

FINANCIAL STATEMENTS

VIET DUC WELDING ELECTRODE JOINT STOCK COMPANY

For the fiscal year ended as at 31/12/2025

(audited)

MSD

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REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Viet Duc Welding Electrode Joint Stock Company ("the Company") presents its report and the Company's Financial Statements for the fiscal year ended as at 31 December 2025.

THE COMPANY

Viet Duc Welding Electrode Joint Stock Company, formerly Viet Duc Welding Electrode Factory, was established under Decision No. 316/QDTCNSD dated 26 May 1993 of the Ministry of Heavy Industry and was converted into a joint stock company under Decision No. 166/2003/QD-BCN dated 14 October 2003 of the Ministry of Industry (now the Ministry of Industry and Trade).

Viet Duc Welding Electrode Joint Stock Company operates under the Certificate of Business Registration of Joint Stock Company No. 0500445085 issued by the Hanoi Department of Planning and Investment for the first time on 7 October 2008, registered for the seventh change on 04 August 2025.

The Company's head office is located at: Que Han Road, Quan Ganh Street, Thuong Tin Commune, Hanoi, Vietnam.

BOARD OF DIRECTOR, BOARD OF MANAGEMENT, AND BOARD OF SUPERVISION

Members of The Board of Director during the fiscal year and to the reporting date are:

Mr. Ngo Duy Dong	Chairman
Mr. Nguyen Huu Mai	Member
Mr. Nguyen Huy Tien	Member
Mr. Ngo Duc Dung	Member
Mr. Nguyen Manh Khoi	Member

Members of the Board of Management during the fiscal year and to the reporting date are:

Mr. Nguyen Huy Tien	Director
Mr. Nguyen Quoc Thanh	Vice Director
Mr. Nguyen Quang Vinh	Vice Director

Members of the Board of Supervision are:

Mr. Le Manh Hung	Head of Supervisory Department
Mr. Dang Quoc Dung	Member
Mr. Dao Tu Binh	Member

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and until the preparation of this Interim Financial Statements is Mr. Nguyen Huy Tien - Director.

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the audit of Financial Statements for the Company.

STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Management is responsible for the Financial Statements which give a true and fair view of the financial position of the Company; its operating results and its cash flows for the year. In preparing those Financial Statements, the Board of Management is required to:

- Establish and maintain an internal control system which is determined necessary by The Board of Management and Board of Director to ensure the preparation and presentation of Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at anytime and to ensure that the Financial Statements comply with the current State's regulations. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirms that the Financial Statements give a true and fair view of the financial position at 31 December 2025, its operation results and cash flows in the year 2025 of Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements.

Other commitments

The Board of Management pledges that the Company complies with Decree No. 155/2020/ND-CP dated 31 December 2020 on detailing and guiding the implementation of a number of articles of the Law on Securities and the Company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance guiding the disclosure of information on Securities Market and the Circular No. 68/2024/TT-BTC dated 18 September 2024 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 96/2020/TT-BTC.

On behalf of the Board of Management



Nguyen Huy Tien
Director

Hanoi, 23 March 2026

No.: 230326.001/BCTC.KT2

INDEPENDENT AUDITOR'S REPORT

To: **Shareholders, Board of Director and Board of Management**
Viet Duc Welding Electrode Joint Stock Company

We have audited the accompanying Financial Statements of Viet Duc Welding Electrode Joint Stock Company prepared on 23 March 2026 from page 06 to page 30, including: Statement of Financial Position as at 31 December 2025, Statement of Income, Statement of Cashflows and Notes to Financial Statements for the fiscal year ended 31 December 2025.

Board of Management' Responsibility

The Board of Management is responsible for the preparation and presentation of 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 directors determines is necessary to enable the preparation and presentation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 and ethical requirements; 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 auditor's 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 and presentation 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 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.

10/10/2026

Auditor's opinion

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

AASC Auditing Firm Company Limited



Vu Xuan Bien
Deputy General Director
Certificate of registration to audit practice
No: 0743-2023-002-1

Ngo Hoang Ha
Auditor
Certificate of registration to audit practice
No: 3999-2023-002-1

Hanoi, 23 March 2026



STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

Code	ASSETS	Note	31/12/2025 VND	01/01/2025 VND
100	A. CURRENT ASSETS		149,622,583,734	136,795,413,351
110	I. Cash and cash equivalents	3	23,362,610,760	24,412,914,593
111	1. Cash		23,362,610,760	24,412,914,593
130	III. Short-term receivables		51,751,288,727	56,145,394,020
131	1. Short-term trade receivables	4	52,419,345,436	52,179,066,300
132	2. Short-term prepayments to suppliers		5,650,635,487	10,459,928,347
136	3. Other short-term receivables	6	153,562,169	103,934,273
137	4. Provision for short-term doubtful debts		(6,472,254,365)	(6,597,534,900)
140	IV. Inventories	8	73,905,559,719	56,237,104,738
141	1. Inventories		73,905,559,719	56,237,104,738
150	V. Other short-term assets		603,124,528	-
152	1. Deductible VAT		395,429,726	-
153	2. Taxes and other receivables from State budget	14	207,694,802	-
200	B. NON-CURRENT ASSETS		39,758,341,266	31,714,810,342
220	II. Fixed assets		34,279,296,584	28,810,069,708
221	1. Tangible fixed assets	10	34,279,296,584	28,810,069,708
222	- Historical costs		156,760,198,049	145,975,570,138
223	- Accumulated depreciation		(122,480,901,465)	(117,165,500,430)
227	2. Intangible fixed assets	11	-	-
228	- Historical costs		267,135,000	267,135,000
229	- Accumulated amortization		(267,135,000)	(267,135,000)
240	IV. Long-term assets in progress	9	2,119,324,192	-
242	1. Construction in progress		2,119,324,192	-
260	VI. Other long-term assets		3,359,720,490	2,904,740,634
261	1. Long-term prepaid expenses	12	3,359,720,490	2,904,740,634
270	TOTAL ASSETS		<u>189,380,925,000</u>	<u>168,510,223,693</u>

