



HOA PHAT GROUP JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 December 2025



TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE(S)</u>
STATEMENT OF THE BOARD OF MANAGEMENT	1 - 2
INDEPENDENT AUDITORS' REPORT	3 - 4
CONSOLIDATED BALANCE SHEET	5 - 7
CONSOLIDATED INCOME STATEMENT	8
CONSOLIDATED CASH FLOW STATEMENT	9 - 10
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	11 - 51

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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Hoa Phat Group Joint Stock Company presents this report together with the consolidated financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025.

BOARD OF DIRECTORS, BOARD OF MANAGEMENT

The members of the Board of Directors, Board of Management, Supervisory Board and Chief Accountant of the Group during the year and to the date of this report are as follows:

Board of Directors

Mr. Tran Dinh Long	Chairman
Mr. Tran Tuan Duong	Vice Chairman
Mr. Nguyen Manh Tuan	Vice Chairman
Mr. Doan Gia Cuong	Vice Chairman
Mr. Nguyen Ngoc Quang	Member
Mr. Hoang Quang Viet	Member
Mr. Nguyen Viet Thang	Member
Mr. Chu Quang Vu	Independent member
Mr. Dang Ngoc Khanh	Independent member

Board of Management

Mr. Nguyen Viet Thang	Chief Executive Officer
Ms. Nguyen Thi Thao Nguyen	Deputy Chief Executive Officer
Ms. Tran Thi Thu Hien	Deputy Chief Executive Officer

Supervisory Board

Ms. Bui Thi Hai Van	Head of Supervisory Board
Ms. Ngo Lan Anh	Member
Ms. Thai Thi Loc	Member

Chief Accountant

Ms. Pham Thi Kim Oanh	Chief Accountant
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THE BOARD OF MANAGEMENT’S STATEMENT OF RESPONSIBILITY

The Board of Management of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

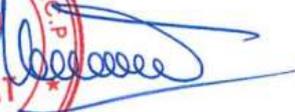
THE BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY (Continued)

The Board of Management of the Company is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of Management,





Nguyen Viet Thang
Chief Executive Officer

24 March 2026

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No.: 0722/VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

To: **The Shareholders**
 The Board of Directors, Board of Management
 Hoa Phat Group Joint Stock Company

We have audited the accompanying consolidated financial statements of Hoa Phat Group Joint Stock Company (the "Company") and its subsidiaries (hereinafter referred to as the "Group"), prepared on 24 March 2026 as set out from page 05 to page 51, which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the consolidated cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Management's Responsibility

The Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as the Board of Management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

Other matter

The Group's financial statements for the year ended 31 December 2024 were audited by another independent audit firm, with the independent auditor's report signed on 24 March 2025 giving an unmodified opinion.



Pham Nam Phong
Audit Partner
Audit Practising Registration Certificate
No. 0929-2024-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

24 March 2026
Hanoi, S.R. Vietnam

Bui Thi Mai Huong
Auditor
Audit Practising Registration Certificate
No. 3829-2026-001-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		103,659,402,759,724	86,674,276,272,995
I. Cash and cash equivalents	110	5	8,300,890,304,205	6,887,646,139,852
1. Cash	111		4,602,047,650,138	2,919,531,945,908
2. Cash equivalents	112		3,698,842,654,067	3,968,114,193,944
II. Short-term financial investments	120	6	19,484,412,761,405	18,974,716,730,905
1. Held-to-maturity investments	123		19,484,412,761,405	18,974,716,730,905
III. Short-term receivables	130		15,042,323,117,690	7,647,800,286,988
1. Short-term trade receivables	131	7	10,971,774,018,235	4,352,135,419,872
2. Short-term advances to suppliers	132	8	1,878,084,035,938	2,118,824,427,004
3. Short-term loan receivables	135		-	87,461,616,439
4. Other short-term receivables	136	9	2,318,283,126,429	1,248,992,845,378
5. Provision for short-term doubtful debts	137		(132,548,698,812)	(159,993,736,285)
6. Deficits in assets awaiting solution	139		6,730,635,900	379,714,580
IV. Inventories	140	10	52,828,227,344,442	46,091,222,189,472
1. Inventories	141		52,892,273,238,885	46,192,292,081,813
2. Provision for devaluation of inventories	149		(64,045,894,443)	(101,069,892,341)
V. Other short-term assets	150		8,003,549,231,982	7,072,890,925,778
1. Short-term prepayments	151	11	567,293,994,902	426,149,499,088
2. Value added tax deductibles	152		7,429,884,133,408	6,636,666,459,154
3. Taxes and other receivables from the State budget	153	20	6,371,103,672	10,074,967,536

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2025

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		154,239,798,057,823	137,815,431,280,986
I. Long-term receivables	210		290,327,516,308	923,400,123,614
1. Long-term advances to suppliers	212	8	41,408,436,429	82,805,287,792
2. Other long-term receivables	216	9	248,919,079,879	840,594,835,822
II. Fixed assets	220		133,608,057,859,977	67,428,366,953,514
1. Tangible fixed assets	221	12	133,420,846,696,083	67,244,150,975,048
- Cost	222		182,308,655,292,963	108,146,566,348,954
- Accumulated depreciation	223		(48,887,808,596,880)	(40,902,415,373,906)
2. Intangible assets	227	13	187,211,163,894	184,215,978,466
- Cost	228		394,755,577,407	367,057,604,707
- Accumulated amortisation	229		(207,544,413,513)	(182,841,626,241)
III. Investment property	230	14	528,191,122,247	559,598,463,093
- Cost	231		863,635,594,434	860,549,015,615
- Accumulated depreciation	232		(335,444,472,187)	(300,950,552,522)
IV. Long-term assets in progress	240		10,869,891,370,972	63,750,717,325,406
1. Long-term work in progress	241		148,814,839,011	94,859,885,024
2. Construction in progress	242	15	10,721,076,531,961	63,655,857,440,382
V. Long-term financial investments	250		2,248,000,000,000	136,500,000,000
1. Held-to-maturity investments	255	6	2,248,000,000,000	136,500,000,000
VI. Other long-term assets	260		6,695,330,188,319	5,016,848,415,359
1. Long-term prepayments	261	11	6,003,628,755,787	4,269,141,694,868
2. Deferred tax assets	262	16	304,979,962,218	254,671,208,385
3. Long-term reserved spare parts	263		335,208,284,895	429,422,385,383
4. Goodwill	269	17	51,513,185,419	63,613,126,723
TOTAL ASSETS (270=100+200)	270		257,899,200,817,547	224,489,707,553,981

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance (Restated)
C. LIABILITIES	300		126,679,189,940,972	109,842,249,570,282
I. Current liabilities	310		94,186,268,324,508	75,225,243,262,689
1. Short-term trade payables	311	18	21,183,376,049,432	14,046,841,160,127
2. Short-term advances from customers	312	19	839,645,735,088	739,178,306,553
3. Taxes and amounts payable to the State budget	313	20	2,377,396,188,571	1,743,411,429,415
4. Payables to employees	314		995,918,246,781	890,893,543,298
5. Short-term accrued expenses	315	21	939,347,023,380	682,112,072,502
6. Short-term unearned revenue	318		152,519,279,244	11,060,479,431
7. Other current payables	319	22	2,011,792,352,575	188,076,845,190
8. Short-term loans	320	23	64,694,957,245,143	55,882,686,213,459
9. Short-term provisions	321	24	15,437,227,372	13,672,830,889
10. Bonus and welfare funds	322	25	975,878,976,922	1,027,310,381,825
II. Long-term liabilities	330		32,492,921,616,464	34,617,006,307,593
1. Long-term trade payables	331	18	4,237,943,510,056	6,283,630,279,040
2. Long-term accrued expenses	333	21	607,363,800,426	1,089,692,237,207
3. Other long-term payables	337	22	18,032,488,855	12,476,505,170
4. Long-term loans	338	23	27,479,194,057,074	27,080,443,256,096
5. Deferred tax liabilities	341		31,013,808,361	29,268,483,140
6. Long-term provisions	342	24	119,373,951,692	121,495,546,940
D. EQUITY	400		131,220,010,876,575	114,647,457,983,699
I. Owners' equity	410	26	131,220,010,876,575	114,647,457,983,699
1. Owners' contributed capital	411		76,754,658,550,000	63,962,502,000,000
- Ordinary shares carrying voting rights	411a		76,754,658,550,000	63,962,502,000,000
2. Investment and development fund	418		1,388,437,800,829	794,841,242,128
3. Retained earnings	421		51,037,901,749,343	49,599,124,109,203
- Retained earnings accumulated to the prior year end	421a		35,657,348,003,468	37,624,250,548,129
- Retained earnings of the current year	421b		15,380,553,745,875	11,974,873,561,074
4. Non-controlling interests	429		2,039,012,776,403	290,990,632,368
TOTAL RESOURCES (440=300+400)	440		257,899,200,817,547	224,489,707,553,981

Tran Xuan Mai
Preparer

Phan Thi Kim Oanh
Chief Accountant



Nguyen Viet Thang
Chief Executive Officer

24 March 2026

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	29	158,332,317,934,212	140,561,387,448,572
2. Deductions	02	29	2,216,223,315,730	1,706,275,317,185
3. Net revenue from goods sold and services rendered (10=01-02)	10		156,116,094,618,482	138,855,112,131,387
4. Cost of sales	11	30	131,618,306,435,300	120,357,563,003,703
5. Gross profit from goods sold and services rendered (20=10-11)	20		24,497,788,183,182	18,497,549,127,684
6. Financial income	21	32	2,081,789,823,040	2,618,917,240,287
7. Financial expenses	22	33	4,603,575,989,190	3,966,636,074,605
- In which: Interest expense	23		3,114,855,868,974	2,287,360,810,880
8. Selling expenses	25	34	2,633,630,711,908	2,337,308,685,264
9. General and administration expenses	26	34	1,436,537,357,489	1,545,516,022,772
10. Operating profit (30=20+(21-22)-(25+26))	30		17,905,833,947,635	13,267,005,585,330
11. Other income	31	35	305,593,357,911	1,159,769,685,093
12. Other expenses	32	36	170,835,327,666	733,273,009,245
13. Profit from other activities (40=31-32)	40		134,758,030,245	426,496,675,848
14. Accounting profit before tax (50=30+40)	50		18,040,591,977,880	13,693,502,261,178
15. Current corporate income tax expense	51	37	2,574,223,834,884	1,765,806,007,240
16. Deferred corporate tax expense/(income)	52		(48,563,428,610)	(92,327,367,333)
17. Net profit after corporate income tax (60=50-51-52)	60		15,514,931,571,606	12,020,023,621,271
17.1 Profit after tax attributable to the Holding Company	61		15,453,174,006,223	12,021,443,836,074
17.2 Profit/(losses) after tax attributable to non-controlling interests	62		61,757,565,383	(1,420,214,803)
18. Basic earnings per share	70	38	1,973	1,505



Tran Xuan Mai
Preparer



Pham Thi Kim Oanh
Chief Accountant



M.S.D.N.: 0900189284 - C.T.Đ
CÔNG TY
CỔ PHẦN
TẬP ĐOÀN
HOA PHẤT
NGUYỄN VIỆT THANG
Chief Executive Officer

