

No.: 30/2026/NQ-ĐHĐCĐ-FTM

Hung Yen, 25 April, 2026

RESOLUTION
ANNUAL GENERAL MEETING OF SHAREHOLDERS 2026
DUC QUAN INVESTMENT AND DEVELOPMENT JOINT STOCK COMPANY

Pursuant to:

- The Enterprise Law and its guiding documents;
- The Charter on Organization and Operation of Duc Quan Investment and Development Joint Stock Company;
- The minutes of the 2026 Annual General Meeting of Shareholders No.29/2026/AGM-FTM dated 25 April, 2026.

2026 ANNUAL GENERAL MEETING OF SHAREHOLDERS
RESOLUTION

Article 1: Approve the 2025 business performance report and the 2025 Board of Directors' activity report, as well as the Board's strategic directions for 2026.

Article 2: Approve the 2025 audited financial statements.

Article 3: Approve the production and business plan targets for 2026 as follows:

No.	Indicator	Unit	2026 Plan
1	Production volume	Tons	15.100
2	Net revenue	Billion VND	555
3	Profit before tax	Billion VND	6,3

Article 4: Approve the profit distribution plan for 2026: No dividend will be paid for 2025, and the proposed profit distribution plan for 2026 foresees no dividend payment.

Article 5: Approve the 2025 Board of Directors' remuneration settlement report and the proposed remuneration payment plan for the Board of Directors in 2026.

Board of Directors' Remuneration for 2026:

Chairman of the Board of Directors' Remuneration: VND 8,000,000 per month

Board Members' Remuneration: VND 5,000,000 per month.

Article 6: Approve the authorization for the Board of Directors to select the Company's financial statement auditor for 2026 from the list of auditing firms approved by the Ministry of Finance to audit public companies and those listed on the Stock Exchange:

1. Moore AISC Auditing and IT Services Co., Ltd. (Moore AISC)
2. A&C Auditing and Consulting Co., Ltd.
3. Vietnam Auditing and Valuation Co., Ltd. (AVA)
4. AASC Auditing Firm Co., Ltd.
5. Grant Thornton Vietnam Co., Ltd.

In the event that the list of auditing firms approved for 2026 by the State Securities Commission does not include the above firms, the General Meeting of Shareholders authorizes the Board of Directors to select another appropriate auditing firm.

Article 7: Approve the adjustment of the following projects:

1. Project: Investment in the construction of the OE spinning plant with a capacity of 1,740 tons/year.

Adjustment: Convert to an investment in factory premises for lease and industrial production.

2. Project: Investment in the construction of the combed cotton blended spinning plant with a capacity of 2,000 tons/year.

Adjustment: Convert to an investment in factory premises for lease and industrial production.

3. Project: Investment in the construction of the Dai Cuong Thai Binh spinning plant.

Adjustment: Convert to an investment in factory premises for lease and industrial production.

The Board of Directors is authorized to review the timing, calculate the scale, and carry out the investment procedures to adjust the above projects.

Article 8: Approve the dismissal of the Board of Directors members for the 2021–2025 term and approve the election of the Board of Directors members for the 2026–2030 term.

Article 9: The results of the election of the Board of Directors members for the 2026–2030 term are as follows:

No.	Full name	Elected
1	Le Manh Thuong	Board of Directors members
2	Do Van Sinh	Board of Directors members
3	Tran Xuan Tien	Board of Directors members
4	Nguyen Hoang Giang	Board of Directors members
5	Dao Thi Hue	Board of Directors members

Article 10: Implementation Clause

This Resolution has been approved by the General Meeting of Shareholders of Duc Quan Investment and Development Joint Stock Company at the meeting held at 11:00 AM on 25 April, 2026 and shall take effect immediately upon the conclusion of the Meeting.

Members of the Board of Directors, the Board of General Directors, shareholders, and relevant departments of the Company shall be responsible for implementing this Resolution./.

**ON BEHALF OF THE GENERAL MEETING
OF SHAREHOLDERS
CHAIRPERSON**



LE MANH THUONG



No: 29/2026/BB-DHĐCĐ-FTM

Hung Yen, April 25, 2026

**MINUTES OF THE
2026 ANNUAL GENERAL MEETING OF SHAREHOLDERS
DUC QUAN INVESTMENT AND DEVELOPMENT JOINT STOCK COMPANY**

- Pursuant to the current Law on Enterprises;
- Pursuant to the current Charter of Duc Quan Investment and Development Joint Stock Company;
- Pursuant to the “Regulations on the Organization of the Annual General Meeting of Shareholders of Duc Quan Investment and Development Joint Stock Company”;
- Pursuant to the list of shareholders as of April 31, 2026, entitled to attend the 2026 Annual General Meeting of Shareholders of Duc Quan Investment and Development Joint Stock Company, prepared by the Vietnam Securities Depository;
- Pursuant to the notice on the organization of the 2026 Annual General Meeting of Shareholders of Duc Quan Investment and Development Joint Stock Company.