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(continue)

Code CAPITAL	Note	31/12/2025	01/01/2025
		VND	VND
300 C. LIABILITIES		62,129,952,560	53,872,802,545
310 I. Current liabilities		59,664,372,560	50,386,982,545
311 1. Short-term trade payables	13	15,351,847,709	8,906,031,503
312 2. Short-term prepayments from customers		19,018,715	26,441,058
313 3. Taxes and other payables to State budget	14	1,941,392,762	1,830,898,499
314 4. Payables to employees		6,665,951,345	5,604,241,965
315 5. Short-term accrued expenses		23,529,553	26,180,410
319 6. Other short-term payments	16	11,996,633,149	11,631,426,578
320 7. Short-term borrowings and finance lease liabil	17	22,993,296,686	21,647,239,891
322 8. Bonus and welfare fund		672,702,641	714,522,641
330 II. Non-current liabilities		2,465,580,000	3,485,820,000
336 1. Long-term unearned revenue	15	2,465,580,000	3,485,820,000
400 D. OWNER'S EQUITY		127,250,972,440	114,637,421,148
410 I. Owner's equity	18	127,250,972,440	114,637,421,148
411 1. Contributed capital		66,294,890,000	55,247,160,000
411a 0 Ordinary shares with voting rights		66,294,890,000	55,247,160,000
412 2. Share Premium		683,890,000	683,890,000
418 3. Development and investment funds		5,524,716,000	5,524,716,000
421 4. Retained earnings		54,747,476,440	53,181,655,148
421a Retained earnings accumulated to previous year		41,633,925,148	39,699,394,648
421b Retained earnings of the current year		13,113,551,292	13,482,260,500
440 TOTAL CAPITAL		189,380,925,000	168,510,223,693

Ngo Thi Huong
Preparer

Hoang Xuan Thanh
Chief Accountant




Nguyen Huy Tien
Director


Hanoi, 23 March 2026


STATEMENT OF INCOME

Year 2025

Code	ITEM	Note	Year 2025	Year 2024
			VND	VND
01	1. Revenue from sales of goods and rendering of services	20	444,270,419,808	358,808,909,405
02	2. Revenue deductions	21	2,138,107,051	3,638,539,585
10	3. Net revenue from sales of goods and rendering of services		442,132,312,757	355,170,369,820
11	4. Cost of goods sold and services rendered	22	373,336,216,430	305,103,692,406
20	5. Gross profit from sales of goods and rendering of services		68,796,096,327	50,066,677,414
21	6. Financial income	23	62,985,307	185,096,531
22	7. Financial expenses	24	1,370,900,106	1,100,518,295
23	<i>In which: Interest expenses</i>		1,340,246,241	1,094,345,211
25	8. Selling expenses	25	18,543,876,214	15,156,366,081
26	9. General and administrative expenses	26	18,709,792,320	16,750,782,200
30	10. Net profit from operating activities		30,234,512,994	17,244,107,369
31	11. Other income	27	420,868,586	439,551,042
32	12. Other expenses	28	156,380,331	664,666,229
40	13. Other profit		264,488,255	(225,115,187)
50	14. Total net profit before tax		30,499,001,249	17,018,992,182
51	15. Current corporate income tax expense	29	6,115,318,657	3,536,731,682
52	16. Deferred corporate income tax expense		-	-
60	17. Profit after corporate income tax		24,383,682,592	13,482,260,500
70	18. Basic earnings per share	30	3,678	2,035


Ngo Thi Huong
Preparer


Hoang Xuan Thanh
Chief Accountant


Nguyen Huy Tien
Director




Hanoi, 23 March 2026


STATEMENT OF CASH FLOWS


Year 2025

(Under direct method)

Code	ITEM	Note	Year 2025	Year 2024
			VND	VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Proceeds from sales of goods and rendering of services and other revenues		479,502,067,839	378,478,350,329
02	2. Cash paid to suppliers		(393,854,126,126)	(330,072,727,731)
03	3. Cash paid to employees		(37,034,042,864)	(30,558,902,494)
04	4. Interest paid		(1,342,897,098)	(1,094,345,211)
05	5. Corporate income tax paid		(4,980,062,878)	(5,155,405,483)
06	6. Other receipts from operating activities		297,897,363	439,551,042
07	7. Other payments on operating activities		(20,123,386,565)	(13,219,642,720)
20	<i>Net cash flows from operating activities</i>		<i>22,465,449,671</i>	<i>(1,183,122,268)</i>
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(14,225,966,941)	(3,897,700,938)
22	2. Proceeds from disposals of fixed assets and other long-term assets		418,363,636	-
27	3. Interest and dividend received		21,774,348	21,502,572
30	<i>Net cash flows from investing activities</i>		<i>(13,785,828,957)</i>	<i>(3,876,198,366)</i>
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	1. Proceeds from borrowings		67,051,702,767	85,472,942,456
34	2. Repayment of principal		(65,705,645,972)	(75,706,834,509)
36	3. Dividends and profits paid to owners		(11,106,879,375)	(11,041,412,100)
40	<i>Net cash flows from financing activities</i>		<i>(9,760,822,580)</i>	<i>(1,275,304,153)</i>
50	Net cash flows in the year		(1,081,201,866)	(6,334,624,787)
60	Cash and cash equivalents at the beginning of the year		24,412,914,593	30,711,363,013
61	Effect of exchange rate fluctuations		30,898,033	36,176,367
70	Cash and cash equivalents at the end of the year	3	<u>23,362,610,760</u>	<u>24,412,914,593</u>