24 March 2026

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. <i>Profit before tax</i>	01	18,040,591,977,880	13,693,502,261,178
2. <i>Adjustments for:</i>			
Depreciation and amortisation of fixed assets, investment properties, goodwill allocation and land rental costs	02	8,470,683,260,156	6,927,967,223,166
Provisions	03	(49,830,475,782)	108,500,407,214
Foreign exchange losses arising from translating foreign currency monetary items	04	349,627,160,986	173,470,579,978
Gain from investing activities	05	(1,298,854,971,642)	(1,718,310,403,845)
Interest expense	06	3,114,855,868,974	2,287,360,810,880
3. <i>Operating profit before movements in working capital</i>	08	28,627,072,820,572	21,472,490,878,571
Changes in receivables	09	(8,743,129,086,281)	(1,818,671,846,432)
Changes in inventories	10	(7,241,774,532,693)	(10,759,800,904,696)
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	11,393,151,396,033	1,994,355,381,518
Changes in prepaid expenses	12	(1,682,709,234,351)	(227,706,209,603)
Interest paid	14	(2,884,165,976,918)	(2,332,422,296,347)
Corporate income tax paid	15	(1,994,842,667,708)	(936,764,513,356)
Other cash inflows	16	439,016,917,840	447,272,727
Other cash outflows	17	(546,760,579,903)	(783,607,107,167)
<i>Net cash generated by operating activities</i>	20	17,365,859,056,591	6,608,320,655,215
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(25,748,320,476,719)	(35,495,026,797,327)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	68,816,516,303	1,253,593,566,574
3. Cash outflow for lending, buying debt instruments of other entities	23	(30,319,812,195,952)	(28,505,457,880,646)
4. Cash recovered from lending, selling debt instruments of other entities	24	27,786,077,781,891	31,587,656,044,222
5. Equity investments in other entities	25	(444,100,000,000)	-
6. Cash recovered from investments in other entities	26	1,605,733,375,384	31,246,619,001
7. Interest earned, dividends and profits received	27	1,237,212,130,395	1,339,850,195,728
<i>Net cash used in investing activities</i>	30	(25,814,392,868,698)	(29,788,138,252,448)

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	687,500,000,000	233,136,000,000
2. Capital withdrawals, buy-back of issued shares	32	(55,020,000)	(119,560,000)
3. Proceeds from borrowings	33	149,548,990,395,471	174,465,587,837,075
4. Repayment of borrowings	34	(140,337,963,743,432)	(156,878,935,679,240)
5. Dividends and profits paid	36	(36,538,787,548)	(4,971,010,891)
Net cash generated by financing activities	40	9,861,932,844,491	17,814,697,586,944
Net increases in cash (50=20+30+40)	50	1,413,399,032,384	(5,365,120,010,289)
Cash and cash equivalents at the beginning of the year	60	6,887,646,139,852	12,252,001,160,884
Effects of changes in foreign exchange rates	61	(154,868,031)	764,989,257
Cash and cash equivalents at the end of the year (70=50+60+61)	70	8,300,890,304,205	6,887,646,139,852



Tran Xuan Mai
Preparer



Pham Thi Kim Oanh
Chief Accountant



Nguyen Viet Thang
Chief Executive Officer

24 March 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. GENERAL INFORMATION**Structure of ownership**

Hoa Phat Group Joint Stock Company (“Company”) formerly known as Hoa Phat Steel Joint Stock Company was incorporated under the Law on Enterprise of Vietnam pursuant to the the initial Business Registration Certificate No. 0503000008 issued by Hung Yen Department of Finance (formerly the Department of Planning and Investment of Hung Yen Province) on 26 October 2001. In accordance with its 8th amended Business Registration Certificate dated 9 January 2007, Hoa Phat Steel Joint Stock Company was transformed into Hoa Phat Group Joint Stock Company.

The Company’s Enterprise Registration Certificate has been amended several times, with the latest amendment No. 0900189284 dated 11 August 2025, issued by Hung Yen Department of Finance.

The Company's shares have been officially listed and traded on the Ho Chi Minh City Stock Exchange (HOSE) under the ticker symbol HPG since 15 November 2007.

The total number of employees of the Company and its subsidiary (“the Group”) as at 31 December 2025 is 31.574 people (as at 31 December 2024: 32.780 people).

Operating industry and principal activities

Operating industries and principal activities of the Group are:

- Office leasing;
- Financial investments;
- Integrated investment in and construction of infrastructures, industrial zones and urban areas;
- Production of tanks, reservoirs and containers of metal;
- Production of structural metal products;
- Exploration and exploitation of minerals;
- Leasing machines, equipment and motor vehicles;
- Dealing in automobiles, motorcycles, equipment, parts for transport and mining sectors, transport vehicles;
- Production and trading of construction machinery and mining machineries;
- Dealing of electrical, electronic appliances, optical and medical equipment;
- Production, trading, assembly, installation, repair and maintenance of electrical, electronic, electrical refrigeration and civil electrical appliances and air-conditioners;
- Production and trading of raw materials and plastic products;
- Advertisement;
- Civil and industrial construction;
- Exploitation of sand, stones and gravel;
- Production, trading and assembly construction equipment;
- Real estate trading (excluding land price consultancy);
- Domestic and foreign investment advisory (excluding law advisory);
- Production and trading of non-ferrous metals and non-ferrous metal scraps;

- Trading and export and import of steel and supplies for steel making and rolling;
- Production of rolled steel and roofing sheets;
- Exploitation of metal ores;
- Trading metals, metal ores and iron and steel scraps;
- Making cast iron and steel and casting cast iron, iron and steel;
- Production of plated and non-plated steel pipes, and inox pipes;
- Production and trading of galvanized steel sheet, color coated steel sheets and galvalum steel sheets;
- Entrusted export-import activities;
- Raising pigs;
- Raising cows;
- Raising poultry;
- Raising other animals;
- Provision of raising services;
- Processing and preserving of meat and meat products;
- Producing feeds for cattle, poultry and aquaculture sector;
- Producing fertilizer and nitrogen compounds;
- Trading agricultural equipment, machineries and accessories;
- Construction of railway works;
- Site preparation;
- General support services;
- Restaurants and mobile food service activities;
- Provision of catering services under non-regular contracts with customers;
- Beverage serving services;
- Coastal, inland waterway and ocean transportation;
- Import, export, trading and distribution of goods not included in the list of goods prohibited from trading in accordance with Vietnamese laws;
- Mechanical processing, metal treatment and coating;
- Investing, manufacturing and trading in electrical and household appliances;
- Manufacturing and trading of refrigeration products; and
- Production of freezers and refrigerators.

Normal production and business cycle

The Group's normal production and business cycle is carried out for a time period of 12 months or less.

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

The Group's structure

As at 31 December 2025, details of the Group's subsidiaries are as follows:

No. Subsidiary	Place of incorporation and operation	Proportion of ownership interest (%) (*)	Proportion of voting rights (%) (*)	Main business
1 Hoa Phat Iron and Steel Joint Stock Company (i)	Hanoi	99.9989%	99.9989%	Investment, production and trading of construction steel and auxiliary activities
2 Hoa Phat Steel Products Joint Stock Company (ii)	Hanoi	99.9960%	99.9960%	Investment, production and trading of steel pipes, color-coated steel sheets and auxiliary activities
3 Hoa Phat Agricultural Development Joint Stock Company (iii)	Hung Yen	94.9992%	94.9992%	Raising livestock and poultry; farming; providing plantation, raising, post-harvest services; producing feeds for cattle, poultry and aquaculture feed
4 Hoa Phat Real Estate Development Joint Stock Company (iv)	Hanoi	99.9811%	99.9811%	Investment, construction and trading of real estate and auxiliary activities
5 Hoa Phat Home Appliances Joint Stock Company (v)	Hanoi	99.9167%	99.9167%	Investment, production and trading of electrical home appliances
6 Hoa Phat Hung Yen Steel Company Limited	Hung Yen	99.9989%	100%	Producing steel, iron; wholesaling metals and metal ores.
7 Hoa Phat Hai Duong Steel Joint Stock Company	Hai Duong	99.9972%	99.9983%	Producing steel, iron, exploiting iron ores, exploiting and collecting lignite; wholesaling metals and metal ores; producing and trading of coke.
8 Hoa Phat Dung Quat Steel Joint Stock Company	Quang Ngai	99.9989%	100%	Producing steel, iron, exploiting iron ores; wholesaling metals and metal ores; producing and wholesaling coke coal and other related business activities.
9 An Thong Mineral Investment Joint Stock Company	Tuyen Quang	99.9589%	99.9600%	Exploring, exploiting, processing, importing and exporting minerals (mainly iron ores)
10 Hoa Phat Shipping Joint Stock Company	Hai Phong	99.6297%	99.6308%	Coastal, inland waterway and ocean freight transport
11 Hoa Phat Phu Yen Steel Joint Stock Company	Lam Dong	99.9989%	100%	Producing and trading steel
12 Bai Goc Phu Yen Port Joint Stock Company	Lam Dong	97.9990%	98%	Coastal, inland waterway and ocean freight transport
13 Hoa Phat Steel Pipe Company Limited	Hanoi	99.9760%	99.9800%	Production and trading various kinds of steel pipes
14 Hoa Phat Steel Sheet Company Limited	Hung Yen	99.9960%	100%	Production and trading of galvanized steel sheets, color-coated steel sheets, and galvanum steel sheets

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

No. Subsidiary	Place of incorporation and operation	Proportion of ownership (%) (*)	Proportion of voting rights (%) (*)	Main business
15 Hoa Phat Metal Producing Company Limited	Hanoi	99.9294%	99.9333%	Producing construction equipment; trading construction machinery and equipment; exploiting small and medium-sized minerals
16 Hoa Phat Container Production Joint Stock Company	Ho Chi Minh City	99.8246%	99.8286%	Producing and trading containers
17 Chau Duc Trading and Manufacturing Joint Stock Company	Ho Chi Minh City	99.8960%	99.9000%	Production of plywood, veneer and other thin boards
18 Hoa Phat Trading Company Limited	Hanoi	94.9398%	99.9375%	Rasing buffalos, cows; providing plantation, raising, post-harvest services
19 Hoa Phat Development of Livestock Joint Stock Company	Hung Yen	94.9754%	99.9750%	Raising and providing breeding and market pigs
20 Hoa Phat Hung Yen Feeds Company Limited	Hung Yen	94.9992%	100%	Producing and trading feeds and materials for producing feeds for cattle, poultry and aquaculture sector
21 Hoa Phat Phu Tho Poultry Company Limited (One Member Limited Liability Company)	Phu Tho	94.9992%	100%	Raising poultry
22 Hoa Phat Urban Development and Construction Joint Stock Company	Hanoi	99.9504%	99.9692%	Civil and industrial construction; development of real estate for sales and lease, leasing houses and offices, investing in and building technical infrastructure
23 Hoa Phat Saigon Real Estate Development Joint Stock Company	Ho Chi Minh City	99.8812%	99.9000%	Trading of real estate, land use rights of land owners, land users or land lessees
24 Hoa Phat Hanoi Real Estate Development Joint Stock Company	Hanoi	99.9448%	99.9636%	Trading of real estate, land use rights of land owners, land users or land lessees
25 New City Development Investment Company Limited	Ho Chi Minh City	99.9811%	100%	Trading of real estate, land use rights of land owners, land users or land lessees
26 Hoa Tam Industrial Park Infrastructure Development Joint Stock Company	Dak Lak	98.4190%	98.4200%	Trading of real estate, land use rights of land owners, land users or land lessees
27 Green Urban Area Development Joint Stock Company (vi)	Hung Yen	69.9868%	70%	Trading of real estate, land use rights of land owners, land users or land lessees
28 Hoa Phat Ha Nam Home Appliances Joint Stock Company	Ninh Binh	99.8596%	99.9429%	Investment, production, and trading of electrical home appliances
29 Hoa Phat Refrigeration Engineering Company Limited	Hung Yen	99.8168%	99.9000%	Producing and trading various kind of refrigerant equipment
30 Hoa Phat Binh Dinh One Member Limited Liability Company	Gia Lai	99.9989%	100%	Producing steel, iron; wholesaling metals and metal ores

**HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

FORM B 09-DN/HN

No. Subsidiary	Place of incorporation and operation	Proportion of ownership interest (%) (*)	Proportion of voting rights (%) (*)	Main business
31	Nhon Trach Service Trading Company Limited Dong Nai	99.9869%	99.9880%	Provision of warehouses, storage yards for rent; and storing, loading/unloading of goods
32	Hoa Phat Long An Steel Trading and Service Joint Stock Company (vi) Tay Ninh	99.9789%	99.9800%	Producing steel, iron; wholesaling metals and metal ores
33	Hoa Phat Energy Joint Stock Company Hai Phong	99.9239%	99.9267%	Producing and wholesaling coke coal, exploiting and collecting coal; producing other related products
34	Hoa Phat Dung Quat Steel Pipe Company Limited Quang Ngai	99.9846%	99.9900%	Production of iron, steel, and cast iron products
35	Hoa Phat Dung Quat Ferro Alloy Company Limited Quang Ngai	99.9888%	99.9900%	Production of iron, steel, and cast iron products
36	Hoa Phat Multi-purpose Port Joint Stock Company Quang Ngai	99.9989%	100%	Direct support services for waterway transportation
37	Harmonia Company Limited Quang Ngai	99.9989%	100%	Hospitality services
38	Hoa Phat Dung Quat Rail and Special Steel Joint Stock Company (vi) Quang Ngai	99.8989%	99.9000%	Production of iron, steel, and cast iron products
39	Hoa Phat Dung Quat Equipment Manufacturing Limited Liability Company (vi) Quang Ngai	99.9989%	100%	Mechanical processing, metal treatment and coating
40	Hoa Phat Mitracco Mining Joint Stock Company Ha Tinh	98.3796%	98.4200%	Exploring and production of iron, bauxite and other rare ores; trading metal and metal ores
41	Hoa Phat Cold Rolled Steel Company Limited Hung Yen	99.9760%	100%	Producing cold rolled steel products
42	Hoa Phat Da Nang Steel Pipe Company Limited Da Nang	99.9535%	99.9775%	Production and trading various kinds of steel pipes
43	Hoa Phat Binh Duong Steel Pipe One Member Company Limited Ho Chi Minh City	99.9760%	100%	Production and trading various kinds of steel pipes
44	Hoa Phat Long An Steel Pipe One Member Company Limited Tay Ninh	99.9760%	100%	Production and trading various kinds of steel pipes
45	Hoa Phat Long An Steel Products Joint Stock Company Tay Ninh	99.9660%	99.9900%	Production and trading various kinds of steel pipes
46	Hoa Phat Mechanical Manufacturing Company Limited Ho Chi Minh City	99.9300%	99.9539%	Repairing and producing mechanical products; leasing machines, equipments and vehicles
47	Hoa Phat Steel Wire Company Limited Hung Yen	99.9294%	100%	Producing and trading construction and mining machines; producing engines and turbines
48	Hoa Phat Prestressed Steel One Member Company Limited Quang Ngai	99.9294%	100%	Production of iron, steel, and cast iron products

**HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

FORM B 09-DN/HN

No. Subsidiary	Place of incorporation and operation	Proportion of ownership interest (%) (*)	Proportion of voting rights (%) (*)	Main business
49 Hoa Phat Mechanical Fitting Company Limited	Ho Chi Minh City	99.8246%	100%	Production of mechanical spare parts
50 Hoa Phat Quang Binh Breeding Company Limited	Quang Tri	69.0402%	72.7200%	Raising livestock and poultry; providing plantation services
51 Viet Hung Livestock Company Limited	Hung Yen	94.9398%	100%	Raising livestock and poultry; providing plantation services
52 Dong Phat Livestock Company Limited	Dong Nai	94.9398%	100%	Raising livestock and poultry; providing plantation services
53 Hoa Phat Dong Nai Poultry One Member Company Limited	Dong Nai	94.9398%	100%	Raising poultry and other animals
54 Son Dong Livestock Company Limited	Bac Ninh	94.9754%	100%	Raising pigs, raising poultry and other animals
55 Lac Thuy Livestock Company Limited	Phu Tho	94.9754%	100%	Raising poultry and other animals
56 Hoa Yen Livestock One Member Company Limited	Lao Cai	94.9992%	100%	Raising pig and other animals
57 Hoa Phuoc Livestock Company Limited	Dong Nai	94.9735%	99.9980%	Raising breeding and market pigs
58 Thai Thuy Livestock Company Limited	Hung Yen	94.9754%	100%	Raising pigs, raising poultry and other animals
59 Hoa Phat Dong Nai Feeds Company Limited	Dong Nai	99.9992%	100%	Producing and processing feeds for cattle, poultry, and aquaculture sector
60 Hoa Phat Phu Tho Animal Feed Company Limited	Phu Tho	94.9992%	100%	Producing animal feed
61 Hoa Phat Hung Yen Industrial Parks Infrastructure Development Company Limited	Hung Yen	99.9504%	100%	Civil and industrial construction, freehold or leasehold real estate trading, workshop and office leasing, integrated investment and construction of infrastructure
62 Hoa Mac Industrial Park Development Management Company Limited	Ninh Binh	99.9504%	100%	Civil and industrial construction, freehold or leasehold real estate trading, workshop and office leasing, integrated investment and construction of infrastructure
63 Golden Gain Vietnam Joint Stock Company	Hanoi	99.9404%	99.9900%	Real estate trading
64 Long Viet Construction Joint Stock Company	Hanoi	99.7505%	99.8000%	Civil engineering, industrial construction
65 My Hao Urban Development Joint Stock Company	Hung Yen	99.8504%	99.9000%	Trading of real estate, land use rights of land owners, land users or land lessees



HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

No. Subsidiary	Place of incorporation and operation	Proportion of ownership interest (%) (*)	Proportion of voting rights (%) (*)	Main business
66 Hoa Phat Yen My Urban Development Joint Stock Company	Hung Yen	99.8504%	99.9000%	Trading of real estate, land use rights of land owners, land users or land lessees
67 Dong Phuc Industrial Park Infrastructure Development Joint Stock Company	Bac Ninh	99.9038%	99.9534%	Trading of real estate, land use rights of land owners, land users or land lessees
68 Phu Tho New Urban Development Joint Stock Company	Phu Tho	64.9555%	65%	Trading of real estate, land use rights of land owners, land users or land lessees
69 Hoa Phat Phu My Refrigeration Joint Stock Company	Ho Chi Minh City	99.7169%	99.9000%	Producing freezers and fridges
70 Ly Thuong Kiet Industrial Park Infrastructure Development Joint Stock Company	Hung Yen	83.9583%	84%	Civil and industrial construction, freehold or leasehold real estate trading, workshop and office leasing, integrated investment and construction of infrastructure
71 Hoang Dieu Industrial Park Infrastructure Development Joint Stock Company	Hai Phong	99.3681%	99.4175%	Civil and industrial construction, freehold or leasehold real estate trading, workshop and office leasing, integrated investment and construction of infrastructure
72 Hanoi Investment and Services Joint Stock Company	Hanoi	95.2104%	95.2672%	Sports and entertainment activities including tennis, badminton, billiards, swimming, body building, games and real estate trading
73 Hanoi Business Trading and Service Joint Stock Company	Hanoi	99.8404%	99.9000%	Goods transport by automobiles, inter-provincial passenger transport by automobiles, machinery and equipment repair, domestic travel, petrol and oil trading agency, transport agency services and automobiles keeping services, office, warehouse and storage yard services and real estate trading
74 Hanoi Security Services Company Limited	Hanoi	95.2104%	100%	Security services
75 Hoa Phat Hung Yen Steel Products JSC (vi)	Hung Yen	99.8960%	99.9000%	Production of iron, steel, and cast iron products
76 No 6 Industrial Park Infrastructure Development JSC (vi)	Hung Yen	79.9603%	80%	Trading of real estate, land use rights of land owners, land users or land lessees
77 Thanh Mien Industrial Park Infrastructure Development JSC (vi)	Hai Duong	79.9603%	80%	Trading of real estate, land use rights of land owners, land users or land lessees

- (i) On 28 February 2025, the Company's Board of Directors approved Resolution No. 03/NQHP-2025 regarding an additional capital contribution of VND 12,200,000,000,000 to Hoa Phat Iron and Steel Joint Stock Company, with the contribution schedule no later than 31 December 2025. As at 31 December 2025, the Company had fully contributed this amount via bank transfer. Accordingly, the Company's proportion of ownership interest and voting rights in Hoa Phat Iron and Steel Joint Stock Company increased from 99.9987% to 99.9989%.
- (ii) On 28 February 2025, the Company's Board of Directors approved Resolution No. 04/NQHP-2025 regarding an additional capital contribution of VND 420,000,000,000 to Hoa Phat Steel Products Joint Stock Company. As at 31 December 2025, the Company had fully contributed this amount via bank transfer. Accordingly, the Company's proportion of ownership interest and voting rights in Hoa Phat Steel Products Joint Stock Company increased from 99.9958% to 99.9960%.
- (iii) On 5 May 2025, the Company's Board of Directors approved Resolution No. 08/NQHP-2025 regarding the withdrawal of a capital contribution of VND 249,997,980,000 from Hoa Phat Agricultural Development Joint Stock Company.

On 04 September 2025, the Company's Board of Directors approved Resolution No. 12/NQHP-2025 regarding the transfer of 12,750,000 shares, representing 5% of the charter capital of Hoa Phat Agricultural Development Joint Stock Company. The transferees are members of the Board of Directors, members of the Board of Management of Hoa Phat Group Joint Stock Company, members of the Management Boards of its subsidiaries, and other key executives and managers within Hoa Phat Group and its subsidiaries who meet the conditions for allocation of share purchase rights in accordance with the Regulation issued together with Decision No. 52/2025/QĐ-TĐHP dated 4 September 2025. The transfer price is VND 15,000 per share.

