of Ho Chi Minh - Hai Phong Branch (*)	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000

(*) 1-year term deposit contract, deposit interest rate: 5.4% per annum

7. SHORT-TERM RECEIVABLES FROM CUSTOMERS

	31/12/2025	01/01/2025
	VND	VND
Short-term	390,050,731,831	389,629,220,935
a. Receivables from customers	379,283,402,238	378,861,891,342
Tan An Joint Stock Company	134,225,113,612	134,225,113,612
Phu Viet Investment and Development Jsc.	138,920,055,754	138,920,055,754
Phu Hoang Phat Construction Trading Service Co., Ltd.	101,730,497,200	101,730,497,200
Other receivables	4,407,735,672	3,986,224,776
b. Receivables from related parties	10,767,329,593	10,767,329,593
3GR Investment Joint Stock Company	10,767,329,593	10,767,329,593
	390,050,731,831	389,629,220,935

8. SHORT-TERM ADVANCES TO SUPPLIERS

	31/12/2025	01/01/2025
	VND	VND
Short-term	218,962,101,365	219,232,159,404
a. Others	146,742,853,255	147,012,911,294
Tongkook international trading co., limited	138,716,007,074	138,716,007,074
Other	8,026,846,181	8,296,904,220
b. Related parties	72,219,248,110	72,219,248,110
3GR Investment Joint Stock Company	72,219,248,110	72,219,248,110
	218,962,101,365	219,232,159,404

9. LOAN RECEIVABLES

	31/12/2025		01/01/2025	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Long-term	-	-	24,166,370,318	-
Đai Cuong Group Joint Stock Company (*)	7,697,795,818	-	24,045,370,318	-
Others	99,000,000	-	121,000,000	-
	7,796,795,818	-	48,332,740,636	-

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(*) Loan to Dai Cuong Group Joint Stock Company under contract No. TC18032021/HDVT dated March 18, 2021, amount of VND 70,000,000,000. Loan term is 12 months from the date the borrower receives the money, loan interest rate is 9%/year. The loan is unsecured, the purpose of the loan is for business activities. On March 17, 2022, Contract Appendix No. 01/TC18032021/HDVT/PL signed between Duc Quan Investment and Development Joint Stock Company and Dai Cuong Group Joint Stock Company changed the loan term to 60 months from the date the borrower receives the money.

10. OTHER RECEIVABLES

	31/12/2025		01/01/2025	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
	54,845,986,828	-	55,043,819,501	-
	54,845,986,828	-	55,043,819,501	-
Advances	75,547,787	-	200,547,787	-
Receivables from interest	3,276,970,543	-	3,276,970,543	-
New City Real Estate Jsc.	50,000,000,000	-	50,000,000,000	-
(*)				
Other receivables	1,493,468,498	-	1,566,301,171	-
	54,845,986,828	-	55,043,819,501	-

(*) Accounts receivable from New City Real Estate Joint Stock Company under Investment Cooperation Contract No. 06/2019 between Duc Quan Investment and Development Joint Stock Company (Investor) and New City Real Estate Joint Stock Company (Company), signed on June 5, 2019, regarding the investment and construction project of a residential area in accordance with the urban planning standards issued in Decision No. 3249/QĐ-UBND dated December 31, 2014, approving the adjustment of the 1/500-scale detailed planning for the Southern Urban Area of Thai Binh City, Thai Binh Province. The land area for the entire project is 490,185.3 square meters to build subdivided houses, commercial buildings, parks, roads, and technical infrastructure. Accordingly, the Investor agrees to contribute capital to develop the project with an amount of VND 50,000,000,000, to be contributed before December 31, 2019; the Investor will transfer the capital contribution to the contribution account; the implementation of the investment cooperation contract will be completed within 24 months from the effective date of the contract. After the project is successfully completed, the Company is responsible for handing over 15 villa plots with an area of 6,000 m² to the Investor for exploitation and use, or the Company must repay the full capital contribution along with interest at an annual rate of 7%, calculated on the total amount the Investor has contributed, from the date the Investor transferred the contribution to the contribution account until the Company has fully repaid.

