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ANNUAL REPORT



Growing shareholder value

We optimize production and tightly control costs to strengthen our competitive edge. By balancing the interests of customers, employees, and partners, we remain committed to maximizing shareholder value and reinforcing our position as a national food brand.

Delivering Shareholder Returns: We plan to maintain a dividend payout ratio of 30% of charter capital, reflecting our sound financial health and the collective efforts of our team amid a challenging market environment.

International-Standard Quality: We continue to maintain and newly obtain the most stringent certifications, including FSSC 22000, ISO 14001:2015, and ISO 45001:2018, ensuring Safoco products meet the requirements to serve 85 countries worldwide.

Domestic Market Strategy: We prioritize sustaining and expanding our presence across 8,500 points of sale, with the domestic market targeted to contribute 70%–80% of total revenue.

Guidance on the Use of This Report

Purpose of the Report

This Report presents Safoco's financial position, operating performance, and strategic direction for 2026, enabling shareholders and investors to accurately assess the Company's operational capabilities and the effectiveness of its resource utilization in the new context.

Glossary

Terms and definitions used in this Report are provided in the Glossary on page 6.

Additional Information

Investor Relations

The Company has fully disclosed all corporate publications, including the Prospectus, Financial Statements, and Annual Reports on its website.



<https://www.safocofood.com/quan-he-co-dong>

Looking Back at 2025

As of December 31, 2025

Scale

576

Number of employees
(vs. 569 in 2024)

85

Operates in 85 countries

14,620 tons

Product output
(vs. 14,329 tons in 2024)

8,500

Points of sale

Operating Performance

738.28 Bn ● **7.729 Bn**

Revenue
(vs. VND 723.78 Bn in 2024) Financial income
(vs. VND 6.750 Bn in 2024)

148.13 Bn ● **48.61 Bn** ●

Gross profit
(vs. VND 137.89 Bn in 2024) Net profit
(vs. VND 47.60 Bn in 2024)

258.97 Bn **180.06 Bn**

Total assets
(vs. VND 259.10 Bn in 2024) Equity
(vs. VND 178.88 Bn in 2024)

120.47 Bn ●

Chartered Capital

Environmental and Social Indicators

3.132 Bn **30.254 Bn**

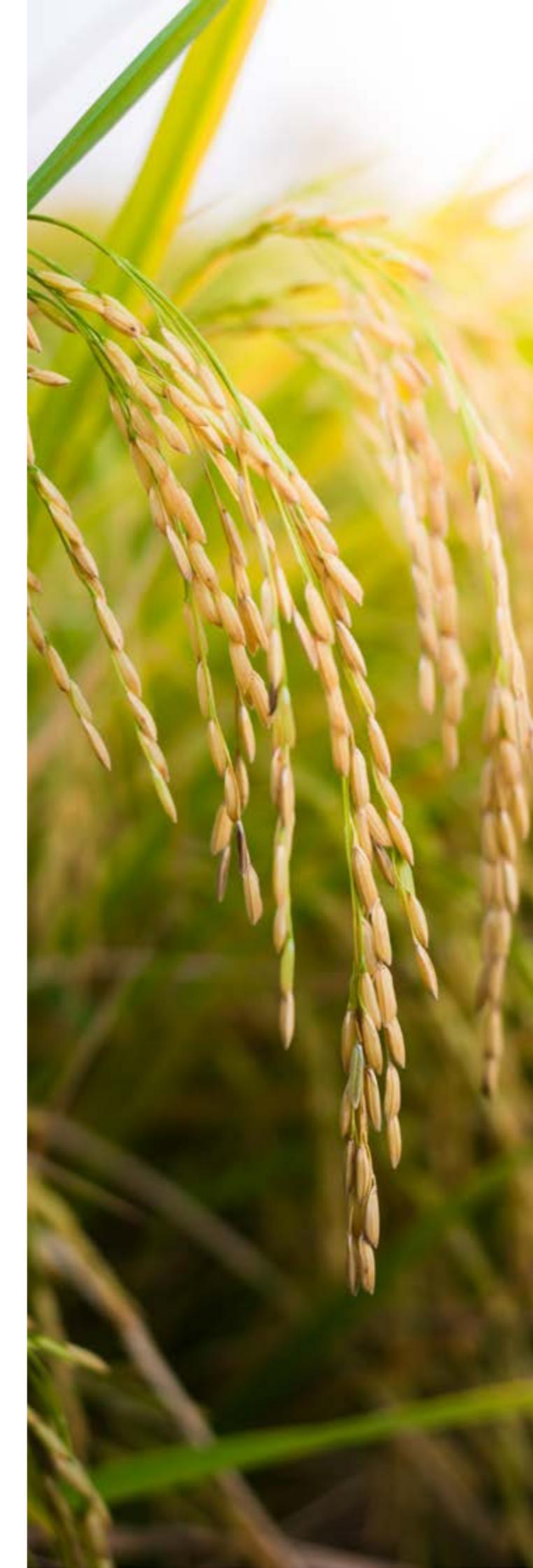
Community support
(vs. VND 3.054 Bn in 2024) State budget contributions
(vs. VND 29.571 Bn in 2024)

18.4 Mn

Average employee income
(vs. VND 16.4 Mn in 2024)

Legend

● Core indicators



LIST OF ABBREVIATIONS

ASEAN	Association of Southeast Asian Nations
BOD	Board of Directors
BOM	Board of Management
BOS	Supervisory Board
Codex	International food standards
ERC	Enterprise Registration Certificate
ESG	Environmental, Social and Governance
FDA	U.S. Food and Drug Administration
FSP	Food Safety Plan
FREE GLUTEN	Gluten-free product certification
FSSC 22000	International food safety certification system
GMS	General Meeting of Shareholders
HACCP	Hazard Analysis and Critical Control Points
HALAL	Halal certification (compliance with Islamic law)
HNX	Hanoi Stock Exchange
HOSE	Ho Chi Minh City Stock Exchange
HVNCLC	High-Quality Vietnamese Goods
IA	Internal Audit
ISO 14001:2015	Environmental management system
ISO 22000:2018	Food safety management system
ISO 45001:2018	Occupational health and safety management system
ISO 9001:2015	Quality management system
KFDA	Korea Food and Drug Administration
QMS / SGS	International quality assessment and certification bodies
SAF	Company's stock symbol
SAFOCO	Safoco Foodstuff Joint Stock Company
SSC	State Securities Commission of Vietnam
VSDC	Vietnam Securities Depository and Clearing Corporation



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CHAPTER 1

GENERAL INFORMATION

- Company Overview
- Business Lines and Areas of Operation
- History and Development
- Information on the governance model, business organization and management apparatus
- Development orientation
- Risks



GENERAL INFORMATION

Safoco is a registered trademark protected in Vietnam and in countries across Europe, Asia, the Americas, and the EU.

TRADING NAME

Vietnamese CÔNG TY CỔ PHẦN LƯƠNG THỰC THỰC PHẨM SAFOCO

English SAFOCO FOODSTUFF JOINT STOCK COMPANY



Stock code SAF

Charter Capital 120,465,900,000 VND

Head Quarter 1079 Pham Van Dong Street, Quarter 52, Linh Xuan Ward, Ho Chi Minh City, Vietnam

Business Registration Certificate No. 0303752249, issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on April 14, 2005, and amended for the 17th time on October 29, 2025

Website www.safocofood.com

Email safoco@hcm.vnn.vn

Contact Phone Number (84-28) 37 245 275

Fax (84-28) 37 245 272



Nationwide Distribution Network: 8,500 Points of Sale Across 63 Provinces

Safoco has built an extensive distribution network with 8,500 points of sale spanning 63 provinces and cities. This network provides effective coverage ranging from traditional agencies to high-end supermarket channels nationwide.

International Market Expansion Strategy and Sustainable Development

The Board of Directors is actively promoting trade promotion strategies and expanding into new international markets. These initiatives aim to increase foreign exchange revenue and work toward the goal of sustainable green growth.

Core Products: Prioritizing Consumer Health

The core business operations focus on the production and distribution of four essential product groups: Egg Noodles, Pasta, Rice Vermicelli, and Rice Paper. These activities strictly adhere to the philosophy of "Placing the health benefits of consumers above all else."

Modern Technology Investment: Enhancing Production Capacity to Lead the Market

The company continuously invests in comprehensive upgrades to factories and new machinery and equipment. These efforts aim to optimize processes and significantly boost production capacity, ensuring readiness to meet both domestic and export market demands.

Business Lines

Industry code	Industry name
1074 (Main)	Production of macaroni, noodles and similar products
4632	Wholesale of food
4663	Wholesale of other construction materials and equipment
4649	Wholesale of other household goods
5610	Restaurants and mobile food services
6810	Business of real estate, land use rights of owners, users or renters
3290	Other manufacturing not elsewhere classified
4933	Road freight transport (excluding liquefied gas for transport)

FORMATION AND DEVELOPMENT

1995

Foodstuff Store Number 4 was renamed Safoco Foodstuff Enterprise under Decision No. 033/QD-HDQT dated May 10, 1999, of the Southern Food Corporation.

2004

The enterprise underwent equitization and transformed from a state-owned enterprise into a joint-stock company under Decision No. 4451/QD/BNN-TCCB dated December 9, 2004, of the Minister of Agriculture and Rural Development.

2006

On December 28, 2006, 2,706,000 shares were officially traded on the Ho Chi Minh City Stock Exchange (HOSE) with stock code SAF (Listing Permit No. 95/UBCK-GPNY). Charter capital increased to 27,060,000,000 VND.

2010

Charter capital increased to 30,457,770,000 VND through the issuance of shares to pay dividends and increasing capital from Owner's equity.

2022

Charter capital increased to 120,465,900,000 VND through the issuance of shares to pay dividends and increasing capital from Owner's equity.

2025

In 2025, Safoco continued to affirm its position as a leading enterprise in Vietnam's food industry, while enhancing its brand image in the regional market by participating in the Mafbex 2025 Exhibition in the Philippines. During the year, the Company was recognized by many prestigious domestic and international organizations with a diverse and highly valuable system of awards. Notably, these include the titles Top 10 Leading Brands of Vietnam, Top 5 - National Strong Brand 2025, Top 5 ASEAN Strong Brands, and Top 5 Exemplary Asian Enterprises 2025. Safoco continued to achieve High-Quality Vietnamese Product - Integration Standard for many consecutive years, and was also honored as an Outstanding Enterprise "For the Workers", affirming its brand reputation, management capacity, and sustainable development orientation.

1999

Foodstuff Store Number 4 (predecessor of Safoco Foodstuff Joint Stock Company) was established under Decision No. 224/STM-QD dated April 29, 1995, of the Department of Trade of Ho Chi Minh City.

2005

The enterprise officially transitioned to operating as a joint-stock company from May 1, 2005. Business license number 4103003305 was issued by the Department of Planning and Investment of Ho Chi Minh City on April 14, 2005. Initial charter capital was 22,000,000,000 VND, with the State holding 51.29%.

2009

On June 8, 2009, 2,706,000 shares were officially traded on the Hanoi Stock Exchange under Decision No. 215/QD-TTGDHN dated May 26, 2009.

2020

Charter capital increased to 100,557,890,000 VND through the issuance of shares to pay dividends and increasing capital from Owner's equity.

2024

Safoco has become a leading enterprise in Vietnam's processed food industry, with its products exported to numerous international markets.

AWARDS OF THE YEAR



High-Quality
Vietnamese Product -
Consumer Choice



High-Quality
Vietnamese Product -
Integration Standard



Top 5 - National Strong
Brand 2025



Top 50 Outstanding
Enterprises of Ho Chi
Minh City



Top 10 Excellent Asian
Brands



Top 5 ASEAN Strong
Brands



ASEAN Quality Products
- Services



Certificate of Merit
- Vietnam General
Confederation of Labour



Outstanding Enterprise
"For the Workers"



Top 10 Green -
Sustainable Products and
Services



Top 5 Exemplary Asian
Enterprises 2025



Asia Fast-Growing
Enterprise



Top 10 Leading Brands of
Vietnam



Top 10 Excellent Asia -
Pacific Brands



Cultural and Reputable
Enterprise 2025

KEY PRODUCTS

Safoco focuses on four main product groups: Noodles, Macaroni, Vermicelli, and Rice Paper, ensuring 100% of products meet the announced quality and food safety standards, with the business philosophy **“Prioritizing consumer health benefits”**



Macaroni



Rice Macaroni



Premium Macaroni



Cooked Macaroni Instant



Egg Noodles Premium



Egg Noodles High Quality



Premium Quality Noodles



Vegetable Noodles



Vegetarian Noodles



Rice Vermicelli



Dried Vermicelli



Fresh Vermicelli



Rice Paper (16 cm)



Rice Paper (22 cm)

BUSINESS LOCATIONS



Safoco has established and maintained an extensive nationwide distribution network with 8,500 points of sale, ensuring direct and convenient access for consumers across all regions. The Company's distribution system is organized through multiple diversified channels, including:

Traditional distributor channels, serving basic consumer needs and maintaining market coverage in local residential areas.

Modern supermarket channels, through partnerships with leading retail chains such as Coop Mart, Big C, VinMart, Mega Market, Saigon Satra, Aeon, and Lotte Mart, catering to consumer demand in major urban centers and the growing middle-income segment.

Convenience stores and specialized retail outlets, including Bach Hoa Xanh, Vissan, G7 Mart, and Saigon HD, providing fast and convenient products to meet daily consumption needs.

Traditional retail channels, comprising grocery stores, small-scale retailers, and traditional markets, enabling Safoco to effectively reach customers in rural, remote, and underserved areas where consumption demand continues to show strong growth potential.

In parallel with its strategy to expand and diversify the domestic distribution network, Safoco also places strong emphasis on enhancing its international presence. Currently, the Company's products are exported to 85 countries, including markets with stringent requirements for quality, food safety, and environmental protection, such as the United States, Australia, France, Germany, Canada, Russia, Norway, Sweden, the Czech Republic, South Korea, Japan, as well as ASEAN countries. Presence in these markets not only reinforces Safoco's brand credibility but also creates opportunities for sustainable export growth amid increasing international economic integration.

INFORMATION ON THE GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS

Governance model

Safoco Foodstuff Joint Stock Company operates under the governance model in accordance with the current Law on Enterprises, including:



The General Meeting of Shareholders (GMS): The highest decision-making body, deciding on matters within its authority and responsibilities as prescribed by law and the company's charter.



The Board of Directors (BOD): The company's management body, having full authority on behalf of the company to decide all matters related to the company's operating activities, except for matters under the authority of the GMS. The number of BOD members is 05.



The Board of Supervisors (BOS): Responsible for supervising and evaluating the management and administration of the BOD and the General Director's Board as stipulated in the Charter, Resolutions/Decisions of the GMS, and legal regulations. The number of BOS members is 03.

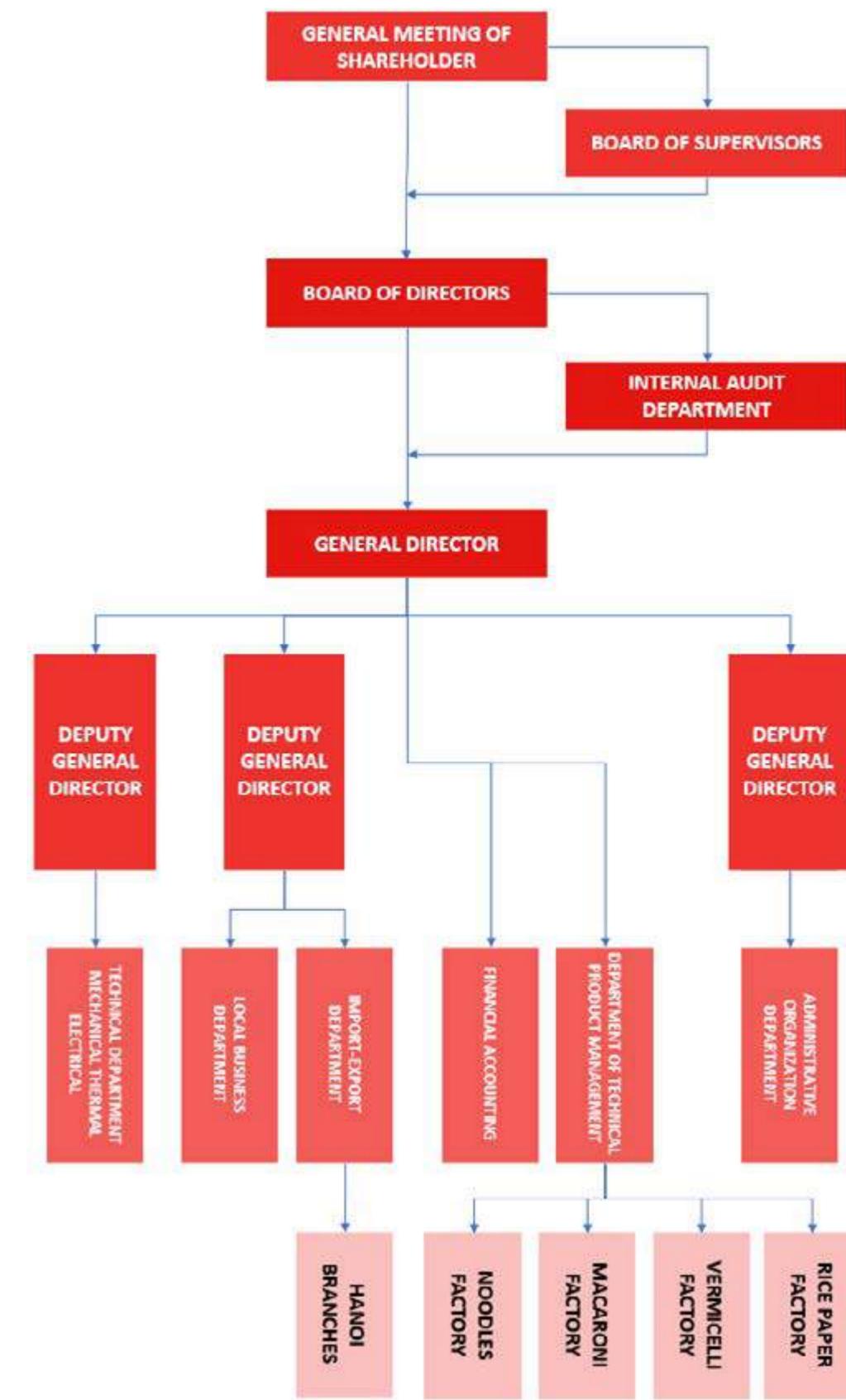


Board of Management (BOM): As the executive body managing the day-to-day operations of the Company, the Board is accountable to the Board of Directors (BOD) for the exercise of its delegated powers and duties. Currently, the Board of General Directors consists of four members, including one General Director and three Deputy General Directors.