As at 31 December 2025, the Company had completed this capital divestment transaction. Accordingly, the Company's proportion of ownership interest in Hoa Phat Agricultural Development Joint Stock Company decreased from 99.9992% to 94.9992%.

- (iv) On 12 March 2025, the Company's Board of Directors approved Resolution No. 05/NQHP-2025 regarding an additional capital contribution of VND 3,800,000,000,000 to Hoa Phat Real Estate Development Joint Stock Company. As at 31 December 2025, the Company had fully contributed this amount via bank transfer. Accordingly, the Company's proportion of ownership interest and voting rights in Hoa Phat Real Estate Development Joint Stock Company increased from 99.9706% to 99.9811%.
- (v) On 05 May 2025, the Company's Board of Directors approved Resolution No. 09/NQHP-2025 regarding an additional capital contribution of VND 200,000,000,000 to Hoa Phat Home Appliances Joint Stock Company, with the contribution schedule no later than 30 September 2025. As at 31 December 2025, the Company had fully contributed this amount via bank transfer. Accordingly, the Company's proportion of ownership interest and voting rights in Hoa Phat Home Appliances Joint Stock Company increased from 99.9090% to 99.9167%.
- (vi) The companies established during the year through capital contribution under the Resolutions of the Boards of Directors and the Members' Council of the subsidiaries.
- (*) Proportion of ownership interest and proportion of voting rights are direct and indirect at the Group.

Capital transfer in Hanoi Transport and Commercial Joint Stock Company

On 31 July 2025, Golden Gain Vietnam Joint Stock Company - a subsidiary of the Group - transferred all 2,697,300 shares, representing 99.9% of the charter capital, in Hanoi Transport and Commercial Joint Stock Company. Accordingly, from this date, Hanoi Transport and Commercial Joint Stock Company ceased to be a subsidiary of the Group.

Dissolution of Hoa Phat Dung Quat Steel Sheet Joint Stock Company

On 24 November 2025, the General Meeting of Shareholders of Hoa Phat Dung Quat Steel Sheet Joint Stock Company approved Decision No. 01/2025/QD-DHDCD regarding the dissolution of Hoa Phat Dung Quat Steel Sheet Joint Stock Company - a subsidiary of the Group - due to its ineffective business operations. As at 31 December 2025, the above dissolution had been completed.

Disclosure of information comparability in the consolidated financial statements

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2024.

Certain reclassifications have been made to the prior year's figures to enhance their comparability with the current year's presentation. Details are as follows:

Item	Code	Previously reported amount	Adjustment	Amount after adjustment
		VND	VND	VND
Consolidated balance sheet as at 31 December 2024				
Long-term accrued expenses	333	1.143.692.237.207	(54.000.000.000)	1.089.692.237.207
Long-term provision	342	67.495.546.940	54.000.000.000	121.495.546.940

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

These consolidated financial statements should be read in conjunction with the Company's separate financial statements for the year ended 31 December 2025 for a more comprehensive understanding of the Company's financial position, operating results, and cash flows.

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

3. NEW ACCOUNTING GUIDANCE IN ISSUE

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC ("Circular 99") guiding the application of accounting regime for enterprises. Circular 99 is effective from 1 January 2026 and applicable to financial years beginning on or after 1 January 2026. This Circular will supersede the following regulations:

- Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance ("Circular 200") providing guidance on the corporate accounting regime (except for contents relating to accounting guidance for the equitization of State-owned enterprises);

- Circular No. 75/2015/TT-BTC dated 18 May 2015 of the Ministry of Finance on amendments to Article 128 of Circular 200;
- Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance amending and adding some articles of Circular 200; and
- Circular No. 195/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance providing accounting guidance for investors.

The Board of Directors is considering the extent of impact of the adoption of Circular 99 on the Corporations's consolidated financial statements for future accounting periods, beginning on or after 1 January 2026.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporates the separate financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to 31 December each year. This control is achieved where the Group has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is amortised on the straight-line basis over its estimated period of benefit of 10 years.

Goodwill arising on the acquisition of subsidiaries is presented separately as an asset in the consolidated balance sheet.

On disposal of a subsidiary, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on disposal.

Cash and cash equivalent

Cash and cash equivalents comprise cash on hand, bank demand deposits, cash in transit and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Group has the positive intent or ability to hold to maturity, including term deposits, loans held to maturity to earn periodic interest.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for impairment of held-to-maturity investments.

Provision for impairment of held-to-maturity investments is made in accordance with prevailing accounting regulations.

Loan receivables

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution. The Company applies perpetual method to account for inventories.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives, as follows:

	<u>Years</u>
Buildings and structures	05 – 50
Machinery and equipment	02 – 25
Motor vehicles and transmission equipment	02 – 30
Office equipment	02 – 12
Livestock	03 – 05
Others	02 – 12

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognized in the consolidated income statement.

Intangible assets and amortization

Intangible assets represent land use rights and computer software which are stated at cost less accumulated amortisation.

The costs of land use rights is amortized using the straight-line method over their lease term.

Intangible assets are amortised using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Land use rights	10 – 50
Computer software	03 – 08

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Investment properties

Investment properties are composed of land use rights and buildings held by the Group to earn rentals. Investment properties held to earn rentals are stated at cost less accumulated depreciation. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Indefinite land use rights are not depreciated. Building held to earn rentals are depreciated using the straight-line method over their estimated useful lives from 3 - 49 years.

Leasing

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are charged to the income statement using straight-line method over the lease term.

The Company as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost including costs that are necessary to form the assets in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses include costs of tools and supplies issued for consumption, Fixed assets repair and maintenance costs, overhaul and major maintenance expenses, prepaid land rental cost, site clearance cost and other prepaid expenses.

Tools and supplies issued for consumption include assets held by the Group in the normal course of business, which are labour materials that do not satisfy requirements pertaining to value and use time prescribed in regulations fixed assets. The cost of tools and supplies are charged to the consolidated income statement on a straight-line basis over a period of maximum 3 years.

Overhaul and major maintenance costs of assets comprise major expenses incurred on a periodical basis during the use of assets. These expenses are initially stated at cost and are charged in the consolidated income statement on a straight-line basis over a period of two to three years.

Prepaid land rental costs represent rentals that have been paid in advance, including those for which the Group has obtained land use right certificates but are not qualified as intangible assets under prevailing accounting regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognized in the consolidated income statement on a straight-line basis over the lease term.

Site clearance expenses represent compensation and clearance fee paid by the Group. These expenses are initially stated at cost and charged in the consolidated income statement on a straight-line basis over the land lease term.

Other prepaid expenses which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as long-term prepayments, and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Unearned Revenue

Unearned revenue is the amounts received in advance relating to results of operations of for multiple accounting periods for services or products that have been yet provided or delivered. The Group recognizes unearned revenue in proportion to its obligations that the Group will have to perform in the future. When the revenue recognition conditions are satisfied, unearned revenue will be recognized in the consolidated income statement for the period corresponding to the portion that meets the revenue recognition conditions.

Profit distribution

Net profit after corporate income tax may be distributed to shareholders upon approval by the General Meeting of Shareholders and after appropriations to reserves in accordance with the Company's Charter and the regulations of Vietnamese law.

The Company distributes its net profit after corporate income tax based on the proposal of the Board of Directors and the approval of the shareholders at the Annual General Meeting of Shareholders.

Bonus and welfare fund

This fund is appropriated to reward and provide material incentives, to bring common benefits and to improve employees' welfare, and is presented as a payable in the consolidated balance sheet.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the consolidated balance sheet date are retranslated at the exchange rates of commercial bank where the Group usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognized in the consolidated income statement.

Revenue recognition

Revenue from the sale of goods is recognized when all five (5) following conditions are satisfied:

- (a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognized in each year by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Group;
- (c) the percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

If the lease-term is greater than 90% of the asset's useful life, the Company will recognize the revenue for the entire prepaid lease payment in accordance with the following conditions:

- (a) Lessee is not allowed to cancel the lease contract during the lease term, and the Company is not responsible for reimbursing the prepaid lease payments under any circumstances;
- (b) The prepaid lease payment is not less than 90% of the total estimated lease payment collected under contract over the lease period and lessee must pay all rental within 12 months from the commencement of the lease;
- (c) Risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- (d) The costs of leasing activity have been reliably estimated.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Sales deductions

Sales deductions include trade discounts, sales allowances and sales returns.

Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year. In case that sales deductions for sales of products, goods or rendering of services sold in the year incurred after the balance sheet date but before the issuance of the consolidated financial statements, the Group recorded as revenue deductions for the year.

Borrowing costs

Borrowing costs are recognized in the consolidated income statement in the year when incurred unless they are capitalized in accordance with Vietnamese Accounting Standard No. 16 “Borrowing costs”. Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalized even when the construction period is under 12 months.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities’ examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

5. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	12,571,583,178	13,803,222,637
Bank demand deposits	4,589,476,066,960	2,905,697,500,571
Cash in transit	-	31,222,700
Cash equivalents (i)	3,698,842,654,067	3,968,114,193,944
	<u><u>8,300,890,304,205</u></u>	<u><u>6,887,646,139,852</u></u>

- (i) Represent term deposits in VND at commercial bank with original maturities not exceeding 3 months and interest rates from 3.5% per annum to 4.75% per annum (31 December 2024: 1.6% per annum to 5.5% per annum).

6. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	VND Carrying amount	Cost	VND Carrying amount
Held-to-maturity investments	21,732,412,761,405	21,732,412,761,405	19,111,216,730,905	19,111,216,730,905
a. Short-term				
- <i>Term deposits (i)</i>	19,484,412,761,405	19,484,412,761,405	18,974,716,730,905	18,974,716,730,905
b. Long-term				
- <i>Term deposits</i>	2,248,000,000,000	2,248,000,000,000	136,500,000,000	136,500,000,000

- (i) Represent term deposits in VND at commercial bank with original maturities of more than three months and remaining maturity of less than 12 months from the balance sheet date with interest rates from 4.1% to 8.5% per year (as at 31 December 2024: from 1.9% to 6.7% per year).

As at 31 December 2025, a part of term deposits with carrying amount of VND 6,809 billion is pledged to secure banking facilities granted to the Group (as at 31 December 2024: VND 5,568 billion).

7. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Marcegaglia Carbon Steel	1,837,277,743,082	482,424,804,232
Minh Phu - Hai Duong Steel Joint Stock Company	1,641,168,856,041	-
Minh Phu Steel Joint Stock Company	679,338,510,356	-
Nam Hung Metal Joint Stock Company	592,625,072,479	60,730,026,896
Hoa Sen Group Joint Stock Company	617,303,504,796	218,586,863,055
Others	5,604,060,331,481	3,590,393,725,689
	10,971,774,018,235	4,352,135,419,872

As at 31 December 2025, a part of receivables with carrying amount of VND 860 billion (including intercompany balances within the Group and receivables from third parties) is pledged to secure banking facilities granted to the Group (as at 31 December 2024: VND 1,161 billion).

8. ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Short-term advances to suppliers		
Primetals Technologies USA LLC	108,431,846,250	-
Primetals Techno Austria	107,282,074,420	-
SMS Group GmbH	276,208,567,464	-
Cisdi Engineering Co., Ltd	216,555,900,000	-
Northern Territory Iron One Pty Ltd	-	161,638,090,079
Hoa Phat Trading International Pte. Ltd	-	44,786,287,582
Others	1,169,605,647,804	1,912,400,049,343
	<u>1,878,084,035,938</u>	<u>2,118,824,427,004</u>
b. Long-term advances to suppliers		
Danieli S.P.A	18,535,874,400	-
Danieli Co., Ltd	-	20,108,000,000
SMS Concast AG	-	31,618,750,000
Others	22,872,562,029	31,078,537,792
	<u>41,408,436,429</u>	<u>82,805,287,792</u>

9. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Interest receivable from term deposits	437,767,044,708	409,591,377,404
Compensation for site clearance (i)	301,419,886,866	125,679,466,785
Short-term deposits	1,218,633,622,083	350,168,193,245
Import tax prepaid	74,618,441,189	176,331,460,189
Others	285,844,131,583	187,222,347,755
	<u>2,318,283,126,429</u>	<u>1,248,992,845,378</u>
b. Non-current		
Long-term deposits	248,919,079,879	840,594,835,822
	<u>248,919,079,879</u>	<u>840,594,835,822</u>

(i) This amount represents compensation support paid to local residents in connection with land acquisition for the implementation of Urban Area and Industrial Park projects, in accordance with the compensation plans approved by the People's Committee of areas where the land was recovered.

10. INVENTORIES

	<u>Closing balance</u>		<u>Opening balance</u>	
	Cost	Provision	Cost	Provision
Goods in transit	10.799.531.492.382	-	5,559,003,181,956	-
Raw materials	23.141.938.442.387	(10.202.216.991)	20,324,528,389,776	(17,265,822,207)
Tools and supplies	1.453.967.730.329	(7.677.846.763)	3,326,224,899,798	(3,462,076,448)
Work in progress (i)	3.893.305.141.816	(741.618.881)	4,048,570,091,614	(9,717,188,881)
Finished goods	11.960.892.820.277	(25.659.200.949)	12,155,686,194,056	(62,049,506,084)
Merchandise	643.458.234.002	(19.765.010.859)	673,704,904,662	(8,575,298,721)
Goods on consignment	999.179.377.692	-	104,574,419,951	-
	<u>52.892.273.238.885</u>	<u>(64.045.894.443)</u>	<u>46,192,292,081,813</u>	<u>(101,069,892,341)</u>

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- (i) Included in the balance of work in progress as at 31 December 2025 was VND 1,747 billion (as at 31 December 2024 was VND 1,695 billion) relating to the investment project on construction of technical infrastructure for Sub-area A – North QL5 Urban Area, under Pho Noi Urban Area in Hung Yen Province (“North QL5 Project”) undertaken by the Group. During the year, Green Urban Development Joint Stock Company – a subsidiary of the Group – was approved by the People’s Committee of Hung Yen Province as the selected investor of the Project under Decision No. 1618/QĐ-UBND dated 27 June 2025.

During the year, the Group has reversed provision of devaluation inventory with an amount of VND 37,023,997,898 (2024: reversed VND 22,810,546,348) due to changes in the value of slow-moving inventories during the year and the change in the net realizable value of inventories as at 31 December 2025 compared to the net realizable value when calculating the provision at the beginning of the year.

As at 31 December 2025, a part of inventory with carrying amount of VND 21,394 billion is pledged to secure banking facilities granted to the Group (as at 31 December 2024: VND 29,769 billion).

11. PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Short-term		
Tools and supplies issued for consumption	92,540,288,111	61,555,286,150
Fixed assets repair and maintenance costs	217,266,268,738	193,317,149,178
Other prepaid expenses	257,487,438,053	171,277,063,760
	<u>567,293,994,902</u>	<u>426,149,499,088</u>
b. Long-term		
Tools and supplies issued for consumption	176,838,877,053	138,684,894,554
Overhaul and major maintenance expenses	1,254,793,737,746	681,796,724,167
Prepaid land rental costs (i)	3,065,900,353,852	2,903,677,853,222
Site clearance costs	1,272,584,265,566	307,850,737,886
Other prepaid expenses	233,511,521,570	237,131,485,039
	<u>6,003,628,755,787</u>	<u>4,269,141,694,868</u>

- (i) As at 31 December 2025, certain prepaid land rental rights with net book value of VND 685 billion are pledged to secure banking facilities granted to the Group (as at 31 December 2024: VND 168 billion).

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles and transmission equipment	Office equipment	Livestock	Others	Total
	VND	VND	VND	VND	VND	VND	VND
COST							
Opening balance	37,604,469,055,561	66,263,098,120,964	3,681,226,017,096	304,810,489,472	208,025,132,383	84,937,533,478	108,146,566,348,954
Additions	1,658,518,538	120,650,613,558	580,631,738,776	16,758,135,539	-	8,517,186,077	728,216,192,488
Transfer from construction in progress	22,989,159,019,934	50,522,910,234,296	153,502,252,285	144,200,202,916	12,350,986,973	2,123,824,551	73,824,246,520,955
Disposals and written off	(65,918,371,511)	(252,888,503,812)	(52,511,959,703)	(2,466,360,188)	(14,617,075,091)	-	(388,402,270,305)
Reclassification	1,903,675,913	(4,840,134,001)	3,002,470,460	52,299,728	-	(118,312,100)	-
Others	(143,439,241)	(1,278,442,366)	(529,296,011)	-	-	(20,321,511)	(1,971,499,129)
Closing balance	60,531,128,459,194	116,647,651,888,639	4,365,321,222,903	463,354,767,467	205,759,044,265	95,439,910,495	182,308,655,292,963
ACCUMULATED DEPRECIATION							
Opening balance	9,575,405,070,376	29,197,724,259,937	1,784,257,968,156	228,979,462,266	86,691,549,418	29,357,063,753	40,902,415,373,906
Charge for the year	2,061,801,257,553	5,749,306,895,164	409,449,544,349	48,510,408,647	51,743,741,292	15,459,787,755	8,336,271,634,760
Disposals and written off	(62,679,349,849)	(224,611,566,274)	(46,971,036,777)	(2,466,360,188)	(14,617,075,091)	-	(351,345,388,179)
Reclassification	317,279,319	(1,088,750,020)	866,224,362	(91,392,384)	-	(3,361,277)	-
Others	3,558,652,535	(1,163,082,429)	(1,908,272,202)	-	-	(20,321,511)	466,976,393
Closing balance	11,578,402,909,934	34,720,167,756,378	2,145,694,427,888	274,932,118,341	123,818,215,619	44,793,168,720	48,887,808,596,880
NET BOOK VALUE							
Opening balance	28,029,063,985,185	37,065,373,861,027	1,896,968,048,940	75,831,027,206	121,333,582,965	55,580,469,725	67,244,150,975,048
Closing balance	48,952,725,549,260	81,927,484,132,261	2,219,626,795,015	188,422,649,126	81,940,828,646	50,646,741,775	133,420,846,696,083

The cost of the Group's tangible fixed assets includes VND 11,554 billion (as at 31 December 2024: VND 11,515 billion) of assets which have been fully depreciated but are still in use.

As presented in Note 23, the Group has pledged its tangible fixed assets with the carrying value as at 31 December 2025 of VND 115,996 billion (as at 31 December 2024: VND 52,683 billion) to secure banking facilities granted to the Group.

13. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Others	Total
	VND	VND	VND	VND
COST				
Opening balance	178,394,670,071	182,466,424,209	6,196,510,427	367,057,604,707
Additions	-	4,990,231,000	-	4,990,231,000
Transfer from construction in progress	-	24,123,223,700	-	24,123,223,700
Disposals and written off	-	(1,415,482,000)	-	(1,415,482,000)
Closing balance	178,394,670,071	210,164,396,909	6,196,510,427	394,755,577,407
ACCUMULATED AMORTISATION				
Opening balance	33,046,972,633	145,369,808,997	4,424,844,611	182,841,626,241
Charge for the year	2,642,575,920	23,305,613,428	170,079,924	26,118,269,272
Disposals and written off	-	(1,415,482,000)	-	(1,415,482,000)
Closing balance	35,689,548,553	167,259,940,425	4,594,924,535	207,544,413,513
NET BOOK VALUE				
Opening balance	145,347,697,438	37,096,615,212	1,771,665,816	184,215,978,466
Closing balance	142,705,121,518	42,904,456,484	1,601,585,892	187,211,163,894

As at 31 December 2025, the cost of the Group's intangible assets includes VND 147 billion (as at 31 December 2024: VND 53 billion) of assets which have been fully amortised but are still in use.

As presented in Note 23, the Group has pledged its intangible fixed assets with the carrying value as at 31 December 2025 of VND 51 billion (as at 31 December 2024: VND 0) to secure banking facilities granted to the Group.

14. INCREASES, DECREASES IN INVESTMENT PROPERTIES

	Land use rights	Buildings	Total
	VND	VND	VND
COST			
Opening balance	55,702,700,965	804,846,314,650	860,549,015,615
Additions	-	3,086,578,819	3,086,578,819
Closing balance	55,702,700,965	807,932,893,469	863,635,594,434
ACCUMULATED DEPRECIATION			
Opening balance	-	300,950,552,522	300,950,552,522
Charge for the year	-	34,493,919,665	34,493,919,665
Closing balance	-	335,444,472,187	335,444,472,187
NET BOOK VALUE			
Opening balance	55,702,700,965	503,895,762,128	559,598,463,093
Closing balance	55,702,700,965	472,488,421,282	528,191,122,247

Investment properties of the Group include:

- Land use rights and factories for lease at Pho Noi A Industrial Zone, Yen My Commune, Hung Yen Province, Vietnam; and Hoa Mac Industrial Zone, Duy Tien Town, Ninh Binh Province.

- Land use rights and commercial lease areas including basements under the Mandarin Garden 1 Complex Project at Dong Nam Tran Duy Hung Urban Area, Yen Hoa Ward, Hanoi; and apartments at 70 Nguyen Duc Canh, Hoang Mai Ward, Hanoi, Vietnam; as well as office space for lease at 257 Giai Phong, Hai Ba Trung Ward, Hanoi.

Investment properties are land use rights with indefinite terms and therefore are not depreciated by the Group.

As at 31 December 2025, the Group pledged investment properties with net book value of VND 3.6 billion to secure banking facilities granted to the Group (31 December 2024: VND 8.1 billion).

According to Vietnamese Accounting Standard No. 05 - Investment properties, the fair value of investment properties as at 31 December 2025 should be disclosed. As at 31 December 2025, the Group is in the process of determining the fair value of these investment properties.

As at 31 December 2025, the cost of the Group's investment properties includes VND 50.8 billion (as at 31 December 2024: VND 39.7 billion) of assets which have been fully depreciated but are still under a lease.