Ngo Thi Huong
Preparer


Hoang Xuan Thanh
Chief Accountant


Nguyen Huy Tien
Director

Hanoi, 23 March 2026

NOTES TO FINANCIAL STATEMENTS

Year 2025

1 . GENERAL INFORMATION**Form of ownership**

Viet Duc Welding Electrode Joint Stock Company, formerly Viet Duc Welding Electrode Factory, was established under Decision No. 316/QDTCNSD dated 26 May 1993 of the Ministry of Heavy Industry and was converted into a joint stock company under Decision No. 166/2003/QD-BCN dated 14 October 2003 of the Ministry of Industry (now the Ministry of Industry and Trade).

Viet Duc Welding Electrode Joint Stock Company operates under the Certificate of Business Registration of Joint Stock Company No. 0500445085 issued by the Hanoi Department of Planning and Investment for the first time on 7 October 2008, registered for the seventh change on 04 August 2025.

The Company's head office is located at: Que Han Road, Quan Ganh Street, Thuong Tin Commune, Hanoi, Vietnam.

Company's Charter capital: VND 66,294,890,000, the actual contributed charter capital as of 31 December 2025 is VND 66,294,890,000. Equivalent to 6,629,489 shares with the price of VND 10,000 per share.

The number of employees of the Company as at 31 December 2025 is 202 (as at 31 December 2024: 187).

Business field

Industrial production.

Business activities

Main business activities of the Company include:

- Production and trading of welding materials (electric welding rods, welding wire);
- Trading of supplies and raw materials for the production of welding materials;
- Trading of other industries in accordance with the provisions of law.

The Company's operation in the year that affects the Financial Statements

In 2025, the domestic real estate construction market and shipbuilding industry grew compared to 2024, leading to positive feedback on the quality of the company's welding rods, welding wires, and paints, especially from units in the construction and shipbuilding industries. This resulted in a 23.82% increase in the company's annual revenue compared to the previous year, despite a downward trend in average selling prices due to market competition.

Corporate structure

The company has 01 affiliated unit, "Welding wire factory" in Hai Phong, the main business activity is the production of welding wires.

2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY**2.1 . Accounting period and accounting currency**

Annual accounting period commences from 01 January and ends as at 31 December.

The Company maintains its accounting records in Vietnam Dong (VND).

2.2 . Standards and Applicable Accounting Policies*Applicable Accounting Policies*

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 . Basis for preparation of Financial Statements

Financial Statements are presented based on historical cost principle.

2.4 . Accounting estimates

The preparation of Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the financial statements and the reported amounts of revenues and expenses during the fiscal year.

The estimates and assumptions that have a material impact in the Financial Statements include:

- Provision for doubtful debts;
- Estimated allocation of prepaid expenses;
- Estimated useful life of fixed assets;
- Estimated income tax.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Board of Management to be reasonable under the circumstances.

2.5 . Financial Instruments*Initial recognition***Financial assets**

Financial assets of the Company include cash, trade receivables, other receivables. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No.210/2009/TT-BTC and prevailing statutory regulations require to present Financial statements and Notes to financial instruments but not provide any relevant instruction for assessment and recognition of fair value of financial assets and financial liabilities.

2.6 . Foreign currency transactions

Foreign currency transactions during the year are translated into Vietnam Dong using the actual rate at transaction date.

Actual exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of the Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For cash deposited in bank, applying the bid rate of the commercial bank where the Company opens its
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in the year.

2.7 . Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

2.8 . Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company. The receivables shall be classified into short-term receivables or long-term receivables on the financial statements according to their remaining terms at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimating the possible losses.

2.9 . Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory minus the estimated costs for completing the products and the estimated costs needed for their consumption.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the period: Work in progress are collected for each project that has not been completed or has not recorded revenue, corresponding to the amount of unfinished work at the end of the year.

Provision for devaluation of inventories made at the end of the period is based on the excess of original cost of inventory over their net realizable value.

2.10 . Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Subsequent measurement after initial recognition

If these costs aument future economic benefits obtained from the use of tangible fixed assets are extended to their initial standards conditions, these costs are capitalized as an incremental in their historical cost.

Other costs incurred after tangible fixed assets have been put into operation such as repair, maintenance and overhaul costs are recognized in the Statement of Income in the year in which the costs are incurred.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

- Buildings, structures	05 - 30 years
- Machine, equipment	05 - 10 years
- Vehicles, Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 05 years
- Patents	03 - 05 years

2.11 . Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs.

2.12 . Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to Statement of Income on a straight-line basis over the period of the lease.