11. BAD DEBT

	31/12/2025		01/01/2025	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Overdue receivables				
Phu Hoang Phat Construction, Trade and Service LLC	101,730,497,200	-	101,730,497,200	-
Tan An Jsc.	134,225,113,612	-	134,225,113,612	-
Phu Viet Investment and Development Jsc	138,920,055,754	-	138,920,055,754	0
3GR Investment Joint Stock Company	82,986,577,703	-	82,986,577,703	-
Other	7,828,373,947	-	7,828,373,947	-
	465,690,618,216	-	465,690,618,216	-

12. INVENTORIES

	31/12/2025		01/01/2025	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw materials	125,233,966,442	-	100,514,255,627	-
Tools and equipment	687,674,909	-	727,325,938	-
Finished goods	22,378,218,714	-	48,748,786,797	-
	148,299,860,065	-	149,990,368,362	-

13. PREPAID EXPENSES

	31/12/2025	01/01/2025
	VND	VND
a. Short-term	609,191,146	692,217,115
Other short-term prepaid expenses	609,191,146	692,217,115
b. Long-term	1,620,066,325	2,261,930,367
Tool and equipment	1,493,757,683	2,074,147,163
Other long-term prepaid expenses	126,308,642	187,783,204
Total	2,229,257,471	2,954,147,482

14. TANGIBLE FIXED ASSETS (APPENDIX 01)

15. INTANGIBLE FIXED ASSETS

	Computer Software VND	Total VND
ORIGINAL COST		
At 01/01/2024	7,944,995,383	7,944,995,383
At 31/12/2024	7,944,995,383	7,944,995,383
ACCUMULATED DEPRECIATION		
At 01/01/2024	6,105,816,264	6,105,816,264
Depreciation during the year	919,589,544	919,589,544
At 31/12/2024	7,025,405,808	7,025,405,808
NET VALUE		
At 01/01/2024	1,839,179,119	1,839,179,119
At 31/12/2024	919,589,575	919,589,575

16. LONG-TERM ASSET IN PROGRESS

	31/12/2025	01/01/2025
	VND	VND
Construction in progress		
Duc Quan 6 Spinning Factory Project	64,098,399,230	64,048,708,230
	64,098,399,230	64,048,708,230

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17. SHORT-TERM ACCOUNT PAYABLE TO SUPPLIERS

	31/12/2025		01/01/2025	
	Value	Ability to pay debts	Value	Ability to pay debts
	VND	VND	VND	VND
Others	51,024,501,869	51,024,501,869	49,041,942,433	49,041,942,433
Zhejiang Hengyi Petrochemicals Co.,Ltd	-	-	-	-
Hoa Thang Co. Ltd	212,373,130	212,373,130	251,173,130	251,173,130
Trinh Trung L.A Co. Ltd	15,050,601,784	15,050,601,784	20,870,601,784	20,870,601,784
Central Seafood Export-Import Joint Stock	19,180,435,650	19,180,435,650	19,180,435,650	19,180,435,650
Payables to other entities	11,684,361,195	11,684,361,195	6,840,196,779	6,840,196,779
	51,024,501,869	51,024,501,869	49,041,942,433	49,041,942,433

18. ADVANCES FROM CUSTOMERS

	31/12/2025	01/01/2025
	VND	VND
Short-term	10,426,116,367	13,203,737,507
Others	10,426,116,367	13,203,737,507
Hoang Quan Garment Company Limited	-	1,590,868,337
Duc Hieu Company Limited	5,115,207,771	4,492,824,404
Others	5,310,908,596	7,120,044,766
	10,426,116,367	13,203,737,507

19. TAXES AND OTHER RECEIVABLES/PAYABLES FROM THE STATE BUDGET (APPENDIX 02)

20. ACCRUED EXPENSES

	31/12/2025	01/01/2025
	VND	VND
a. Short-term	666,432,725,122	587,099,485,624
Interest expense on Vietnam Development Bank - Thai Binh Branch (*)	405,528,503,569	368,471,721,315
Interest expense on Vietnam Joint Stock Commercial Bank for Investment and Development	260,904,221,553	218,627,764,309
Other accrued expenses	-	-
	666,432,725,122	587,099,485,624