15. CONSTRUCTION IN PROGRESS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Integrated Steel Complex Project in Dung Quat	6,300,922,611,218	60,108,146,801,210
Container Plant Project	2,140,198,303,701	2,232,011,190,346
Hoa Phat Long An Steel Plant Project	525,974,095,324	-
Steel Pipe Plant Project	478,859,947,891	585,094,789,234
Floorboard Project	407,366,887,605	165,134,902,977
Agricultural Project	317,982,516,451	326,243,686,515
Integrated Steel Complex Project in Hai Duong	186,319,763,262	142,921,041,291
Home Appliances Project	94,083,379,290	26,610,898,013
Other projects	269,369,027,219	69,694,130,796
	<u>10,721,076,531,961</u>	<u>63,655,857,440,382</u>

As at 31 December 2025, the Group pledged certain projects with carrying amount of VND 4,884 billion to secure banking facilities granted to the Group (31 December 2024: VND 59,892 billion).

The total interest expense which had been capitalised into the cost of construction in progress during the year is VND 1,877 billion (2024: VND 1,310 billion).

16. DEFERRED TAX ASSETS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Deferred tax assets related to accrued expenses	36,757,721,216	42,204,094,372
Deferred tax assets related to unrealised gains on intra-group transactions	261,909,981,431	207,295,316,292
Others	6,312,259,571	5,171,797,721
Deferred tax assets	<u>304,979,962,218</u>	<u>254,671,208,385</u>

17. GOODWILL

	<u>Goodwill</u> VND
COST	
Opening balance and closing balance	121,195,363,677
ACCUMULATED IMPAIRMENT LOSSES	
Opening balance	57,582,236,954
Impairment losses recognised in the year	12,099,941,304
Closing balance	<u>69,682,178,258</u>
CARRYING AMOUNT	
Opening balance	<u>63,613,126,723</u>
Closing balance	<u>51,513,185,419</u>

18. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
	Amount/Amount able to be paid off	Amount/Amount able to be paid off
a. Current		
WISDRI Engineering & Research Incorporation Limited	861,268,641,182	155,811,309,957
Summit Energy & Resources Pte. Ltd	529,410,389,113	-
Xiamen C&D Mineral Resources Co., Ltd	473,425,075,256	-
Samarco Mineracao S.A.	468,497,894,387	-
Cisdi Engineering Co., Ltd	442,335,300,095	561,928,104,090
Zhongye Changtian International Engineering Co., Ltd	1,116,617,541	571,750,285,857
Các nhà cung cấp khác	18,407,322,131,858	12,757,351,460,223
	<u>21,183,376,049,432</u>	<u>14,046,841,160,127</u>
b. Non-current		
WISDRI Engineering & Research Incorporation Limited	734,493,941,736	1,626,202,425,706
Primetals Technologies Japan, Ltd.	700,532,381,668	1,633,084,418,815
Huatai Yongchuang (Beijing) Tech. Co., Ltd	685,504,490,652	360,902,218,070
Primetals Technologies Austria GmbH	163,710,714,273	399,160,556,513
Other suppliers	1,953,701,981,727	2,264,280,659,936
	<u>4,237,943,510,056</u>	<u>6,283,630,279,040</u>

19. SHORT-TERM ADVANCES FROM CUSTOMERS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Chip Mong Group Ltd.	57,798,162,259	-
Viet Tien Logistics JSC	19,127,746,673	7,747,414,286
Thaco Mechanical Complex LLC	10,681,175,098	-
Singapore Cogeneration Steel Pte Ltd	-	113,025,859,200
Others	752,038,651,058	618,405,033,067
	<u>839,645,735,088</u>	<u>739,178,306,553</u>

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

20. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening receivables balance	Opening payables balance	Payable/ Receivable during the year	Paid during the year	Capital transfer	Closing receivables balance	Closing payables balance
	VND	VND	VND	VND		VND	VND
Value added tax	4,429,786,628	30,512,129,784	955,265,411,554	903,006,006,561	-	573,338,927	78,915,087,076
Value added tax from import goods	478,701,807	-	8,800,471,236,111	8,765,751,982,179	-	478,767,465	34,719,319,590
Special consumption tax	-	1,643,290,559	263,780,846,347	262,455,252,860	-	-	2,968,884,046
Import-export tax	8,288,807	-	398,224,486,669	398,817,193,326	-	600,995,464	-
Corporate income tax	4,402,005,044	1,664,410,805,595	2,574,223,834,884	1,994,842,667,708	(90,191,488)	2,290,176,101	2,241,589,952,340
Personal income tax	306,041,067	10,166,130,374	208,381,565,022	210,523,057,752	(969,075)	93,166,284	7,810,793,786
Natural resource taxes	-	1,944,272,434	37,375,266,439	37,591,060,626	-	-	1,728,478,247
Land rental tax	417,290,259	1,325,567	18,175,568,016	20,067,952,277	-	2,308,348,953	-
Foreign contractor tax	26,597,988	33,499,775,057	239,070,275,044	263,428,592,559	-	22,310,478	9,137,170,032
Other taxes	6,255,936	1,233,700,045	97,022,617,722	97,727,558,377	-	4,000,000	526,503,454
	10,074,967,536	1,743,411,429,415	13,591,991,107,808	12,954,211,324,225	(91,160,563)	6,371,103,672	2,377,396,188,571

21. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance (Restated)
	VND	VND
a. Short-term		
Interest expense	350,042,075,252	284,756,230,119
Utilities expense	126,475,664,250	66,595,912,596
Discount expense	311,145,292,606	188,258,389,011
Salary and Bonus	4,492,943,411	3,968,326,004
Accrued expenses payable to contractors	95,638,847,980	21,179,331,823
Other accrued expense	51,552,199,881	117,353,882,949
	<u>939,347,023,380</u>	<u>682,112,072,502</u>
b. Long-term		
Accruals for cost of industrial zone land	607,363,800,426	1,089,692,237,207
	<u>607,363,800,426</u>	<u>1,089,692,237,207</u>

22. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a. Current		
Receipt of deposit under a share transfer agreement (i)	1,320,000,000,000	-
Receipt of deposit and payment for the purchase of shares in Hoa Phat Agricultural Development Joint Stock Company (ii)	439,016,917,840	-
Trade discounts and customer incentives	19,198,132,039	21,587,116,182
Trade union fees, social and health insurance	4,955,989,820	4,582,516,447
Dividends payable	3,081,210,956	3,659,064,785
Others	225,540,101,920	158,248,147,776
	<u>2,011,792,352,575</u>	<u>188,076,845,190</u>
b. Non-current		
Dividends payable	1,332,287,366	1,332,287,366
Others	16,700,201,489	11,144,217,804
	<u>18,032,488,855</u>	<u>12,476,505,170</u>

- (i) Represents the deposit received by the Group from a third party in relation to the transfer of the Group's equity interest in subsidiary of the Group.
- (ii) Represents the amounts received from investors as deposits and payments for shares in the initial public offering (IPO) of Hoa Phat Agricultural Development Joint Stock Company ("the Agriculture Company"), together with interest earned on these amounts net of bank charges during the period from 24 November 2025 (the date deposits were first received) to 31 December 2025. As at 31 December 2025, these amounts were restricted in accordance with the Securities Law and its guiding regulations.

The above amount was released on January 12, 2026 after Hoa Phat Agricultural Development Joint Stock Company completed its initial public offering, submitted the report on the offering results, and received confirmation from the State Securities Commission of Vietnam regarding receipt of the report documents under Official Letter No. 163/UBCK-GLCB dated 8 January 2026.

23. LOANS

a. Short-term loans

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	VND Decreases	Amount	VND Amount able to be paid off
Short-term loans (i)	52,583,846,906,046	52,583,846,906,046	160,719,794,735,200	157,434,853,612,225	55,868,788,029,021	55,868,788,029,021
Current portion of long-term loans	3,298,839,307,413	3,298,839,307,413	9,176,541,673,365	3,649,211,764,656	8,826,169,216,122	8,826,169,216,122
	55,882,686,213,459	55,882,686,213,459	169,896,336,408,565	161,084,065,376,881	64,694,957,245,143	64,694,957,245,143

(i) The balance of short-term borrowings as at 31 December 2025 includes borrowings in VND and borrowings in USD, with carrying amounts of VND 61,120 billion and VND 3,575 billion, respectively (as at 31 December 2024: VND 50,087 billion and VND 2,496 billion). Borrowings in VND bear interest rates ranging from 4.2% to 6.6% per annum (as at 31 December 2024: from 3.25% to 5% per annum). Borrowings in USD bear interest rates ranging from 3.3% to 4.2% per annum (as at 31 December 2024: from 3.4% to 4% per annum).

As at 31 December 2025, short-term borrowings in VND and USD with carrying amounts of VND 47,816 billion and VND 3,378 billion, respectively (as at 31 December 2024: VND 44,119 billion and VND 2,496 billion), are secured by term deposits (Note 6), short-term trade receivables (Note 7), inventories (Note 10), long-term prepaid land lease expenses (Note 11), property, plant and equipment (Note 12), intangible assets (Note 13), investment properties (Note 14), construction in progress, and future-formed assets of several projects of the Group (Note 15) and shares in Hoa Phat Group Joint Stock Company owned by individual shareholders. The remaining short-term borrowings are unsecured.

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

b. Long-term loans

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	VND Decreases	Amount	VND Amount able to be paid off
Long-term loans	30,379,282,563,509	30,379,282,563,509	9,844,917,089,025	3,918,836,379,338	36,305,363,273,196	36,305,363,273,196
	30,379,282,563,509	30,379,282,563,509	9,844,917,089,025	3,918,836,379,338	36,305,363,273,196	36,305,363,273,196

In which:

- Amount due for settlement within 12 months	3,298,839,307,413	8,826,169,216,122
- Amount due for settlement after 12 months	27,080,443,256,096	27,479,194,057,074

Details of long-term loans:

Lenders name	Opening balance		Closing balance	
	VND	VND	VND	VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam		25,916,746,559,436	30,016,101,894,133	25,916,746,559,436
Vietnam Joint Stock Commercial Bank for Industry and Trade – Hanoi Branch		695,123,649,174	3,304,380,834,562	695,123,649,174
HSBC Bank (Vietnam) Ltd		2,661,031,108,243	1,977,047,318,061	2,661,031,108,243
Woori Bank Vietnam Ltd – Bac Ninh Branch		167,575,757,564	366,400,666,686	167,575,757,564
Bank for Investment and Development of Vietnam JSC – Ha Thanh Branch		538,115,798,305	270,140,762,459	538,115,798,305
Vietnam International Bank (VIB)		-	241,914,065,035	-
BNP Paribas		-	121,377,732,260	-
Environmental Protection Fund		9,814,026,105	8,000,000,000	9,814,026,105
Vietnam Technological and Commercial Joint Stock Bank (Techcombank)		390,875,664,682	-	390,875,664,682
		30,379,282,563,509	36,305,363,273,196	30,379,282,563,509

As at 31 December 2025, long-term borrowings bear interest rates ranging from 3.55% to 7.48% per annum (as at 31 December 2024: from 2.6% to 7.2% per annum).

As at 31 December 2025, the Group's long-term borrowings are secured by certain term deposit contracts (Note 6), certain inventories (Note 10), certain tangible fixed assets (Note 12), and certain construction in progress projects (Note 15).

