nafoods Group

No.: 01 /2026/BC-ĐHĐCĐ *Nghe An, 27 March, 2026*

REPORT

OF THE BOARD OF MANAGEMENT ON OPERATING RESULTS IN 2025 AND OPERATING PLAN IN 2026

To: The General Meeting of Shareholders of Nafoods Group Joint Stock Company.

The Board of Management hereby reports to the General Meeting of Shareholders ("GMS") on the operating results in 2025 and the operating plan for 2026 as follows:

I. OPERATING RESULTS IN 2025

1. Overview of consolidated operating results and financial situation

1.1. Operating results

Operating results	FY 2025		FY 2024		Growth
	Billion VND	%NR	Billion VND	%NR	+/-%
Net revenue (NR)	**2,063.7**	**100.0%**	**1,437.0**	**100.0%**	**43.6%**
Gross Profit	469.0	22.7%	405.6	28.2%	15.6%
Selling and Administrative Expenses	245.2	11.9%	244.5	17.0%	0.3%
EBITDA	395.7	19.2%	313.9	21.8%	26.1%
Interests expenses	71.8	3.5%	52.0	3.6%	38.3%
Profit after tax	**145.6**	**7.1%**	**116.4**	**8.1%**	**25.1%**

- In 2025, the Company's consolidated net revenue reached VND 2,063.7 billion, representing a 43.6% yoy increase and exceeding the annual target by 4.0%. This marked the highest revenue level since establishment, reflecting a strong recovery and a return to positive growth following the previous 2 years of decline.
- Revenue in 2025 recorded growth across all business segments, specifically:
  + The Industrial Sales segment continued to contribute the largest portion of revenue in 2025, reaching VND 1,654 billion (accounting for 80% of total revenue), increased 22.5% year-on-year, driven by growth in key fruit categories such as passion fruit, lychee, and dragon fruit, as well as the resumption of revenue contribution from pineapple products.
  + The Dried Products and Consumer Sales segment recorded a breakout year, with revenue of VND 326 billion (accounting for 16% of total revenue), increased by five times compared to the previous year, driven by the strong growth of exported crispy dried jackfruit products in the U.S. market.

(A) 47 Nguyen Canh Hoan Street, Vinh Hung Ward, Nghe An Province, Vietnam. (T) +84 28.37447666 (W) www.nafoods.com (M) in@nafoods.com

+ The Seedling segment recorded a recovery in demand for passion fruit seedlings in 2025. As a result, revenue from this segment reached VND 83 billion (accounting for 4% of total revenue), increasing by three times year-on-year.

- Gross profit reached VND 469.0 billion, representing a 15.6% yoy increase. The gross profit margin was 22.7%, decreased 5.5 percentage points compared to the previous year, primarily due to: (i) higher raw material prices for passion fruit in 2025; (ii) crispy dried jackfruit products being mainly outsourced for processing; and (iii) proactive price support for passion fruit seedlings to encourage farmers to participate in linkage programs and expand planting areas, thereby securing raw material supply for the Company's processing facilities.
- Despite strong revenue growth, selling and administrative expenses remained well controlled, totaling VND 245.2 billion, a slight increase of VND 0.8 billion (+0.3% yoy). As a result, the ratio of selling and administrative expenses to revenue declined to 11.9%, decreased 5.1 percentage points yoy.
- Consolidated EBITDA in 2025 reached VND 395.7 billion, an increase of VND 81.8 billion (+26.1% yoy). The EBITDA margin was 19.2%, decreased 2.7 percentage points yoy.
- Interest expenses in 2025 amounted to VND 71.8 billion, increased 38.3% yoy, primarily due to higher borrowings balance. The ratio of interest expenses to revenue was 3.5%, slightly decreasing by 0.1 percentage points compared to the previous year.
- Profit after tax in 2025 reached a new record high of VND 145.6 billion, increasing by VND 29.2 billion (+25.1% yoy) and exceeding the annual plan by 7.8%. The net profit margin was 7.1%, decreased 1.0 percentage point compared to 2024.