(*) According to the amendment contract No. 01A/2014/HDODA-NHPT dated December 31, 2014, and the amendment contract No. 03/2014/HDTDDT-NHPT dated December 31, 2014, with Vietnam Development Bank - Thai Binh Branch, the total interest accrued but not paid as of November 30, 2014, is VND 46,898,504,116. This interest will be paid according to the detailed repayment schedule in the contract from 2016 until January 2023. Interest expenses incurred from December 1, 2014, will be paid monthly. According to the contract inheriting the rights and obligations of the credit contract No. 05/2015/HDTD-NHPT dated December 31, 2015, with Vietnam Development Bank - Thai Binh Branch, the total interest accrued but not paid as of September 30, 2014, is VND 82,522,519,923. This interest will be paid according to the detailed repayment schedule in the contract from 2016 until Q1 2025. Interest expenses incurred from December 1, 2014, will be paid monthly.

As of 31/12/2024, the overdue interest from Vietnam Development Bank - Thai Binh Branch that has not been extended is 368,471,721,315 VND

21. UNEARNED REVENUE

	31/12/2025	01/01/2025
	VND	VND
Short-term	-	-
Revenue received in advance from factory rental	38,333,333	525,609,091
	38,333,333	525,609,091

22. OTHER PAYABLES

	31/12/2025	01/01/2025
	VND	VND
Short-term		
Union Funds	153,684,000	236,223,000
Social Insurance, Health Insurance, Unemployment	16,604,139,413	17,082,473,965
Short-term collateral, deposits	7,508,543,524	7,819,043,524
Other Payables	2,116,575,000	2,483,686,111
Total	26,382,941,937	27,621,426,600

23. LOANS AND FINANCE LEASES (details in appendix 03).

24. OWNERS' EQUITY

a. Statement of changes in equity

	Owner's investment capital	Development investment fund	Undistributed after- tax profit	Total
	VND	VND	VND	VND
Balance as of 01/01/2023	500,000,000,000	9,142,927,632	(1,216,094,637,430)	(706,951,709,798)
Profit for the year	-	-	(127,288,890,722)	(127,288,890,722)
Balance as of 01/01/2024	500,000,000,000	9,142,927,632	(1,343,383,528,152)	(834,240,600,520)
Profit for the year	-	-	(155,263,332,625)	(155,263,332,625)
Balance as of 31/12/2024	500,000,000,000	9,142,927,632	(1,498,646,860,777)	(989,503,933,145)

b. Capital transactions with owners

	2025	2024
	VND	VND
Owners' investment capital		
- Capital contribution at the beginning of the year	500,000,000,000	500,000,000,000
- Increased Capital contributions in the year	-	-
- Decreased Capital contributions in the year	-	-
- Capital contribution at the end of the period	500,000,000,000	500,000,000,000

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c. Shares	31/12/2025	01/01/2025
	Share	Share
Number of shares registered for issuance.	50,000,000	50,000,000
Number of shares sold to the public.		
- <i>Common shares</i>	50,000,000	50,000,000
Number of shares repurchased		
- <i>Common shares</i>		
Number of shares outstanding		
- <i>Common shares</i>	50,000,000	50,000,000
Par value of outstanding shares (10,000 VND per share)		
25. REVENUE	2025	2024
	VND	VND
Revenue from sale of finished goods	177,301,515,267	150,614,224,265
Revenue from provision of services	12,605,878,317	31,183,726,380
Other revenue	2,006,437,500	1,127,045,453
	191,913,831,084	182,924,996,098
26. DEDUCTIONS	2025	2024
	VND	VND
Sales returns	75,473,996	145,358,196
	75,473,996	145,358,196
27. NET REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES	2024	2023
	VND	VND
Revenue from sale of finished goods	177,301,515,267	150,468,866,069
Revenue from provision of services	12,605,878,317	31,183,726,380
Other revenue	1,930,963,504	1,127,045,453
	191,838,357,088	182,779,637,902
28. COST OF GOODS SOLD	2025	2024
	VND	VND
Cost of goods sold (finished products)	191,574,288,207	149,173,489,158
Cost of goods sold (merchandise)	37,582,447,270	32,651,623,328
Other costs	783,906,326	465,648,559
	229,940,641,803	182,290,761,045
29. FINANCIAL REVENUE	2025	2024
	VND	VND
Interest on bank deposits	82,211,273	457,284,567
Foreign exchange gain	641,986,728	6,041,946,132
Lãi bán hàng trả chậm		
	949,519,555	6,499,230,699

