

HAI PHONG PAINT JOINT STOCK COMPANY
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31/12/2025

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STATEMENT OF BOARD OF GENERAL DIRECTORS

The Board of General Directors of Hai Phong Paint Joint Stock Company presents this report together with the Company's audited consolidated financial statements for the year ended 31/12/2025.

THE COMPANY

Son Hai Phong Joint Stock Company (hereinafter referred to as the "Company") was established pursuant to Decision No.3419/QD-UB dated December 26, 2003 by the People's Committee of Hai Phong City regarding the conversion of Son Hai Phong Company into Son Hai Phong Joint Stock Company. The Company operates under Business Registration Certificate No. 0203000681 (New Enterprise Code: 0200575580), originally issued on January 02, 2004 by the Department of Planning and Investment of Hai Phong City (currently managed by the Department of Finance of Hai Phong City). Throughout its business operations, the Company has undergone multiple registration amendments, with the 11th Amended Business Registration dated July 24, 2025, regarding the update of administrative boundaries.

The Company's chartered capital under Business Registration Certificate dated 24/7/2025: VND 80,071,770,000 (*Eighty billion, seventy-one million, seven hundred and seventy thousand dong*).

Company name: **HAIPHONG PAINT JOINT STOCK COMPANY.**

Foreign Name: HAIPHONG PAINT JOINT STOCK COMPANY.

Abbreviations: HAIPHONGPAINT.

The Company's shares are traded on the Unlisted Public Company Market - UpCOM with code HPP.

Registered Address: No. 12 Lach Tray, Le Chan Ward, Hai Phong City, Vietnam.

BOARDS OF MANAGEMENT, SUPERVISORS AND GENERAL DIRECTORS

Members of Boards of Management, Supervisors and General Directors who held the Company during the year and at the date of this report are as follows:

Board of Management

Mr. Nguyen Van Vien	Non-executive Chairman
Mr. Nguyen Van Dung	Vice Chairman
Mr. Vu Trung Dung	Member
Mrs. Bui Kim Ngoc	Member
Mr. Nguyen Mong Lan	Non-executive members

Board of Supervisors

Mrs. La Quynh Chi	Head of Board of Supervisors
Mrs. Nguyen Thi Thanh Tam	Member
Mrs. Hoang Thi Thu	Member

Board of General Directors

Mr. Nguyen Van Dung	Chief Executive Officer
Mr. Vu Trung Dung	Deputy General Director
Mrs. Bui Kim Ngoc	Deputy General Director

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (Continued)

SUBSEQUENT EVENTS

According to the Board of General Directors, in all material respects, there have been no other significant events occurring after the balance sheet date, affecting the financial position and operation of the Company which would require adjustments to or disclosures to be made in the Consolidated Financial Statements for the year ended 31/12/2025.

AUDITORS

The Company's Consolidated financial statements for the year ended 31st December 2025 have been audited by CPA VIETNAM Auditing Company limited - A Member Firm of INPACT.

RESPONSIBILITY OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the financial statements comply with Vietnamese Standards on Accounting, Vietnamese Enterprise Accounting System and relevant legal regulations in preparation and presentation of the financial statements. The Board of General Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities:

- Selecting suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements;
- Design, execute and maintain an effective internal control related to the appropriate preparation and presentation of Consolidated Financial Statements so as to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatements caused by even frauds and errors;
- Prepare the Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that company will continue its business.

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the Consolidated Financial Statements comply with prevailing Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and relevant legal regulations relating to preparation and presentation of the Consolidated Financial Statements. The Board of General Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps to prevent and detect frauds together with other irregularities.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing the Consolidated Financial Statements.

On behalf of the Board of General Directors,



Nguyen Van Dung
General Director
Hai Phong, March 25, 2026

No: 184/2026/BCKTHN-CPA VIETNAM-NV2

INDEPENDENT AUDITOR'S REPORT

To: **Shareholders**
Boards of Management, Supervisors and General Directors
Hai Phong Paint Joint Stock Company

We have audited the accompanying Consolidated Financial Statements Hai Phong Paint Joint Stock Company, prepared on 25th March 2026, presented from page 06 to page 42 including Consolidated balance sheet as at 31/12/2025, consolidated income statement and consolidated cash flows statement for the year then ended, and the Notes to the Consolidated Financial Statements.