1.2. Financial situation

Balance Sheet	31/12/2025		31/12/2024		Growth
	Billion VND	%TA	Billion VND	%TA	+/-%
Total Assets (TA)	**2,323.1**	**100.0%**	**2,029.0**	**100.0%**	**14.5%**
Current assets	1,117.3	48.1%	991.1	48.8%	12.7%
Non-current assets	1,205.8	51.9%	1,037.9	51.2%	16.2%
Liability	**1,539.0**	**66.2%**	**1,044.0**	**51.5%**	**47.4%**
Short-term borrowings	771.0	33.2%	692.1	34.1%	11.4%
Long-term borrowings	502.7	21.6%	155.6	7.7%	223.1%
Other liability	265.3	11.4%	196.3	9.7%	35.1%
Equity	**784.1**	**33.8%**	**985.0**	**48.5%**	**-20.4%**

(A) 47 Nguyen Canh Hoan Street, Vinh Hung Ward, Nghe An Province, Vietnam
(T) +84 28.37.447.666 (W) www.nafoods.com (M) ir@nafoods.com

- As of December 31, 2025, the Group's consolidated total assets amounted to VND 2,323.1 billion, increased 14.5% yoy. Of which, current assets reached VND 1,117.3 billion, increasing by 12.7% yoy and accounting for 48.1% of total assets; non-current assets totaled VND 1,205.8 billion, increased 16.2% yoy and representing 51.9% of total assets.
- During the year, the Company completed the restructuring of IFC's investment by buying back all 9,683,933 redeemable preference shares with a total value of VND 345.7 billion. According to this transaction, consolidated shareholders' equity as at December 31, 2025 amounted to VND 784.1 billion, representing a decrease of 20.4% yoy and accounting for 33.8% of total assets.
- As of December 31, 2025, total liabilities increased by 47.4% to VND 1,539.0 billion, accounting for 66.2% of total assets. Of which, short-term borrowings amounted to VND 771.0 billion, increased 11.4% yoy and representing 33.2% of total assets. Long-term borrowings reached VND 502.7 billion, strongly increased by 223.1% yoy and accounting for 21.6% of total assets, primarily driven by disbursements from loan facilities provided by FMO (USD 20 million facility) and responsAbility (USD 6 million facility), two reputable financial institutions from the Netherlands and Switzerland.

Fiancial Indicators	Unit	31/12/2025	31/12/2024
1. Liquidity Ratio			
Current Ratio	Time	1.12	1.16
Quick Ratio	Time	0.90	0.91
2. Capital Structure Ratio			
Total Liability/Equity	Time	1.96	1.06
Total Debt/Equity	Time	1.62	0.86
Total Debt/EBITDA	Time	3.22	2.70
3. Operating Efficiency Ratio			
Accounts Receivable Turnover	Time	5.64	4.21
Accounts Payable Turnover	Time	18.00	15.15
Inventory Turnover	Time	7.39	4.31
Total Assets Turnover	Time	0.95	0.71
4. Profitability Ratio			
ROE	%	18.6%	11.8%
ROA	%	6.3%	5.7%

- The buying back of IFC's redeemable preference shares has significantly reduced the Company's cost of capital. However, in the context of decreased shareholders' equity and increased borrowings, leverage ratios have trended upward, despite of remaining

NAFOODS GROUP JSC
(A) 47 Nguyen Canh Hoan Street, Vinh Hung Ward, Nghe An Province, Vietnam
(T) +84 28.37447666 (W) www.nafoods.com (M) ir@nafoods.com

within control range. Specifically, the debt-to-equity ratio reached 1.62x, increased from 0.86x at the end of the previous year, while the debt-to-EBITDA ratio increased to 3.22x from 2.70x in the prior year.

- Nevertheless, the Company's liquidity remained at a safe level, with the current ratio at 1.12x, equivalent to the same period.
- In addition, working capital management efficiency improved, as accounts receivable turnover, inventory turnover, and total asset turnover all increased compared to the previous year, driven by effective management of receivables, inventories, and operating cash flows.
- Profitability also improved significantly, with ROE reaching 18.6%, increased 6.7 percentage points compared to the previous year, driven by higher profit after tax while shareholders' equity decreased.

2. Results of implementation of the Company's key tasks

2.1. Business Operations and Market

- Industrial Sales:
  + Maintained a leading position in concentrated juice products (36% market share) and puree/NFC products (20% market share) exported from Vietnam.
  + Sales of key product categories recorded strong growth, including passion fruit (+31%), dragon fruit (+29%), and lychee (+71%).
  + Pineapple products also recorded an impressive comeback, with revenue increasing by 571% year-on-year.
  + Revenue from the European market grew by 107%, offsetting the decline in the U.S. market due to tariff impacts.
- Production and trading of dried products and consumer products
  + Successfully developed and introduced crispy dried jackfruit products into the U.S. market, driving revenue in this market to increase by more than ten times year-on-year.
  + Soft-dried passion fruit and soft-dried mango products recorded positive growth in the European and Russian markets.
  + Developed private label products for the Emart supermarket channel in the domestic market, opening up opportunities to capture greater market share.
- Seedlings Sales:

(A) 47 Nguyen Canh Hoan Street, Vinh Hung Ward, Nghe An Province, Vietnam. (T) +84 28.37.447666 (W) www.nafoods.com (M) ir@nafoods.com

+ Reinforced the quality of seedlings, strengthening trust among distributors and farmers.