30. FINANCIAL EXPENSES

	2025	2024
	VND	VND
Interest expense	77,497,825,433	76,004,305,555
Foreign exchange loss	7,802,820,613	15,363,668,975
Chi phí khác	-	-
	85,434,600,873	91,367,974,530

31. SELLING AND ADMINISTRATIVE EXPENSES

	2025	2024
	VND	VND
Administrative expenses incurred during the period.	11,090,812,646	88,073,001,507
Management expenses	5,155,592,000	6,499,507,721
Depreciation of fixed assets	2,312,064,531	2,423,141,300
Tools and equipment expenses	3,516,261	41,940,829
Outsourcing service costs	36,508,375	450,000
Other cash expenses	3,583,131,479	4,726,673,547
Provision for doubtful receivables	-	74,381,288,110
Selling expenses incurred during the period.	992,020,822	1,795,892,105
Material and packaging expenses	896,301,335	-
Other monetary expenses	95,719,487	1,795,892,105
Total	12,082,833,468	89,868,893,612

32. OTHER INCOME

	2025	2024
	VND	VND
Income from leasing infrastructure.	0	2,287,878,182
Other income	653,277,258	2,071,504,380
Các khoản thu nhập khác	0	106,274,092,278
	653,277,258	110,633,474,840

33. OTHER EXPENSES

	2025	2024
	VND	VND
Late payment penalties for insurance	729,772,598	886,747,759
Depreciation expense for fixed assets	0	34,050,488,370
Employee salary expenses	2,566,793,000	14,646,608,091
Infrastructure leasing expenses	0	891,935,400
Other expenses	17,949,844,784	13,197,825,356
	21,246,410,382	63,673,604,976

34. BASIC EARNINGS PER SHARE

Profit used to calculate basic earnings per share

	2025	2024
	VND	VND
Profit for basic earnings per share calculation	(155,263,332,625)	(127,288,890,722)
Adjustments (Provision for bonus and welfare fund)		-
Profit for basic earnings per share calculation	(155,263,332,625)	(127,288,890,722)

Shares

	2025	2024
	Share	Share
Weighted average number of common shares outstanding for basic earnings per share calculation	50,000,000	50,000,000
Basic earnings per share (VND/share)	(3,105)	(2,546)

35. COST OF PRODUCTION AND BUSINESS BY FACTOR

	2025	2024
	VND	VND
Cost of materials and supplies	133,513,553,504	126,852,015,361
Labor costs	30,641,736,105	36,109,094,270
Depreciation of fixed assets	47,082,332,354	48,053,678,456
Outsourced service costs	36,432,729,519	43,709,542,693
Other cash expenses	8,983,986,689	92,392,595,103
	256,654,338,171	347,116,925,883

36. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties:

Relationship

3Gr Investment Joint Stock Company

Related company

The balance of related parties at the end of the fiscal year

The balance of related parties at the end of the fiscal year is presented in Notes 7, 8.