Responsibility of the Board of General Directors

The Company's Board General of Directors is responsible for the true and fair preparation and presentation of these Consolidated Financial Statements in compliance with Vietnamese Accounting Standards, Vietnamese Accounting System and the statutory requirements relevant to the preparation and presentation of the Consolidated financial statements, and for the internal control as the Board of General Directors determines is necessary to enable the preparation of Consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of Auditors

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. These Standards require us to comply with the Standards and codes of ethics, to plan and perform the audit to obtain reasonable assurance as to whether the Company's Consolidated financial statements are there any significant errors or not.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated financial statements. The audit procedures are selected based on the auditor's judgment, including the assessment of risks of material misstatement in the financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Consolidated financial statements in order to design appropriate audit procedures to the actual situation, which is not intended to give an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated financial statements.

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

Auditor's opinion

In our opinion, the Consolidated financial statements, in all material respects, give a true and fair view of the financial position on of the Company as at 31st December 2025 and the results of its operations and its cash flows for the year then ended, in accordance with the prevailing Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the Consolidated Financial Statements.



Nguyen Thi Mai Hoa

Deputy General Director

Certificate of registration of auditing practice

No: 2326-2025-137-1

Authorised: 08/2026/UQ-CPA VIETNAM dated 02/01/2026 of Chairman

For and on behalf of

CPA VIETNAM AUDITING COMPANY LIMITED

A member firm of INPACT

Hanoi, March 25, 2026

Nguyen Thi Tien

Auditor

Certificate of registration of auditing practice

No: 5276-2026-137-1

CONSOLIDATED BALANCE SHEET

As at 31st December 2025

ASSET	Code	Note	31/12/2025	01/01/2025
			VND	VND
A - CURRENT ASSET (100=110+120+130+140+150)	100		1,107,630,509,335	999,718,121,064
I. Cash and cash equivalents	110	5.1	25,762,308,307	117,910,928,050
1. Cash	111		25,762,308,307	32,610,928,050
2. Cash equivalent	112		-	85,300,000,000
II. Short-term financial investments	120		266,546,639,259	161,708,266,750
3. Held to maturity investments	123	5.2	266,546,639,259	161,708,266,750
III. Other short term receivables	130		497,249,566,051	483,294,983,420
1. Receivables from customer	131	5.3	296,025,772,080	331,736,233,313
2. Advances to supplier	132	5.4	61,813,137,150	56,122,074,201
6. Other short term receivables	136	5.5	150,952,010,075	103,320,285,347
7. Provision for doubtful debt	137	5.6	(11,541,353,254)	(7,883,609,441)
IV. Inventory	140		313,177,344,956	231,039,732,917
1. Inventory	141	5.7	315,446,322,794	234,025,138,226
2. Allowances for devaluation of inventories	149		(2,268,977,838)	(2,985,405,309)
V. Other current assets	150		4,894,650,762	5,764,209,927
1. Short term prepaid expenses	151	5.8	1,498,072,014	1,861,899,993
2. Deductible value added tax	152		3,396,578,748	3,902,309,934
B - NON-CURRENT ASSETS (200=220+240+250+260)	200		435,384,668,819	381,039,334,821
II. Fixed assets	220		81,159,825,409	92,958,842,218
1. Tangible fixed assets	221	5.9	80,494,178,878	92,000,073,912
- Cost	222		307,534,248,873	303,197,372,977
- Accumulated depreciation	223		(227,040,069,995)	(211,197,299,065)
3. Intangible fixed assets	227	5.10	665,646,531	958,768,306
- Cost	228		9,156,129,469	9,038,281,469
- Accumulated amortization	229		(8,490,482,938)	(8,079,513,163)
IV. Long-term Construction in progress	240		15,041,933,243	8,602,580,702
2. Construction in progress	242	5.11	15,041,933,243	8,602,580,702
V. Long-term financial investments	250	5.2	299,798,399,035	239,916,094,873
2. Investment in the associated and joint-venture companies	252	5.2	230,622,275,259	169,590,371,286
3. Investment in intities	253	5.2	70,911,283,776	65,060,883,587
4. Provision for long term investment devaluation	254	5.2	(7,735,160,000)	(7,735,160,000)
5. Held to maturity investments	255	5.2	6,000,000,000	13,000,000,000
VI. Other non-current asset	260		39,384,511,132	39,561,817,028
1. Long term prepaid expenses	251	5.8	39,384,511,132	39,561,817,028
TOTAL ASSETS (270 = 100+200)	270		1,543,015,178,154	1,380,757,455,885

CONSOLIDATED BALANCE SHEET (Continued)