Internal Audit Department (IAD): The IAD is responsible for providing independent and objective evaluations of the internal control system, risk management, and compliance. It examines processes and operations to ensure the efficiency of financial and accounting management and to prevent fraud, reporting directly to the Board of Directors (BOD) or the Audit Committee.

Organizational Structure



GENERAL INFORMATION

Development orientation

THE COMPANY'S MAIN OBJECTIVES

- » To become one of Vietnam's leading enterprises in dried food processing, providing high-quality and valuable products with the philosophy of "Prioritizing consumer health benefits," ensuring food safety, which is a particularly prioritized objective of Safoco, as it is not only the manufacturer's responsibility but also a decisive factor for the enterprise's survival.
- » To continue maintaining and building a strong distribution system in domestic and foreign markets, strengthening and expanding the consumption network, increasing market share, and maintaining Safoco's brand position in the market.
- » To create a good and safe working environment, build a professional workforce, and apply salary and bonus policies along with other benefits to improve the material and spiritual life of employees.
- » To continue investing in machinery and equipment, applying automation technology to production to increase output, reduce manual stages, reduce costs, and enhance competitiveness in the integration period.
- » To continuously improve and effectively implement social and environmental goals

MEDIUM AND LONG-TERM DEVELOPMENT STRATEGY

- » To build the Safoco brand to be increasingly developed and competitive in the international market.
- » To continuously invest in promoting production activities, improving technical and technological levels to create high-quality and reputable products in the market.
- » To expand the distribution network, increase product diversity, and research and develop products suitable for each customer group.
- » To strengthen trade promotion programs with foreign partners, boost exports, and increase Foreign currency revenue.
- » To improve corporate governance, train successors, and promote the capacity of skilled workers.
- » To continue maintaining a sustainable market development strategy, accelerating growth, maximizing profits, and harmonizing the three benefits of the State - Shareholders - Employees.
- » In its overall development orientation, Safoco aims for sustainable growth. Not only prioritizing profit, Safoco's development always goes hand in hand with responsibility and benefits for society. Therefore, ensuring the Company's activities always comply with legal regulations, social ethics standards, and community interests.



DEVELOPMENT ORIENTATION

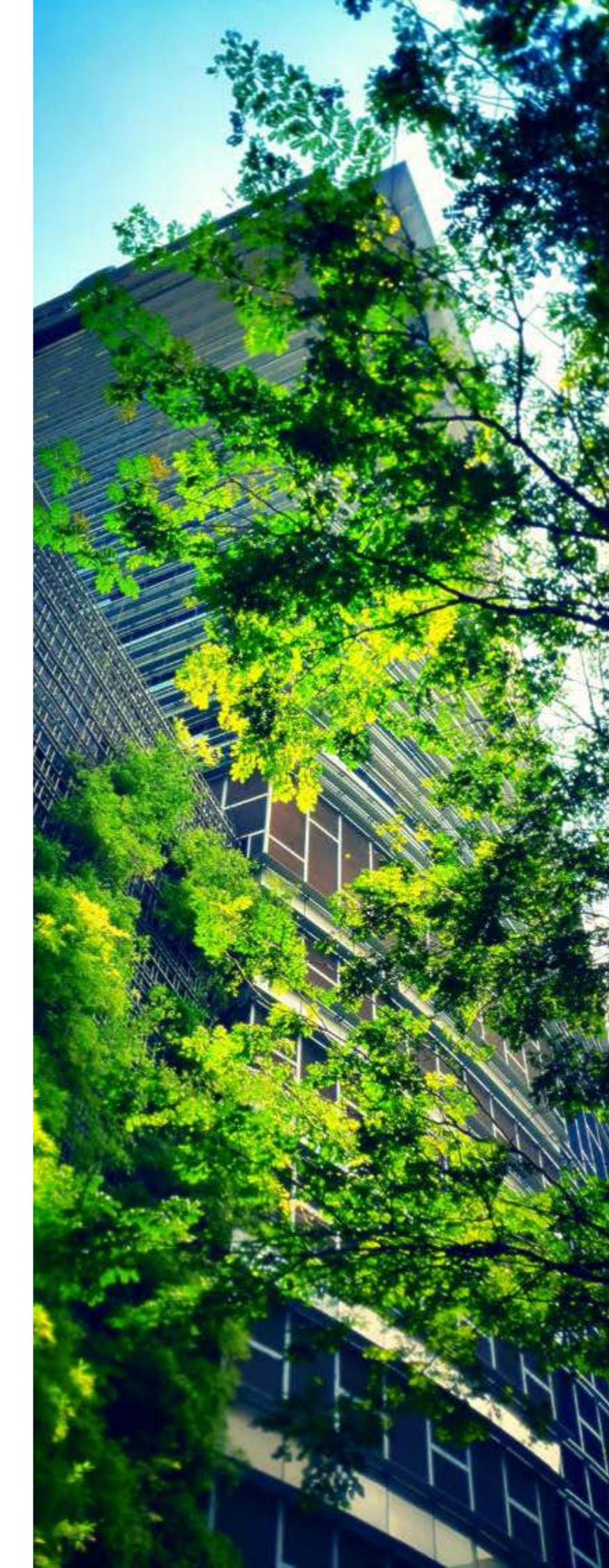
Sustainable development goals

Always comply with environmental protection laws in the Company's production activities, recycle and reuse resources, apply advanced production technologies, use energy efficiently, minimize environmental pollution, and exploit natural resources to ensure the health of employees and the local community.

Ensure that the production process always meets food hygiene and safety standards. For exported products, always comply with the standards of each host country (such as: EU standards, US FDA standards, Korean KFDA standards...).

Build a team of employees with sufficient experience and business acumen in the context of international competition and integration. Raise awareness among officials and employees in protecting water resources, energy resources, urging everyone to thoroughly implement electricity and water savings, and have a good sense of protecting a green and clean environment.

Always pay attention to the responsibility and benefits brought to society in addition to the Company's profits. All activities of the Company always comply with legal regulations, social ethics standards, bring benefits to the community, and contribute to the development of the country.



ACHIEVEMENTS IN SUSTAINABLE DEVELOPMENT

Scale

576

Number of employees
(Compared to 569 in 2024)

~500 employees

Number of personnel
participating in training

18.4 million VND ●

Average monthly salary
(Compared to 16.9 in 2024)

190

Number of female employees

100%

Number of employees who received
routine medical check-ups.

Effective

18.63%

Recycling and reusing water
(Compared to 18.5% in 2024)

3,132 million VND

Total amount of support
(Compared to 3,054 in 2024)

+ 7,000

Community support gifts

Other indicators

30,254 million VND

Pay into the State budget.

0 times

Number of times environmental penalties
have been imposed

Legend

● Core indicators



RISKS

With a production and distribution network spanning the globe, serving millions of consumers, Safoco not only accesses development opportunities but also faces numerous complex risks and challenges. These challenges stem not only from domestic and international macroeconomic fluctuations but also relate to raw material price volatility, changes in global trade policies, competitive pressure from domestic and international rivals, as well as geopolitical instability factors. To minimize the negative impact on business results and production activities, Safoco maintains a proactive risk management policy, regularly updating forecasts and implementing strategies appropriate for each situation. Currently, the company's Board of Management has developed and applied a 6-step risk management process aimed at identifying, assessing, and proposing effective mitigation measures for each specific type of risk:

“**KEY RISKS**

- 01** Exchange Rate Risk
- 02** Raw Material Risk
- 03** Competition Risk
- 04** Brand Risk
- 05** Labor Resource Risk
- 06** Legal Risk
- 07** Environmental Risk

RISK MANAGEMENT PROCESS

1. Risk Identification:

Identify potential sources of risk and assess their potential impact on the company's production and business activities. This process is based on detailed analysis and market research within each of Safoco's business sectors.

2. Risk Analysis:

Evaluate the level of impact and frequency of occurrence of risks based on both qualitative and quantitative aspects, thereby clearly understanding the nature and severity of each risk.

3. Risk Prioritization Assessment:

Rank and determine the priority level for addressing risks based on a comprehensive set of evaluation criteria, combining both quantitative and qualitative factors, in order to focus resources on the risks with the greatest impact.

4. Risk Treatment:

Select and implement optimal solutions for each type of risk, while proactively seeking opportunities to turn threats into development advantages for the company.

5. Risk Monitoring:

Continuously monitor and evaluate the effectiveness of implemented risk management measures, ensuring that the plans are always aligned with the actual situation and adjusted promptly when necessary.

6. Risk Communication and Consultation:

Organize communication, training, and coaching activities to enhance risk management awareness and skills for officers and employees. Concurrently, gather consultation feedback from relevant stakeholders to ensure all initiatives and experiences are incorporated into the risk management process.

KEY RISKS

EXCHANGE RATE RISK



As an enterprise exporting processed food items to many countries, Safoco's revenue is directly affected by fluctuations in the exchange rate, especially the USD/VND exchange rate pair. When the USD appreciates, the value of export revenue converted to VND may increase, but conversely, it also puts pressure on input costs. Since Safoco must import wheat flour from international suppliers such as China, the price of this raw material is listed and adjusted according to world market prices and foreign currency fluctuations. The instability of the global financial market in 2025, coupled with the cautious trend regarding the interest rate cutting process by central banks in key export markets, has increased the risk of incurring actual exchange rate losses and exchange rate differences arising from the year-end revaluation of foreign currency denominated items.

This not only complicates accurate financial planning but can also erode target profits if volatility scenarios are not forecasted and responded to promptly.

To minimize the impact of exchange rates, the Company proactively developed and implemented a comprehensive and prudent exchange rate management strategy. Specifically, the Company diversified its raw material supply sources based on region and payment currency, gradually increasing the proportion of domestic raw materials or raw materials with high stability in price and exchange rate, thereby reducing dependence on a single market or currency. Concurrently, the Company enhanced exchange rate forecasting and monitoring, proactively selecting the timing for signing import contracts, negotiating appropriate payment terms, and allocating purchasing plans across different periods to limit risks arising from short-term exchange rate fluctuations.

RAW MATERIAL RISK

Safoco's raw material risks are primarily linked to input price movements and the characteristics of the supply structure. Key raw materials such as wheat flour, rice, rice starch, glutinous rice flour,

sugar, and cooking oil account for a significant proportion of production costs, thus making the Company's business results somewhat sensitive to market price fluctuations. Recently, the prices of many of the aforementioned raw materials, fuels, and auxiliary materials simultaneously recorded an upward trend of approximately 15%-20%, reflecting the general context of the commodity market and input costs. Furthermore, some raw materials, especially wheat flour, are currently procured by the Company mainly from certain markets, such as China. This characteristic requires Safoco to proactively monitor factors related to international trade, logistics, and import policies to ensure the stability of the supply.

To mitigate raw material risks, Safoco proactively implemented a comprehensive raw material management strategy, encompassing several synchronized measures. Firstly, the Company actively diversified its supply sources by developing relationships with numerous domestic and international suppliers, reducing reliance on a few partners. Additionally, Safoco built up inventory reserves for critical raw materials when prices were low, ensuring continuous supply

while leveraging favorable pricing opportunities to optimize costs. Furthermore, the company implemented analysis to forecast demand and raw material price fluctuations based on market data, helping the management board make proactive decisions regarding raw material procurement and production planning.

COMPETITION RISK

Safoco's competitive environment is influenced by the general characteristics of the instant food and dry products industry, which involves numerous businesses with diverse production scales, marketing capabilities, and distribution systems. The high substitutability of products in the market leads consumers to compare brands based on selling price, quality, and convenience, thereby requiring the Company to balance its pricing policy with fluctuations in input costs. In the modern retail channel, trade terms and display standards are increasingly standardized, often favoring brands with strong implementation capacity and sales support, necessitating Safoco to proactively adjust its channel access strategy and product portfolio accordingly. Concurrently, the presence of small-scale manufacturers in some local markets, offering

price competitiveness, creates diverse choices for consumers, especially in the traditional distribution channel. These factors require the enterprise to continuously innovate products, optimize costs, and strengthen its brand to maintain its position.

Safoco implements numerous strategic solutions to enhance production capacity, product development, and marketing activities, closely meeting market demands and strengthening its competitive position.

Safoco heavily invests in clean production technology and automation, applying quality management systems such as ISO 9001:2015, ISO 22000:2018, and HACCP to ensure comprehensive control from input materials to finished products. The entire production line is highly modernized and automated, helping to ensure quality consistency. The company's products currently meet strict international standards such as FSSC 22000, EU standards, FDA (USA), KFDA (South Korea), HALAL, and Gluten-Free. In 2025, Safoco will continue to be recertified for HALAL and FSSC 22000. The closed production model, combined with a "greenization" strategy, including organic production, reduced chemical use, and an increased proportion of

environmentally friendly packaging, helps the products meet the stringent requirements of the EU market and key export markets. These efforts not only help the company maintain market share but also create a sustainable competitive advantage amid increasingly high standards for safety, quality, and sustainable development.

BRAND RISK

Safoco's brand risk is closely linked to the reputation and trust consumers place in an enterprise with nearly 30 years of history in the food industry. The biggest challenge stems from fierce competition from counterfeit, fake, and low-quality, cheap goods widely sold in traditional markets, directly impacting the company's revenue and reputation. Furthermore, any incident related to food safety and hygiene or unfavorable market information could erode customer trust, weakening the company's competitive position both domestically and internationally.

To effectively respond to brand risk, counterfeit, and fake goods, Safoco has implemented a comprehensive strategy, combining various preventive measures, monitoring, and brand value enhancement. First, the Company focuses on building and maintaining product

KEY RISKS

quality that meets international standards, including certifications for food safety, hygiene, and environmental protection, aiming to create a clear distinction from counterfeit and low-quality products in the market. Simultaneously, Safoco has registered for exclusive trademark protection in Vietnam and strategic markets in Europe, Asia, the Americas, and the EU bloc, ensuring intellectual property rights and strengthening international reputation. Safoco also completed adjustments to packaging and labeling in accordance with Circular 29/2023/TT-BYT, increasing transparency and facilitating product traceability. Safoco also coordinates closely with competent authorities, implementing legal measures to prevent and handle trademark infringement acts. Alongside protective measures, the company focuses on enhancing customer experience through high-quality after-sales service, resolving feedback quickly and transparently, thereby strengthening consumer trust and engagement. Communication and promotional activities are synchronously deployed across multiple platforms, from digital media, social networks, traditional advertising, to direct interactive

programs, aiming to reinforce brand recognition, enhance perceived value, and convey commitment to food safety and sustainable development.

LABOR RESOURCE RISK

One of the notable risks in Safoco's operations is the risk related to the structure and quality of its labor force. Historically, the Company is characterized as an equitized state-owned enterprise, possessing a long-standing, dedicated workforce knowledgeable about traditional production processes. However, in the context of the food industry increasingly competing on quality, management standards, and operational efficiency, Safoco is facing difficulties in attracting young workers with modern technical, technological, and management qualifications. The main reason stems from the company's remuneration policy, which is stable, secure,

and less volatile, but not truly competitive in terms of income and promotion opportunities compared to FDI enterprises or large-scale private companies in the same industry. This increases the risk of a shortage of successor human resources, limiting the pace of innovation in governance, digital transformation, supply chain optimization, and the application of new technology in production-factors that are increasingly playing a pivotal role in the enterprise's long-term competitiveness.

In response to the aforementioned risk, Safoco has implemented and is continuing to implement several measures aimed at stabilizing and gradually improving the quality of its human resources. The Company focuses on maintaining a stable working environment and a cohesive corporate culture, providing



security for long-term employees, thereby limiting the risk of sudden personnel fluctuations. Simultaneously, Safoco enhances internal training, organizes skill development courses, and updates knowledge on food safety, quality management, and management skills for key personnel. The Company is also gradually adjusting its human resource policies to be more flexible, combining stable income with bonuses linked to production and business efficiency, aiming to improve work motivation. Furthermore, Safoco proactively recruits young personnel selectively for technical, accounting - finance, and production management positions, while arranging for them to work alongside experienced teams for knowledge transfer. These measures help the company mitigate labor resource risk in the short term, although stronger reforms in remuneration and human resource management policies are still needed in the long term to keep pace with industry development trends.

LEGAL RISK

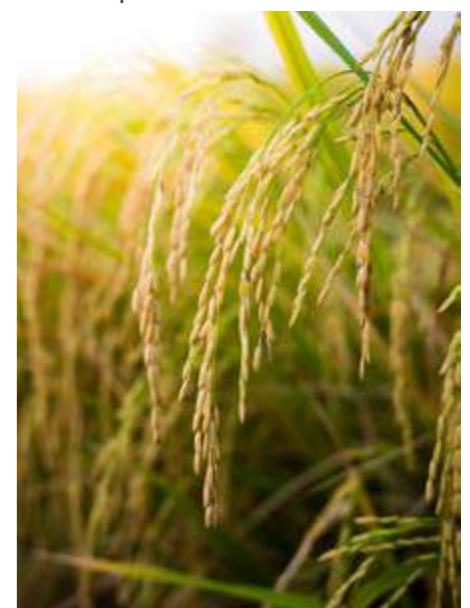
Legal risk is a factor that cannot be overlooked for Safoco, as it operates in the food industry, which is subject to strict supervision regarding

food safety, environment, tax, and international trade regulations. Every change in law, technical standards, or management policy can directly impact operating costs, export capability, or even lead to administrative fines and product recalls. Safoco proactively applies international standards such as ISO and HACCP, conducts regular internal audits, and closely monitors policies and updates legal regulations. Proactive management of legal risks not only helps the company avoid serious legal consequences but also builds long-term reputation and trust with customers and partners.