37. REMUNERATION OF THE BOARD OF DIRECTORS AND COMPANY MANAGEMENT

No	FULL NAME	POSITION	INCOME UNTIL 31/12/2025	
			Salary	Remuneration
I	BOARD OF DIRECTORS		-	360,000,000
1	Le Manh Thuong - Chairman		-	96,000,000
2	Do Van Sinh - Member; General Director		-	60,000,000
3	Nguyen Hoang Giang - Member		-	60,000,000
4	Tran Xuan Tien - Member, Deputy		-	60,000,000
5	Dao Thi Hue - Member		-	60,000,000
6	Luu Thi Thuy Minh - Secretary of the		-	24,000,000
II	AUDIT COMMITTEE		-	60,000,000
1	Nguyen Hoang Giang - Head of the Commi		-	36,000,000
2	Dao Thi Hue - Member		-	24,000,000
III	MANAGEMENT BOARD		780,000,000	-
1	Do Van Sinh - General Director		300,000,000	-
2	Tran Xuan Tien - Deputy General Director		240,000,000	-
4	Dao Van Nam - Chief Accountant		240,000,000	-
	TOTAL		780,000,000	420,000,000

38. EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no significant events occurring after the end of the reporting period that require adjustment or disclosure in this financial statement.

39. COMPARATIVE FIGURES

The comparative figures are the financial statement figures for the fiscal year ended December 31, 2024, of Duc Quan Investment and Development Joint Stock Company audited by Vietnam Auditing and Valuation Company Limited (AVA).

Hung Yen, 27 March, 2026

Preparer



Tran Thi Quy

Chief Accountant



Dao Van Nam

General Director



Do Van Sinh

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APPENDIX 01: STATEMENT OF CHANGES IN TANGIBLE FIXED ASSETS

	Factory Buildings and Structures VND	Machinery and Equipment VND	Vehicles VND	Office Equipment VND	Total VND
ORIGINAL COST					
At 01/01/2024	165,713,598,201	838,745,570,998	2,003,636,364	3,958,324,543	1,010,421,130,106
At 31/12/2024	165,713,598,201	838,745,570,998	2,003,636,364	3,958,324,543	1,010,421,130,106
ACCUMULATED DEPRECIATION					
At 01/01/2024	85,929,943,902	732,097,349,793	1,652,153,876	3,012,639,366	822,692,086,937
Depreciation during the year	7,218,200,428	38,362,149,499	109,550,115	472,842,768	46,162,742,810
At 31/12/2024	93,148,144,330	770,459,499,292	1,761,703,991	3,485,482,134	868,854,829,747
NET BOOK VALUE					
At 01/01/2024	79,783,654,299	106,648,221,205	351,482,488	945,685,177	187,729,043,169
At 31/12/2024	72,565,453,871	68,286,071,706	241,932,373	472,842,409	141,566,300,359

In which:

The original cost of the fully depreciated fixed assets still in use as of 31/12/2024 is: 380,544,978,423 VND
As of 31/12/2024, all fixed assets have been used as collateral for bank loans.

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APPENDIX 02: DETAILS OF TAXES PAYABLE/RECEIVABLE TO THE STATE

	01/01/2025		Amount incurred during the year		Amount paid during the year		31/12/2025	
	Receivables	Payables	VND		VND		Receivables	Payables
							VND	VND
VAT (Value Added Tax)	260,798,767	-	45,678,530,291		45,542,756,695		125,025,171	-
- Output VAT	260,798,767	-	33,131,648,329		32,995,874,733		125,025,171	-
- VAT on imported goods	-	-	12,546,881,962		12,546,881,962		-	-
Personal Income Tax	-	21,808,877	70,338,990		69,880,268		-	22,267,599
Land Lease Tax	-	-	527,412,900		413,434,644		-	113,978,256
Import and Export Tax	-	-	249,953,583		249,953,583		-	-
Taxes and other payables to the State	-	-	326,167,841		314,167,841		-	12,000,000
Other Taxes	-	-	6,309,369		6,309,369		-	-
Total	260,798,767	21,808,877	46,858,712,974		46,596,502,400		-	125,025,171