As at 31st December 2025

RESOURCES	Code	Note	31/12/2025 VND	01/01/2025 VND
C- LIABILITIES (300=310+330)	300		892,305,421,981	814,790,515,679
I. Short term liabilities	310		800,460,595,467	728,732,775,210
1. Trade account payables	311	5.12	143,115,122,505	171,095,300,653
2. Advances from customers	312	5.13	2,135,763,638	838,727,120
3. Taxes and other payables to State budget	313	5.14	11,649,855,360	7,712,303,007
4. Payables to employees	314		9,847,823,292	13,804,283,315
5. Short-term accrued expenses	315	5.15	9,815,357,315	13,693,244,193
9. Other short-term payables	319	5.16	23,501,705,120	22,029,561,833
10. Short-term loans and liabilities	320	5.17	597,955,962,461	509,060,663,727
12. Bonus and welfare funds	322		2,439,005,776	(9,501,308,638)
II. Long-term liabilities	330		91,844,826,514	86,057,740,469
8. Long-term financial loans and liabilities	338	5.17	86,844,826,514	86,057,740,469
13. Science and Technology Development Fund	343		5,000,000,000	-
D- OWNERS' EQUITY (400=410+430)	400		650,709,756,173	565,966,940,206
I- Owners' equity	410	5.18	650,709,756,173	565,966,940,206
1. Paid in capital	411		80,071,770,000	80,071,770,000
- Common share with voting right	411a		80,071,770,000	80,071,770,000
2. Share premium	412		10,787,152,766	10,787,152,766
3. Other capital	414		7,250,586,886	7,250,586,886
4. Treasury stock	415		(467,410,000)	(467,410,000)
7. Investment and development funds	418		381,617,624,465	331,617,624,465
10. Retained earnings	421		143,826,348,376	112,825,513,400
- Undistributed profit after tax brought forward	421a		9,362,305,548	8,946,646,443
- Retained earnings of this period	421b		134,464,042,828	103,878,866,957
13 Non controller interest	429		27,623,683,680	23,881,702,689
II- Other resources and funds	430		-	-
TOTAL RESOURCES (440 = 300+400)	440		1,543,015,178,154	1,380,757,455,885

Preparer/Chief Accountant

Doan Thi Dung

Hai Phong, 25th March, 2026

General Director



Nguyen Van Dung

CONSOLIDATED INCOME STATEMENT

For the year ended 31/12/2025

ITEMS	Code	Note	In 2025	In 2024
			VND	VND
1. Gross sales of goods and services	01	6.1	1,533,975,432,528	1,394,637,698,201
2. Revenue deductions	02	6.1	490,042,542	6,448,000
3. Net sales of goods and services (10 = 01-02)	10	6.1	1,533,485,389,986	1,394,631,250,201
4. Cost of goods sold	11	6.2	1,235,911,681,025	1,126,185,720,374
5. Gross profit from sales of goods and services (20 = 10-11)	20		297,573,708,961	268,445,529,827
6. Financial income	21	6.3	17,694,644,888	14,813,392,624
7. Financial expenses	22	6.4	38,140,998,553	40,725,491,775
<i>In which: Interest expenses</i>	23		34,153,710,162	37,486,973,674
8. Profit (loss) in associates and joint ventures	24		7,143,109,747	(693,646,583)
9. Selling expenses	25	6.5	81,888,087,641	80,293,740,381
10. General and administrative expenses	26	6.5	47,227,073,193	42,418,649,883
11. Operating profit {30 = 20+(21-22)+24 -(25+26)}	30		155,155,304,209	119,127,393,829
12. Other income	31	6.6	984,880,612	1,602,605,661
13. Other expenses	32	6.6	1,889,131,112	1,593,218,047
14. Profit from other activities (40 = 31-32)	40	6.6	(904,250,500)	9,387,614*
15. Accounting profit before tax (50 = 30+40+45)	50		154,251,053,709	119,136,781,443
16. Current income tax expense	51	6.7	16,545,101,678	12,433,873,701
17. Deferred tax income/(expense)	52		-	-
18. Profit after tax(60 = 50-51-52)	60		137,705,952,031	106,702,907,742
19. Profit after tax of Parent's Company shareholder	61		134,464,042,828	103,878,866,957
20. Profit after tax of minority shareholder without voting right	62		3,241,909,203	2,824,040,785
21. Basic earnings per share	70	6.8	16,892	9,307