2.13 . Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Types of prepaid expenses include:

- Compensation, site clearance and leveling costs are allocated over the project's operating period.
- Other prepaid expenses are recognized at cost and amortized using the straight-line method over a useful life of 12 to 36 months.

2.14 . Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. The payables shall be classified into short-term payables or long-term payables on the financial statements according to their remaining terms at the reporting date.

2.15 . Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.16 . Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.17 . Unearned revenues

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing.

Unearned revenues are transferred to revenue from sale of goods and rendering of services with the amount corresponding to each fiscal year.

2.18 . Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profits appropriation or loss handling of the Company.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Directors and announcement of cut-off date for dividend payment of Vietnam Securities Depository and Clearing Corporation.

2.19 . Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns. The following specific recognition conditions must also be met when recognizing revenue:

Revenue from sale of goods

- The majority of risks and benefits associated with the right to own the products or goods have been transferred to the buyer;
- The company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;

Revenue from rendering of services:

- The percentage of completion of the transaction at the Balance sheet date can be measured reliably.

Financial income

Financial incomes include income from assets yielding interest, royalties, dividends and other financial gains by the company shall be recognised when the two conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The amount of the revenue can be measured reliably.

2.20 . Revenue deductions

Revenue deductions from sales of goods and rendering of services arising in the year include: Trade discounts, sales discounts and sales returns.

Trade discount, sales discount and sales return incurred in the same period of sale of goods and rendering of services are recorded as a decrease in revenue in the incurring period. In case goods and services are sold in the previous periods, but until the next period they are incurred as deductible items, the Company records the decrease in revenue under the following principles: If it is incurred prior to the issuance of Financial Statements, it is then recorded as a decrease in revenue on the Financial Statements of the reporting period (the previous period); and if it is incurred after the issuance of Financial Statements, it is recorded as a decrease in revenue of incurring period (the next period).

2.21 . Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudence basis. Cases of loss of materials and goods exceeded the norm, labour cost and fixed manufacturing overheads not allocated to the value of inventory, provision for devaluation of inventory, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year even when products and goods have not been determined as sold.

2.22 . Financial expenses

Items recorded into financial expenses comprise:

The above items are recorded by the total amount arising in the year without offsetting against financial income.

2.23 . Corporate income tax**a) Current corporate income tax expenses**

Current corporate income tax expenses are determined based on taxable income during the period and current corporate income tax rate.

b) Current corporate income tax rate

The fiscal year ended as at 31 December 2025, the Company applies the corporate income tax rate of 20% for the operating activities which has taxable income.

2.24 . Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Management) by the weighted average number of ordinary shares outstanding during the year.

2.25 . Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.26 . Segment information

The Company's production and business activities include trading in welding rods, electric welding wires and providing space rental services, which take place entirely in Vietnam. However, sales activities account for over 90% of the Company's total activities. Therefore, the Company does not prepare segment reports by business sector and geographical area.

3 . CASH

	<u>31/12/2025</u>	<u>01/01/2025</u>
	VND	VND
Cash on hand	340,775,581	232,533,358
Demand deposits	23,021,835,179	24,180,381,235
	<u>23,362,610,760</u>	<u>24,412,914,593</u>

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4 . SHORT-TERM TRADE RECEIVABLES

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
International Cas Container Corporation	3,450,366,708	(3,406,673,850)	3,450,366,708	(3,406,673,850)
Song Chanh Shipbuilding Industry Joint Stock Company	1,092,299,223	(1,092,299,223)	1,092,299,223	(1,092,299,223)
Phuong Dong General Trading Development Company Limited	11,766,887,414	-	12,038,841,650	-
Other customers	36,109,792,091	(1,973,281,292)	35,597,558,719	(2,098,561,827)
	<u>52,419,345,436</u>	<u>(6,472,254,365)</u>	<u>52,179,066,300</u>	<u>(6,597,534,900)</u>

5 . SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
<i>Others</i>				
T.E.M Trading Joint Stock Company	-	-	153,758,000	-
Tianjin Golden Bridge welding materials group international Trading Co.,Ltd	562,409,946	-	2,400,038,157	-
Minh Quang Vietnam Investment Company Limited	-	-	1,500,000,000	-
Nantong Zhixuan Drawing Machinery Co.,Ltd	2,897,476,326	-	-	-
Others	2,190,749,215	-	6,406,132,190	-
	<u>5,650,635,487</u>	<u>-</u>	<u>10,459,928,347</u>	<u>-</u>

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6 . OTHER SHORT-TERM RECEIVABLES

	31/12/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Receivables from social insurance	13,412,497	-	8,296,930	-
Advances	61,983,131	-	31,134,593	-
Others	78,166,541	-	64,502,750	-
	<u>153,562,169</u>	<u>-</u>	<u>103,934,273</u>	<u>-</u>

7 . DOUBTFUL DEBTS

	31/12/2025		01/01/2025	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Total value of receivables and debts that are overdue or not due but difficult to be recovered				
- International Cas Container Corporation	3,406,673,850	-	3,406,673,850	-
- Song Chanh Shipbuilding Industry Joint Stock Company	1,092,299,223	-	1,092,299,223	-
- Others	2,026,664,336	53,383,044	2,151,944,871	53,383,044
	<u>6,525,637,409</u>	<u>53,383,044</u>	<u>6,650,917,944</u>	<u>53,383,044</u>