+ Maintained a leading market position with a 70% market share.

2.2. Marketing & Communication

- Completed market data dashboards across business segments, with information updated on a monthly, quarterly, and annual basis.
- Completed periodic monthly reports on crop seasons and weather conditions in Vietnam and competitor countries.
- Export customer data on the CRM system has been effectively utilized, enabling timely customer management and engagement
- Successfully organized important communication and media events.

2.3. Purchasing and planting area development

- Total purchasing volume in 2025 reached 72,857 tons, increased 36% year-on-year, with purchase prices effectively controlled within a ±5% variance against the plan.
- Collaborated to develop passion fruit planting areas with 28 partner entities/cooperatives, an increase of 4 units compared to 2024, bringing the total planting area to 2,842 hectares (2024: 1,785 hectares), equivalent to 1,842 farming households.
- Improved the accuracy of forecasts for crop seasons, planting areas, and harvest output to 70 – 80%.

2.4. Production management

- Maintained stable production operations to meet business demand.
- Accelerated automation in key processing stages (IQF, juice, and concentrate), thereby enhancing productivity and ensuring consistent product quality.
- Maintained strong product quality control, with no major incidents recorded.
- Complied with international management standards, including SMETA and the ISO 14001 environmental management system.

2.5. Investment and Project Implementation

In 2025, the Company continued to accelerate the implementation of investment projects to enhance and expand its core production capacity across the entire system. Specifically:

- At Nafoods Southern JSC: completed the investment and commissioning of a crispy drying line with a capacity of 20 containers of finished products per month. In parallel, the Nasoco 2 project has been launched, featuring a 6,000 m² factory scale,

(A) 47 Nguyen Canh Hoan Street, Vinh Hung Ward, Nghe An Province, Vietnam. (T) +84 28.37.447.666 (W) www.nafoods.com (E) info@nafoods.com

serving cold storage systems, crispy drying lines, and freeze-drying production, and is expected to be completed and operational from April 2026.

- At Nghe An Food Products JSC: completed the investment and commissioning of a banana ripening facility with a capacity of 26 tons of raw materials per day, thereby enhancing ripening capacity and optimizing warehouse planning. In addition, the investment project for a pineapple concentrate production line is being implemented, aiming to increase capacity from 150 tons to 240 tons of raw materials per day.
- At Nafoods Tay Nguyen JSC: completed the project to upgrade extraction capacity from 311 tons to 700 tons of fruit per day. The project included infrastructure improvements, upgrades to water supply and wastewater treatment systems, investment in extraction equipment, freezing lines, chiller systems, and related equipment. This upgrade helped optimize production lines, enhance competitiveness, and strengthen advantages during peak harvest seasons.

2.6. Capital Mobilization and Shareholder/Investor Relations

- Successfully secured a total long-term loan facility of USD 26 million from FMO and responsAbility - two reputable ESG-standard financial institutions - thereby replacing funding from IFC and meeting the Company's investment and business expansion needs for the 2025–2026 period.
- Continued to maintain and expand relationships with domestic and international credit institutions, increasing the total working capital credit limit to VND 1,400 billion, increased 10% compared to 2024.
- Successfully organized a Site visit and Analyst Meeting, with participation from representatives of 20 institutions, including securities companies and investment funds.
- The Investor Relations newsletter was maintained on a quarterly basis, ensuring timely and transparent information disclosure to shareholders.
- Received strong market recognition with multiple awards: Top 20 Best Annual Reports (Non-Financial Sector), Top 5 Best Corporate Governance (Small Cap), ranked the VNCG Top 50, and placed in the Top 3 IR Awards (Small Cap) in both categories—Individual Investors' Best Choice and Financial Institutions' Best Assessment.