24. PAYABLE PROVISIONS

	Closing balance	Opening balance (Restated)
	VND	VND
a. Current		
Provision for product warranty	15,437,227,372	13,672,830,889
	<u>15,437,227,372</u>	<u>13,672,830,889</u>
b. Non-current		
Infrastructure maintenance expenses	42,171,910,946	54,000,000,000
Provision for product warranty	45,804,147,034	36,675,399,634
Provision for environmental restoration	31,397,893,712	30,820,147,306
	<u>119,373,951,692</u>	<u>121,495,546,940</u>

25. BONUS AND WELFARE FUND

	Current year	Prior year
	VND	VND
Opening balance	1,027,310,381,825	1,375,476,964,884
Appropriation during the year	496,060,725,000	433,120,275,000
Utilization in the year	(547,492,129,903)	(781,286,858,059)
Closing balance	<u>975,878,976,922</u>	<u>1,027,310,381,825</u>

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

26. OWNERS' EQUITY

Movement in owners' equity:

	Owners' contributed capital	Share premium	Investment and development fund	Retained earnings	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND
Balance as at 01 January 2024	58,147,857,000,000	3,211,560,416,270	818,200,313,964	40,593,031,662,654	65,769,846,491	102,836,419,239,379
Contributed capital of non-controlling shareholders	-	-	-	-	233,136,000,000	233,136,000,000
Capital refunds to non-controlling shareholders	-	-	-	-	(119,560,000)	(119,560,000)
Profit/(Loss) for the year	-	-	-	12,021,443,836,074	(1,420,214,803)	12,020,023,621,271
Payment of dividends in form of shares	5,814,645,000,000	(3,211,560,416,270)	-	(2,603,084,583,730)	-	-
Appropriation to bonus and welfare fund	-	-	-	(433,084,559,413)	(35,715,587)	(433,120,275,000)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	(6,286,212,365)	(6,286,212,365)
Reversal of previously appropriated reserve funds	-	-	(20,800,000,000)	20,800,000,000	-	-
Others	-	-	(2,559,071,836)	17,753,618	(53,511,368)	(2,594,829,586)
Balance as at 31 December 2024	63,962,502,000,000	-	794,841,242,128	49,599,124,109,203	290,990,632,368	114,647,457,983,699
Balance as at 01 January 2025	63,962,502,000,000	-	794,841,242,128	49,599,124,109,203	290,990,632,368	114,647,457,983,699
Contributed capital of non-controlling shareholders	-	-	-	-	687,500,000,000	687,500,000,000
Capital refunds to non-controlling shareholders	-	-	-	-	(55,020,000)	(55,020,000)
Payment of dividends in form of shares	12,792,156,550,000	-	-	(12,792,156,550,000)	-	-
Profit for the year	-	-	-	15,453,174,006,223	61,757,565,383	15,514,931,571,606
Appropriation to bonus and welfare funds	-	-	-	(496,049,985,348)	(10,739,652)	(496,060,725,000)
Appropriation to investment and development fund	-	-	600,000,000,000	(600,000,000,000)	-	-
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	(35,960,933,719)	(35,960,933,719)
Reversal of previously appropriated reserve funds	-	-	(6,403,441,299)	6,403,441,299	-	-
Change in ownership interest without loss of control	-	-	-	(129,108,197,197)	1,031,333,197,197	902,225,000,000
Others	-	-	-	(3,485,074,837)	3,458,074,826	(27,000,011)
Balance as at 31 December 2025	76,754,658,550,000	-	1,388,437,800,829	51,037,901,749,343	2,039,012,776,403	131,220,010,876,575

- (i) According to Resolution No. 01/NQ-DHDCD.2025 of the General Meeting of Shareholders dated 17 April 2025, the Company made appropriations to the Bonus and Welfare fund, the Executive bonus, the remuneration of the Board of Directors and the Supervisory Board, and the Investment and development Fund from the net profit after tax of the year 2024.

Charter capital

As of 31 December 2025, according to the 38th amended Business Registration Certificate dated 11 August 2025, the Company's charter capital is VND 76,754,658,550,000 corresponding to 7,675,465,855 shares, which have been fully contributed by shareholders as follows:

	As amended Business Registration Certificate		Contributed capital	
	VND	%	Closing balance	Opening balance
Mr. Tran Dinh Long	19,800,000,000,000	25.80	19,800,000,000,000	16,500,000,000,000
Ms. Vu Thi Hien	5,280,000,000,000	6.88	5,280,000,000,000	4,400,000,000,000
Others	51,674,658,550,000	67.32	51,674,658,550,000	43,062,502,000,000
	76,754,658,550,000	100	76,754,658,550,000	63,962,502,000,000

Shares

Number of shares issued to the public

Ordinary shares

Number of outstanding shares in circulation

Ordinary shares

A common share has par value of VND 10,000.

Dividends

According to Resolution No. 01/NQ-DHDCD.2025 dated 17 April 2025 of the General Meeting of Shareholders and Resolution No. 10/NQHP-2025 dated 5 May 2025 of the Board of Directors, the Company approved the plan to pay dividends for the year 2024 in shares to existing shareholders, using retained earnings at a rate of 20% (shareholders holding 10 ordinary shares received 2 additional shares). On 27 June 2025, the Company finalized the list of shareholders entitled to the dividend payment in shares. On 18 July 2025, the Ho Chi Minh City Stock Exchange approved the Company's additional listing related to this dividend payment. Accordingly, the number of listed shares increased by 1,279,215,655 shares (from 6,396,250,200 shares to 7,675,465,855 shares) from the approval date.

	Closing balance	Opening balance
	7,675,465,855	6,396,250,200
	7,675,465,855	6,396,250,200
	7,675,465,855	6,396,250,200
	7,675,465,855	6,396,250,200

27. OFF BALANCE SHEET ITEMS

Foreign currencies

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
USD	36,418,698	14,517,852
EUR	7,908	3,496
AUD	-	7,400
INR	123,820	131,820
CNY	12,548	12,559
SGD	2,247	1,104
JPY	-	130,000
MYR	3,621	3,621

Operating lease commitment

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Less than one year	332,210,914,117	349,352,274,001
In the second to fifth year inclusive	1,024,892,487,747	796,790,846,988
Over five years	1,646,794,589,449	1,098,534,313,766
Total	<u>3,003,897,991,313</u>	<u>2,244,677,434,755</u>

Bad debts written off

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Mr. Nguyen Van Khoa	1,228,440,000	-
Ha Phong Co-operative	439,461,000	-
Others	1,499,768,300	-
	<u>3,167,669,300</u>	<u>-</u>

28. BUSINESS AND GEOGRAPHICAL SEGMENTS

A segment is a distinguishable component of the Group that participates in providing separate products or services or providing products or services in a specific economic environment, with each segment assuming different risks and deriving different benefits compared to other segments. The Group's business segments are as follows:

- Production and trading of steel
- Agriculture
- Real estate

A geographical segment is a distinguishable component of the Group that engages in the production or provision of products or services within a particular economic environment, which is subject to risks and economic benefits that are different from those of business segments operating in other economic environments. The Group determines geographical segments based on the location of its customers, representing the market and client locations, including Vietnam, Asia (excluding Vietnam), Europe, the Americas, Africa, and Oceania.

The Group identifies business segments as the primary reporting segments because the Group's risks and returns are mainly affected by differences in the products and services it produces. Geographical segments are considered secondary reporting segments.

Primary report by business segment

Total assets and total liabilities by business segment as at 31 December 2025:

	Production and trading of steel VND	Agriculture VND	Real estate VND	Elimination VND	Total VND
Total assets by segment	260,550,705,445,927	2,277,836,672,784	5,618,337,131,927	(10,547,678,433,091)	257,899,200,817,547
Total liabilities by segment	131,232,130,457,463	1,520,244,500,381	3,522,716,854,090	(9,595,901,870,962)	126,679,189,940,972

Total assets and total liabilities by business segment as at 31 December 2024:

	Production and trading of steel VND	Agriculture VND	Real estate VND	Elimination VND	Total VND
Total assets by segment	212,863,820,372,850	4,676,230,709,727	10,277,751,461,567	(3,328,094,990,163)	224,489,707,553,981
Total liabilities by segment	108,382,514,439,382	1,436,230,385,044	2,582,836,295,586	(2,559,331,549,730)	109,842,249,570,282

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Revenue, profit and expenses by business segment for the year ended 31 December 2025:

	Production and trading of steel	Agriculture	Real estate	Elimination	Total
	VND	VND	VND	VND	VND
Net revenue					
Net external sales	146,318,567,790,514	8,114,479,699,737	1,683,047,128,231	-	156,116,094,618,482
Net internal sales	16,789,158,439,714	1,526,714,999	62,475,837,454	(16,853,160,992,167)	-
Total net revenue by segment	163,107,726,230,228	8,116,006,414,736	1,745,522,965,685	(16,853,160,992,167)	156,116,094,618,482
Operating results					
Net profit before tax by segment	29,273,907,692,947	1,751,875,676,836	1,536,443,378,808	(14,521,634,770,711)	18,040,591,977,880
Corporate income tax expenses	(2,107,707,969,364)	(151,624,686,067)	(307,390,684,433)	41,062,933,590	(2,525,660,406,274)
Net profit after tax by segment	27,166,199,723,583	1,600,250,990,769	1,229,052,694,375	(14,480,571,837,121)	15,514,931,571,606
Other information					
Total expenses incurred for acquisition fixed assets	23,289,902,903,696	206,792,585,085	172,665,908,941	(32,905,318,680)	23,636,456,079,042
Depreciation and amortisation	8,012,781,784,741	406,261,916,077	73,960,588,953	(22,321,029,615)	8,470,683,260,156

HOA PHAT GROUP JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B 09-DN/HN

Revenue, profit and expenses by business segment for the year ended 31 December 2024:

	Production and trading of steel	Agriculture	Real estate	Elimination	Total
	VND	VND	VND	VND	VND
Net revenue					
Net external sales	129,866,316,964,093	6,906,132,927,160	2,082,662,240,134	-	138,855,112,131,387
Net internal sales	14,871,116,107,413	2,440,122,834	40,044,624,776	(14,913,600,855,023)	-
Total net revenue by segment	144,737,433,071,506	6,908,573,049,994	2,122,706,864,910	(14,913,600,855,023)	138,855,112,131,387
Operating results					
Net profit before tax by segment	21,965,204,410,529	1,144,037,256,397	1,069,881,601,093	(10,485,621,006,841)	13,693,502,261,178
Corporate income tax expenses	(1,391,143,788,183)	(113,182,871,234)	(220,705,440,153)	51,553,459,663	(1,673,478,639,907)
Net profit after tax by segment	20,574,060,622,346	1,030,854,385,163	849,176,160,940	(10,434,067,547,178)	12,020,023,621,271
Other information					
Total expenses incurred for acquisition fixed assets	35,179,794,255,234	249,578,243,725	228,028,440,025	(162,374,141,657)	35,495,026,797,327
Depreciation and amortisation	6,473,977,720,597	421,760,548,659	73,723,625,193	(41,494,671,283)	6,927,967,223,166