ENVIRONMENTAL RISK

Safoco faces numerous environmental risks, notably the impacts of climate change such as El Nino-induced droughts and severe storms and floods, which disrupt supply and cause price volatility for essential raw materials like rice and wheat. Furthermore, the operation of old machinery systems poses risks related to high noise levels and significant electricity consumption. To overcome these issues, Safoco has proactively implemented advanced management and technical solutions. The Company deploys a strategy of supply diversification and signs

long-term contracts to stabilize input costs against weather fluctuations. Specifically, Safoco successfully improved its vermicelli and noodle drying ovens, reducing noise levels to a safe threshold (70-75 dB) and significantly saving 65% to 75% of electricity consumption. The application of the ISO 14001:2015 certified environmental management system, along with the orientation towards "greening" production by prioritizing clean technology and minimizing chemicals, not only helps the company mitigate ecological impacts but also effectively meets stringent export standards. These actions demonstrate Safoco's commitment to environmental protection and sustainable development.





CHAPTER 2

BUSINESS PERFORMANCE FOR THE YEAR

Business Performance Results for the Year

Organization and Personnel

Investmentstatus, project implementation status

Financial Situation

Shareholder Structure, Changes in Owner's Capital

Company Report on Environmental and Social Impact



BUSINESS PERFORMANCE FOR THE YEAR

Business Performance Results for the Year

No.	Indicators	Unit	2025 Plan	2025 Actual	2024 Actual
1	Total Revenue	Million VND	780,000	747,390	732,110
1.1	Industry	Million VND	755,000	718,171	705,056
1.2	Trading	Million VND	18,000	20,111	18,722
1.3	Other	Million VND	7,000	9,108	8,332
2	Production Output	Tons	15,000	14,620	14,329
2.1	Noodles	Tons	3,800	4,204	3,449
2.2	Macaroni	Tons	4,500	3,911	4,913
2.3	Vermicelli	Tons	4,000	4,010	3,587
2.4	Rice Paper	Tons	2,700	2,495	2,380
3	Sales Volume	Tons	14,200	14,013	13,808
3.1	Noodles	Tons	3,600	3,805	3,570
3.2	Macaroni	Tons	4,300	3,901	4,284
3.3	Vermicelli	Tons	4,000	3,767	3,766
3.4	Rice Paper	Tons	2,300	2,540	2,188
4	Profit Before Tax	Million VND	61,000	61,530	60,860
4.1	Industry	Million VND	52,200	50,089	50,785
4.2	Trading	Million VND	2,800	2,897	2,699
4.3	Other	Million VND	6,000	8,544	7,376
5	Budget Contribution	Million VND	25,000	30,254	29,571

Amidst the market context of 2025 continuing to face numerous difficulties, especially slow recovery in purchasing power and persistently high input costs, Safoco's operating results demonstrate stability and improvement in the quality of growth compared to 2024.

Revenue in 2025 reached VND 747.39 billion, an increase of 2.09% compared to 2024 but falling short of the plan, as the Company maintained a

prudent sales policy, prioritizing efficiency over chasing revenue while purchasing power had not clearly recovered. The revenue structure showed positive shifts, with industrial revenue remaining the key driver, while the commercial segment and other activities recorded considerable growth.

Total production output reached 14,620 tons, an increase of 2.03% compared to 2024. The product structure was flexibly adjusted based on

market signals and economic efficiency. Product groups such as noodles, vermicelli, and rice paper recorded positive growth in both production and consumption volume, demonstrating stable market acceptance and the Company's competitive advantage in these product lines. Conversely, the macaroni/pasta product faced intense competitive pressure, leading to a decrease in output compared to the plan and the corresponding period.

Total consumption volume reached 14,013 tons, an increase of 1.48% compared to 2024. Of this, the domestic market tended to slow down due to weak purchasing power in the traditional agent channel, while the supermarket channel continued to grow, reflecting a gradual shift towards modern, transparent distribution channels with good brand

control capabilities. The export market recorded a clear recovery, with volume reaching 4,886 tons, an increase of 8.07% compared to 2024 and accounting for nearly 35% of the total consumption volume. This result shows that solutions for market restructuring, segment selection, and quality standard enhancement have proven effective amidst ongoing instability in international trade.

Although revenue did not meet the plan, pre-tax profit reached VND 61.53 billion, exceeding the plan and increasing by 1.10% compared to 2024, reflecting efficiency in cost control and operational management. Overall, 2025 was a year for Safoco to consolidate its foundation, maintain stability, and create a premise for sustainable growth in the following years.

Organization and Personnel

List of the Executive Board

As of 31/12/2025

No.	Member	Position	Number of Shares Held	Ownership Ratio/Charter Capital	Note
1	Ms. Pham Thi Thu Hong	General Director	1,697,262	14.09%	
2	Mr. Nguyen Cong Minh Khoa	Deputy General Director	42,789	0.36%	
3	Mr. Nguyen Tri Nghia	Deputy General Director	0	0%	
4	Mr. Tran Hoang Thao	Deputy General Director	9,341	0.08%	
5	Ms. Do Ngoc Tham	Chief Accountant	0	0%	

Changes in the Executive Board during 2025

In 2025, the Board of Directors appointed Ms. Do Ngoc Tham as Chief Accountant effective July 15, 2025.



BUSINESS PERFORMANCE FOR THE YEAR

Organization and Personnel

PROFILES OF THE BOARD OF MANAGEMENT

MS. PHAM THI THU HONG

General Director cum Member of the Board of Directors

- **Year of Birth:** 1957
- **Place of Birth:** Hai Hung
- **Nationality:** Vietnamese
- **Education Level:** 12/12
- **Professional Qualification:** Bachelor of Business Administration, CFO Certificate
- **Current position at the company:** Member of the Board of Directors and General Director of SAFOCO
- **Positions held in other organizations:** None

MR. NGUYEN CONG MINH KHOA

Deputy General Director cum Member of the Board of Directors

- **Year of Birth:** 1978
- **Place of Birth:** Dong Thap
- **Nationality:** Vietnamese
- **Education Level:** 12/12
- **Professional Qualification:** Bachelor of Business Administration
- **Current position at the company:** Board Member and Deputy General Director of SAFOCO
- **Positions held in other organizations:** None

MR. NGUYEN TRI NGHIA

Deputy General Director

- **Year of Birth:** 1972
- **Place of Birth:** Nghe An
- **Nationality:** Vietnamese
- **Education Level:** 12/12
- **Professional Qualification:** Engineer
- **Current position at the company:** Deputy General Director of SAFOCO
- **Positions held in other organizations:** None

MR. TRAN HOANG THAO

Deputy General Director

- **Year of Birth:** 1961
- **Place of Birth:** Thua Thien Hue
- **Nationality:** Vietnamese
- **Education Level:** 12/12
- **Professional Qualification:** Mechanical Engineering
- **Current position at the company:** Deputy General Director of SAFOCO
- **Positions held in other organizations:** None

MS. DO NGOC THAM

Chief Accountant (effective July 15, 2025)

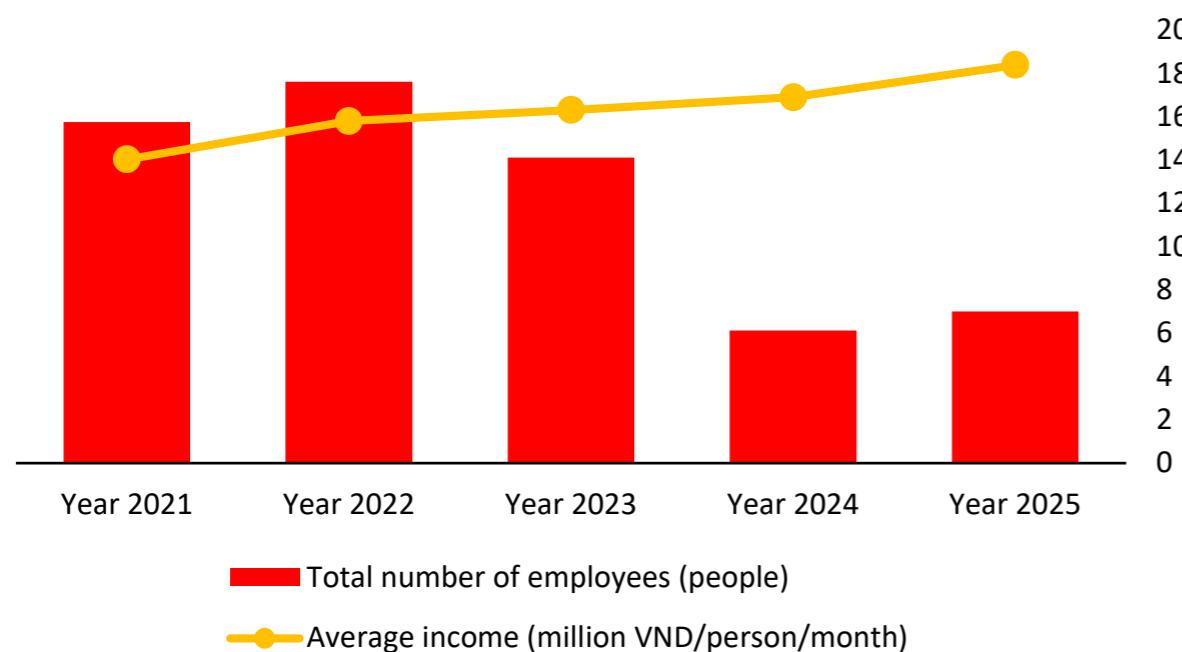
- **Year of Birth:** 1988
- **Place of Birth:** Tien Giang
- **Nationality:** Vietnamese
- **Education Level:** 12/12
- **Professional Qualification:** Bachelor of Accounting
- **Current position at the company:** Chief Accountant
- **Positions held in other organizations:** None

BUSINESS PERFORMANCE FOR THE YEAR

Organization and Personnel

Number of officers and employees

No.	Criteria	Year 2024		Year 2025	
		Quantity (people)	Proportion (%)	Quantity (people)	Proportion (%)
I By labor qualification level					
1	University level and above	48	8.44%	49	8.51%
2	College, professional intermediate level	51	8.96%	48	8.33%
3	General Labor	470	82.60%	479	83.16%
II By gender					
1	Male	370	65.03%	386	67.01%
2	Female	199	34.97%	190	32.99%
III By term of Labor Contract					
1	Fixed-term contract from 1 to 3 years	157	27.59%	99	17.19%
2	Indefinite-term contract	412	72.41%	477	82.81%
Total		569	100%	576	100%



Human Resources Policy

At Safoco, employees are a core pillar of the Company's long-term development. Accordingly, the Company consistently implements policies to safeguard employees' income, rights, and a safe working environment.

Since its establishment, Safoco has strictly complied with the provisions of the Labor Code, fully and consistently fulfilling all regimes and policies applicable to employees.

Safoco identifies human resources as the key factor determining the Company's sustainable and long-term development. Based on this, the Company always focuses on developing and implementing comprehensive human resources policies to ensure stable income, legal rights, and a safe working environment for employees, while deploying an appropriate salary, bonus, and benefits system to motivate work and enhance long-term commitment to the Company.

Throughout its operations, Safoco strictly complies with the provisions of the Labor Code and related laws, fully implementing regimes and policies for employees such as participation in compulsory social insurance, health insurance, and unemployment insurance; promptly and fully settling sickness benefits, maternity benefits, and other entitlements as regulated. In addition, the Company implements many practical welfare policies, including organizing periodic health checks, supporting vacation costs, providing bonuses and gifts on important holidays such as New Year's Day, Hung Kings' Commemoration Day, April 30 – May 1, National Day September 2; giving gifts to employees' children on International Children's Day June 1, Mid-Autumn Festival; and appreciation activities for female employees on March 8 and October 20.

The Company also maintains a collective kitchen to ensure nutrition and health for employees. Ingredients used have clear origins and traceability; the catering staff is trained in food safety and hygiene and strictly adheres to the processing procedures, contributing to the provision of safe and quality meals.

Average income

Indicator	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
Total number of employees (people)	646	661	633	569	576
Average income (million VND/person/month)	14.03	15.8	16.31	16.9	18.4

BUSINESS PERFORMANCE FOR THE YEAR

Investment status, project implementation status

Major Investments

In 2025, the Board of Directors approved the investment and procurement plan with a total value of 10,102 million VND (Excluding VAT), including:

- + 07 procurement items: 4,752 million VND;
- + 02 repair items: 1,550 million VND;
- + 05 capital construction items: 3,800 million VND.

In 2025, the Company completed and settled 09 investment items with a total value of 5,586 million VND (excluding VAT), specifically:

- Regarding equipment procurement (04 items for the Noodle Workshop), the total settled value is 2,099 million VND, including:
 - + Noodle Drying Oven: 622 million VND.
 - + 5-Bundle Noodle Steamer: 404 million VND.
 - + 5-Bundle Noodle Machine Sheeting Roller Set: 510 million VND.
 - + Mixer and Rough Rolling Mill for 5-Bundle Noodle Machine: 563 million VND.
- Regarding capital construction (05 items): The total settled value is 3,487 million VND, focusing on workshop renovation and upgrade:
 - + Replacing the roof sheeting of the Rice Paper Finished Goods Warehouse: 695 million VND.
 - + Replacing the roof sheeting of the Pasta Workshop: 715 million VND.
 - + Replacing the roof sheeting of the Noodle Workshop: 766 million VND.
 - + Replacing the roof sheeting of the Vermicelli Workshop (Rice Paper - Vermicelli Workshop): 396 million VND.
 - + Renovating and upgrading the noodle packaging workshop: 915 million VND.

Investment activities during the past year were carried out in compliance with regulations, included market price referencing and comparison, combined with strict construction supervision and reasonable costs, resulting in all items being completed on schedule, meeting required quality standards, with actual execution value lower than the approved estimate, thereby saving costs and enhancing capital utilization efficiency.

Subsidiaries, affiliated company

The Company has no subsidiaries or affiliated company.



BUSINESS PERFORMANCE FOR THE YEAR

Financial Situation

Unit: Million VND

No.	Indicator	Year 2024	Year 2025	% Increase/ Decrease
1	Total asset value	259,095	258,972	-0.03%
2	Net revenue	723,778	738,282	2.00%
3	Profit from business operations	59,442	60,300	1.44%
4	Other profit	1,418	1,230	-13.28%
5	Profit before tax	60,860	61,530	1.10%
6	Profit after tax	47,600	48,609	2.12%
7	Dividend payout ratio (%)	30	30	-

In 2025, SAFOCO maintained a stable financial status, reflecting the characteristics of an enterprise operating in the food production and processing sector with a relatively mature business model. The Company's total asset value remained nearly flat compared to 2024 (a slight decrease of 0.03%), indicating that the Company did not aggressively expand its asset investment scale but focused on optimizing the efficiency of existing



asset utilization, consistent with the context of a volatile business environment. Net revenue reached 738,282 million VND, an increase of 2.00% compared to the previous year, mainly stemming from improved sales volume and the ability to maintain market share in traditional distribution channels, while the average selling price was kept stable to preserve competitiveness. Profit from business operations increased by 1.44%, lower than the rate of revenue growth, reflecting continued pressure from rising input costs and labor costs; however, controlling production costs and administrative expenses helped the Company maintain a reasonable profit margin. Other profit decreased by 13.28%, mainly due to the absence of extraordinary income items like the previous year, indicating that the 2025 profit structure is more sustainable and less dependent on factors outside core operations. Thanks to a stable business foundation, profit before tax and profit after tax increased by 1.10% and 2.12% respectively, reflecting a slight improvement in overall efficiency, and demonstrating the Company's adaptability to cost and market pressures. On this basis, SAFOCO continued to maintain a dividend payout ratio of 30%, demonstrating a balance between the goal of ensuring shareholder benefits and retaining financial resources to support stable production and business activities in the following years.