8 . INVENTORIES

	31/12/2025		01/01/2025	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw material	38,581,343,798	-	31,080,086,010	-
Tools, supplies	516,683,089	-	433,374,610	-
Work in process	7,132,743,687	-	10,166,164,187	-
Finished goods	20,288,964,075	-	12,365,087,746	-
Goods	7,385,825,070	-	2,192,392,185	-
	<u>73,905,559,719</u>	<u>-</u>	<u>56,237,104,738</u>	<u>-</u>

9 . CONSTRUCTION IN PROGRESS

	31/12/2025	01/01/2025
	VND	VND
Procurement of fixed assets	1,010,714,900	-
- Fire protection system	1,010,714,900	-
Major repairs of fixed assets	1,108,609,292	-
- Repair, upgrade, and expand the house with 5 or 6 blocks	1,108,609,292	-
	<u>2,119,324,192</u>	<u>-</u>

10 . TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Vehicles, transportation equipment	Management equipment	Total
	VND	VND	VND	VND	VND
Historical cost					
Beginning balance	42,524,079,417	91,269,473,205	11,751,177,607	430,839,909	145,975,570,138
- Purchase in the year	-	5,569,954,672	1,940,130,370	2,152,944,949	9,663,029,991
- Completed construction investment	2,443,612,758	-	-	-	2,443,612,758
- Liquidation, disposal	-	-	(1,322,014,838)	-	(1,322,014,838)
Ending balance of the year	44,967,692,175	96,839,427,877	12,369,293,139	2,583,784,858	156,760,198,049
Accumulated depreciation					
Beginning balance	30,117,334,474	77,327,489,488	9,487,207,808	233,468,660	117,165,500,430
- Depreciation for the year	2,003,121,235	3,709,661,223	567,202,699	357,430,716	6,637,415,873
- Liquidation, disposal	-	-	(1,322,014,838)	-	(1,322,014,838)
Ending balance of the year	32,120,455,709	81,037,150,711	8,732,395,669	590,899,376	122,480,901,465
Net carrying amount					
Beginning balance	12,406,744,943	13,941,983,717	2,263,969,799	197,371,249	28,810,069,708
Ending balance	12,847,236,466	15,802,277,166	3,636,897,470	1,992,885,482	34,279,296,584

In which:

- The carrying amount of tangible fixed assets pledged as collaterals for borrowings at the end of the year: VND 8,286,966,291.
- Cost of fully depreciated tangible fixed assets but still in use at the end of the year: VND 62,581,519,266.

11 . INTANGIBLE FIXED ASSETS

The Company's intangible fixed assets are patents with original cost as of 1 January 2025 and 31 December 2025 of VND 267,135,000 and have been fully amortized but are still in use.

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12 . LONG-TERM PREPAID EXPENSES

	<u>31/12/2025</u>	<u>01/01/2025</u>
	VND	VND
Compensation costs, site clearance, leveling costs (*)	2,401,473,909	2,581,129,521
Costs of repairing fixed assets	619,608,416	-
Others	338,638,165	323,611,113
	<u><u>3,359,720,490</u></u>	<u><u>2,904,740,634</u></u>

(*) The cost of compensation, site clearance, and site leveling related to the 6,000-ton/year welding wire factory project in Hai Phong is allocated according to the project's operating time.

13 . SHORT-TERM TRADE PAYABLES

	<u>31/12/2025</u>		<u>01/01/2025</u>	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
PHOENIX Resin Company Limited	834,167,660	834,167,660	1,853,304,950	1,853,304,950
Phu Minh Packing Company Limited	883,838,709	883,838,709	980,042,113	980,042,113
Hoang Long Chemical Trading Production, Service Company Limited	262,980,000	262,980,000	685,390,500	685,390,500
Tay An Alloy Joint Stock	1,724,296,200	1,724,296,200	1,120,135,500	1,120,135,500
Formosa Ha Tinh Steel Corporation	3,510,621,437	3,510,621,437	-	-
Duc Hien Trading Company Limited	4,741,921,685	4,741,921,685	-	-
Others	3,394,022,018	3,394,022,018	4,267,158,440	4,267,158,440
	<u><u>15,351,847,709</u></u>	<u><u>15,351,847,709</u></u>	<u><u>8,906,031,503</u></u>	<u><u>8,906,031,503</u></u>

14 . TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Receivable at the opening year	Payable at the opening year	Payable arise in the year	Amount paid in the year	Receivable at the closing year	Payable at the closing year
	VND	VND	VND	VND	VND	VND
Value added tax	-	1,043,433,986	9,435,743,453	10,533,945,831	54,768,392	-
Export, import duties	-	-	186,550,936	186,550,936	-	-
Corporate income tax	-	709,599,113	6,115,318,657	4,980,062,878	-	1,844,854,892
Personal income tax	-	77,287,000	1,229,950,984	1,211,306,114	-	95,931,870
Natural resource tax	-	578,400	6,940,400	6,912,800	-	606,000
Land tax and land rental	-	-	902,374,465	1,055,300,875	152,926,410	-
Other taxes	-	-	50,809,406	50,809,406	-	-
	-	1,830,898,499	17,927,688,301	18,024,888,840	207,694,802	1,941,392,762

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

15 . LONG-TERM UNEARNED REVENUE

Long-term unearned revenue is revenue from the Company's warehouse and factory rental activities. This revenue is gradually allocated to revenue according to the customer's warehouse and factory rental period.