APPENDIX 03: DETAILED STATEMENT OF SHORT-TERM AND LONG-TERM BORROWINGS AND FINANCIAL LEASE LIABILITIES

	01/01/2025		During the year		31/12/2025	
	Value	Debt repayment ability amount	Increase	Decrease	Value	Debt repayment ability amount
	VND	VND	VND	VND	VND	VND
Short-term loans						
Loans in VND						
<i>Bank for Investment and Development of Vietnam (BIDV) - Bac Hanoi Branch (1)</i>	298,310,551,358	298,310,551,358	-	390,000,000	297,920,551,358	297,920,551,358
<i>Bank for Investment and Development of Vietnam (BIDV) - Bac Hanoi Branch (1)</i>	298,310,551,358	298,310,551,358	-	390,000,000	297,920,551,358	297,920,551,358
Loans in USD						
<i>Bank for Investment and Development of Vietnam (BIDV) - Bac Hanoi Branch (1)</i>	140,596,932,600	140,596,932,600	4,924,827,000	379,679,400	145,142,080,200	145,142,080,200
<i>Bank for Investment and Development of Vietnam (BIDV) - Bac Hanoi Branch (1)</i>	140,596,932,600	140,596,932,600	4,924,827,000	379,679,400	145,142,080,200	145,142,080,200
Long-term loans due for repayment (See detailed explanation for long-term loans)	346,364,766,365	346,364,766,365	8,527,827,629	63,472,339	354,829,121,655	354,829,121,655
Total	785,272,250,323	785,272,250,323	13,452,654,629	833,151,739	797,891,753,213	797,891,753,213

(1) Short-term loan from Bank for Investment and Development of Vietnam (BIDV) - Bac Hanoi Branch under the credit line agreement No. 01/2019/1497403/HĐTD dated 30/07/2019. The short-term loan and Letter of Credit (LC) limit is VND 570 billion, of which the maximum short-term loan outstanding is VND 270 billion. The discount limit is VND 100 billion. The loan purpose is to supplement working capital, provide guarantees, and open L/Cs. The credit line period is 6 months from the date of signing the contract but no later than 31/01/2020. The loan term and interest rate are determined based on each specific credit agreement. Collateral includes machinery assets in the production line of 1,740 tons, auxiliary material warehouse, mortgage agreement for the ownership of an apartment signed on 13/06/2016, between Mr. Le Manh Thuong, Mrs. Bui Thi Hang, and the bank, pledge agreement No. 01/2017/1497403/CC/HĐBĐ dated 20/02/2017, signed between the Company and the bank, stitching machines, baling machines, rough carding machines, fiber strength testing machines, server system, and other supporting assets.

Amendment document to the credit agreement No. 01.3/2019/1497403/HĐTD dated 09/06/2020, extending the validity of the short-term credit limit for 2019-2020 under the above credit limit agreement until 30/09/2020.

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	01/01/2025		During the year		31/12/2025	
	Value	Debt repayment ability amount	Increase	Decrease	Value	Debt repayment ability amount
	VND	VND	VND	VND	VND	VND
Long-term Loans	354,069,293,365	354,069,293,365	759,828,290	-	354,829,121,655	354,829,121,655
Company's long-term loans	94,497,677,517	94,497,677,517	300,572,290	-	94,798,249,807	94,798,249,807
Loans in VND	85,199,950,445	85,199,950,445	-	-	85,199,950,445	85,199,950,445
Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (2)	57,030,751,685	57,030,751,685	-	-	57,030,751,685	57,030,751,685
Vietnam Development Bank (VDB) - Thai Binh Branch (3)	28,169,198,760	28,169,198,760	-	-	28,169,198,760	28,169,198,760
Loans in USD	9,297,727,072	9,297,727,072	300,572,290	-	9,598,299,362	9,598,299,362
Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (2)	9,297,727,072	9,297,727,072	300,572,290	-	9,598,299,362	9,598,299,362
Inherited Loans from Dai Cuong Group Joint Stock Company	259,571,615,848	259,571,615,848	459,256,000	-	260,030,871,848	260,030,871,848
Loans in VND	245,365,259,848	245,365,259,848	-	-	245,365,259,848	245,365,259,848
Vietnam Development Bank (VDB) - Thai Binh Branch (4)	237,605,259,848	237,605,259,848	-	-	237,605,259,848	237,605,259,848
Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (5)	7,760,000,000	7,760,000,000	-	-	7,760,000,000	7,760,000,000
Loans in USD	14,206,356,000	14,206,356,000	459,256,000	-	14,665,612,000	14,665,612,000
Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (5)	14,206,356,000	14,206,356,000	459,256,000	-	14,665,612,000	14,665,612,000
Less Long-term Debt Due (Presented in the section on Short-term Loans and Debts)	346,364,766,365	346,364,766,365	8,527,827,629	63,472,339	354,829,121,655	354,829,121,655
Total	7,704,527,000	7,704,527,000	-	-	-	-