At 8:30 AM on April 25, 2026, at the head office of 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), the second session of the 2025 Annual General Meeting of Shareholders was held with the following proceedings and content:



I. General information about the company

- Company name: Duc Quan Investment and Development Joint Stock Company
- Enterprise Registration Certificate No.1000400095, initially issued by the Department of Planning and Investment of Thai Binh Province on October 30, 2006, and amended for the 13th time on August 4, 2025.
- Head office address: Office of 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.

II. Time and Venue of the Meeting

- Time: 08:30 AM, April 25, 2026

III. Venue: Meeting Hall of 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.

IV. Participants and Legitimacy of the Meeting:

1. Participants:

- Members of the Board of Directors.
- Executive Board of Duc Quan Investment and Development Joint Stock Company.
- Shareholders/proxies of shareholders who completed the registration procedures to attend the second session of the 2026 Annual General Meeting of Shareholders.

2. Legitimacy of the Meeting:

The Shareholder Eligibility Verification Committee includes:

- Ms. Nguyen Thi Luu – Head of the Committee
- Mr. Vu Van Dong – Member
- Ms. Tran Thi Tho – Member

The Committee verified the eligibility of shareholders attending the meeting.

Ms. Nguyen Thi Luu , on behalf of the Committee, announced the Report on Verification of Shareholder Eligibility and the Legitimacy of the Meeting as follows:

- Total number of shareholders and shareholder representatives present at the Meeting: 21 shareholders, representing 18.906.420 shares, accounting for 37,81 % of the total voting shares of the Company.
- All attending shareholders and their representatives are eligible to participate in the Meeting.

In accordance with the current Law on Enterprises and Clause 2, Article 19 of the Company's Charter, the second session of the 2026 Annual General Meeting of Shareholders of Duc Quan Investment and Development Joint Stock Company satisfies all conditions to be legally conducted.

A. MEETING AGENDA

I. Election of the Presidium, Secretariat, and Vote Counting Committee

To preside over the Meeting, the General Meeting conducted the election of the Presidium. After hearing the Organizing Committee's introduction of the proposed members, 100% of shareholders with voting rights at the Meeting unanimously approved the Presidium, including:

1. Mr. Le Manh Thuong - Chairman of the Board of Directors – Chairman of the Meeting
2. Mr. Do Van Sinh - Member of the Board of Directors / General Director – Member
3. Mr. Nguyen Hoang Giang - Member of the Board of Directors – Member

To record the proceedings of the Meeting, the Presidium introduced and 100% of shareholders with voting rights unanimously approved the Meeting Secretariat as follows:

1. Ms. Luu Thi Thuy Minh - Head of Secretariat
2. Ms. Hoang Thi Dung - Member

To carry out the vote counting at the Meeting, the Presidium introduced the Vote Counting Committee. After the introduction, 100% of shareholders with voting rights unanimously approved the following members:

1. Mr. Dao Van Nam - Head of Committee
2. Ms. Tran Thi Quy - Member
3. Ms. Hoang Thi Van - Member

II. Approval of the Meeting Agenda and Regulations

On behalf of the Presidium, Mr. Le Manh Thuong requested approval of the Agenda and Meeting Regulations.

100% of shareholders with voting rights unanimously approved the Agenda and Regulations of the 2026 Annual General Meeting of Shareholders.

III. Meeting Contents

1. The General Meeting heard Mr. Do Van Sinh – General Director – present the report of the Executive Board on the 2025 business results and the 2026 business plan.
2. The General Meeting heard Mr. Nguyen Hoang Giang – Member of the Board of Directors – present the 2025 BOD activities report and the 2026 operation orientation of the Board.
3. Next, the General Meeting heard Mr. Nguyen Hoang Giang – Member of the BOD – present the proposals to the AGM:

Proposal No. 01: Approval of the 2025 business performance report, the 2025 BOD report, and the 2026 BOD operational orientation.

Proposal No. 02: Approval of the 2025 audited financial statements.

Proposal No. 03: Approval of the 2026 business targets.

Proposal No. 04: Approval of the 2026 profit distribution plan.

Proposal No. 05: Report on the 2025 BOD remuneration and the 2026 remuneration plan.

Proposal No. 06: Approval of the selection of the auditing firm for the 2026 financial statements.

Proposal No. 07: Approval of the Adjustment of Investment Projects

Proposal No. 08 : Approval of the Dismissal of a Member of the Board of Directors for the 2021–2025 Term

Proposal No. 09 : Approval of the election of members of the Board of Directors for the 2026–2030 term

4. The General Meeting conducted a Q&A session:

The Chairman invited shareholders to raise questions or comments on the reports and proposals. No shareholders raised any questions or additional opinions.