Preparer/Chief Accountant

Doan Thi Dung

Hai Phong, 25th March, 2026

General Director



Nguyen Van Dung

CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the year ended 31/12/2025

ITEMS	Code	Note	In 2025	In 2024
			VND	VND
I. Cash flows from operating activities				
1. Profit before tax	01		154,251,053,709	119,136,781,443
2. Adjustments for				
- Depreciation and amortization	02		16,362,490,705	19,375,400,305
- Provisions	03		2,941,316,342	4,663,757,965
- Gain/loss from unrealized foreign exchange differences	04		411,262,084	(163,795,471)
- Gain, loss from investment activities	05		(22,942,412,319)	(14,497,645,104)
- Interest expenses	06		34,153,710,162	37,486,973,674
3. Operating profit before movements in working capital	08		185,177,420,683	166,001,472,812
- (Increase) decrease receivables	09		(68,875,428,958)	(119,485,258,199)
- (Increase) decrease inventories	10		(81,421,184,568)	(7,337,462,486)
- (Increase) decrease accounts payable	11		(27,512,031,925)	81,253,521,374
- (Increase) decrease prepaid expenses	12		541,133,875	(37,234,088,013)
- Interest paid	14		(34,092,211,019)	(37,983,893,649)
- Corporate Income Tax paid	15		(13,706,812,259)	(11,974,044,625)
- Other cash outflows	17		(17,854,007,876)	(14,301,362,219)
<i>Net cash from operating activities</i>	20		(57,743,122,047)	18,938,884,995
II. Cash flows from investing activities				
1. Expenditures on purchase and construction of fixed assets and long-term assets	21		(11,044,076,437)	(13,940,479,749)
2. Proceeds from disposals of fixed assets and other long-term assets	22		-	27,272,727
3. Payment for lending, purchasing debt instruments of other entities	23		(99,838,372,509)	(4,905,000,000)
4. Proceed from lending, re-selling debt instruments of other entities	24		2,000,000,000	19,852,167,000
5. Expenditures on equity investments in other entities	25		(5,850,400,189)	(14,000,000,000)
7. Proceeds from interests, dividends and distributed profits	27		14,433,086,272	13,806,257,744
<i>Net cashflow from investing activities</i>	30		(100,299,762,863)	840,217,722

CONSOLIDATED CASH FLOW STATEMENT (COTINUED)
(Indirect method)

For the year ended 31/12/2025

ITEMS	Code	Note	In 2025	In 2024
			VND	VND
III. Cash flows from financing activities				
1. Proceeds from issuance of shares and receipt of contributed capital	31		-	1,500,000,000
3. Proceeds from borrowings	33		1,485,779,094,762	1,275,799,246,679
4. Repayment of principal	34		(1,396,096,709,983)	(1,262,000,617,927)
6. Dividend and profit paid to equity owners	36		(23,795,260,800)	(27,267,437,500)
<i>Net cashflow from financing activities</i>	40		<u>65,887,123,979</u>	<u>(11,968,808,748)</u>
Net cashflow during the period (50 = 20+30+40)	50		<u>(92,155,760,931)</u>	<u>7,810,293,969</u>
Cash and cash equivalents at beginning of year	60		<u>117,910,928,050</u>	<u>109,959,470,954</u>
Effects of change in foreign exchange rate	61		<u>7,141,188</u>	<u>141,163,127</u>
Cash and cash equivalents at end of year (70 = 50+60+61)	70	5.1	<u><u>25,762,308,307</u></u>	<u><u>117,910,928,050</u></u>

Preparer/Chief Accountant



Doan Thi Dung



Hai Phong, 25th March, 2026
 General Director

Nguyen Van Dung

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. COMPANY INFORMATION**1.1. Structure of ownership**

Son Hai Phong Joint Stock Company was established pursuant to Decision No.3419/QĐ-UB dated December 26, 2003 by the People's Committee of Hai Phong City regarding the conversion of Son Hai Phong Company into Son Hai Phong Joint Stock Company. The Company operates under Business Registration Certificate No. 0203000681 (New Enterprise Code: 0200575580), originally issued on January 02, 2004 by the Department of Planning and Investment of Hai Phong City (currently managed by the Department of Finance of Hai Phong City). Throughout its business operations, the Company has undergone multiple registration amendments, with the 11th Amended Business Registration dated July 24, 2025, regarding the update of administrative boundaries.

The Company's chartered capital under Business Registration Certificate dated 24/7/2025: VND 80,071,770,000 (*Eighty billion, seventy-one million, seven hundred and seventy thousand dong*).

The Company's shares are traded on the Unlisted Public Company Market - UpCOM with code HPP.