16 . OTHER SHORT-TERM PAYMENTS

	31/12/2025	01/01/2025
	VND	VND
- Trade union fee	523,090,190	338,347,413
- Dividend, profit payables	11,299,174,605	11,135,922,680
- Others	174,368,354	157,156,485
	11,996,633,149	11,631,426,578

17 . SHORT-TERM BORROWINGS

	01/01/2025		During the year		31/12/2025	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (*)	21,647,239,891	21,647,239,891	67,051,702,767	65,705,645,972	22,993,296,686	22,993,296,686
	<u>21,647,239,891</u>	<u>21,647,239,891</u>	<u>67,051,702,767</u>	<u>65,705,645,972</u>	<u>22,993,296,686</u>	<u>22,993,296,686</u>

Details regarding short-term borrowing as at 31/12/2025:

(*) Credit agreement No. 01/2025-HDCVHM/NHCT320-VIWELCO dated 21 April 2025 at Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch, with the following detailed terms:

+ Credit limit: VND 35,000,000,000;

+ Loan purpose: Supplementing working capital for production and business;

+ Contract term: From 21 April 2025 to 9 April 2026;

+ Loan interest rate: Specifically regulated for each Debt Receipt;

+ Principal balance at the end of the period: VND 22,993,296,686;

+ Bank loans are secured by asset mortgage contracts with the lender and have been fully registered for secured transactions.

18 . OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share premium	Development and investment funds	Retained earnings	Total
	VND	VND	VND	VND	VND
Beginning balance of previous year	55,247,160,000	683,890,000	5,524,716,000	52,697,524,132	114,153,290,132
Profit for previous year	-	-	-	13,482,260,500	13,482,260,500
Profit distribution 2023	-	-	-	(1,028,000,000)	(1,028,000,000)
Profit distribution 2024	-	-	-	(11,049,432,000)	(11,049,432,000)
Other decrease	-	-	-	(920,697,484)	(920,697,484)
Ending balance of previous year	55,247,160,000	683,890,000	5,524,716,000	53,181,655,148	114,637,421,148
Beginning balance of current year	55,247,160,000	683,890,000	5,524,716,000	53,181,655,148	114,637,421,148
Increase in capital in current year	11,047,730,000	-	-	-	11,047,730,000
Profit for current year	-	-	-	24,383,682,592	24,383,682,592
Profit distribution 2024 (1)	-	-	-	(11,547,730,000)	(11,547,730,000)
Profit distribution 2025 (2)	-	-	-	(11,270,131,300)	(11,270,131,300)
Ending balance of this year	66,294,890,000	683,890,000	5,524,716,000	54,747,476,440	127,250,972,440

(1) According to the Resolution No 77/NQ-DHDCD dated 23 April 2025 issued by General Meeting of shareholders, the Company announced its profit distribution in 2024 as follows:

	Rate	Amount
		VND
Net Profit after tax	100.00%	53,181,655,148
Bonus and welfare fund	0.28%	150,000,000
Bonus and welfare fund	0.66%	350,000,000
Paid dividends by shares	20.77%	11,047,730,000
Retained profit	78.29%	41,633,925,148

(2) According to Resolution No. 77/NQ-DHCD of the General Meeting of Shareholders dated 23 April 2025 and Resolution No. 255/NQ-HDQT of the Board of Directors dated 27 October 2025, the Company announces the interim dividend payment for 2025 in cash at a rate of 17% of charter capital per share.

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b) Details of Contributed capital

	Rate	Ending of the year VND	Rate	Beginning of the year VND
Mr Ngo Ba Viet	5.15%	3,415,740,000	5.15%	2,846,450,000
Mr Ngo Van Hung	12.60%	8,353,360,000	12.60%	6,961,140,000
Others	82.25%	54,525,790,000	82.25%	45,439,570,000
	<u>100%</u>	<u>66,294,890,000</u>	<u>100%</u>	<u>55,247,160,000</u>

c) Capital transactions with owners and distribution of dividends and profits

	Year 2025 VND	Year 2024 VND
Owner's contributed capital	66,294,890,000	55,247,160,000
- <i>At the beginning of year</i>	55,247,160,000	55,247,160,000
- <i>Increase in the year</i>	11,047,730,000	-
- <i>At the ending of year</i>	<u>66,294,890,000</u>	<u>55,247,160,000</u>
Distributed dividends and profit:		
- <i>Dividend payable at the beginning of the year</i>	11,135,922,680	11,127,902,780
- <i>Dividend payable in the year:</i>	22,317,861,300	11,049,432,000
+ Dividend payable from last year's profit	11,047,730,000	11,049,432,000
+ Estimated dividend payable from this year's profit	11,270,131,300	-
- <i>Dividend paid in cash in the year</i>	(11,106,879,375)	(11,041,412,100)
+ Dividend paid from last year's profit	(11,106,879,375)	(11,041,412,100)
- <i>Dividend paid in shares in the year</i>	(11,047,730,000)	-
+ Dividend paid from last year's profit	(11,047,730,000)	-
- <i>Dividend payable at the end of the year</i>	<u>11,299,174,605</u>	<u>11,135,922,680</u>

d) Share

	31/12/2025	01/01/2025
Quantity of Authorized issuing shares	6,629,489	5,524,716
Quantity of issued shares	6,629,489	5,524,716
- <i>Common shares</i>	6,629,489	5,524,716
Quantity of outstanding shares in circulation	6,629,489	5,524,716
- <i>Common shares</i>	6,629,489	5,524,716
Par value per share (VND)	10,000	10,000

e) Company's funds

	31/12/2025 VND	01/01/2025 VND
Investment and development fund	5,524,716,000	5,524,716,000
	<u>5,524,716,000</u>	<u>5,524,716,000</u>

19 . OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT**a) Operating asset for leasing**

The Company signed the following land lease contracts:

- Land lease contract on National Highway 1A from Thanh Tri commune to Thuong Tin commune for use as an office and production facility, term of 50 years. The leased land area is 22,066.3 m² and 982.6 m². According to this contract, the Company must pay annual land rent until the contract expires according to current State regulations.