5. Next, the General Meeting proceeds to vote to approve the reports and submissions presented at the Meeting and to elect members of the Board of Directors for the 2026–2030 term:

The Chairperson requests the Meeting's approval on the voting method for the submissions. Submission No. 09 shall be voted on by a show of voting cards for immediate approval, after which the Meeting will proceed with the election of the Board of Directors. The remaining submissions shall be voted on by ballot and will be approved upon the announcement of results by the Vote Counting Committee

100% of shareholders with voting rights at the Meeting have voted in favor of approving Submission No. 09 regarding the election of members of the Board of Directors for the 2026–2030 term

Next, the Chairperson announces the list of nominated and self-nominated candidates for membership of the Board of Directors for the 2026–2030 term as follows:

Mr. Lê Mạnh Thường

Mr. Đỗ Văn Sinh

Mr. Nguyễn Hoàng Giang

Mr. Trần Xuân Tiến

Ms. Đào Thị Huệ

6. Next, Mr. Đào Văn Nam – Head of the Election and Vote Counting Committee – presents the Regulations on nomination and election of members of the Board of Directors for the 2026–2030 term

100% of shareholders with voting rights at the Meeting have voted in favor of approving the Regulations on nomination, election, and voting at the General Meeting

Mr. Đào Văn Nam presents the list of candidates and their curricula vitae for membership of the Board of Directors and provides instructions to shareholders on the voting and election procedures

7. Shareholders proceed to complete the voting ballots and election ballots.
8. The Meeting took a recess while awaiting the vote counting results.

IV. Voting Results:

No	Voting content	Voting shares			Voting Ratio (%)	Conclusion
		Agree	Disagree	No opinion		
1	Proposal No. 01: Approval of the 2025 business performance report; 2025 BOD activity report; 2026 BOD operation plan.	18.906.420	0	0	100%	Approved
2	Proposal No. 02: Approval of the 2025 audited financial statements.	18.906.420	0	0	100%	Approved
3	Proposal No. 03: Approval of the 2026 business targets.	18.906.420	0	0	100%	Approved
4	Proposal No. 04: Approval of the 2026 profit distribution plan.	18.906.420	0	0	100%	Approved
5	Proposal No. 05: Report on the 2025 BOD remuneration and 2026 remuneration plan.	18.906.420	0	0	100%	Approved
6	Proposal No. 06: Approval of the selection of the auditor for the 2026 financial statements.	18.906.420	0	0	100%	Approved
7	Proposal No. 07: Approval of the Adjustment of Investment Projects	18.906.420	0	0	100%	Approved
8	Proposal No. 08 : Approval of the Dismissal of a Member of the Board of Directors for the 2021–2025 Term	18.906.420	0	0	100%	Approved
9	Proposal No. 09 : Approval of the election of members of the Board of Directors for the 2026–2030 term	18.906.420	0	0	100%	Approved

V. Results of the election of members of the Board of Directors for the 2026–2030 term

No	Candidate for the Board of Directors	Number of Votes	Percentage (%)	Result
1	Le Manh Thuong	35.898.410	37,97	Elected
2	Do Van Sinh	18.005.222	19,05	Elected

3	Nguyen Hoang Giang	14.056.172	14,87	Elected
4	Tran Xuan Tien	15.852.072	16,77	Elected
5	Dao Thi Hue	10.720.224	11,34	Elected

B. APPROVAL OF THE MINUTES AND RESOLUTION OF THE 2nd SESSION OF THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Secretariat of the Meeting read the full draft of the Minutes and the Resolution of the 2026 Annual General Meeting of Shareholders.

The General Meeting proceeded to vote on the approval of the Meeting Minutes and the Resolution.

100% of shareholders with voting rights at the Meeting unanimously approved the draft Minutes and the Resolution of the 2026 Annual General Meeting of Shareholders.

The Chairman expressed sincere thanks to the shareholders for their continued support to the Company.

The Organizing Committee officially declared the closing of the 2026 Annual General Meeting of Shareholders.

These Minutes were prepared at 11:00 AM on April 25, 2026, immediately after the conclusion of the General Meeting of Shareholders of the Company.

SECRETARY OF THE MEETING



LUU THI THUY MINH

CHAIRMAN OF THE MEETING



LE MANH THUONG

**REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS OF
DUC QUAN INVESTMENT AND DEVELOPMENT JOINT STOCK
COMPANY**

To: The General Meeting of Shareholders of Duc Quan Investment and Development Joint Stock Company

Dear Valued Shareholder,

The year 2025 continued to be a highly volatile period for the global textile and garment industry in general, and for the Company in particular. Macroeconomic factors such as prolonged inflation, rising raw material costs, and tightened monetary policies in many major economies have adversely affected consumer demand and investment flows into the textile and fashion sector.

Furthermore, prolonged geopolitical tensions in certain regions of the Middle East have significantly disrupted global supply chains, particularly impacting the availability of raw materials for polyester fiber production.

The trend toward sustainable consumption has continued to gain momentum, compelling enterprises in the industry to intensify investments in green technologies, recycled materials, and traceability systems, thereby increasing operational cost pressures. At the same time, increasingly stringent requirements from major import markets such as the United States and the European Union regarding environmental and labor standards have posed significant challenges for textile-exporting countries, including Vietnam.