Company name: **HAI PHONG PAINT JOINT STOCK COMPANY.**

Foreign Name: HAI PHONG PAINT JOINT STOCK COMPANY.

Abbreviations: HAIPHONGPAINT.

Registered Address: No. 12 Lach Tray, Le Chan Ward, Hai Phong City, Vietnam

The total number of the Company's employees as at 31/12/2025 is 285 employees (As at 31/12/2024 is 282 employees).

1.2. Operating industries and principal activities

Company's business lines according to the business registration:

- Production of paints, varnishes and similar paints; producing ink and mastics;
- Other specialized businesses which are not classified, details: Wholesale of ordinary chemicals (except for agricultural use);
- Wholesale of other construction materials and equipment, details: Paint production;
- Wholesale of other machineries, equipment and spare parts, details: Wholesale of industrial machineries, equipment and spare parts;
- Transporting goods by Road, details: Transporting goods by cars, container trucks, tank trucks tankers;
- Motor vehicle rental;
- Business or leased real estate, land use rights owned, used (including rental housing, offices, warehouses, factories);
- Transporting coastal and ocean passengers;
- Transporting road passengers in urban and suburban areas (except for bus transportation);
- Road passenger transport other (detail in Passenger transport by local and inter-provincial passenger cars, Passenger transport by cars by fixed route and by contract);
- Wholesale of other household appliances;
- Warehousing and storage of goods;
- Restaurants and mobile catering services, details: Restaurants, food shops and food stalls (excluding for bars);
- Short-stay services, details: Hotel;
- Travel agent;

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

1.2. Operating industries and principal activities (Continued)

- Other non-classified business support services, details: Export and import services;
- Producing products from Plastic;
- Other professional, scientific and technological activities which had not been classified, details: Consulting services of technology transfer for production of paints, varnishes, detergents, polishes and sanitary preparations; Consultancy services for development assistance, enterprise brand protection, product brands;
- Research and develop natural science and engineering experiments;
- Activities of sports clubs;
- Wholesale food;
- Beverage service (excluding bar);
- Activities of sports facilities;
- Other support services related to transport./.

The Company's principal activities: Production of all kinds of paints.

1.3. Normal operating cycle

The Company's normal operating cycle is 12 months.

1.4. The Company structure

As at 31/12/2025, the Company has subsidiaries, associates as follows:

Name	Address	Major business lines	Capital contribution ratio	Voting Ratio	Benefit ratio
Investment in subsidiaries					
Hai Phong Paint JSC No.2	Hai Phong	Producing and trading in paints of all kinds	51%	51%	51%
Phoenix Resin Joint Stock Company	Hai Phong	Producing and trading in paints of all kinds	75%	75%	75%
Investment in joint-venture companies					
Petro Viet Nam Paint JSC	Ho Chi Minh City	Producing and trading in paints of all kinds	31.21%	31.21%	31.21%
VLC Group JSC (Direct ownership rate is 32,02%, indirect ownership rate through Hai Phong Paint Joint Stock Company 2 is 092%)	Hai Phong	Producing and trading in paints of all kinds	32.94%	32.94%	32.94%
Asian Chemical & Paint Real Estate JSC (Direct ownership rate is 33,3%, indirect ownership rate through Hai Phong Paint Joint Stock Company 2 is 095%)	Hai Phong	Producing and trading in paints of all kinds	34.95%	34.95%	34.95%
Samhwa Hai Phong Paint Limited Liability Company	Hai Phong	Producing and trading in paints of all kinds	50%	50%	50%
VLC Powder Coating Company Limited (Direct ownership rate is 25%, indirect ownership rate through Hai Phong Paint Joint Stock Company 2 is 20,61%)	Binh Duong	Producing and trading in paints of all kinds	45.61%	45.61%	45.61%
Bao Kim METAL Company Limited	Hai Phong	Powder coating processing	25%	25%	25%

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

1.5 Statement of information comparability on the Consolidated Financial Statements

The Company ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated December 22, 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the Consolidated financial statements are comparable.

2. FISCAL YEAR AND ACCOUNTING CURRENCY**Fiscal year**

The Company's fiscal year applicable for the preparation of its financial statements starts on 1st January and ends on 31st December of solar year.

Accounting currency

The accompanying Consolidated financial statements are expressed in Vietnam Dong (VND).

3. ACCOUNTING STANDARDS AND SYSTEM**Accounting System**

The Company applied to Vietnamese Accounting System promulgated under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated March 21, 2016 amending and supplementing a number of articles of Circular 200/2014/TT-BTC dated December 22, 2014.