Key Financial Indicators

Indicator	Unit	Year 2024	Year 2025
Liquidity indicators			
Current ratio (Current Assets/Current Liabilities)	Times	2.93	2.98
Quick ratio (Current Assets – Inventory)/Current Liabilities	Times	2.13	2.28
Capital structure indicators			
Debt/Total Assets Ratio	%	30.96	30.47
Debt/Equity Ratio	%	44.84	43.82
Operating efficiency indicators			
Inventory Turnover (Cost of Goods Sold/Average Inventory)	Times	7.62	9.87
Total Asset Turnover (Net Revenue/Average Total Assets)	Times	2.80	2.85
Profitability Indicators			
Profit After Tax/Net Revenue Ratio (ROS)	%	6.58	6.58
Profit After Tax/Average Owner's Equity Ratio (ROE)	%	26.75	27.08
Profit After Tax/Average Total Assets Ratio (ROA)	%	18.41	18.77
Profit from Production and Business Activities/Net Revenue Ratio	%	8.21	8.17

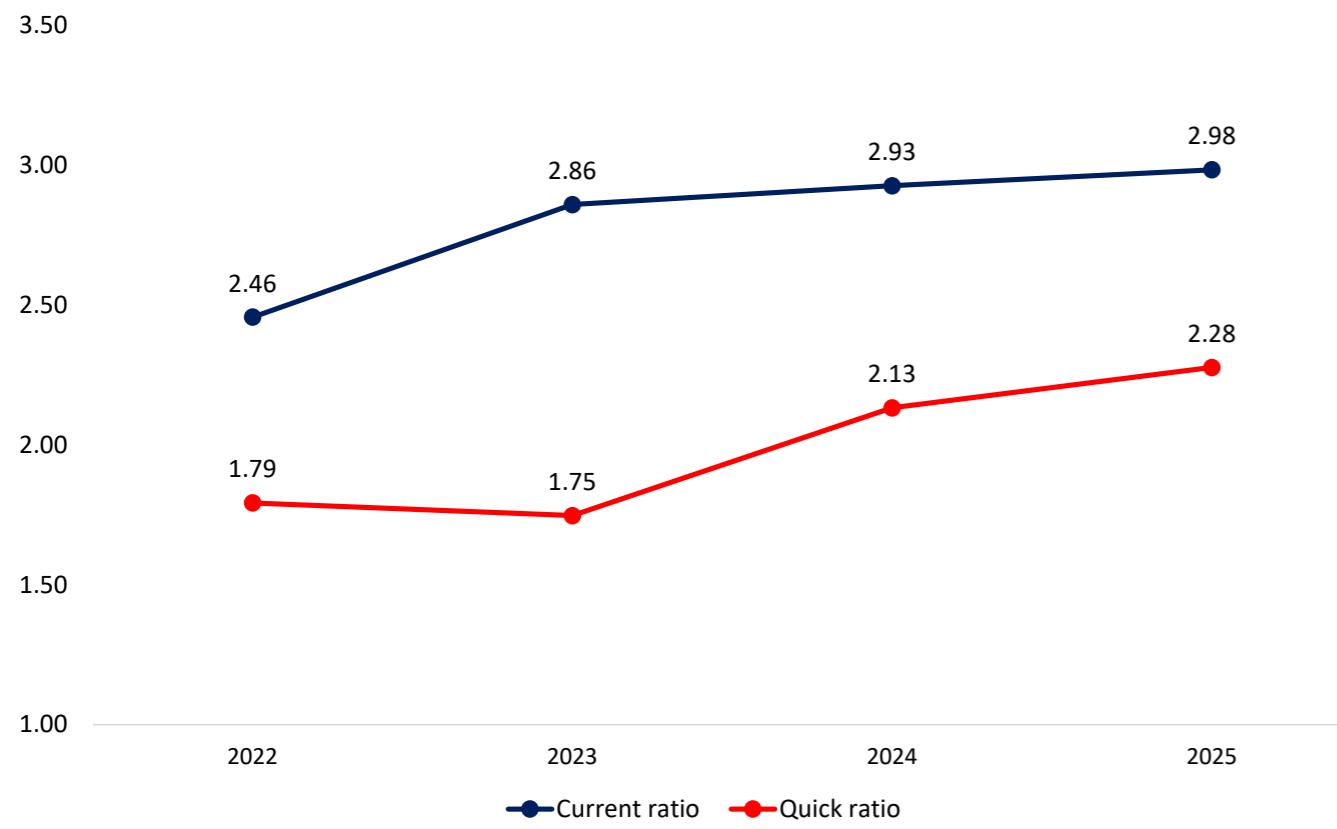
BUSINESS PERFORMANCE FOR THE YEAR

Financial Situation

Liquidity Indicators

In 2025, the Company's liquidity ratios continued to improve, reflecting prudent working capital management capacity and a safe financial status. The current ratio increased from 2.93 times in 2024 to 2.98 times in 2025, mainly due to the high level of current assets maintained at 235.5 billion VND while current liabilities decreased from 80.2 billion VND to 78.9 billion VND. This is because the Company effectively controlled its payables, especially in the context of no short-term borrowings arising, and the current liability structure primarily consists of operational payables to employees and suppliers. Notably, the quick ratio increased sharply from 2.13 times to 2.28 times, reflecting a clear improvement in the quality of liquidity. The main reason stems from a significant reduction in inventory from 63.7 billion VND to 55.8 billion

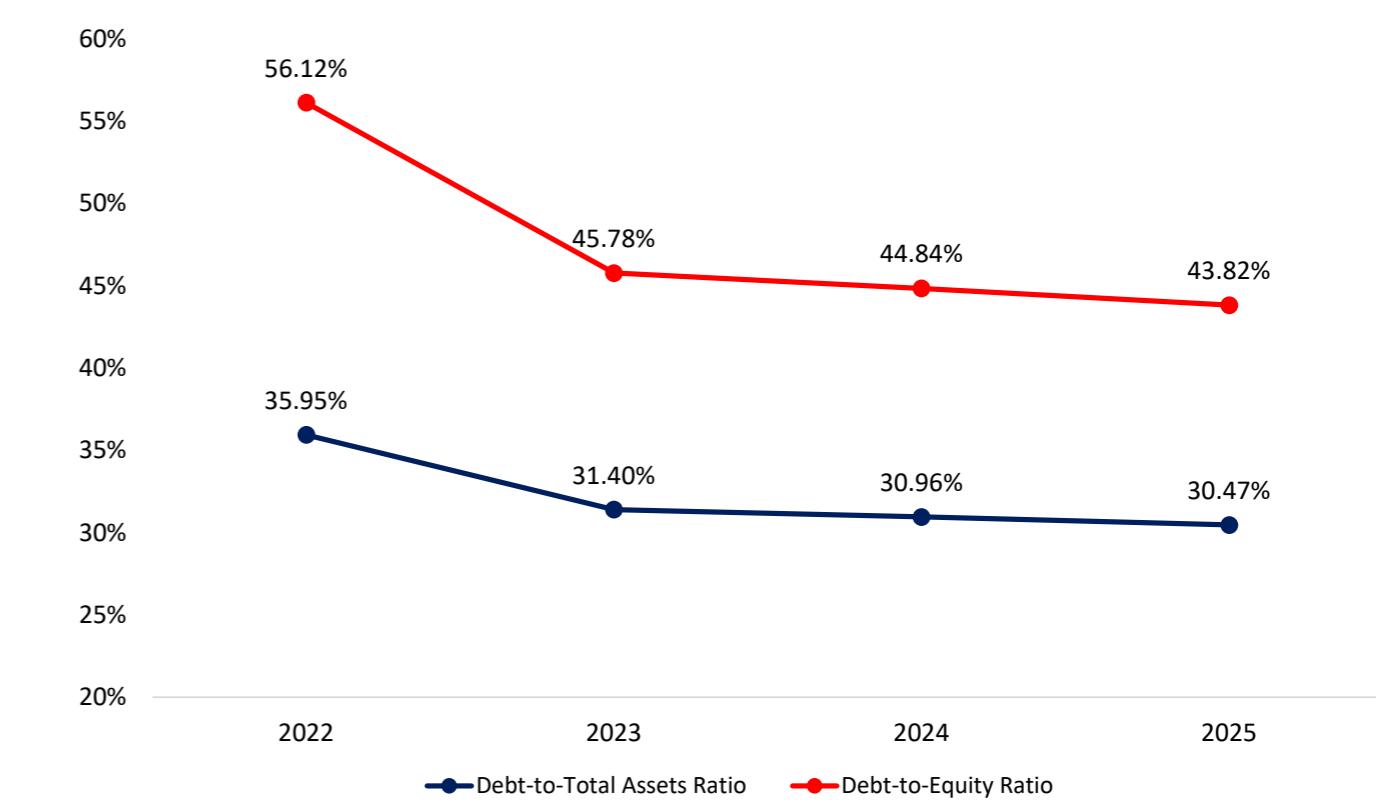
VND (a decrease of approximately 12.4%), while highly liquid assets such as short-term financial investments increased from 55.0 billion VND to 67.0 billion VND and cash equivalents increased from 28.0 billion VND to 50.0 billion VND. Although net cash decreased from 36.8 billion VND to 8.8 billion VND, this shift was primarily structural, aimed at optimizing capital utilization efficiency by allocating funds to low-risk, highly liquid held-to-maturity investments. Overall, the high liquidity ratios and the improving trend in 2025 indicate that the Company is fully proactive in meeting short-term financial obligations, while maintaining flexible headroom to support production and business activities and development plans in the subsequent period.



Capital Structure Ratios

SAFOCO's capital structure continued to be maintained in a safe and prudent manner, demonstrated by the continued improvement in financial leverage ratios compared to 2024. The Debt/Total Assets ratio decreased from 30.96% to 30.47%, mainly because total liabilities decreased from VND 80.2 billion to VND 78.9 billion, while the scale of total assets remained almost unchanged, staying at approximately VND 259 billion. This is due to the Company proactively controlling its debt obligations, refraining from expanding borrowing during the period, and focusing on using internally generated capital to finance production and business activities amidst a volatile global economy. Furthermore, the Debt/Equity ratio decreased from 44.84% to 43.82%, due to the increase in owner's equity from VND 178.9 billion to VND 180.1 billion, primarily thanks to a portion of the 2025 profit after tax, which reached VND 48.6 billion, being retained

and added to undistributed profit. The fact that the Company incurred no long-term debt and did not utilize short-term loans in 2025 reflects a cautious capital management approach, where production and business activities are primarily financed by owner's equity and normal operating liabilities such as payables to employees and suppliers; thereby helping the Company effectively control financial risk, reduce cash flow pressure, and maintain a stable financial foundation, consistent with the volatile business environment in 2025. Overall, the capital structure at the end of 2025 reflects a solid financial foundation, a high degree of financial independence, and strong resilience against business environment fluctuations, while also creating favorable room for the Company to implement investment and sustainable development plans in subsequent periods.



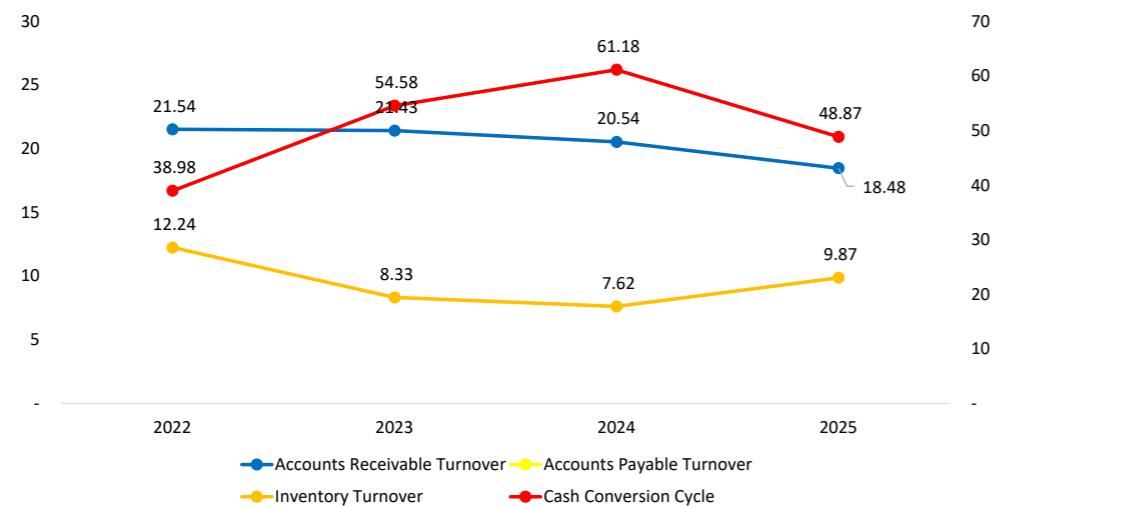
BUSINESS PERFORMANCE FOR THE YEAR

Financial Situation

Operating Efficiency Ratios

The results of SAFOCO's 2025 operating efficiency ratios reflect a positive shift in working capital management, while also demonstrating the proactive and flexible approach of the Executive Board in balancing operational efficiency, cash flow, and relationships within the value chain. Specifically, the average days payable outstanding (DPO) in 2025 increased from 4.51 days to 7.84 days. This is because the Company proactively adjusted its payment policy to better utilize trade credit terms from suppliers, thereby increasing short-term cash flow flexibility. Extending the payment period was still executed within safe limits, consistent with SAFOCO's reputation and position in the market. This is an effective working capital management tool given that the Company maintained stable operational scale and the market still contained many unpredictable factors. Conversely, the average days sales outstanding (DSO) increased from 17.77 days to 19.75 days, reflecting a tendency for accounts receivable turnover to slow down. This is due to the Company maintaining a more flexible sales policy to support customers and consolidate market share, especially amidst increasing competition. Although the collection period slightly lengthened, the fluctuation remains within a safe threshold and is appropriate for the industry's characteristics, not creating significant pressure on liquidity, especially

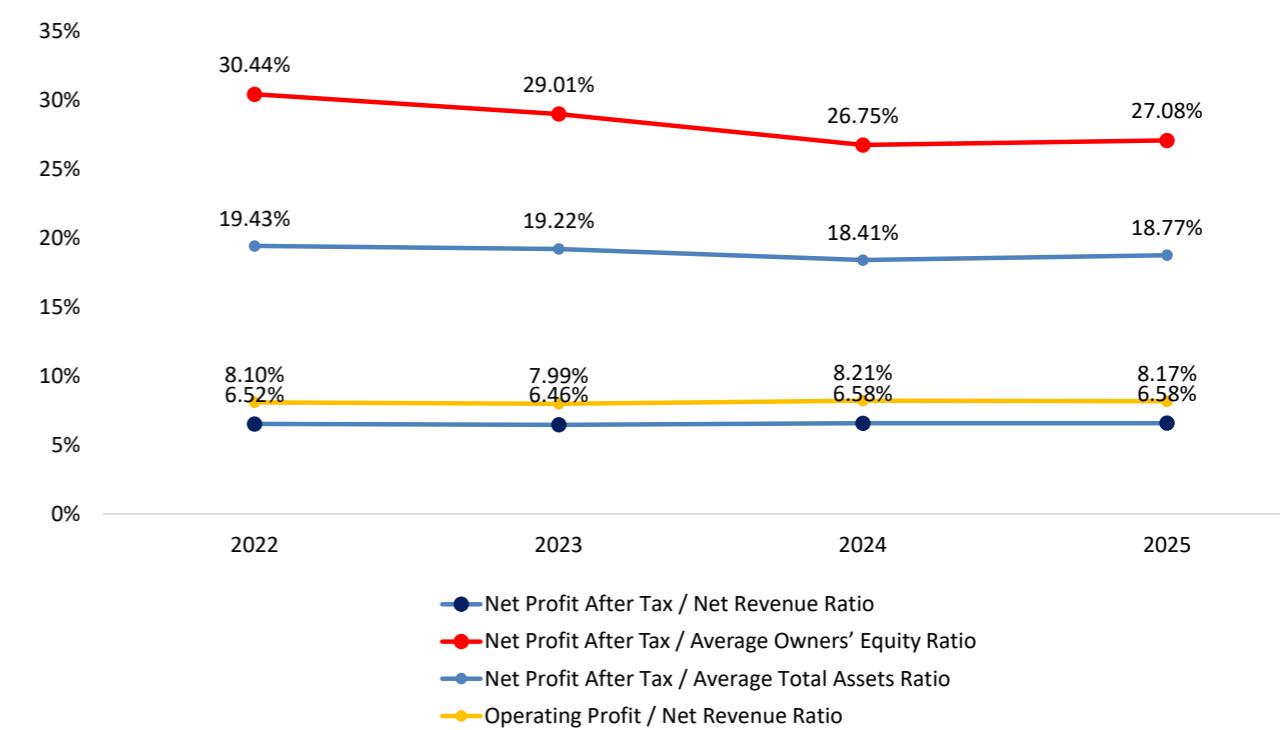
since the Company still maintains high payment ratios. A notable highlight in 2025 is the efficiency of inventory management. The average days inventory outstanding (DIO) sharply decreased from 47.92 days to 36.97 days, corresponding to a marked improvement in inventory turnover. This result is attributed to the Company's better management of production planning, demand forecasting, and product portfolio structure, thereby reducing the amount of capital tied up in inventory, limiting the risk of value impairment, and enhancing the efficiency of short-term asset utilization. Thanks to the significant improvement in the inventory metric and the reasonable balancing of receivables and payables, SAFOCO's cash conversion cycle (CCC) was shortened from 61.18 days to 48.87 days. This is a positive outcome, indicating an improvement in the quality of cash flow from production and business activities, contributing to reduced working capital pressure and increased financial autonomy. Overall, the 2025 operating efficiency ratios show that SAFOCO not only maintained stable operations but also gradually enhanced internal governance efficiency. Optimizing working capital turnover, alongside a cautious capital structure orientation and safe liquidity, has created a solid financial foundation, helping the Company be ready to adapt and achieve sustainable development in subsequent periods.



Profitability Indicators

In 2025, SAFOCO's profitability indicators show that the Company continues to maintain a stable business foundation, consistent with its cautious operational direction, safe capital structure, and effective working capital management analyzed in previous sections. Net revenue reached VND 743.7 billion, an increase of 2.0% compared to 2024, reflecting the ability to maintain the consumer market and gradually expand output amid challenging overall purchasing power. Revenue growth was recorded against a backdrop of nearly unchanged asset size, indicating continued improvement in asset utilization efficiency and the capacity to organize production and business activities. Profit from production and business activities reached VND 60.3 billion, a slight increase of 1.44% compared to the previous year. Although the growth rate of core operating profit was lower than the revenue growth rate, this reflects the reality that the Company proactively accepted a slight decrease in operating profit margin to maintain the stability of the distribution system, strengthen relationships with partners

and customers, and ensure the long-term competitiveness of its products. Consequently, the operating profit margin on net revenue decreased from 8.21% to 8.17%, but remains within the controlled threshold and aligns with the Company's sustainable development strategy. Profit after tax in 2025 reached VND 48.6 billion, an increase of 2.12% compared to 2024. Notably, the Return on Sales (ROS) was maintained steadily at 6.58%, indicating that the Company effectively balanced cost control, pricing policy, and asset utilization efficiency. Given that the Company did not increase financial leverage, maintaining a stable ROS is the result of proactive management and consistent financial discipline. Furthermore, capital utilization efficiency continued to improve significantly. ROE increased from 26.75% to 27.08%, reflecting a high and stable ability to generate profit on owner's equity. Concurrently, ROA increased from 18.41% to 18.77%, indicating that every unit of assets continues to be utilized more efficiently, consistent with the trend of optimizing capital turnover and enhancing the quality of growth.