Details of long-term debt due for repayment

	01/01/2025		31/12/2025	
	Value	Debt repayment ability amount	Value	Debt repayment ability amount
	VND	VND	VND	VND
Company's Loans				
Loans in VND				
<i>Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (2)</i>	94,497,667,853	94,497,667,853	94,798,240,143	94,798,240,143
<i>Vietnam Development Bank (VDB) - Thai Binh Branch (3)</i>	85,199,940,781	85,199,940,781	85,199,940,781	85,199,940,781
Loans in USD				
<i>Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (2)</i>	34,604,379,432	34,604,379,432	34,604,379,432	34,604,379,432
Inherited Loans from Dai Cuong Group Joint Stock Company				
Loans in VND				
<i>Vietnam Development Bank (VDB) - Thai Binh Branch (4)</i>	50,595,561,349	50,595,561,349	50,595,561,349	50,595,561,349
<i>Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (5)</i>	9,297,727,072	9,297,727,072	9,598,299,362	9,598,299,362
Total	9,297,727,072	9,297,727,072	9,598,299,362	9,598,299,362
Inherited Loans from Dai Cuong Group Joint Stock Company				
Loans in VND				
<i>Vietnam Development Bank (VDB) - Thai Binh Branch (4)</i>	251,867,098,512	251,867,098,512	260,030,881,512	260,030,881,512
<i>Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (5)</i>	237,660,742,512	237,660,742,512	245,365,269,512	245,365,269,512
Total	229,900,742,512	229,900,742,512	237,605,269,512	237,605,269,512
Loans in USD				
<i>Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (5)</i>	7,760,000,000	7,760,000,000	7,760,000,000	7,760,000,000
Total	14,206,356,000	14,206,356,000	14,665,612,000	14,665,612,000
Loans in VND				
<i>Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (5)</i>	14,206,356,000	14,206,356,000	14,665,612,000	14,665,612,000
Total	346,364,766,365	346,364,766,365	354,829,121,655	354,829,121,655

(2) Contract No. 150/2007/0320 dated 06/03/2007 and the supplementary document of the long-term credit contract No. 150/2007/0320/PL dated 06/10/2016, with a total loan amount of 49 billion VND, including foreign currency converted, and not exceeding 70% of the total actual investment capital of the project. The purpose of the loan is to finance the machinery, equipment, and the construction of the factory building for the investment project of building the Dai Cuong Thai Binh textile factory with a capacity of 4,500 tons/year. The loan term is 84 months from the date of the first loan disbursement, and the final principal repayment period is in the fourth quarter of 2021. The interest rate is floating. The collateral for the loan includes all assets formed after investment from the company's own capital and the loan from the Bank for Investment and Development of Vietnam – Bac Ha Noi Branch, including the Duc Quan 2 Factory (with a capacity of 4,500 tons/year) and other assets owned by the company and third parties; revenue from economic contracts where the company is the beneficiary, the entire balance of the company's account at the Bank for Investment and Development of Vietnam – Bac Ha Noi Branch, and other credit institutions. Long-term loan agreement No. 15082000222569, loan amount 20,696,920,000 VND, disbursed on 28/09/2018. The loan term is 10 years. The purpose of the loan is to invest in the Duc Quan 6 factory.