- Land lease contract in Cam Giang commune, Hai Phong province for use as a production facility, term of 25 years. The leased land area is 21,700 m². According to this contract, the Company must pay annual land rent until the contract expires according to current State regulations.

b) Foreign currencies

	<u>31/12/2025</u>	<u>01/01/2025</u>
- USD	3,778.07	2,722.02
- EUR	17,481.52	1,833.17

c) Doubtful debts written-off

	<u>31/12/2025</u>	<u>01/01/2025</u>
	VND	VND
- Bach Dang Shipbuilding Industry Import Export Company Limited	1,343,019,727	1,343,019,727
- Duy Anh Construction - Trading - Service - Travel Co., Ltd	660,996,234	660,996,234
- Russia Limited Liability Company (LLC)	293,499,649	293,499,649
- Other	3,038,393,967	2,200,802,275

20 . TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	<u>Year 2025</u>	<u>Year 2024</u>
	VND	VND
Revenue from sale of finished goods	377,126,012,073	318,847,727,150
Revenue from rendering of goods	63,679,432,712	37,671,396,324
Revenue from rendering services	3,464,975,023	2,289,785,931
	<u><u>444,270,419,808</u></u>	<u><u>358,808,909,405</u></u>

21 . REVENUE DEDUCTIONS

	<u>Year 2025</u>	<u>Year 2024</u>
	VND	VND
Trade discount	1,794,133,663	3,145,027,525
Sales returns	343,973,388	493,512,060
	<u><u>2,138,107,051</u></u>	<u><u>3,638,539,585</u></u>

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22 . COSTS OF GOODS SOLD

	Year 2025	Year 2024
	VND	VND
Costs of finished goods sold	318,730,630,257	270,808,467,079
Costs of goods sold	54,000,649,313	33,696,789,815
Costs of services rendered	604,936,860	598,435,512
	<u>373,336,216,430</u>	<u>305,103,692,406</u>

23 . FINANCE INCOME

	Year 2025	Year 2024
	VND	VND
Interest income, interest from loans	21,774,348	21,502,572
Gain on exchange difference in the year	3,920,902	127,417,592
Gain on exchange difference at the year - end	37,290,057	36,176,367
	<u>62,985,307</u>	<u>185,096,531</u>

24 . FINANCIAL EXPENSES

	Year 2025	Year 2024
	VND	VND
Interest expenses	1,340,246,241	1,094,345,211
Loss on exchange difference in the year	30,653,865	6,173,084
	<u>1,370,900,106</u>	<u>1,100,518,295</u>

25 . SELLING EXPENSES

	Year 2025	Year 2024
	VND	VND
Raw materials	149,370,402	378,670,881
Labour expenses	7,383,238,483	6,214,654,875
Depreciation expenses	437,291,532	361,129,320
Expenses of outsourcing services	8,283,389,443	5,815,155,600
Other expenses in cash	2,290,586,354	2,386,755,405
	<u>18,543,876,214</u>	<u>15,156,366,081</u>

26 . GENERAL ADMINISTRATIVE EXPENSES

	Year 2025	Year 2024
	VND	VND
Raw materials	667,703,159	413,469,221
Labour expenses	12,252,461,538	9,984,747,602
Depreciation expenses	336,072,552	51,349,632
Tax, Charge, Fee	928,290,240	1,224,092,373
Provision expenses/ Reversal of provision expenses	712,311,157	57,417,100
Expenses of outsourcing services	1,652,215,280	2,994,989,044
Other expenses in cash	2,160,738,394	2,024,717,228
	<u>18,709,792,320</u>	<u>16,750,782,200</u>

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27 . OTHER INCOME

	Year 2025	Year 2024
	VND	VND
Gain from liquidation, disposal of fixed assets	418,363,636	-
Debt handling	-	422,732,782
Others	2,504,950	16,818,260
	<u>420,868,586</u>	<u>439,551,042</u>

28 . OTHER EXPENSE

	Year 2025	Year 2024
	VND	VND
Fines	19,696,808	519,233,003
Debt handling	-	85,222,628
Others	136,683,523	60,210,598
	<u>156,380,331</u>	<u>664,666,229</u>

29 . CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2025	Year 2024
	VND	VND
Total profit before tax	30,499,001,249	17,018,992,182
Increase	114,882,096	664,666,229
- <i>Ineligible expenses</i>	114,882,096	664,666,229
Decrease	(37,290,057)	-
- <i>Gain on exchange difference at the year - end</i>	(37,290,057)	-
Taxable income	30,576,593,288	17,683,658,411
Current corporate income tax expense (Tax rate 20%)	<u>6,115,318,657</u>	<u>3,536,731,682</u>
Adjustment of tax expenses from previous year to current year	-	676,331,101
Tax payable at the beginning of year	709,599,113	1,651,941,813
Tax paid in the year	(4,980,062,878)	(5,155,405,483)
Corporate income tax payable at the year-end from main business activities	<u>1,844,854,892</u>	<u>709,599,113</u>

30 . BASIC EARNINGS PER SHARE

Basic earnings per share distributed to common shareholders of the company are calculated as follows:

	Year 2025	Year 2024 (adjusted)
	VND	VND
Net profit after tax	24,383,682,592	13,482,260,500
Profit distributed for common stocks	24,383,682,592	13,482,260,500
Average number of outstanding common shares in circulation in the	6,629,489	6,626,462
Basic earnings per share	<u>3,678</u>	<u>2,035</u>

The company has not planned to make any distribution to Bonus and welfare fund, bonus for the Board of Directors from the net profit after tax at the date of preparing Financial Statements.