BUSINESS PERFORMANCE FOR THE YEAR

Shareholding Structure and Changes in Owners' Equity

Company name	Share type	Stock code
SAFOCO FOODSTUFF JOINT STOCK COMPANY	Common shares	SAF
Per value per share	Trading start date	Outstanding shares
10,000 VND/share	28/12/2006	12,046,590 SHARES
Treasury shares	Number of freely transferable shares	Restricted shares
0 SHARES	12,046,590 SHARES	0 SHARES

Total number of shares issued: **12,046,590 shares**

Shareholder structure

(As of March 10, 2025)

No.	Type of shareholder	Number of shares owned	Ownership percentage (%)
I	Ownership ratio structure	12,046,590	100.00%
1	Major shareholders (owning 5% or more of the voting shares)	10,838,870	89.97%
2	Shareholders holding less than 5% of the voting shares	1,207,720	10.03%
II	State shareholders	6,179,944	51.30%
III	Domestic shareholders	11,697,533	97.10%
1	Individual	2,552,138	21.19%
2	Organization	9,145,395	75.92%
IV	Foreign shareholders	349,057	2.90%
1	Individual	180,779	1.50%
2	Organization	168,278	1.40%
TOTAL		12,046,590	100%
1	Individual	2,732,917	22.69%
2	Organization	9,313,673	77.31%

Foreign ownership ratio

Maximum foreign ownership ratio: **50%**.

Based on the latest Shareholder Closing List as of 10/03/2025

No.	Name	Number of Shares	Ownership Ratio/Charter Capital (%)
1	Vietnam Southern Food Corporation - Joint Stock Company	6,179,943	51.30%
2	Viet Value Investment Management Company Limited	2,961,665	24.59%
3	Pham Thi Thu Hong	1,697,262	14.09%

CHANGES IN OWNERS' EQUITY

The company did not experience any changes in equity during the year.

TREASURY SHARE TRANSACTIONS

None.

OTHER SECURITIES

None.

SECURITIES TRADED ABROAD

None.



BUSINESS PERFORMANCE FOR THE YEAR

Shareholding Structure and Changes in Owners' Equity

Changes in owners' equity

Year of increase	Form of capital increase	Increased capital	Charter capital after increase
2005			22,000,000,000
2006	Additional share issuance	5,060,000,000	27,060,000,000
2010	Stock dividend payment	3,246,720,000	30,306,720,000
2011	Paying dividends in shares and issuing shares to increase share capital from Owners's equity	15,151,050,000	45,457,770,000
2014	Paying dividends in shares and issuing shares to increase share capital from Owners's equity	13,634,850,000	59,092,620,000
2016	Paying dividends in shares and issuing shares to increase share capital from Owners's equity	20,088,920,000	79,181,540,000
2020	Paying dividends in shares and issuing shares to increase share capital from Owners's equity	21,376,350,000	100,557,890,000
2022	Paying dividends in shares and issuing shares to increase share capital from Owners's equity	19,908,010,000	120,465,900,000





COMPANY REPORT ON ENVIRONMENTAL AND SOCIAL IMPACT

ENVIRONMENTAL IMPACT

TOTAL DIRECT AND INDIRECT GREENHOUSE GAS (GHG) EMISSIONS

In recent years, CO2 emissions have become an urgent issue in Vietnam and globally. In recent years, greenhouse gas emissions, especially CO2, have become one of the urgent environmental challenges in Vietnam as well as globally. Rapid economic growth and the expansion of production scale are forecasted to cause Vietnam's CO2 emissions to continue increasing significantly in 2025 across most sectors, thereby creating great pressure on national sustainable development goals, particularly in the food and beverage industry.

In this context, Safoco has proactively developed environmental management strategies and sought opportunities to minimize negative impacts on the ecosystem. For the food and foodstuffs industry, greenhouse gas emissions primarily arise from food waste, including losses during the production process and food wastage at the

ENERGY CONSUMPTION

DIRECT AND INDIRECT ENERGY CONSUMPTION

- Electricity: 3,638,357 Kwh.
- Coal: 11,430 tons.

ENERGY SAVED THROUGH ENERGY EFFICIENCY INITIATIVES

During the production process, Safoco identifies energy saving as a management priority aimed at simultaneously controlling operating costs and minimizing environmental impact. Efficient energy use not

consumption stage. According to the International Plant Protection Convention (IPPC), methane gas generated from food loss and waste has a climate change impact level at least 28 times higher than CO2.

Recognizing the nature and origin of the problem, Safoco has oriented its development towards a diverse product portfolio, focusing on products processed from vegetables and fruits to extend the material usage lifecycle, minimize losses, and limit greenhouse gas emissions. Concurrently, the company promotes investment in research and development, improves machinery and equipment, and optimizes production processes, which not only enhances quality and operational efficiency but also reduces emission intensity. These efforts contribute to affirming the "green" value of Safoco's products, meeting the increasingly high expectations of domestic and international consumers regarding sustainable development.

only contributes to optimizing production processes but is also a crucial component of the company's long-term sustainable development strategy. Specifically, the company has implemented various solutions for improving and upgrading equipment to reduce electricity consumption. Old machinery and equipment with low efficiency or potential risk of electricity leakage are replaced with modern, higher energy-efficient equipment. This investment helps limit energy waste, reduce unnecessary electricity costs, and simultaneously enhance the stability and quality of output products. Furthermore, Safoco conducts periodic maintenance and upkeep for the entire production system and equipment, thereby ensuring efficient operation, extending asset lifespan, and limiting technical incidents that lead to excessive energy consumption. Alongside technical solutions, Safoco simultaneously applies quality and food safety management systems according to international standards such as ISO 9001:2015, ISO 22000:2018, HACCP, and FSP. These systems not only ensure product quality and safety but also establish a strict management framework, supporting the control and optimization of resource utilization, including energy, throughout all production activities..

MANAGEMENT OF RAW MATERIALS

Total volume of raw materials used for product manufacturing and packaging in 2025:

- Total volume of raw materials used: 25,538 tons.
- Packaging materials: 14,620 tons.

Raw material management at Safoco is implemented systematically and strictly controlled, focusing on optimizing input efficiency and minimizing waste throughout the entire production chain. The material reception process is strictly controlled, including clear identification of origin, transparency of the production process, as well as assessment and quality assurance of materials before they enter production. Suppliers are required to commit to providing complete and accurate related information to serve inventory management, traceability, and compliance with current Vietnamese legal regulations. During the production process, Safoco regularly measures, monitors, and evaluates the volume of input materials, ensuring production activities adhere closely to the approved plan, thereby minimizing food loss and waste. For surplus materials not directly used, the company has developed and implemented appropriate reuse plans, which both enhance resource utilization efficiency and ensure compliance with quality and food safety standards, meeting the increasingly high demands of consumers and stakeholders.

BUSINESS PERFORMANCE FOR THE YEAR

Company report on environmental and social impact

ENVIRONMENTAL IMPACT

REPORTS ON ENERGY SAVING INITIATIVES AND IMPLEMENTATION RESULTS

Under its sustainable development orientation and in response to increasingly stringent environmental standards in both domestic and international markets, Safoco has proactively implemented a wide range of initiatives aimed at conserving resources, minimizing environmental impacts, and improving operational efficiency across its entire production and business activities. These initiatives not only help control costs amid rising input prices but also strengthen the Company's long-term development foundation.

Previously, the Company's production activities relied heavily on energy-intensive equipment, while factory lighting and ventilation systems had not been fully optimized, resulting in relatively high electricity and fuel consumption per unit of output. Following targeted investments, renovations, and upgrades, Safoco has gradually replaced low-efficiency equipment with high-energy-efficiency drying ovens, steaming systems, and modern production lines. In parallel, the Company has upgraded roofing structures, enhanced natural ventilation, and adopted energy-saving lighting systems. As a result, energy consumption per ton of product has been better controlled, contributing to lower production costs and reduced indirect greenhouse gas emissions.

With regard to raw material utilization, certain production stages previously experienced material losses and suboptimal semi-finished product recovery rates. Through comprehensive reviews, standardization of consumption norms, process improvements, and strengthened input quality control, the Company has increased finished product yield, reduced material losses, and consequently lowered the volume of waste generated during production. This approach enables Safoco to achieve cost efficiency while simultaneously supporting environmental protection objectives.

In waste management, earlier practices of waste segregation and reuse were not consistently applied across the system. Currently, the Company has implemented waste segregation at source, enhanced the reuse and recycling of suitable by-products and packaging materials, and strengthened control over waste collection and treatment in accordance with the ISO 14001 environmental management system. As a result,

the volume of waste requiring treatment has gradually declined, and environmental costs have been more effectively managed.

At the same time, Safoco has progressively improved its packaging solutions toward greater environmental friendliness. Previously, packaging design primarily focused on product preservation and brand recognition. Following improvements, the Company has aligned packaging adjustments with new regulatory requirements while optimizing design to reduce material and ink usage and exploring recyclable material solutions. These changes help mitigate long-term environmental impacts while continuing to ensure food safety and product quality standards. In terms of environmental governance, while the Company's earlier focus was mainly on compliance with existing legal requirements, Safoco has now adopted a more proactive approach by operating integrated management systems in line with international standards such as ISO 14001 and FSSC 22000. Enhanced monitoring of environmental performance, occupational safety, and health not only enables the Company to meet increasingly strict "green" requirements in export markets but also strengthens Safoco's brand reputation and corporate value.

In addition, digital transformation has played a supportive role in resource conservation efforts.

Previously, records and data management relied heavily on paper-based processes. The Company

has since gradually digitized data, standardized information storage and utilization processes, thereby reducing paper consumption, improving management efficiency, and contributing to sustainable resource savings.

Overall, Safoco's resource efficiency and environmental protection initiatives demonstrate a clear transition from a "compliance-driven" approach to a "proactive sustainable development" mindset. This transformation is reflected in reduced energy and material costs per unit of product, lower emissions and waste generation, improved working conditions for employees, and enhanced capability to meet green standards in international markets. These efforts form a critical foundation for the Company's stable and sustainable growth in the years ahead.



BUSINESS PERFORMANCE FOR THE YEAR

Company report on environmental and social impact

WATER CONSUMPTION

WATER SUPPLY SOURCES AND VOLUME OF WATER USED

Water Supply Sources:

- Municipal water source: the volume of water used was 23,270 m³, utilized for direct product manufacturing and cooking.
- Deep groundwater source (treated to ensure indicators meet quality requirements according to the Ministry of Health's standards for water supplied for production and domestic use): the volume of water used was 47,980.3 m³, utilized for: boiler operation, cleaning machinery and equipment, cleaning workshops, watering plants, etc.

The average volume of water used was 4.8 m³/ton of product.

Percentage and total volume of recycled and reused water: 18.63%.

To effectively implement the water conservation policy associated with environmental protection, Safoco focuses on optimizing production processes towards increasing the rate of water circulation and reuse, thereby minimizing the demand for new water supply throughout all production activities. Water supply and wastewater



COMPLIANCE WITH ENVIRONMENTAL PROTECTION LAWS

Given the specific nature of the manufacturing and processing industry, which has a significant impact on the environment, Safoco always strictly complies with the regulations in the Law on Environmental Protection No. 72/2020/QH14. Concurrently, the Company also implements various solutions to minimize environmental impact: applying new technology, investing in equipment and infrastructure, optimizing production processes, selecting environmentally friendly raw materials, building wastewater treatment systems, collecting hazardous substances before releasing them into the environment, etc.

On December 6, 2023, the Company was granted Environmental License No. 1385/GPMT-STNMT-CCBVMT by the Department of Natural Resources and Environment. In 2025, the Company did not incur any penalties for violations due to non-compliance with environmental laws and regulations.

REPORT RELATED TO RESPONSIBILITY TOWARDS THE LOCAL COMMUNITY

The company always prioritizes the responsibility of linking business development with social community responsibility; therefore, charitable activities, visits to disadvantaged families, and the gratitude movement are maintained annually and are enthusiastically supported by Shareholders and all officers and employees (CBCNV). In 2025, the Company carried out charitable activities such as:

- Supported 1,290 gifts for the New Year gathering, the Conference of Advanced Models for the 2020–2025 period, the 6-month preliminary review conference, and simultaneously cared for retired staff of Southern Food Corporation – JSC on the occasion of the Lunar New Year, totaling over VND 462 million;
- Supported 3,466 gifts to care for policy beneficiary families, people who rendered meritorious services to the revolution, wounded/sick soldiers and relatives of martyrs on July 27th, poor households, and families facing difficulties during the Lunar New Year; supported the program "Linh Xuan Ward Community Festival I 2025"; the "For the Poor" Fund, and activities celebrating the Congress of Delegates of the Vietnamese Fatherland Front (MTTQVN) Binh Tien Ward for the 2025–2030 term, totaling over VND 843 million;
- Supported 600 gifts in coordination with partners and suppliers to care for employees facing difficulties during the Lunar New Year, totaling nearly VND 237 million;
- Supported 643 gifts for the Corporation's Trade Union and Youth Union to implement movement activities and social security work: gratitude activities on the Day of War Invalids and Martyrs

(July 27th); supporting the Vietnam Fisheries Humanitarian Fund; and serving trade union congresses such as the Congress of the Vietnam Agriculture and Environment Trade Union for the 2025–2030 term, the Grassroots Trade Union Congress of the Office of Southern Food Corporation, and the Corporation's Trade Union Congress, totaling nearly VND 258 million;

- Supported 1,350 gifts in coordination with the Department of Industry and Trade, the Department of Food Safety, and the Investment and Trade Promotion Centre (ITPC) to care for policy beneficiary families and Vietnamese Heroic Mothers in HCMC, as well as officials, civil servants, and employees on the occasion of the Lunar New Year, totaling over VND 463 million;
- Supported 9,100 kg of Safoco products for the "For the Poor" Fund, the "For the Homeland's Sea and Islands" Fund, and for officers and soldiers serving on islands in the Southwestern sea region and the DKI platforms in 2025, totaling over VND 483 million;
- Mobilized all staff and employees within the company to contribute 01 day's salary to support people affected by Typhoon No. 10 (Bualoi), amounting to over VND 166 million;
- Supported the Disaster Prevention Fund 2025 with VND 200 million;
- Supported the rural road construction program in Cu Chi District with VND 20 million.

The total amount spent on social charity work in 2025 was over VND 3,132 million (of which: VND 2,266 million from Company expenses, VND 700 million contributed by Shareholders, and VND 166 million supported by Employees).



BUSINESS PERFORMANCE FOR THE YEAR

Company report on environmental and social impact

POLICIES RELATED TO EMPLOYEES

NUMBER OF EMPLOYEES AND AVERAGE SALARY FOR EMPLOYEES

The number of staff and employees as of December 31, 2025, was 576 people. Regarding the structure, there were 386 male employees and 190 female employees.

The average income of employees in 2025 was VND 18.4 million/person/month, an increase of 8.9% compared to the same period in 2024 (VND 16.9 million/person/month).

LABOR POLICIES AIM TO ENSURE THE HEALTH, SAFETY, AND WELFARE OF EMPLOYEES

Safoco always recognizes and appreciates the valuable contributions and commitment of all employees over time. To support and improve the lives and morale of employees, the company has researched and implemented compensation policies aimed at retaining and attracting high-quality human resources. Specifically:

The company ensures full implementation of labor policies such as: signing clear labor contracts, fully paying social insurance, health insurance, and unemployment insurance as regulated. Safoco not only focuses on material compensation but also emphasizes the care and protection of employee health. The company organizes periodic health check-ups for 100% of its officers and employees, with a list of examinations designed to be higher than standard requirements. In addition to the general examination contents stipulated in Circular 14/2013/TT-BYT, Safoco proactively adds specialized screening items such as liver function

assessment (GOT, GPT), liver enzymes (GGT), as well as screening for typhoid fever (Widal), Hepatitis A, and Hepatitis E. Concurrently, the collective kitchen system operates according to a one-way processing flow, implementing strict three-step food inspection; ingredients used are always guaranteed to be fresh, with clear origins, thereby fully meeting the requirements for food safety, hygiene, and nutrition for employees.

These policies and commitments by Safoco to continuously improve working conditions, ensure health, and enhance the spiritual life of all employees create motivation for each individual to commit and contribute long-term to the company.

POLICIES RELATED TO EMPLOYEES

EMPLOYEE TRAINING ACTIVITIES

The development of employees is the development of Safoco. The Company places strong emphasis on training and human resource development. Specifically, in 2025, the Company organized professional training and capacity-building programs, including:

- Safety Training and Practical Skills: First aid training for 32 members of the rapid response team; Occupational Safety and Health training for 455 direct production workers; Specialized training on boiler operation for 08 technical workers; Organizing periodic training on Food Safety and Hygiene for all officers and employees (CBCNV) to maintain international standards.

- Advanced Training in Management Expertise and International Standards: Training and updating knowledge on the environmental management system according to ISO 14001:2015 standard for technical and management staff; Training to enhance corporate governance capacity, labor inspection and examination skills, and resolution of arising disputes according to the latest legal regulations for the HR and management departments.
- Updating Market Knowledge and Specialized Expertise: Updating new regulations on origin of goods (REX registration number), guidance on electronic C/O declaration, and solutions to respond to countervailing duty challenges



for staff in the Import-Export Department; Training on sustainability standards, green consumption trends, and the Carbon Border Adjustment Mechanism (CBAM) to maintain advantages in demanding export markets.

- Technology Access and Digital Transformation: Sending executive officers, Party Committee

personnel, and secretaries to participate in training on the application of Artificial Intelligence (AI) in corporate governance and administration; Training to raise awareness about cybersecurity, data security, and prevention of cyberattacks for office staff.

REPORT RELATED TO GREEN CAPITAL MARKET ACTIVITIES FOLLOWING THE GUIDANCE OF THE STATE SECURITIES COMMISSION

Green capital market activities are implemented to mobilize and allocate financial resources to businesses undertaking green development and environmental protection projects through appropriate financial instruments. This is a new and significant direction issued by the State Securities Commission to encourage businesses to transition to environmentally friendly production and business models, aligning with the national sustainable development goals. In this context, Safoco proactively monitors,

updates, and fully absorbs the policies, guidelines, and announcements of the State Securities Commission, while seriously studying and complying with relevant legal regulations. Based on this, in the coming time, the Company will continue to promote investment in upgrading machinery and equipment, improving production processes linked to environmental criteria, aiming to enhance resource efficiency, reduce emissions, and realize the long-term goals of green growth and sustainable development.