Despite numerous challenges impacting the Company's production and business operations, the Board of Directors has made considerable efforts in management, strategic planning, and supervising the Executive Management, thereby achieving several key results as follows:

I- ACTIVITIES OF THE BOARD OF DIRECTORS IN 2025

1. Report on the Key Activities of the Board of Directors in 2025.

1.1 Composition of the Board of Directors:

The Board of Directors of the Company consists of five (05) members as follows:



No.	Full Name	Position in the Board of Directors	Executive Position
1	Le Manh Thuong	Chairman of the Board of Directors	Chairman of the Board of Directors
2	Do Van Sinh	Member of the Board of Directors	Chief Executive Officer (CEO)
3	Nguyen Hoang Giang	Independent Member of the Board of Directors	None
4	Tran Xuan Tien	Member of the Board of Directors	Deputy Chief Executive Officer (Deputy CEO)
5	Dao Thi Hue	Member of the Board of Directors	None

1.2. Activities of the Board of Directors in 2025.

1.2.1. Regarding the supervision of production and business operations:

The Board of Directors has performed its duties in directing and supervising the activities of the Executive Management in production and business operations to ensure alignment with the objectives and plans approved by the General Meeting of Shareholders.

In the face of a challenging and uncertain business environment, the Board of Directors has strictly complied with applicable laws and the Company's Charter in carrying out its supervisory and inspection functions, while also supporting the Executive Management in the implementation of business operations.

Based on business conditions discussed at quarterly Board meetings, the Board has provided guidance, recommendations, and solutions for the Executive Management to review and adjust business plans in line with actual circumstances, thereby minimizing potential risks. These include shifting strategic priorities from recovery and expansion toward maintaining stable operations combined with cost optimization; transitioning from rapid growth to sustainable development and circular business models; enhancing production efficiency; maximizing the utilization of existing assets, including expanding asset leasing activities; and ensuring sound financial conditions.

The Board of Directors has maintained close oversight of the Executive Management through timely and focused directives, proactively responding to market challenges, identifying potential risks in the business environment, and ensuring the

Company's operations remain stable while adhering to risk management requirements and strategic orientations. In addition, the Board has actively supported the Executive Management in working with banks on debt restructuring negotiations, interest rate reductions, and interest waivers.

On a regular basis, subcommittees of the Board particularly the Audit Committee—have reported at Board meetings on the management of production and business activities at the Company's factories, key risks identified each quarter, and proposed action plans, measures, and business strategies to mitigate such risks.

Based on the 2025 business plan approved by the General Meeting of Shareholders, the Board of Directors has issued Resolutions/Decisions directing the Executive Management to promptly implement assigned tasks. However, in 2025, both domestic and international yarn markets were significantly affected by adverse factors:

- Demand for yarn declined significantly due to the slow recovery of the global textile and garment industry and unstable order volumes.
- Input material prices fluctuated considerably amid geopolitical tensions in the Middle East; at times, raw material prices surged while yarn prices did not increase proportionally, thereby eroding profit margins.
- Labor shortages at manufacturing facilities resulted in production output falling short of planned targets.
- Financial and production costs remained at elevated levels.

The aforementioned factors have exerted significant pressure on the Company's production and business operations. As a result, the Company's business performance in 2025 did not meet the planned targets: net revenue reached VND 192 billion (equivalent to only 45.9% of the plan), and profit before tax recorded a loss of VND 155 billion.

1.2.2. Regarding Corporate Governance.

In 2025, the Board of Directors continued to review and improve the system of internal regulations and policies, as well as reassess the organizational structure and personnel. The composition of the Board remained unchanged with five (05) members.

1.2.3. Evaluation by the Board of Directors of the Executive Management's Performance in 2025.

The Executive Management of the Company consists of three (03) members, including one Chief Executive Officer (CEO), one Deputy CEO in charge of production, and one Deputy CEO in charge of finance. Members of the Executive Management are

well-trained, highly educated, have long-standing commitment to the Company, have held various managerial positions within the Company, and possess extensive experience in the industry.

In 2025, the Executive Management demonstrated a proactive, flexible, and decisive leadership role amid the highly volatile textile and garment market. The Board of Directors acknowledges and highly appreciates the Executive Management's efforts in the following areas:

- **Corporate Governance:** The Executive Management has carried out its duties in full compliance with the spirit of the Board of Directors' Resolutions/Decisions and the rights and obligations stipulated in the Company's Charter.

- **Operations and Business Management:** The Executive Management proactively developed contingency plans to respond to market fluctuations and effectively implemented production plans in line with order demand, contributing to the maintenance of cash flow. With a proactive approach, closely monitoring production schedules and market conditions, the Executive Management made every effort to sustain factory operations and secure employment for employees.

- **Financial Management:** Financial governance was conducted transparently, diligently, and in a timely manner. In the context of rising input costs, the Executive Management actively implemented cost-saving measures, optimized material consumption norms, improved production processes, and enhanced machinery and equipment utilization efficiency. Inventory management, cash flow monitoring, and capital allocation were carefully managed to ensure payment capacity and mitigate financial risks under conditions of operating losses.