29. REVENUE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Total revenue from sales of goods and services rendered		
Revenue from sales of goods	156,000,491,407,783	137,852,890,802,353
Revenue from rendering of services	756,518,904,154	725,545,690,056
Revenue from subleasing of leased land	1,377,483,494,335	1,826,674,457,139
Revenue from leasing of investment properties	103,788,965,605	147,925,256,273
Others	94,035,162,335	8,351,242,751
	<u>158,332,317,934,212</u>	<u>140,561,387,448,572</u>
Deductions		
Trade discount	(2,122,663,132,507)	(1,631,704,360,601)
Sales allowance	(461,358,565)	(1,027,962,712)
Sales return	(93,098,824,658)	(73,542,993,872)
	<u>(2,216,223,315,730)</u>	<u>(1,706,275,317,185)</u>
Net revenue from sales of goods and services	<u>156,116,094,618,482</u>	<u>138,855,112,131,387</u>

30. COST OF GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Cost of finished goods and merchandise sold	130,839,382,167,776	118,828,081,625,292
Cost of services rendered	381,488,009,525	573,551,120,480
Cost of subleasing of leased land	314,344,238,952	905,214,587,794
Cost of leasing of investment properties	47,522,436,713	64,580,750,487
Reversal of provision for devaluation of inventories	(37,023,997,898)	(22,810,546,348)
Others	72,593,580,232	8,945,465,998
	<u>131,618,306,435,300</u>	<u>120,357,563,003,703</u>

31. PRODUCTION COST BY NATURE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Raw materials, consumables	100,757,622,413,971	101,168,900,860,222
Labour cost	5,719,206,603,007	5,012,440,873,956
Depreciation and amortisation	8,458,583,318,852	6,915,671,331,197
Out-sourced services	15,607,410,213,540	11,426,590,927,560
Other monetary expenses	5,744,153,543,478	4,655,412,486,339
	<u>136,286,976,092,848</u>	<u>129,179,016,479,274</u>

32. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Bank and loans interest	1,262,868,043,382	1,258,679,587,670
Foreign exchange gain	803,469,992,194	1,325,029,294,409
Other finance income	15,451,787,464	35,208,358,208
	<u>2,081,789,823,040</u>	<u>2,618,917,240,287</u>

33. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	3,114,855,868,974	2,287,360,810,880
Foreign exchange loss	1,408,387,829,353	1,651,903,331,639
Other finance expense	80,332,290,863	27,371,932,086
	<u>4,603,575,989,190</u>	<u>3,966,636,074,605</u>

34. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Selling expenses for the year		
Labour cost	309,835,714,355	209,264,157,604
Depreciation and amortization expenses	124,458,388,557	58,190,275,470
Warranty expenses	50,958,628,194	46,138,504,984
Transportation expenses	1,070,832,166,136	563,197,124,009
Advertising expenses	133,973,285,234	89,537,726,456
Promotion expenses	115,297,891,122	77,245,199,195
Export expenses	329,403,069,435	1,017,359,889,637
Out-sourced and other selling expenses	498,871,568,875	276,375,807,909
	<u>2,633,630,711,908</u>	<u>2,337,308,685,264</u>
General and administration expenses for the year		
Labour cost	444,700,210,791	439,147,348,666
Depreciation and amortization expenses	88,709,130,986	103,474,669,832
Goodwill amortisation	12,099,941,304	12,295,891,969
Out-sourced and other general and administration expenses	891,028,074,408	990,598,112,305
	<u>1,436,537,357,489</u>	<u>1,545,516,022,772</u>

35. OTHER INCOME

	Current year VND	Prior year VND
Gain from disposals of fixed assets	27,753,724,646	438,198,939,897
Income from sales of electricity, water and rendering services	1,281,227,038	586,295,325,886
Compensations received from other parties	114,526,115,703	84,044,327,457
Others	162,032,290,524	51,231,091,853
	<u>305,593,357,911</u>	<u>1,159,769,685,093</u>

36. OTHER EXPENSES

	Current year VND	Prior year VND
Loss on disposals of fixed assets and construction in progress	5,253,296,386	6,288,077,506
Costs of electricity, water and services rendered	106,462,521	552,673,829,997
Other expenses	165,475,568,759	174,311,101,742
	<u>170,835,327,666</u>	<u>733,273,009,245</u>

37. CORPORATE INCOME TAX EXPENSE

	<u>Current year</u> VND	<u>Prior year</u> VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	2,571,232,377,307	1,757,036,484,733
Adjustments for corporate income tax expense in previous years to the current year	2,991,457,577	8,769,522,507
Total current corporate income tax expense	<u><u>2,574,223,834,884</u></u>	<u><u>1,765,806,007,240</u></u>

Pursuant to the provisions of the current Income Tax Law, the Group is obliged to pay the Corporate income tax at the rate of 20% on taxable profits.

The Group's subsidiaries are obliged to pay the Corporate income tax at the tax rate and enjoy tax incentives as prescribed in the Investment Certificates and current tax regulations.

38. BASIC EARNINGS PER SHARE

	<u>Current year</u>	<u>Prior year</u> (Restated)
Accounting profit after corporate income tax attributable to Holding company (VND)	15,453,174,006,223	12,021,443,836,074
Decreasing or increasing adjustments to accounting profit to determine profit attributable to ordinary shareholders:		
- Appropriation to bonus and welfare funds (VND) (i)	(309,063,480,124)	(470,000,000,000)
Profit attributable to ordinary shareholders (VND)	15,144,110,526,099	11,551,443,836,074
Average number of ordinary shares in circulation for the year (share)	7,675,465,855	7,675,465,855
Basic earnings per share (VND/share) (ii)	<u><u>1,973</u></u>	<u><u>1,505</u></u>

(i) As at 31 December 2025, the Group plans to appropriate the bonus and welfare fund at an amount equivalent to 2% of the Group's undistributed profit after tax for 2025.

(ii) The Basic Earnings per Share data for the year ended 31 December 2024 have been restated due to the impact of the stock dividend issuance for 2025, in accordance with Vietnamese Accounting Standard No. 30 "Earnings per Share" and Circular No. 200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014, as follows:

	Opening balance (Reported figure)	Reclassification	Opening balance (Reclassified)
Accounting profit after corporate income tax (VND)	12,021,443,836,074		- 12,021,443,836,074
- Appropriation to the Bonus and Welfare Fund, the Executive Bonus, and the remuneration of the Board of Directors and the Supervisory Board (VND) (i)	(822,286,472,049)	352,286,472,049	(470,000,000,000)
Profit attributable to ordinary shareholders (VND)	11,199,157,364,025	352,286,472,049	11,551,443,836,074
Average number of ordinary shares in circulation for the year (share)	6,396,250,200	1,279,215,655	7,675,465,855
Basic earnings per share (VND/share)	1,751	275	1,505

The weighted average number of ordinary shares outstanding during the year is presented as follows:

	Current year	Prior year (Restated)
	Share	Share
Number of ordinary shares in circulation at the beginning of the year	6,396,250,200	6,396,250,200
Impact of the stock dividend payment during the year	1,279,215,655	1,279,215,655
Number of ordinary shares in circulation for the year	7,675,465,855	7,675,465,855

During the year, there have been no transactions involving common potential common stock and thus no diluted earning per share is presented.

39. COMMITMENTS

Operating lease commitment

As at 31 December 2025, the Group has entered into land lease, aircraft lease and lease agreements for factories and offices with the State and other companies for the purpose of serving its business operations. Under these agreements, the Group is required to pay lease fees until the contract maturity date in accordance with current regulations.

Capital Commitments

Project Investments

The Group has committed capital for future investments in the Dung Quat Steel Complex Project and other projects. The amount related to components that have been approved but not yet contracted, and those that have been signed but not yet implemented as of 31 December 2025, is approximately VND 32,072 billion (as of 31 December 2024: approximately VND 33,476 billion).

40. RELATED PARTY TRANSACTIONS

Salaries, bonuses and remuneration paid to the Company's Board of Directors, Board of Management, Supervisory Board and other key management personnel during the year were as follows:

	Current year	Prior year
	VND	VND
Remuneration of the Board of Directors	83,160,000,000	244,720,000,000
Salaries and bonuses of the Board of Management	36,774,676,000	5,736,682,000
Remuneration, salaries and bonuses of the Supervisors Board	3,080,661,817	3,249,375,165
Salaries and bonuses of other key management personnel	1,868,503,061	1,848,785,128
	<u>124,883,840,878</u>	<u>255,554,842,293</u>

41. SUBSEQUENT EVENTS

According to Decision No. 02/2026/QĐ-HĐQT dated 6 January 2026, the Board of Directors of Hoa Phat Agricultural Development Joint Stock Company - a subsidiary of the Group - approved the results of its initial public offering (IPO) and the corresponding increase in charter capital based on the successfully issued shares. Accordingly, Hoa Phat Agricultural Development Joint Stock Company successfully offered 30,000,000 shares, equivalent to a par value of VND 300,000,000,000. The charter capital of Hoa Phat Agricultural Development Joint Stock Company was increased accordingly with the value of the issued shares. The company completed the required procedures and was granted the 11th amended Enterprise Registration Certificate on 13 January 2026, with a charter capital of VND 2,850,000,000,000.

According to Official Letter No. 237/UBCK-GSDC dated 10 January 2026, the State Securities Commission of Vietnam confirmed that Hoa Phat Agricultural Development Joint Stock Company had successfully completed its initial public offering and became a public company as from 8 January 2026.

According to Notice No. 245/TB-SGDHCM dated 30 January 2026 of the Ho Chi Minh City Stock Exchange regarding the listing and the first trading day of the shares of Hoa Phat Agricultural Development Joint Stock Company, the effective listing date was 29 January 2026, and the first trading date was 6 February 2026, with a reference price on the first trading day of VND 41,900 per share.

42. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for purchases of fixed assets and construction in progress during the year exclude an amount of VND 8,767,165,990,462, representing additions to fixed assets and construction in progress during the year that have not yet been paid, exclude an amount of VND 10,592,640,680, representing borrowing costs capitalised to construction in progress, and include an amount of VND 1,266,378,945,425, representing advances to suppliers for purchases of fixed assets and construction in progress during the year (2024: VND 12,539,833,524,119, VND 187,540,007,675 and VND 949,656,932,292, respectively). Consequently, changes in accounts payable and receivable have been adjusted by the same amounts.

Interest paid during the year excludes an amount of VND 339,538,591,914, representing borrowing costs incurred during the year that have not yet been paid, and includes an amount of VND 4,666,659,453, representing borrowing costs prepaid during the year (2024: VND 104,182,040,405 and VND 0, respectively). Consequently, changes in accounts payable and receivable have been adjusted by the same amounts.

Cash receipts from interest income, dividends and profit distributions during the year exclude an amount of VND 437,767,044,708, representing accrued interest income on deposits as at year-end (2024: VND 409,591,377,404). Consequently, a corresponding adjustment has been made to changes in accounts receivable.



Tran Xuan Mai
Preparer



Pham Thi Kim Oanh
Chief Accountant



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CÔNG TY
CƠ PHÂN
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HÒA PHÁT
HÀ NỘI

Nguyen Viet Thang
Chief Executive Officer

24 March 2026