CHAPTER 3

REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

Assessment of business performance results

Financial Status

Improvements in Organizational Structure, Policies, and Management

Future Development Plan

Explanation of the Board of Management regarding the audit opinion

Assessment report related to the company's environmental and social responsibility



REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

Assessment of business performance results

2025 continues to be a challenging year for the global economy as geopolitical conflicts, strategic competition among major powers, and the trend of trade protectionism show no signs of cooling down. Climate change and extreme weather are becoming increasingly unpredictable, severely affecting energy security, food security, and disrupting global supply chains. Furthermore, tariff wars and exchange rate fluctuations add pressure to production costs and international trade. However, the overall picture also shows positive signs as inflation in many major economies continues to be controlled, the actual tariff policy of the United States is lower than initial announcements, coupled with a strong wave of investment in new technologies and artificial intelligence (AI), thereby gradually improving the productivity and competitiveness of nations.

In 2025, due to the impact of climate change, the weather became increasingly harsh. In the first 6 months, intense heat appeared early and lasted long in the Northern, Central Highlands, and Southern regions with higher intensity than the multi-year average (temperatures reached up to 40°C in some places), leading to a decline in people's shopping and travel demand. In the second half of the year, successive severe storms and floods occurred in the Central provinces, causing widespread inundation, resulting in some dealers' warehouses being flooded, goods damaged, and heavy losses. During the flood avoidance period, people prioritized instant, convenient food, whereas Safoco's products typically require cooking and preparation, leading to a significant drop in consumption volume in this region.

Not only affected by the weather, but the domestic market also faced intense competitive pressure. In the modern supermarket channel, many competitors fully utilized consumer stimulus programs launched by the Ministry of Industry and Trade, with promotional limits allowed up to 100% to clear inventory, making the battle for market share extremely fierce. Simultaneously, Safoco also faced pressure from cheap imported products of the same type, which were being sold widely on e-commerce platforms. Consequently, the Company was forced

to continuously launch shocking promotions, increase discount rates, and accept reduced profits to avoid losing market share.

Meanwhile, the traditional dealer channel encountered difficulties when the Law on Value Added Tax (Amended), effective from July 1, 2025, mandated electronic invoices and non-cash payment regulations for certain transactions, including individual business households. This new regulation created a significant psychological barrier for small traders and small retail stores in traditional markets. Due to concerns about complex administrative procedures and rising operating costs, many retail outlets proactively reduced the scale of their purchases, or even temporarily suspended business, causing a decline in the consumption volume of dealers compared to the same period.

Furthermore, the export market continued to face many challenges as the trend of protectionism increased in major markets. Trade barriers not only tightened control over origin and quality but also expanded to strict requirements regarding green standards and carbon emission reduction. Notably, starting from the beginning of Q3/2025, the United States applied a 20% tariff on goods from Vietnam, increasing the price of products entering the US market and reducing competitiveness compared to international rivals. Simultaneously, the exchange rates of the local currencies of some Asian countries (South Korea, Japan, etc.) also continuously fluctuated against the USD, increasing the import costs for partners in these markets. Consequently, the Company was forced to reduce selling prices and increase discount rates to retain customers and boost consumption volume.

In addition to market fluctuations, business operations last year faced significant cost pressure due to the simultaneous implementation of mandatory packaging changes. Specifically: pursuant to Circular 29/2023/TT-BYT of the Ministry of Health, the Company had to adjust the nutritional content and update the Company's new address information on all packaging, resulting in increased costs due to the need to remake all printing cylinders, which directly impacted product cost. Furthermore,

the implementation of Decision 79/2024/QD-UBND dated October 21, 2024, of the Ho Chi Minh City People's Committee regarding the new land price list caused the Company's land lease costs to increase from 11 billion VND to 13.7 billion VND (an increase of

2.7 billion VND). Besides, the prices of raw materials and auxiliary materials (rice, rice starch, brocade powder, etc.) also simultaneously increased by 15% – 20%, requiring the Company to strengthen cost control, optimize production processes, and stabilize selling prices to maintain market competitiveness.

Assessment of business performance

No.	Indicators	Unit	Actual 2024	Plan 2025	Actual 2025	% Increase/Decrease
1	Net Revenue	Billion VND	723.78	780.00	738.28	14.50
2	Profit Before Tax	Billion VND	60.86	61.00	61.53	0.67
3	Profit After Tax/Net Revenue	%	6.58		6.58	0.01
4	Profit After Tax/Owner's Equity	%	26.61		27.00	0.39

In 2025, the Company's business operations were carried out amidst a domestic and international economic context that continued to face many unfavorable factors. Prolonged geopolitical conflicts, increasing trade protectionism, volatile input material prices, along with changes in tax policies, technical standards, and land lease costs, created significant pressure on production costs, the supply chain, and consumption power in the food industry. Under these conditions, the Company maintained stable operations, ensured financial safety, and adhered closely to the prudent management orientation set forth.

By the end of 2025, the Company's net revenue reached 738.28 billion VND, completing 94.65% of the annual plan. Compared to 2024, revenue recorded a growth rate of 14.50% year-on-year, reflecting the Company's clear efforts in expanding consumption scale, improving market coverage, and effectively utilizing sales channels, despite the slow recovery of domestic market purchasing power and increasing competition. The failure to complete the revenue plan mainly stemmed from objective market factors; however, the high growth rate compared to the previous year demonstrates the Executive Board's flexible adaptability to changes in the business environment. Furthermore, profit before tax (PBT) in 2025 reached 61.53 billion VND, achieving 100.87% of the plan and increasing by 0.67% compared to 2024. This result was achieved despite significant pressure on input costs, including raw material prices, land lease costs under the new price framework, and costs incurred related to adjusting packaging and labeling according to legal regulations. Completing and exceeding the profit before tax plan indicates that the Company effectively controlled costs while being flexible in managing production, cost of goods sold, and optimizing the product mix. Furthermore, export activities during the year continued to be stable thanks to flexible pricing policies, market expansion, and enhanced trade

promotion, thereby helping to offset the difficulties in the domestic market. Overall, the 2025 business performance accurately reflects market realities and affirms the cautious and flexible management capacity of the Board of Directors, creating a solid foundation for sustainable growth targets in the subsequent period. Regarding profitability, the Return on Sales (ROS) reached 6.58%, remaining stable compared to 2024, reflecting the orientation of balancing profit goals with proactively sharing costs to maintain competitiveness and support consumption. The Return on Equity (ROE) reached 27.00%, an increase compared to 26.61% in 2024, indicating that capital utilization efficiency continues to improve based on a safe capital structure and a policy of limiting the use of financial leverage.



Safoco's Management Surveys the Distribution System in the Philippine Market



The General Director Visits Safoco's Product Warehouse and Meets with Partners in South Korea

REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

Assessment of business performance results

Company Achievements

In 2025, the Safoco brand continued to be firmly consolidated, affirming its position as a leading reputable food enterprise with over 30 years of establishment and sustainable development. The Company's products maintained stable quality, fully meeting the regulations of the Ministry of Health and stringent international standards such as those of the EU bloc, US FDA, Korean FDA (KFDA), Halal, and Gluten-Free, thereby enhancing competitiveness and expanding consumption markets both domestically and for export. The Company maintained and effectively operated quality and food safety management systems according to ISO 9001:2015, ISO 22000:2018, HACCP, and FSSC 22000 standards; while simultaneously continuing to apply the ISO 14001:2015 environmental management system and the ISO 45001:2018 occupational health and safety management system. During the year, these systems underwent periodic surveillance assessments by reputable certification bodies such as QMS and SGS and were confirmed to fully meet standard requirements, demonstrating strict compliance and effectiveness in governance and operations.

On February 25, 2025, the Company completed the assessment and recertification of HALAL for Safoco product lines, ensuring compliance with strict requirements regarding ingredients and production processes in accordance with religious regulations and international standards.

On March 19, 2025, the Company received the Inspection Team from the Ho Chi Minh City Food Safety Management Authority (under Decision No. 355/QĐ-SATTP). Following the inspection, the Team highly praised the Company's food safety assurance efforts: the factory premises are scientifically arranged, separate, and well-ventilated; the production line is modern and largely automated; the raw materials used have clear origins, and the production process strictly

complies with food hygiene and safety regulations.

On May 21, 2025, the Company completed the assessment of the food safety management system at the rice paper production factory as required by customer ABWF.

On June 23, 2025, the Food Safety Inspection Team of the Southern Food Corporation conducted an inspection and noted that the Company fully implemented food hygiene and safety regulations. The Inspection Team requested the Company to continue maintaining and ensuring stable and continuous production and business operations.

On July 08, 2025, SGS conducted the first surveillance assessment of the FSSC 22000 Food Safety Management System at the rice paper production factory, and the results met the requirements.

On September 15, 2025, QMS conducted the first surveillance assessment of the ISO 9001:2015 Quality Management System; ISO 22000:2018 Food Safety Management System, HACCP; ISO 14001:2015 Environmental Management System; ISO 45001:2018 Occupational Health & Safety Management System, and the results met the requirements.

In 2025, Safoco products continued to be voted by consumers as High-Quality Vietnamese Goods; High-Quality Vietnamese Goods Meeting Integration Standards; Top 10 Reputable Food Companies (in the dried food and instant food sector).

Furthermore, in 2025, Safoco continuously achieved awards including 50 Outstanding Enterprises with Key Brands and Products of Ho Chi Minh City; Asia Fast Growing Enterprise; Top 5 National Strong Brands; Top 5 ASEAN Strong Brands; Top 5 Outstanding Asian Enterprises; ASEAN Quality Products – Services; Top 10 Leading Brands of Vietnam; Top 10 Excellent Asian Brands; Top 10 Green, Sustainable Products – Services; Top 10 Excellent Asia – Pacific Brands.



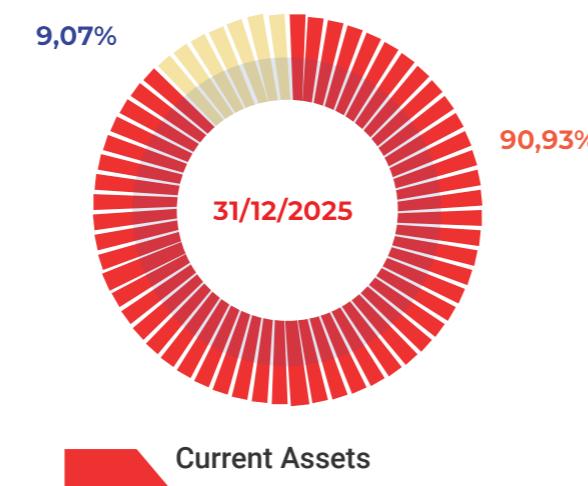
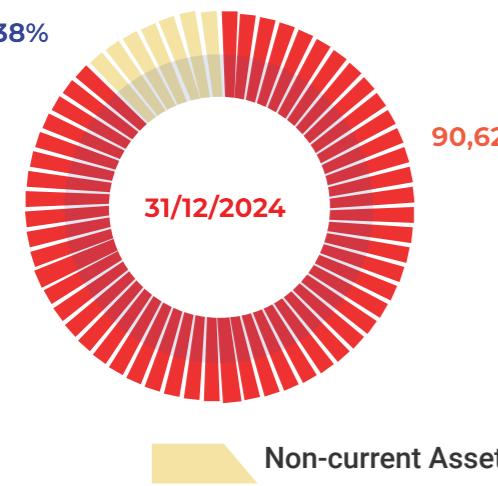
Safoco is committed to providing customers with products of the highest quality.

REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

Financial Status

Asset Status

No.	Indicator	Unit: VND		% Increase/ Decrease
		31/12/2024	31/12/2025	
1	Current Assets	234,801	235,481	0.29%
2	Non-current Assets	24,294	23,491	-3.30%
3	Total Assets	259,095	258,972	-0.05%



In 2025, SAFOCO's total assets scale was maintained stably at VND 258.97 billion, almost unchanged compared to 2024. Amidst a volatile business environment, maintaining the asset scale reflects a cautious management approach, focusing on capital efficiency and resource preservation, rather than expanding the scale at all costs. The asset structure continues to heavily favor current assets, accounting for 90.93% of total assets, thereby affirming the Company's strategic priority for liquidity and flexibility amidst ongoing macroeconomic volatility.

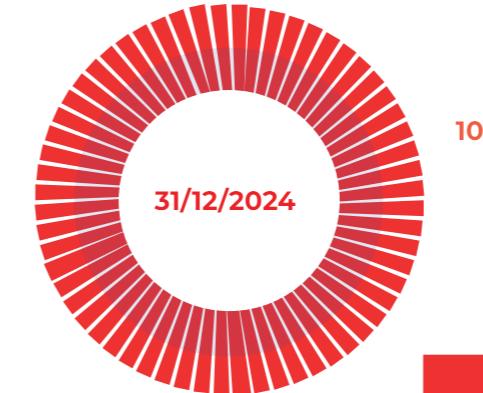
Current assets reached VND 235.48 billion, a slight increase of 0.29% compared to the previous year. Of this, cash and cash equivalents reached VND 58.77 billion. Although the total value decreased compared to 2024, the internal structure showed a clear shift, as the Company proactively moved from cash to short-term cash equivalents. This

adjustment is because SAFOCO proactively optimized cash flow management, simultaneously ensuring immediate solvency and enhancing the profitability of idle capital without increasing risk. Short-term financial investments increased from VND 55 billion to VND 67 billion, reflecting a more flexible and proactive capital utilization approach in working capital management. This is an appropriate step given that the Company has not yet deployed major investments in fixed assets, while simultaneously taking advantage of favorable market conditions to increase capital efficiency in the short term. Short-term receivables decreased by 5.1%, mainly due to good control over accounts receivable from customers, demonstrating improved financial discipline and revenue quality. Inventory decreased from VND 63.7 billion to VND 55.8 billion, as the Company proactively adjusted the scale of production and raw material reserves

to match market demand, thereby limiting inventory risk and freeing up working capital. Other current assets increased, mainly due to deductible Value Added Tax, reflecting that production and business activities are continuously maintained and have depth. Conversely, non-current assets slightly decreased by 3.3% to VND 23.49 billion, accounting for 9.07% of total assets. Fixed assets remain low because the majority were depreciated in previous years, while land use rights retain their original value, serving as a stable and sustainable asset foundation for the Company. The decision

Liabilities Status

No.	Indicator	Unit: VND		% Increase/ Decrease
		31/12/2024	31/12/2025	
1	Short-term debt	80,214	78,908	-1.63%
2	Long-term debt	-	-	-
3	Total liabilities	80,214	78,908	-1.63%



In 2025, SAFOCO's liabilities situation continued to be controlled proactively and prudently, consistent with the orientation of safe financial management amid a volatile market. Total liabilities at year-end reached VND 78.9 billion, a decrease of 1.63% compared to 2024, and all were short-term liabilities, with no financial borrowings or long-term debt obligations arising. This structure indicates that the Company maintains a high degree of financial independence, limits interest rate risk and liquidity pressure, and ensures flexibility in cash flow management. Payables to employees continued to account for the largest proportion of total short-term liabilities, reflecting the specific nature of production operations and the Company's consistent commitment to ensuring full and timely benefits for employees,

thereby contributing to stable human resources and maintaining operational efficiency. Payables to suppliers increased compared to the previous year, due to the need to maintain a stable supply of raw materials and effectively utilize trade credit to optimize working capital without increasing financial costs. Notably, customer advances recorded a significant increase, indicating improved customer confidence, as well as SAFOCO's ability to execute orders and its brand reputation in the market. Obligations to the State and accrued expenses were maintained at a reasonable level, reflecting full compliance with legal regulations and strict financial discipline. Overall, the liabilities structure in 2025 remains healthy, creating a solid foundation for financial stability and readiness to support development plans in the next phase.

REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

Improvements in Organizational Structure, Policies, and Management Regarding Organizational Structure

The Company places strong emphasis on developing transparent, fair, and effective recruitment policies to attract high-quality human resources. The recruitment process is systematically designed and tailored to each position and job requirement, ensuring the selection of candidates with strong capabilities and growth potential. At the same time, the Company provides candidates with opportunities to experience a professional and friendly working environment, thereby attracting talent from diverse sources. With regard to incentives and benefits, the Company is committed to offering a competitive remuneration package, including salaries and bonuses commensurate with job positions and individual performance.

Future Development Plan

Production Activities

Strengthen inspection from input materials to the final product, ensuring the best quality product before launching it to the market.

Control material consumption costs, improve production processes, and increase product yield, aiming to reduce cost price and enhance competitiveness against similar products in the market.

Business/Sales Activities

In 2026, the business situation is forecasted to continue facing many difficulties. To achieve the set plan, the Board of Management, together with the leadership of the domestic sales department, will prioritize market visits, working directly with agents and distributors in provinces and cities, in order to make quick, decisive, and timely decisions to support sales agents and ensure full market coverage.

For all supermarket systems, the Company arranges field staff to continuously rotate stocking goods on shelves, sometimes requiring the mobilization of operational staff from various departments to assist with stocking. Develop appropriate promotion and discount policies to

As of December 31, 2025, the Company's total workforce was estimated at 576 employees, representing an increase of 1.23% compared to 2024, comprising 386 male and 190 female employees. This workforce structure reflects an appropriate allocation aligned with job characteristics, ensuring effective production and business operations and supporting the Company's development needs. Positions are reasonably structured based on industry-specific requirements and professional competencies, enabling optimal utilization of human resources and enhanced work efficiency.

Timely update regulations on food additives, food safety standards of the Ministry of Health, and strict standards of several importing countries, including EU and Codex regulations, while thoroughly understanding regulations on labeling, packaging, traceability, etc.

rapidly boost sales volume. Negotiate and prepare to sign business contracts with agent customers and supermarket systems for 2026. Increase participation in domestic and international fairs, exhibitions, and trade promotion programs to promote the brand, widely introduce products to consumers, and expand opportunities to access new markets.