- **Market Development:** Despite a general decline in demand, the Board of Directors has made persistent efforts to maintain and strengthen customer relationships, building upon a foundation of credibility with all clients and suppliers. This approach fosters trust among customers and partners while simultaneously expanding into new markets, contributing to the mitigation of risks associated with reliance on certain clients or specific markets, thereby helping to sustain sales revenue. Orders and contracts are consistently secured 2–3 months in advance of the production schedule.

- **Human Resource Management:** Facing challenges in personnel recruitment, the Board of Directors has implemented measures to restructure the management workforce, adapt the production model to actual circumstances, and optimize staffing levels while

enhancing employee remuneration. At the same time, emphasis has been placed on training and developing the competencies of both management and operational staff, thereby improving labor productivity amidst intense industry-wide competition. Nevertheless, the shortage of human resources remains a significant challenge, affecting production output and delivery schedules at certain times.

-Technological Innovation, Digital Transformation, and Green Product Development: The Board of Directors continues to produce eco-friendly regenerated yarn products that are naturally colored without bleaching or dyeing, while striving to improve production quality and minimize environmental impact. Measures include energy and water conservation, reduction of emissions, and effective management of waste and wastewater quality. The company also continues to apply digital technologies in production management through the Base.vn platform and is progressively investing in modern production lines and digitalized management systems.

Overall Assessment: Based on the Company's Charter and the regulations and internal policies issued, the Board of Directors (BoD) delegates authority to the Chief Executive Officer (CEO) to make decisions regarding the Company's monthly and quarterly business operations. The CEO is also responsible for implementing the resolutions, decisions, and strategic directions assigned by the BoD and the General Meeting of Shareholders (GMS). Through the mechanisms of oversight and monitoring, including quarterly periodic reports, ad-hoc reports upon request, and evaluations of the Company's business operations, the BoD assesses that the CEO has exercised the delegated rights and fulfilled the assigned obligations in accordance with current laws, the Company's Charter, and the resolutions of the GMS and the BoD. Furthermore, the CEO has performed these duties with honesty and diligence, ensuring the maximization of the Company's interests.

The business performance in 2025 did not fully meet the targets due to multiple market-related impacts. The BoD notes that the CEO will need to make greater efforts in 2026, given the continuing challenges in the business environment. The CEO should develop concrete strategies for business operations, continue to stabilize and expand the market, and enhance product quality to strengthen competitiveness in pricing. Functional departments are expected to perform their roles effectively to support the CEO in managing and supervising business activities, identifying areas for improvement to prevent internal risks, thereby strengthening the Company's capacity to respond to external risks.

1.2.4. Regarding the Remuneration of BoD Members.

The remuneration of the BoD for the year 2025 has been paid in accordance with the resolution of the 2025 Annual General Meeting of Shareholders, specifically as follows:

No.	Full name	Position	Amount per Month (VND)	Total Amount for 2025 (VND)
1	Le Manh Thuong	Chairman of the Board of Directors	8.000.000	96.000.000
2	Do Van Sinh	Member of the Board of Directors	5.000.000	60.000.000
3	Tran Xuan Tien	Member of the Board of Directors	5.000.000	60.000.000
4	Nguyen Hoang Giang	Member of the Board of Directors	5.000.000	60.000.000
5	Dao Thi Hue	Member of the Board of Directors	5.000.000	60.000.000
Total				336.000.000

1.2.5. Report on Related-Party Transactions.

- Transactions between the Company, its subsidiaries, or companies in which the Company holds more than 50% of the charter capital, and members of the Board of Directors or parties related to such members: No transactions were conducted.

- Transactions between the Company and companies where a member of the Board of Directors is a founding member or has held a management position within the past three years prior to the transaction date: No transactions were conducted.

2. Resolutions and Decisions of the Board of Directors in 2025.

The Board of Directors (BoD) operates in accordance with the provisions of the Enterprise Law and the Company's Charter. The BoD directs the Company's activities through the issuance of Resolutions and Decisions. The BoD regularly convenes meetings or circulates written opinions to address matters within its functions and authority.

Key meetings involve the participation of the Chief Executive Officer (CEO) and the Audit Committee to facilitate discussion, exchange of ideas, and consensus on business directions. This approach enables the Audit Committee to perform effective oversight, ensures alignment in the BoD's guidance, and supports the CEO in

management and operational activities, collectively striving to achieve the Company's overall objectives.

In 2025, the BoD issued six (06) Resolutions to decide on the following significant matters :

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 time for convening the 2025 Annual General Meeting of Shareholders (AGM).
3	46/2025/NQ-FTM-HĐQT	10/05/2025	Agreement on the record date for shareholders eligible to attend the AGM, including the proposed time and venue for the 2025 AGM.
4	58/2025/NQ-FTM-HĐQT	06/06/2025	Agreement on the final time and venue of the 2025 AGM and approval of the agenda and materials to be presented at the 2025 AGM.
5	81/2025/NQ-FTM-HĐQT	14/07/2025	Approval of the selection of the auditing firm, Vietnam Audit and Valuation Company Limited (AVA) , to audit the reviewed semi-annual financial statements and the 2025 annual financial statements.
6	108/2025/NQ-FTM-HĐQT	25/12/2025	Approval of the preliminary business results for 2025 and the production and business plan for 2026.