(3) The long-term loan of the Company with Vietnam Development Bank (VDB) – Thai Binh Branch includes the following loan agreements:

(3.1) State Development Investment Credit Loan Agreement No. 03/2007/HBTD dated 10/01/2007 and the amended and supplemented agreement No. 03/2014/HBTDĐT - NHPT dated 31/12/2014. The total loan amount from the state investment credit fund is a maximum of 90,400,000,000 VND, but the total loan amount from both sources does not exceed 70% of the total fixed asset investment capital. The loan purpose is still for implementing the investment project of building the Dai Cuong Thai Binh spinning mill (Duc Quan 2 Factory). The loan term is 15 years from the receipt of the first loan, with the principal and interest payments due monthly starting from December 2014. For the interest payable but not yet paid by 30/11/2014, it will be repaid according to the repayment schedule in the amended and supplemented agreement from January 2016 to January 2023. The interest rate is 7.8% per annum, and the overdue interest rate is 150% of the in-term interest rate. The loan security is the assets formed from the company's own capital and the loan from VDB - Thai Binh Branch, including the Duc Quan 2 Factory (4,500 tons/year) of the Company, and other collateral assets of the Company, equivalent to at least 10% of the total loan amount to secure the loan.

(3.2) ODA KFW Loan Agreement No. 01/2007/HBTD dated 10/01/2007 and the amended and supplemented agreement No. 01A/2014/HBODA-NHPT dated 31/12/2014. The total loan amount from the ODA fund is a maximum of 34,600,000,000 VND, but the total loan amount from both sources does not exceed 70% of the total fixed asset investment capital. The loan purpose is to implement the investment project of building the Dai Cuong Thai Binh spinning mill (Duc Quan 2 Factory). The loan term is 15 years from February 2008, with monthly principal and interest payments starting from December 2014. For the interest payable but not yet paid by 30/11/2014, it will be repaid according to the repayment schedule in the amended and supplemented agreement from January 2016 to January 2023. The interest rate is 9% per annum, and the overdue interest rate is 150% of the in-term interest rate. The loan security includes assets formed from the company's own capital and the loan from VDB - Thai Binh Branch, including the Duc Quan 2 Factory (4,500 tons/year) of the Company, and other collateral assets of the Company, equivalent to at least 10% of the total loan amount to secure the loan.

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(4) According to the contract transferring rights and obligations of the credit contract No. 05/2015/HĐTD-NHPT dated 31/12/2015, the company received the transfer of all loans (including both principal and unpaid interest) corresponding to the assets contributed by Dai Cuong Group Joint Stock Company. The inherited loan follows the original contracts as follows:

(4.1) Contract No. 08/2008/HĐTD dated 26/03/2008. The loan term is 15 years from the date of receiving the first loan. The interest rate during the term is 6.9% per annum, and the overdue interest rate is 150% of the interest during the term. The loan balance at the time of inheritance is VND 205,304,527,000. The collateral is the machinery and equipment system formed after the investment (including both loan capital and equity capital) of the investment project for building Dai Cuong 5 factory (capacity of 8,700 tons/year); the benefits and income from the pledged assets.

(4.2) Contract No. 01/2011/HĐTDĐT-NHPT dated 28/01/2008. The loan term is 14 years from the date of receiving the first loan. The interest rate during the term is 9.6% per annum, and the overdue interest rate is 150% of the interest during the term. The loan balance at the time of inheritance is VND 82,700,000,000. The collateral is the machinery and equipment system formed after the investment (including both loan capital and equity capital) of the investment project for building Dai Cuong 5 factory (capacity of 8,700 tons/year); the benefits and income from the pledged assets.

(5) According to the long-term debt transfer agreement No. 150/1497403/HĐ/01 dated 31/12/2015, the Company receives the transfer of all loans (including both principal and unpaid interest) corresponding to the assets contributed by Dai Cuong Group Joint Stock Company. The loan transferred under the original contract No. 150/2006/151 dated 13/02/2006. The total amount of principal received is VND 27,500,000,000 and USD 556,000. The principal repayment term is quarterly, with the final principal repayment being in Q4 2020. The interest rate is floating. The collateral includes assets formed from the loan, including the factory and machinery of the PE workshop (at Dai Cuong 1 factory) of the Company; the deposit account at the bank, and receivables from economic contracts where the Company is the beneficiary.

As of 31/12/2025, the overdue loans amounted to VND 774,094,985,391. Of this, BIDV Bank - North Hanoi Branch has overdue payments of VND 485,894,154,530; Vietnam Development Bank - Thai Binh Branch has overdue payments of VND 288,200,830,861.