Basic earnings per share have been adjusted retrospectively as regulated by Vietnamese Accounting Standards No. 30 – Basic earnings per share.

As at 31 December 2025, the Company does not have shares with dilutive potential for earnings per share.

31 . BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2025	Year 2024
	VND	VND
Raw materials	270,376,705,769	234,711,485,875
Labour expenses	42,379,080,636	34,399,874,234
Depreciation and amortisation	6,637,415,873	7,136,007,867
Expenses of outsourcing services	14,773,456,601	10,456,623,726
Other expenses in cash	16,927,184,084	17,733,632,856
	<u>351,093,842,963</u>	<u>304,437,624,558</u>

32 . FINANCIAL INSTRUMENTS

Financial risk management

Financial risks that the Company may face risks including: market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Management of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company may face with the market risk such as: exchange rates, interest rates.

Exchange rate risk

The Company bears the risk of interest rates due to the transaction made in a foreign currency other than VND such as: borrowings and debts, revenue, cost, importing materials, good, machinery and equipment ...

Interest rate risk

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

VIET DUC WELDING ELECTRODE JOINT STOCK COMPANY

 Que Han Road, Quan Ganh Street,
 Thuong Tin Commune, Hanoi, Vietnam

Financial Statements

For the fiscal year ended as at 31/12/2025

	Under 1 year VND	From 1 to 5 years VND	More than 5 years VND	Total VND
As at 31/12/2025				
Cash and cash equivalents	23,021,835,179	-	-	23,021,835,179
Trade receivables, other receivables	46,100,653,240	-	-	46,100,653,240
	<u>69,122,488,419</u>	<u>-</u>	<u>-</u>	<u>69,122,488,419</u>
As at 01/01/2025				
Cash and cash equivalents	24,180,381,235	-	-	24,180,381,235
Trade receivables, other receivables	45,685,465,673	-	-	45,685,465,673
	<u>69,865,846,908</u>	<u>-</u>	<u>-</u>	<u>69,865,846,908</u>

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Under 1 year VND	From 1 to 5 years VND	More than 5 years VND	Total VND
As at 31/12/2025				
Borrowings and debts	22,993,296,686	-	-	22,993,296,686
Trade payables, other payables	27,348,480,858	-	-	27,348,480,858
Accrued expenses	23,529,553	-	-	23,529,553
	<u>50,365,307,097</u>	<u>-</u>	<u>-</u>	<u>50,365,307,097</u>
As at 01/01/2025				
Borrowings and debts	21,647,239,891	-	-	21,647,239,891
Trade payables, other payables	20,537,458,081	-	-	20,537,458,081
Accrued expenses	26,180,410	-	-	26,180,410
	<u>42,210,878,382</u>	<u>-</u>	<u>-</u>	<u>42,210,878,382</u>

The Company believes that risk level of loan repayment is controllable. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

33 . SUBSEQUENT EVENTS AFTER THE FISCAL YEAR

There have been no significant events occurring after the reporting year, which would require adjustments or disclosures to be made in the Separate financial statements.

34 . TRANSACTION AND BALANCES WITH RELATED PARTIES

In addition to the information with related parties presented in the above Notes, during the period, the Company has transactions with related parties as follows:

Transactions with other related parties:

	Relation	Year 2025 VND	Year 2024 VND
Manager's income			
Mr. Ngo Duy Dong	Chairman	654,162,800	631,985,100
Mr. Nguyen Huu Mai	Member	14,400,000	14,400,000
Mr. Nguyen Huy Tien	Director, Member of Board of Directors	672,608,600	653,916,000
Mr. Ngo Duc Dung	Member	391,767,700	383,751,300
Mr. Nguyen Manh Khoi	Member	14,400,000	14,400,000
Mr. Nguyen Quoc Thanh	Member	549,382,900	532,140,500
Mr. Nguyen Quang Vinh	Vice Director	548,626,060	527,357,000
Mr. Le Manh Hung	Head of Supervisory Department	373,280,900	346,739,900
Mr. Dang Quoc Dung	Member	7,200,000	7,200,000
Mr. Dao Tu Binh	Member	320,982,400	311,689,400

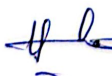
In addition to the above related parties' transactions, other related parties did not have any transactions during the year and have no balance at the end of the accounting period with the Company.

35 . COMPARATIVE FIGURES

The corresponding figures are those taken from the accounts for the fiscal year ended as at 31 December 2024, which was audited by AASC Auditing Firm Company Limited.



Ngo Thi Huong
Preparer



Hoang Xuan Thanh
Chief Accountant



Nguyen Huy Tien
Director

Hanoi, 23 March 2026