Regarding the export market, the Company will continue to conduct market surveys in Malaysia, Indonesia, Singapore, Thailand, etc., and continue to participate in trade promotion delegations organized by the Trade Promotion Agency and the Ho Chi Minh City Trade and Investment Promotion Centre (ITPC) to survey and expand the export customer base.

No.	Indicators	Unit	Plan for 2026	Actual in 2025	Actual in 2024
1	Total Revenue	Million VND	750,000	747,390	732,110
1.1	Industry	Million VND	721,000	718,171	705,056
1.2	Trade	Million VND	20,000	20,111	18,722
1.3	Other	Million VND	9,000	9,108	8,332
2	Production output	Tonnes	15,000	14,620	14,329
2.1	Noodles	Tonnes	4,200	4,204	3,449
2.2	Macaroni	Tonnes	4,400	3,911	4,913
2.3	Vermicelli	Tonnes	4,000	4,010	3,587
2.4	Rice paper	Tonnes	2,400	2,495	2,380
3	Consumption output	Tonnes	14,200	14,013	13,808
3.1	Noodles	Tonnes	3,800	3,805	3,570
3.2	Macaroni	Tonnes	4,000	3,901	4,284
3.3	Vermicelli	Tonnes	3,800	3,767	3,766
3.4	Rice paper	Tonnes	2,600	2,540	2,188
4	Profit before tax	Million VND	62,000	61,530	60,860
4.1	Industry	Million VND	50,100	50,089	50,785
4.2	Trade	Million VND	2,900	2,897	2,699
4.3	Other	Million VND	9,000	8,544	7,376
5	State budget contribution	Million VND	30,000	30,254	29,571

Explanations of the Board of Management regarding the Auditor's Opinion

None.



ASSESSMENT REPORT RELATED TO THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

VCCI Women Entrepreneurs Delegation Visits the Vietnamese Embassy in Japan

Assessment related to environmental indicators

Employees are always identified as a core asset, the foundation for the Company's stability and sustainable development. In 2025, despite the business and production activities being simultaneously affected by multiple unfavorable market factors and increasing input costs, the Board of Management remained committed to maintaining a safe and stable working environment, ensuring employment, income, and legitimate rights for employees.

The Company continued to focus on and synchronously implement occupational safety and health (OSH) work in accordance with current management standards. During the year, the Company organized OSH training for 455 direct production workers, trained 32 members of the first aid team, trained 08 boiler operators, and conducted Group 5 OSH training for 02 responsible officers in compliance with regulations. Training programs are organized periodically, closely adhering to production specifics to raise awareness, risk prevention skills, and the ability to respond to emergency situations in the workplace. The Company fully implemented periodic health checks for 100% of employees, adding specialized items beyond the requirements of the Ministry of

Health, such as screening for liver function, liver enzymes, typhoid, Hepatitis A and E, as well as supplementary examination items for female employees. Thereby, the Company proactively monitors, protects, and improves employee health, contributing to maintaining a stable, productive, and long-term committed workforce.

Concurrently, the Company fully maintained the provision of personal protective equipment suitable for each job position; organized periodic workplace environment monitoring to control harmful factors; ensured well-ventilated workshops, and invested in renovating and upgrading production lines towards safety and automation. The Occupational Health and Safety Management System according to ISO 45001:2018 standard continued to operate effectively and was confirmed by independent assessment organizations to meet requirements in 2025.

The salary regime, benefits, and other entitlements of employees were fully implemented, strictly adhering to legal regulations and the collective labor agreement. The average salary in 2025 reached VND 18.412 million/person/month, ensuring livelihoods and creating motivation for employees amidst rising living costs. The

Company maintained a collective canteen ensuring food safety and hygiene and adequate nutrition; while also fully implementing welfare policies on holidays and Tet (Lunar New Year), and caring for female employees and their children.

The efforts in caring for the material and spiritual lives of employees have been recognized by

Assessment related to employee matters

With the business philosophy of "Prioritizing consumers' health interests," the Company always determines that product quality is the decisive factor for the enterprise's survival, employees are invaluable assets, and business operations must ensure a harmonious balance of interests among the Company – Shareholders – Employees and related parties, good capital management, environmental protection, social responsibility, and compliance with contribution obligations to the State. Safoco is confident that with relentless effort, dynamism, innovation, creativity, and timely grasping of sustainable development trends, in the future, products bearing the Safoco brand will continue to reach further, conquer the most demanding markets, promote value, and affirm the position of SAFOCO - Vietnam National Brand in the international market. The Company is committed

organizations. In 2025, the Company was honored to be selected by the Vietnam General Confederation of Labor as an "Outstanding Enterprise for Employees," affirming Safoco's long-term commitment to building a safe, humane, and sustainably developing working environment.

to always focusing on ensuring food safety and hygiene through strict procedures such as:

Comprehensive Control: Strict monitoring from input raw materials and auxiliary materials to packaging, ensuring compliance with safety standards.

International Quality Management: Applying quality management systems according to international standards such as ISO and HACCP, ensuring safe and high-quality products.

Product Information Transparency: Providing full information on ingredients, usage instructions, and storage duration, helping consumers easily select and use the product with confidence.

Regarding social welfare and charitable activities, SAFOCO has proactively coordinated with local authorities, socio-political organizations, and Southern Food Corporation – JSC to implement



ASSESSMENT REPORT RELATED TO THE COMPANY'S ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

numerous practical support programs. Specifically, the Company donated 1,290 gifts for activities caring for retired staff and early-year community events, totaling over 462 million VND. Concurrently, Safoco continued to implement support programs providing 3,466 gifts for policy beneficiaries, people who rendered meritorious services to the revolution, wounded and sick soldiers/veterans, poor households, and disadvantaged individuals in many localities, totaling over 843 million VND. These activities not only carry material significance but also demonstrate long-term sharing and connection between the enterprise and the local community. Furthermore, the Company collaborated with partners and suppliers to

organize the distribution of 600 gifts to employees and those facing difficulties during the Lunar New Year, thereby spreading the spirit of social responsibility throughout the entire value chain. Safoco also actively participated in, sponsored, and accompanied community programs such as the "Community Day Festival," activities of the Fatherland Front, and emulation movements in the localities where the enterprise operates. The total amount spent on social charity work in 2025 was over 3,132 million VND (of which: 2,266 million VND came from Company expenses, 700 million VND from Shareholder contributions, and 166 million VND from Employee support).

Assessment related to the enterprise's responsibility towards the local community

With the business philosophy of "Prioritizing consumers' health interests," the Company always determines that product quality is the decisive factor for the enterprise's survival, employees are invaluable assets, and business operations must ensure a harmonious balance of interests among the Company – Shareholders – Employees and related parties, good capital management, environmental protection, social responsibility,

and compliance with contribution obligations to the State. Safoco is confident that with relentless effort, dynamism, innovation, creativity, and timely grasping of sustainable development trends, in the future, products bearing the Safoco brand will continue to reach further, conquer the most demanding markets, promote value, and affirm the position of SAFOCO - Vietnam National Brand in the international market. The Company is committed

to always focusing on ensuring food safety and hygiene through strict procedures such as:

Comprehensive Control: Strict monitoring from input raw materials and auxiliary materials to packaging, ensuring compliance with safety standards.

International Quality Management: Applying quality management systems according to international standards such as ISO and HACCP, ensuring safe and high-quality products.

Product Information Transparency: Providing full information on ingredients, usage instructions, and storage duration, helping consumers easily select and use the product with confidence.

Regarding social welfare and charitable activities, SAFOCO has proactively coordinated with local authorities, socio-political organizations, and Southern Food Corporation – JSC to implement numerous practical support programs. Specifically, the Company donated 1,290 gifts for activities caring for retired staff and early-year community events, totaling over 462 million VND. Concurrently, Safoco continued to implement support programs providing 3,466 gifts for policy beneficiaries, people who rendered meritorious services to the revolution, wounded and sick soldiers/veterans,

poor households, and disadvantaged individuals in many localities, totaling over 843 million VND. These activities not only carry material significance but also demonstrate long-term sharing and connection between the enterprise and the local community. Furthermore, the Company collaborated with partners and suppliers to organize the distribution of 600 gifts to employees and those facing difficulties during the Lunar New Year, thereby spreading the spirit of social responsibility throughout the entire value chain. Safoco also actively participated in, sponsored, and accompanied community programs such as the "Community Day Festival," activities of the Fatherland Front, and emulation movements in the localities where the enterprise operates. The total amount spent on social charity work in 2025 was over 3,132 million VND (of which: 2,266 million VND came from Company expenses, 700 million VND from Shareholder contributions, and 166 million VND from Employee support).



CHAPTER 4

BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S OPERATIONS

Assessment by the Board of Directors of the Company's operations

Assessment of the Company's Board of Management's performance by the Board of Directors

Plans and Orientations of the Board of Directors



BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S OPERATIONS

Assessment by the Board of Directors of the Company's operations

Regarding production and business activities

2025 was a particularly difficult and challenging year for Safoco Foodstuff Joint Stock Company, as the global and domestic economies continued to experience complex developments. Adverse factors included increasingly severe climate change and extreme weather causing consumption disruptions in many areas; slow recovery of domestic market purchasing power; and fierce competition in the food industry, especially from cheap imported products and deep promotional programs by competitors. In the export market, the trend of increasing trade protectionism, the US imposing a 20% tariff on goods from Vietnam, along with exchange rate fluctuations in some Asian markets, created significant pressure on the Company's selling prices and profit margins.

Furthermore, the Company also faced increasing cost pressure due to sharply rising input material prices (rice, rice starch, glutinous rice flour, etc.) which simultaneously increased by 15% – 20%, increased land lease costs according to the new land price list issued by the Ho Chi Minh City People's Committee, as well as costs arising from adjusting product packaging according to new regulations from the Ministry of Health. Changes in tax policies and e-invoicing also negatively impacted the traditional distribution channel, leading to a decline in sales volume through the agent system.

In this context, the Board of Directors highly appreciates the executive role of the General Director and the Company's Board of Management. With a proactive, decisive, and flexible spirit, the Board of Management promptly implemented appropriate solutions, closely monitoring market developments, adjusting sales policies according to each region and distribution channel, while strengthening cost control and optimizing production processes, ensuring that production and business activities were maintained stably. The consensus, unity, and efforts of all employees significantly contributed to helping the Company

overcome difficulties and complete the tasks assigned by the General Meeting of Shareholders. As a result, in 2025, the Company achieved total revenue of VND 747.39 billion, reaching 95.82% of the plan and increasing by 2.09% compared to the same period; sales volume reached 14,013 tons, achieving 98.68% of the plan and increasing by 205 tons compared to 2024; profit before tax reached VND 61.53 billion, exceeding the plan by 0.87% and increasing by 1.1% compared to the same period. The Company contributed VND 30.25 billion to the state budget, exceeding the plan by 21.02%. The average income of employees reached VND 18.412 million/person/month; welfare programs and policies were fully implemented in accordance with the collective labor agreement, ensuring the material and spiritual well-being of the employees. The Board of Directors acknowledges and highly appreciates the Company's continued strict maintenance of quality, food safety, and environmental management systems according to domestic and international standards (ISO, HACCP, FSSC 22000, Halal, Gluten-Free, etc.), ensuring that SAFOCO products always meet the increasingly high requirements of the domestic and export markets. The investment in upgrading machinery and renovating workshops was carried out on schedule and effectively, contributing to increased production capacity and ensuring safe and sustainable operation.

Parallel to the production and business results, the SAFOCO brand continues to be firmly established in the market. In 2025, the Company was selected and honored with many prestigious domestic and regional awards such as: Typical Enterprise of Ho Chi Minh City, Asia's Fast-Growing Enterprise; Top 5 National Strong Brand, Top 5 ASEAN Strong Brand; Top 10 Leading Brand of Vietnam; Top 10 Green, Sustainable Products – Services; along with many other titles. This is clear evidence of the Company's brand reputation, product quality, and sustainable development strategy.

Based on the results achieved, the Board of Directors assesses that in 2025, despite being affected by many objective unfavorable factors, Safoco maintained stability, completed and exceeded the profit targets, and preserved and

Regarding investment and financial activities

Regarding investment and financial activities, in 2025, Safoco's investment work continued to be implemented following a cautious and effective orientation, based on adhering closely to the policies and resolutions of the Board of Directors. Investment activities, procurement of machinery and equipment for production were carried out selectively, suitable for the Company's actual needs and financial capacity, thereby gradually improving operational efficiency and maintaining stable production capacity.

The Company's organizational structure continued to be maintained stably in 2025. The team of management staff and technical staff possesses professional qualifications and experience, meeting the requirements for operation and production organization in the context of ongoing business challenges. The workforce is generally skilled, adheres strictly to labor discipline, and demonstrates a sense of responsibility in their

Regarding activities related to the environment, community, and society

Regarding activities related to the environment, community, and society, in 2025, Safoco continued to implement activities oriented towards sustainable development, gradually integrating environmental factors and social responsibility into its business operations. Related initiatives were carried out based on suitability with the Company's operational scale and actual conditions, aiming to limit adverse impacts on the environment and increase value for stakeholders. The Company maintains periodic review and evaluation of the effectiveness of activities related to the environment and social responsibility, thereby proactively making adjustments to meet current legal regulations as well as the increasingly high demands from the market and partners. In addition to focusing on business operations, the Company always pays attention to community responsibility through meaningful charitable programs. Annually, the Company, shareholders, and employees have actively contributed funds to carry out social activities, such as building charity houses, giving gifts to policy beneficiary families, and supporting poor households, contributing to

gradually enhanced the enterprise value. This is an important foundation for the Company to continue implementing strategic goals, enhancing competitiveness, and achieving sustainable development in the next phase.

work, contributing positively to ensuring continuous and safe production operations. Labor, salary, and welfare policies continued to be fully implemented, complying with signed labor agreements, thereby helping to stabilize the income and lives of the employees.

Regarding the financial situation, Safoco continued to maintain a relatively healthy financial foundation in 2025. The Company's capital sources are strictly managed, used for the proper purposes, and ensure financial safety requirements in business operations. The Company prepared and presented its financial statements in accordance with Vietnamese Accounting Standards and current legal regulations. The financial statements truthfully and reasonably reflect the Company's financial position and operating results, with no material misstatements arising, thereby ensuring transparency and reliability for shareholders and related parties.

spreading humanitarian values in the community. In 2025, Safoco proactively coordinated with local authorities, socio-political organizations, and Southern Food Corporation – Joint Stock Company to implement many practical support programs. Specifically, the Company presented 1,290 gifts for activities caring for retired staff and community events at the beginning of the year, with a total value of over 462 million VND. Concurrently, Safoco continued to implement support programs providing 3,466 gifts for policy beneficiary families, people who contributed to the revolution, sick and wounded soldiers, poor households, and disadvantaged individuals in many localities, with a total value of over 843 million VND. These activities not only carry material significance but also demonstrate the long-term sharing and connection between the enterprise and the local community.

In addition, the Company also coordinated with partners and suppliers to organize the distribution of 600 gifts to employees and disadvantaged individuals on the occasion of the Lunar New Year, thereby spreading the spirit of social

responsibility throughout the entire value chain. Safoco also actively participated in, sponsored, and accompanied community programs such as "Community Day," activities of the Vietnam Fatherland Front, and emulation movements in the local areas where the enterprise operates.

Assessment of the Company's Board of Management's performance by the Board of Directors

In 2025, based on the Company Charter, the Internal Regulations on Corporate Governance, and current legal provisions, the Board of Directors fully performed its functions of supervision, inspection, and guidance over the Board of Management's operational activities, ensuring that governance and executive activities were implemented within the proper authority, transparently, and effectively.

The Board of Management successfully carried out the assigned tasks, strictly complying with legal regulations, the Company Charter, and the resolutions and decisions of the Board of Directors as well as the General Meeting of Shareholders. In the context where 2025 continued to face numerous challenges from the business environment, such as fluctuations in input costs, uneven market purchasing power recovery, and increasing competitive pressure, the Board of Management clearly demonstrated a proactive, flexible, and decisive management role. Governance decisions were issued promptly and aligned with actual developments, contributing to maintaining stability in production and business activities and effectively controlling arising risks.

Plans and Orientations of the Board of Directors

Continue to effectively utilize and manage the ISO 9001:2015 quality management system, the ISO 22000:2018 food safety management system, HACCP, and FSP (Food Safety Plan), combined with investing in machinery, equipment, and technical improvements to reduce production costs, enhance product quality, and maintain the reputation of the Safoco brand.

Research and develop new products, diversify products, and improve packaging designs to meet consumer needs. Control raw material consumption costs, improve production processes, increase finished product recovery, aiming to reduce costs and enhance competitiveness against similar products in the market.

Maintain traditional customers, continue to explore and expand domestic consumption and export markets. Participate in major trade fairs in several countries to find new customers and

The aforementioned activities demonstrate Safoco's commitment to fulfilling its responsibilities towards the environment, community, and society, while also creating the necessary foundation for a stable and sustainable development orientation in the subsequent periods.

Plans and Orientations of the Board of Directors

Regarding financial and accounting work, the Board of Management focused on reviewing and improving the efficiency of capital utilization, strictly managing cash flow, controlling production and business costs, and optimizing the capital structure. Key financial indicators were closely monitored, ensuring a healthy financial balance, which effectively supported routine operations as well as medium and long-term investment plans. The implementation of strategic orientations, production and business plans, and resolutions of the Board of Directors in 2025 was carried out seriously, synchronously, and on schedule.

Furthermore, the Board of Management continued to pay special attention to human resource management and development. The working environment was maintained as safe, professional, and stable; policies regarding wages, benefits, training, and personnel development were fully implemented, contributing to improving the lives of employees, strengthening internal cohesion, and creating a solid foundation for the Company's sustainable development in subsequent periods.