3. Improvements in Organizational Structure, Policies, and Management

2025 marked a pivotal year in Nafoods Group's roadmap to enhance its governance system, laying the foundation for the implementation of 1st Phase of the SAP S/4HANA system in 2026. Building on the organizational restructuring undertaken during 2023–2024, the Company continued to strengthen its operating model, streamline processes,

and reinforce internal controls to ensure readiness in terms of organizational structure, processes, and data. Key achievements during the year are as follows:

Strengthening organizational structure and delegation framework

- During the year, the Company continued to review and finalize its organizational structure according to the Group governance model approved by the BOD; standardized functions - responsibilities across divisions and subsidiaries; and updated job descriptions and work instructions in alignment with the process system.
- The delegation - authorization framework was reviewed based on the principles of transparent authority, enhanced accountability and minimized overlap. Strengthening the organizational structure helped ensure operational clarity before integration into the ERP system.

Standardizing the SOP system according to streamliness while ensuring effective control

- In 2025, the Company conducted a comprehensive review of its operational processes, aiming to streamline workflows, eliminate redundancies, and standardize control points.
- As of December 31 2025, the Group had issued and/or improved 137 SOPs, covering key functional areas including sales, procurement, production, logistics, quality management, R&D, finance and accounting, legal, human resources, information technology, as well as internal control and risk management.
- Key areas of improvement include:
  + Eliminated intermediate steps that do not add value;
  + Consolidated overlapping processes across units;
  + Standardized the SOP structure based on a unified template across the Group;
  + Clearly defined inputs – outputs – responsibilities - approval authority.

Human resources development and compliance culture enhancement

- The Company continued to standardize recruitment, onboarding, and training processes; strengthened internal training on new process systems; and integrated SOP content into the E-Learning platform. Linking KPIs to the level of process compliance has contributed to fostering a system-driven working culture and enhancing professionalism across the Group.

Building a technology foundation

- During the year, the Company completed the IT infrastructure and governance processes, strengthened the Document Management System (DMS), and prepared the data foundation to support the implementation of 1 st Phase of SAP S/4HANA in 2026.

(A) 47 Nguyen Canh Hoan Street, Vinh Hung Ward, Nghe An Province, Vietnam.

(T) +84.238.3649666 (W) www.nafoods.com (M) in@nafoods.com

II. OPERATING PLAN IN 2026

In 2026, the Company targets net revenue of VND 3,000 billion and profit after tax of VND 200 billion, representing increases of 45% and 37% year-on-year, respectively. To achieve these targets, the Company will focus on implementing the following key growth drivers:

Strengthening and expanding markets

- Maintain and enhance the effectiveness of B2B channels in key markets such as the U.S. and Europe..
- Expand B2C channels in the U.S. market by increasing presence in major retail chains such as Walmart, Costco,...thereby driving sales of value-added products, particularly crispy dried jackfruit.
- Establish a representative office in China to develop market-tailored products and effectively leverage this high-potential market.
- Explore M&A opportunities in the seedling sector to expand the ecosystem and enhance competitive capabilities.

New product development

- Complete and effectively leverage the freeze-drying production line.
- Accelerate the development of new products such as IQF frozen durian, fresh fruits, and coffee.
- Continue strengthening the passion fruit seedling segment to both increase revenue and improve profit margins.
- Enhance R&D activities, focusing on areas such as biomass energy, pectin, and advanced processing technologies.

Enhance production capacity and competitiveness

- Complete and put into operation the Nasoco 2 project, featuring modern factories, drying lines, and cold storage systems.
- Implement the Nafoods Tay Nguyen factory project – 4th Phase to expand production capacity for puree, IQF products, and cold storage systems.

Digital transformation & sustainable development

- Develop and implement an agricultural services retail chain model.
- Apply ESG measurement and assessment systems for farming areas.
- Expand planting areas and strengthen partnerships with farmers to ensure a stable supply, improve quality, and enhance traceability.

(A) 47 Nguyen Canh Hoan Street, Vinh Hung Ward, Nghe An Province, Vietnam. (T) +84 28.37.447.666 (W) www.nafoods.com (M) ir@nafoods.com

- Implement the ERP system SAP S/4HANA Cloud and smart farming solutions to enhance governance efficiency, optimize operations, and enable data-driven decision-making.

With the above synchronized orientations and solutions, the Company expects to achieve strong growth in 2026, while reinforcing the foundation for sustainable development in the medium and long term.

O/B. THE BOARD OF MANAGEMENT
GENERAL DIRECTOR

M.S.D.N: 2900526375 C.T.C.P CÔNG TY CP NAFOODS GROUP TỈNH NGHỆ AN

NGUYEN MANH HUNG

C.T.C.P