3. Activities of the Audit Committee under the Board of Directors and of Independent Members of the Board of Directors in 2025.

3.1. Information on Members of the Audit Committee:

No.	Member of the Audit Committee	Position	Date of Appointment as Audit Committee Member	Professional Qualification
1	Nguyen Hoang Giang	Independent Member of the Board of Directors	27/06/2021	Ph.D. in Economics

2	Dao Thi Hue	Non-Executive Member of the Board of Directors	27/06/2021	Electrical and Automation Engineer
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3.2. Meetings of the Audit Committee:

No.	Member of the Audit Committee	Number of Meetings Held	Attendance Rate	Voting Rate	Reason for Non- Attendance
1	Nguyen Hoang Giang	2	100%	100%	
2	Dao Thi Hue	2	100%	100%	

3.3. Oversight Activities of the Audit Committee:

Based on the functions and responsibilities of the Audit Committee (AC) as stipulated in the Audit Committee's Charter approved by the General Meeting of Shareholders (GMS), and in accordance with the 2025 audit and supervision plan, the AC conducted oversight of the Company's business and production activities in 2025 as follows:

- Monitoring compliance with the current Enterprise Law, the Company's Charter, and the resolutions and decisions of the 2025 Annual General Meeting of Shareholders: The Audit Committee assessed that the Chief Executive Officer has generally implemented the resolutions of the General Meeting of Shareholders and the Board of Directors, ensuring compliance with legal regulations in business operations and corporate governance.

- Monitoring financial performance and business results: The Audit Committee has regularly reviewed and analyzed the Company's periodic financial statements, management reports, and business performance indicators. The Company's operational results in 2025 recorded a net loss, mainly due to objective factors such as:

- + Prolonged decline in yarn market demand
- + Significant fluctuations in input material prices while selling prices face intense competition
- + Labor shortages at certain periods affecting operating capacity
- + Financial costs and fixed costs allocated over low production volume

The Audit Committee assessed that the Chief Executive Officer has made considerable efforts in:

- + Proactively adjusting the production plan in accordance with market developments
- + Controlling production and administrative costs
- + Seeking and maintaining orders, and expanding the sales market
- + Managing cash flow and ensuring the Company's ability to meet its payment obligations

- **Monitoring the internal control and risk management system:** The Audit Committee reviewed the development and operation of the internal control system in key departments, including:

- + Procurement of raw materials
- + Inventory management
- + Sales and accounts receivable
- + Asset management and production costs

The supervision showed that the internal control system has been basically maintained; however, further improvements are needed to:

- + Improve the efficiency of raw material usage
- + Minimize inventory and accounts receivable risks
- + Strengthen financial discipline and compliance with procedures

- **Monitoring the preparation and publication of financial statements:** The Audit Committee collaborated with the Chief Executive Officer and the independent auditing firm during the preparation, review, and audit of the annual financial statements. The financial statements were prepared in accordance with accounting standards and applicable legal regulations. Financial information was disclosed in a timely and transparent manner, meeting management requirements and providing accurate information to shareholders and investors.

Overall Assessment: The Audit Committee observed that in 2025, despite numerous objective market challenges, the Chief Executive Officer made efforts to maintain stable production operations, control financial risks, and ensure the safety of operational systems. However, moving forward, it is necessary to continue:

- + Strengthen cost management and optimize production efficiency
- + Enhance market forecasting and inventory management
- + Improve the internal control system toward digitalization and transparency
- + Proactively develop financial scenarios to respond to market fluctuations

3.4. Coordination of Activities between the Audit Committee and the Board of Directors, the Chief Executive Officer, and Other Management Staff:

- Participating fully in quarterly and ad hoc meetings of the Board of Directors, providing independent and objective opinions to discuss, evaluate, and support the Board in making optimal decisions.

- Consistently coordinating with members of the Board of Directors, the Chief Executive Officer, and relevant management staff within the scope of its supervisory responsibilities.

- The Chief Executive Officer facilitates and promptly provides the necessary information to support the Audit Committee's oversight activities.

- The Audit Committee reports the results of its supervision to the Board of Directors on a regular basis.

3.5. Activities of Independent Members of the Board of Directors:

As of December 31, 2025, the Company's Board of Directors had one independent member, Mr. Nguyễn Hoàng Giang. Mr. Nguyễn Hoàng Giang attended 100% of the Board meetings in 2025 and provided important opinions and contributions to the Company's development strategy and business operations. As an independent member of the Board, Mr. Nguyễn Hoàng Giang possesses extensive experience in finance, securities, and auditing, making a significant contribution to the Board's activities in 2025.