Plans and Orientations of the Board of Directors

No.	Indicators	Unit	Plan for 2026	Actual performance in 2025	Ratio (%) Plan 2026 compared to Actual 2025
1	Total Revenue	Million VND	750,000	747,390	100.35
1.1	Industry	Million VND	721,000	718,171	100.39
1.2	Trade	Million VND	20,000	20,111	99.45
1.3	Other	Million VND	9,000	9,108	98.81
2	Production output	Tonnes	15,000	14,620	102.60
2.1	Noodles	Tonnes	4,200	4,204	99.90
2.2	Macaroni	Tonnes	4,400	3,911	112.50
2.3	Vermicelli	Tonnes	4,000	4,010	99.75
2.4	Rice paper	Tonnes	2,400	2,495	96.19
3	Consumption output	Tonnes	14,200	14,013	101.33
3.1	Noodles	Tonnes	3,800	3,805	99.87
3.2	Macaroni	Tonnes	4,000	3,901	102.54
3.3	Vermicelli	Tonnes	3,800	3,767	100.88
3.4	Rice paper	Tonnes	2,600	2,540	102.36
4	Profit before tax	Million VND	62,000	61,530	100.76
4.1	Industry	Million VND	50,100	50,089	100.02
4.2	Trade	Million VND	2,900	2,897	100.10
4.3	Other	Million VND	9,000	8,544	105.34
5	State budget contribution	Million VND	30,000	30,254	99.16



CHAPTER 5 CORPORATE GOVERNANCE

Board of Directors

Board of Supervisors

Transactions, remuneration, and benefits
of the Board of Directors, the Board of
Management, and the Board of Supervisors



CORPORATE GOVERNANCE

Board of Directors

Composition and Structure of the Board of Directors

No.	Member	Position	Number of Shares Held	Ownership Ratio
1	Mr. Ngo Si Tuan Phuong	Full-time Chairman of the Board of Directors	0	0%
2	Ms. Pham Thi Thu Hong	Executive Member of the Board of Directors	1,697,262	14.09%
3	Mr. Nguyen Cong Minh Khoa	Executive Member of the Board of Directors	42,789	0.36%
4	Mr. Luu Nguyen Chi Nhan	Non-Executive Member of the Board of Directors	0	0%
5	Mr. Nguyen Quang Tam	Non-Executive Member of the Board of Directors	0	0%

Mr. Ngo Si Tuan Phuong holds the following positions at enterprises:

- Board of Director' member of Vinabomi - Binh An Flour Joint Stock Company; Binh Tay Packaging Joint Stock Company;
- Board of Director' member of Ben Thanh - Mui Ne Corporation;
- Capital representative at Foodinco investment and trading Joint Stock Group.

Mr. Luu Nguyen Chi Nhan holds the following positions at enterprises:

- Vice Chairman of the Board of Directors at Vietnam Southern Food Corporation - Joint Stock Company.
- Board of Director' member of Viet Ha Investment and Trading Joint Stock Company.
- Chairman of the Members' Council at Crown Beverage Cans Hanoi Limited.
- Board of Director' member of My Chau Printing and packaging Corporation.
- Board of Director' member of Vietnam National Vegetable, Fruit and Agriculture Product Corporation - Joint Stock Company.
- Deputy Director of the State Capital Management Board at T&T Group Joint Stock Company.

Mr. Nguyen Quang Tam holds the following positions at enterprises:

- Head of the Business Development and Technology Department at Vietnam Southern Food Corporation - Joint Stock Company.
- Chairman of the Board of Directors at Vinh Long Food Company.

Changes in Board of Directors members during the year

In 2025, there were no changes in the company's Board of Directors.



Sub-committees under the Board of Directors

The Internal Audit Committee was established pursuant to Resolution No. 06/NQ-SAF/HĐQT dated August 9, 2021, and is a department directly under the Company's Board of Directors. The Internal Audit Committee operates according to the Internal Audit Regulation issued by the Board of Directors under Decision No. 01/QĐ-SAF/HĐQT dated August 10, 2021, in compliance with the Company's Charter and current legal regulations

Activities of Independent Board of Directors members

None.

List of Board of Directors members holding corporate governance training certificates

- Ms. Pham Thi Thu Hong – Member of the Board of Directors;
- Mr. Nguyen Cong Minh Khoa – Member of the Board of Directors.

CORPORATE GOVERNANCE

Board of Directors

Activities of the Board of Directors

In 2025, the Board of Directors (BOD) held a total of 06 meetings, including 03 physical meetings and 03 meetings conducted via written opinions. The meetings were carried out in compliance with regulations, ensuring the participation of members and focusing on discussing important contents, ranging from supervising executive operations and evaluating business performance to making decisions on key strategies, contributing to guiding the Company's long-term development.

No.	Member of the Board of Directors	Position	Number of BOD Meetings Attended	Meeting Attendance Rate	Reason
1	Mr. Ngo Si Tuan Phuong	Full-time Chairman of the Board of Directors	6/6	100%	
2	Ms. Pham Thi Thu Hong	Executive Member of the Board of Directors	6/6	100%	
3	Mr. Luu Nguyen Chi Nhan	Non-Executive Member of the Board of Directors	6/6	100%	
4	Mr. Nguyen Cong Minh Khoa	Executive Member of the Board of Directors	6/6	100%	
5	Mr. Nguyen Quang Tam	Non-Executive Member of the Board of Directors	6/6	100%	

The Board of Directors held 06 sessions, including 03 in-person meetings and 03 meetings conducted by written opinions. The specific content of the sessions and the corresponding Resolutions issued are as follows:

» Resolution

No.	Resolution Number	Date	Content	Approval Rate
1	01/NQ-SAF/HDQT	16/01/2025	Approving the management report, 2024 financial statements, results of implementing production and business targets, investment in procurement, salary fund, remuneration, proposed profit distribution for 2024, and the 2025 plan.	100%
2	02/NQ-SAF/HDQT	16/01/2025	Approving the results of the planning for leadership and	100%
3	03/NQ-SAF/HDQT	14/02/2025	management personnel for the 2021–2026 and 2026–2031 periods.	100%

No.	Resolution Number	Date	Content	Approval Rate
4	04/NQ-SAF/HDQT	17/03/2025	Approving the documents for the General Meeting of Shareholders for the year 2025.	100%
5	05/NQ-SAF/HDQT	14/06/2025	Selecting AASC Auditing Firm Co., Ltd. as the auditor for the 2025 Financial Statements (FS); adjusting the investment plan for procurement and capital construction in 2025.	100%
6	06/NQ-SAF/HDQT	15/7/2025	Approving the Corporate Governance Report for the first 6 months of 2025 and the report on production and business results for the first 6 months, along with the direction and plan for the last 6 months of 2025	100%
7	07/NQ-SAF/HDQT	11/10/2025	Approving the report on production and business results for the first 9 months and the direction and plan for the last 3 months of 2025	100%
8	08/NQ-SAF/HDQT	20/11/2025	Agreeing to change the seal specimen of Safoco Foodstuff Joint Stock Company	100%

» Decision				
No.	Decision No.	Date	Content	Approval Rate
1	01/QĐ-SAF/HDQT	10/02/2025	Appointing personnel for an overseas business trip to Thailand	100%
2	02/QĐ-SAF/HDQT	21/05/2025	Appointing personnel for an overseas business trip to Thailand	100%
3	03/QĐ-SAF/HDQT	05/06/2025	Appointing personnel for an overseas business trip to the Philippines	100%
4	04/QĐ-SAF/HDQT	15/07/2025	Appointing Ms. Do Ngoc Tham to the position of Chief Accountant of Safoco Foodstuff Joint Stock Company	100%
5	05/QĐ-SAF/HDQT	31/7/2025	Establishing the Digital Transformation, Science and Technology, and Innovation Task Force of Safoco Foodstuff Joint Stock Company	100%
6	05/QĐ-SAF/HDQT	31/7/2025	Appointing personnel for an overseas business trip to the Korea - Japan	100%
7	05/QĐ-SAF/HDQT	31/7/2025	Appointing personnel for an overseas business trip to the Thailand	100%

CORPORATE GOVERNANCE

Board of Supervisors

Members and structure of the Board of Supervisors

No.	Full Name	Position	Ownership	Representative Ownership	Ratio (%)
1	Mr. Nguyen Truong Nguyen	Head of the BOS	0	0	0
2	Mr. Nguyen Vuong Quoc	Member of the BOS	0	0	0
3	Ms. Pham Lien Huong	Member of the BOS	0	0	0

Activities of the Board of Supervisors

In 2025, the Board of Supervisors held 04 meetings with the full participation of all members to evaluate the work results achieved during the quarter/year, consult the Board of Directors before submitting reports, conclusions, and recommendations to the General Meeting of Shareholders.

Furthermore, the Board of Supervisors was invited to fully participate in all meetings of the Board of Directors and the Board of Management; participated in discussions at regular meetings of the Board of Directors, and other meetings and working sessions of the company. The Board of Supervisors provided responsible analyses, assessments, and recommendations to the Company.

» Meeting of the Board of Supervisors

No.	Member of Board of Supervisors	Number of Meetings Attended	Meeting Attendance Rate	Voting Rate	Reason
1	Mr. Nguyen Truong Nguyen	4/4	100%	100%	
2	Mr. Nguyen Vuong Quoc	4/4	100%	100%	
3	Ms. Pham Lien Huong	4/4	100%	100%	

Supervisory activities of the Board of Supervisors towards the Board of Directors, the Board of Management, and shareholders

During the year, the Board of Supervisors performed the duty of supervising compliance with legal regulations, the Company Charter, and the resolutions of the General Meeting of Shareholders and the Board of Directors.

The Board of Management also facilitated the Board of Supervisors in grasping and understanding information regarding production and business activities and arranged personnel to provide complete and clear reports and information for the Board of Supervisors to fulfill its duties.

The solutions proposed by the Board of Supervisors to enhance management efficiency and risk prevention were acknowledged by the Executive Board.

The Board of Directors, Board of Supervisors, and Executive Board always coordinate closely based on the principle of serving the interests of the Company and Shareholders, and fully complying with the provisions of the Internal Regulations, the Company Charter, and legal regulations.

and business plan, financial management, capital utilization, and preservation of the Company's assets.

The Board of Directors fully performed its governance role, held regular meetings, and issued resolutions and decisions in accordance with legal regulations, the Charter, and internal regulations. The Board of Management implemented production and business operations strictly following the orientation, policies, and resolutions of the Board of Directors, ensuring efficiency and strict compliance with legal regulations.

The members of the Board of Directors and the Board of Management performed their duties

Coordination of activities between the BOS and the operations of the BOD, the BOM, and other management personnel

The Board of Supervisors has maintained a close cooperative relationship with the Board of Directors, the Board of Management, and management personnel during the performance of its inspection and supervision duties. The Board of Supervisors was provided with full and timely documents, reports, and information related to governance, executive operations, and business production to serve the inspection work in accordance with regulations.

The Board of Supervisors was invited to attend regular meetings of the Board of Directors and sessions of the Board of Management, thereby having the opportunity to closely monitor the Company's operational developments and contribute independent opinions to ensure objectivity in making governance and executive decisions.

Based on monitoring and evaluation, the Board of Supervisors has made constructive recommendations regarding improving governance

with responsibility, honesty, prudence, and in the interest of the Company and shareholders. Capital utilization, cost management, and cash flow were tightly controlled, ensuring solvency and financial safety during the period.

The Board of Supervisors acknowledges the close and positive coordination among the Board of Directors, the Board of Management, and the Board of Supervisors based on the principles of independence, objectivity, and mutual respect. The Board of Directors and the Board of Management facilitated the Board of Supervisors in fully performing its functions and duties according to legal regulations and the Company Charter.

Coordination of activities between the BOS and the operations of the BOD, the BOM, and other management personnel

efficiency, minimizing risks, ensuring the Company operates in compliance with legal regulations and the Charter, and successfully achieving the set business objectives. The Board of Supervisors proactively discussed and agreed with the Board of Directors on the inspection plan, and closely coordinated with the Board of Management during the implementation of supervision activities.

The Board of Directors and the Board of Management always facilitate the Board of Supervisors to fully perform its functions and powers as stipulated. The opinions and recommendations of the Board of Supervisors are recorded, considered, and seriously addressed, contributing to increased transparency and efficiency in the Company's governance. The relationship among the management departments within the Company continues to be maintained based on the principles of cooperation, independence, objectivity, and for the benefit of the Company and its shareholders.





CORPORATE GOVERNANCE

Transactions, remuneration, and benefits of the Board of Directors, the Board of Management, and the Board of Supervisors

Salaries, bonuses, remuneration, and benefits

No.	Member	Position	Remuneration (VND/year)	Salary (VND/year)	Bonus (VND/year)	Notes
1	Ngo Si Tuan Phuong	Full-time Chairman of the BOD		804,430,400	81,415,000	
2	Pham Thi Thu Hong	Member of the BOD, General Director	108,000,000	2,557,971,923	552,627,000	
3	Luu Nguyen Chi Nhan	Non-Executive Member of the BOD	108,000,000			
4	Nguyen Quang Tam	Member of the BOD, Deputy General Director	108,000,000			
5	Nguyen Cong Minh Khoa	Member of the BOD, Deputy General Director	108,000,000	731,791,370	238,568,000	

No.	Member	Position	Remuneration (VND/year)	Salary (VND/year)	Bonus (VND/year)	Notes
6	Nguyen Tri Nghia	Deputy General Director	644,917,980	230,783,000		
7	Tran Hoang Thao	Deputy General Director	510,129,307	190,362,000		
8	Nguyen Truong Nguyen	Head of BOS		611,182,021	172,017,000	
9	Nguyen Vuong Quoc	Member of BOS	90,000,000			
10	Pham Lien Huong	Member of BOS	90,000,000			
11	Do Ngoc Tham	Chief Accountant		549,448,440	113,284,000	

Insider stock transactions

None.

Assessment of compliance with corporate governance regulations

The Company's governance is implemented in compliance with the provisions of the Law on Enterprises and current regulations. Currently, all members of the Board of Directors and The Board of Management hold certificates or equivalent qualifications in Corporate Governance.

CORPORATE GOVERNANCE

Transactions, remuneration, and benefits of the Board of Directors, the Board of Management, and the Board of Supervisors

Contracts or transactions with insiders

» Transactions between the company and related persons of the company; or between the company and major shareholders, insiders, or related parties of internal persons:

No.	Organization/Individual Name	Relationship with the Company	Business Registration Certificate No. (ID Card/Passport/Business Registration Certificate)	Head Office Address/Contact Address	Transaction Date with the Company	Resolution No.	Details	Quantity	Total Value (Unit: VND)
1	Southern Food Corporation - Joint Stock Company	Major shareholder	0300613198	333 Tran Hung Dao, Cau Ong Lanh Ward, Ho Chi Minh City	13/01/2025	10/NQ-SAF/HĐQT	Dividend payment		18,539,829,000
2	Colusa-Milikit Foodstuff Joint Stock Company		0304517551	1230 Kha Van Can, Linh Xuan Ward, HCMC	18/01/2025		Sale of goods	510 kg	22,756,000
3	Ben Tre Food Company	Subordinate unit of Southern Food Corporation - JSC (major shareholder)	0300613198-024	No. 199D2, Ben Tre Ward, Vinh Long	06/01/2025	01/NQ-SAF/HĐQT	Purchase of goods	1,244,800 packages	522,135,000
4	Tien Giang Food Company		0300613198-009	No. 256, Ap Bac Street, Trung An Ward, Vinh Long	17/02/2025		Purchase of goods	2,400 bottles	6,388,888
5	Branch of Ho Chi Minh City Food Joint Stock Company. Dak Nong Foodcomart		0300559014-006	Residential Group 1, Kien Duc Town, Lam Dong	09/01/2025		Sales of goods	1,362.7 kg	68,231,260

» Transactions between the company and the company that its members of board of management, the board of supervisors, general director have been founding members or members of board of directors, or general director in three (03) latest years:

STT	Organization/Individual Name	Relationship with the Company	Business Registration Certificate No.	Head Office Address/Contact Address	Transaction Date with the Company	Resolution No.	Details	Quantity	Total Value (Unit: VND)
1	Southern Food Corporation - Joint Stock Company	Related organization to Mr. Luu Nguyen Chi Nhan - Vice Chairman of the Board of Directors	0300613198	333 Tran Hung Dao, Cau Ong Lanh Ward, Ho Chi Minh City	13/01/2025	10/NQ-SAF/HĐQT	Dividend payment		18,539,829,000

» Transaction between internal persons of the Company, affiliated persons of internal persons and the Company's subsidiaries in which the Company takes controlling power:

None



CHAPTER 6

2025 Audited Financial Statements

Auditor's Opinion
2025 Audited Financial Statements



FINANCIAL STATEMENTS

Auditor's Opinion



No. 220126.001/BCTC.HCM

INDEPENDENT AUDITORS' REPORT

To: Shareholders, the Board of Directors and the Board of Management
Safoco Foodstuff Joint Stock Company

We have audited the Financial Statements of Safoco Foodstuff Joint Stock Company prepared on 16 January 2026, from page 05 to page 35, including: Statement of Financial Position as at 31 December 2025, Statement of Income, Statement of Cash Flows for the fiscal year then ended and Notes to the Financial Statements.

The Board of Management's responsibility

The Board of Management responsible for the preparation and presentation of the Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of the 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 Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards, ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 auditor considers internal control relevant to the entity's preparation of Financial Statements that give a true and fair view 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 entity'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 Financial Statements.

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

Auditors' opinion

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position of Safoco Foodstuff Joint Stock Company as at 31 December 2025, its operating results and its cash flows for the fiscal year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the Financial Statements.



Tran Trung Hieu
Director
Certificate of registration to audit practice
No. 2202-2023-002-1
Ho Chi Minh City, 22 January 2026

Nguyen Thai
Auditor
Certificate of registration to audit practice
No. 1623-2023-002-1

2025 Audited Financial Statements

The 2025 audited financial statements of Safoco Foodstuff Joint Stock Company have been duly disclosed in compliance with applicable regulations and published on the Company's website at: <https://www.safocofood.com/quan-he-co-dong>

Ho Chi Minh City, 06 February 2026

CONFIRMATION BY THE COMPANY'S LEGAL REPRESENTATIVE

GENERAL DIRECTOR



PHAM THI THU HONG





SAFOCO FOODSTUFF JOINT STOCK COMPANY

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