II. PLAN AND STRATEGIC DIRECTIONS OF THE BOARD OF DIRECTORS FOR 2026

1. Management Structure and Board Personnel for 2026

The Board of Directors plans to maintain the current personnel until the next General Meeting of Shareholders convenes to elect the new Board for the upcoming term.

2. Governance Activities

In light of changes in legal regulations directly affecting the Company's governance, such as the Enterprise Law, the Securities Law, and their guiding documents, the Board of Directors will continue to review, draft, and amend the Company's Charter, internal governance regulations, the Board's Rules of Operation, and the Audit Committee's Rules of Operation to ensure full compliance with applicable laws, for submission to the General Meeting of Shareholders for approval.

3. Strategic Directions of the Board for 2026:

Based on the actual situation in 2025, forecasts for the yarn industry market, and the Company's current capabilities, the Board of Directors has developed the 2026 business

and production plan with the core objective of: **stabilizing production, improving efficiency, and gradually restoring profitability**, as detailed below:

3.1. Market Outlook for 2026: The Board of Directors anticipates that the yarn market will continue to experience significant fluctuations in 2026, although there are signs of gradual recovery

- Global textile demand is expected to grow slowly, with small and short-term orders.
- Price competition among regional manufacturers will remain intense.
- Input material prices are forecasted to fluctuate in line with oil prices and global inventory cycles.
- Customer trends favor yarn products with stable quality, fast delivery, and competitive pricing.
- Financial costs, labor costs, and energy costs are expected to remain high.

Therefore, the Company needs to operate with a focus on **flexibility, risk control, and cash flow optimization**.

3.2. Objectives of the 2026 Plan:

- General Objectives:

- + Maintain stable production operations.
- + Increase sales volume compared to 2025.
- + Reduce losses and strive to reach the break-even point by year-end.
- + Improve cash flow from operating activities.

- Key Planned Targets:

No.	Indicator	Unit	2026 Plan
1	Production volume	Tons	15.100
2	Revenue	Billion VND	555
3	Profit before tax	Billion VND	6,3

3.3. Implementation Measures:

- Production Plan:

- + Organize production according to orders to minimize finished goods inventory.
- + Increase machine efficiency, reduce downtime and material wastage.
- + Focus on producing yarn lines with good profit margins and stable demand.
- + Proactively schedule equipment maintenance to ensure continuous production operations.
- + Optimize consumption norms for raw materials, electricity, and labor.

+ Develop operational scenarios corresponding to different levels of market fluctuations.

- Market and Business Plan :

+ Retain existing customers and develop new ones.

+ Expand export markets in the Asian region and gradually approach other potential markets.

+ Implement flexible sales policies in response to fluctuations in raw material prices and exchange rates.

+ Shorten delivery times and enhance customer service quality.

+ Strengthen marketing activities and trade connections.

- Financial Plan:

+ Strictly control production and administrative costs.

+ Restructure loans to reduce interest burden and improve cash flow.

+ Manage customer receivables carefully to minimize the risk of bad debts.

+ Optimize raw material inventory in line with market price trends.

+ Consider options to increase working capital when necessary to ensure uninterrupted production.

+ Adjust company projects toward factory leasing and industrial production to optimize the business efficiency of projects.

- Human Resources Plan:

+ Stabilize the core workforce and improve labor productivity.

+ Develop recruitment and retention policies appropriately.

+ Enhance training in technical skills, equipment operation, and cost-saving awareness.

+ Improve the performance evaluation mechanism linked to productivity and quality.

The above presents the report on the performance and governance activities of the Board of Directors in 2025, as well as the strategic directions for 2026. The Board of Directors will continue to strengthen its governance capacity to ensure that the Company's operations are increasingly transparent, professional, and sustainable, thereby delivering maximum benefits to the shareholders.

Respectfully submitted to the General Meeting of Shareholders for review, consideration, and approval.

**ON BEHALF OF THE BOARD OF
DIRECTORS**



LÊ MẠNH THƯỜNG

Hung Yen , April, 2026

**ANNUAL REPORT ON THE ACTIVITIES OF THE BOARD OF GENERAL
DIRECTORS IN 2025**
**DUC QUAN INVESTMENT AND DEVELOPMENT JOINT STOCK
COMPANY**

PART 1
**SITUATION AND RESULTS OF PRODUCTION AND BUSINESS
ACTIVITIES IN 2025**

The year 2025 was a challenging year for the overall economy and the textile industry in particular, as businesses faced dual pressures from logistics costs and strong fluctuations in cotton prices. Financial risks became significantly more severe compared to the previous year. The exchange rate continuously set new levels, breaking the 26,000 VND/USD mark and peaking above 26,400 VND/USD, directly eroding the Company's profits.

In addition, the inability to complete the BIS certification to expand sales in the Indian market (a barrier that has persisted since April 2023), coupled with stringent U.S. tariff policies and consecutive natural disasters in the North, severely impacted business results. Net revenue reached VND 192 billion (only 45.9% of the plan), and pre-tax profit was negative VND 155 billion.

PART 2
**MANAGEMENT ACTIVITIES IN BUSINESS AND
PRODUCTION IN 2025**

In 2025, the Company once again restructured its organizational model toward a leaner management system, streamlining the executive structure from the Board of General Directors down to functional departments. This included consolidating departments, merging factories, and reorganizing production units to better align with the actual business and production situation. The Company also enhanced the application of digitalization in management, enabling faster, more timely, and more accurate decision-making and operations.

In production, the Company developed and implemented a new wage policy, shifting from monthly output-based contracting at the factory level to a unit-based remuneration system applied to each production stage and individual employee based on working hours and days. This approach helps employees clearly recognize their own productivity, while encouraging them to maximize output within their working time to



increase personal income, thereby stabilizing the workforce and contributing to higher production output and revenue for the Company.

The Company also focused on assigning the right people to the right roles, increasing workloads, overtime, and working hours in response to the severe labor shortage in the industry. Recruitment efforts were strengthened through both online and direct channels, along with improved salary, bonus, and welfare policies. In addition, the Company continued to implement energy-saving solutions, optimize production balancing, and enhance operational efficiency. Investments were made in control and measurement equipment for auxiliary electrical systems. The Company also implemented and maintained product quality management in accordance with international standards and obtained BIS certification.

Regarding financial management, despite facing significant difficulties in accessing capital from domestic banks, the Board of General Directors proactively sought alternative funding sources, particularly from foreign partners. As a result, the Company successfully established import credit facilities for raw materials, helping to sustain production during periods of financial tightening. Notably, by the end of 2025, partners demonstrated confidence by increasing the financing limit. This serves as an important foundation for the Company to further explore new funding sources and optimize raw material inventory in 2026.

PART 3

STRATEGIC DIRECTIONS AND BUSINESS PRODUCTION PLAN FOR 2026

3.1. Implementation Solutions in Business and Production Management.

In response to the anticipated challenges and difficulties in 2026, the Board of General Directors has set specific directions and targets for each factory, along with the following key solutions:

Optimization of Production Capacity and Cost Management:

- Enhancing efficiency: Focus on technological improvements to increase both product quality and output; maximize the utilization of existing machinery and equipment capacity.
- Operational management: Flexibly allocate personnel and equipment to optimize production capacity, while strictly controlling and reducing auxiliary electricity costs and raw material consumption norms.
- Proactive maintenance: Closely monitor materials and supplies, and seek appropriate replacement and upgraded spare parts in line with actual conditions to enhance proactiveness and reduce periodic maintenance costs.

Product Diversification Strategy:

- The Company will continue to maintain a diverse range of yarn products with various specifications to meet different market demands:
- Recycled Polyester Yarn: Identified as the key strategic product, aligning with the global trend toward green and sustainable consumption. The Company will prioritize all available resources to develop this product line.
- Virgin Polyester Yarn: Focus on sourcing high-quality input materials to enhance product quality and target customer segments with stringent standards.
- 100% Cotton Yarn: It is forecasted that the market will remain challenging in 2026 and require substantial working capital. To ensure financial safety, the Company will continue to adopt an outsourcing (processing) approach rather than proprietary trading for this product line.

Enhancing Sales and Customer Care:

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

Expansion of the Domestic Market:

The key focus for 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 core 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 the BIS certification. This is a crucial key to restoring export activities to the Indian market. Building on persistent efforts in previous periods, the Company has high expectations of obtaining this certification in the second quarter of 2026, thereby creating a significant turning point in revenue and export volume in the latter part of the year.

Financial Solutions:

In 2026, the Company identifies the autonomy of working capital as its top priority to overcome barriers in accessing domestic credit. The core of this strategy is to maintain strong relationships and negotiate further increases in credit facilities from established foreign partners. Expanding foreign credit limits will not only provide the Company with greater financial resources to proactively procure and stockpile raw materials at favorable market prices, thereby optimizing production costs, but also align closely with flexible business policies by encouraging customers to make advance payments through appropriate incentive mechanisms. This comprehensive approach

will help maximize capital utilization from the market, reduce debt pressure and interest expenses, and ensure strong liquidity for the Company's ongoing operations.

3.2. Production and Business Plan for 2026.

The Board of General Directors respectfully submits to the General Meeting of Shareholders the Company's production and business plan for 2026 as follows:

No.	Indicator	Unit	2026 Plan
1	Production volume	Tons	15.100
2	Revenue	Billion VND	555
3	Profit before tax	Billion VND	6,3

Conclusion:

The above presents the assessment report of the Board of General Directors for 2025. We believe that, with the direction of the Board of Directors, the support of shareholders, and the collective efforts and unity of all employees, the Company will gradually achieve its planned objectives, recover, and regain growth momentum in the coming period. We sincerely look forward to the continued support and companionship of our valued shareholders in the journey ahead.

Respectfully submitted to the General Meeting of Shareholders./.

GENERAL DIRECTOR

DO VAN SINH