Statements for the compliance with Accounting Standards and System

The Board of General Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the Consolidated Financial Statements For the year ended 31/12/2025.

Accounting form applied

The company uses general journal accounting.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation of the Consolidated financial statements**

Consolidated financial statements of the Company are prepared in accordance with Circular 202/2014/TT-BTC guiding the method of preparation and presentation of Consolidated financial statements, specifically:

The Consolidated financial statements include the Company's Consolidated financial statements and the financial statements of companies controlled by the Company (subsidiaries) prepared up to December 31 of each year. This control is achieved when the Company has the power to govern the financial and operating policies of the investee companies so as to obtain benefits from their activities.

The results of subsidiaries acquired or sold during the year are included in the Consolidated Income Statement from the date of acquisition or until the date of sale of the investments in that Subsidiary.

Where necessary, the financial statements of the Subsidiaries are adjusted so that the accounting policies applied at the Company and the Subsidiaries are the same.

All transactions and balances between Companies within the same Company are eliminated upon consolidation of the Financial Statements.

The interest of non-controlling shareholders in the net assets of the Consolidated Subsidiary is determined as a Consolidated entry from the equity portion of the shareholders of the Parent Company. Non-controlling interests include the amount of non-controlling interests at the date of the initial business combination and the non-controlling interest's share in changes in total equity as of the date of the business combination from the date of the business combination. Loss incurred at a Subsidiary must be distributed proportionally to the share of the non-controlling shareholder, even if such loss is greater than the non-controlling shareholder's share of the subsidiary net assets.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of preparation of the Consolidated financial statements (Continued)

The attached Consolidated financial statements are expressed in Vietnam Dong (VND), under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and legal regulations relevant to the preparation and presentation of Consolidated financial statements.

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

Consolidated Financial Statements for the year ended 31/12/2025 are consolidated on the basis of the Consolidated financial statements for 2025 of the parent company, Hai Phong Paint Joint Stock Company, the subsidiaries of Hai Phong Paint Joint Stock Company are Hai Phong Paint Joint Stock Company No 2, Phoenix Resin Joint Stock Company.

Accounting estimates

The preparation of the Consolidated financial statements in conformity with Vietnamese Standards on Accounting, Vietnamese Enterprise Accounting System and other prevailing accounting regulations in Vietnam requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities at the date of the Consolidated financial statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.

Exchange rate differences

Transactions in foreign currencies

Transactions in foreign currencies are exchanged at the rates ruling at the transaction date, foreign exchange differences arising from these transactions are recognized in the consolidated income statement.

Revaluation of monetary items denominated in foreign currencies at the date of the consolidated financial statements.

- (i) The items denominated in foreign currencies are classified as assets (cash, receivables, ...):
Revaluation under the buying rate of the bank which the Company opens its account as at 31/12/2025.
- (ii) The items denominated in foreign currencies are classified as liabilities (payable, debts, ...):
Revaluation under the selling rate of the bank which the Company opens its account as at 31/12/2025.

The difference in exchange rates arising from the revaluation is transferred into the revenue or financial expenses at the time of the consolidated financial statements.

Cash and cash equivalents

Cash comprises cash on hand, bank deposits.

Cash equivalents comprise short-term deposits and highly liquid investments with an original maturity of less than 3 months that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial investments

Held to maturity investments

Investments held to maturity are recorded starting from the date of purchase and are valued initially at the purchase price and the costs associated with the purchase of investments. Interest income from investments held up to maturity after the date of purchase is recognized on the Income Statement on a reserve basis. The interest enjoyed before the Holding Company is written down from the original price at the time of purchase.

Investments held to maturity are determined at cost minus bad receivables.

Provision for bad receivables of investments held up to maturity date shall be set aside in accordance with current accounting regulations.

Investments in associates and other investments

Investments in associates and joint ventures over which the Company has significant influence are stated at cost method in the Consolidated Financial Statements.

Profit distributions that Company received from the accumulated profits of the subsidiaries after the Company obtains control right are recognized in income statement. Other distributions are considered a recovery of investment and are deducted to the investment value.

Investments in associates and joint ventures over which the Company has significant influence are stated at cost method in the financial statements.

Other investments: are recorded at cost, including purchase price plus directly attributable acquisition costs. After the initial recognition, these investments are measured at cost less allowance for diminution in value of investments.

Allowance for loss of investments

Allowance for losses of investments in subsidiaries, contributions to joint ventures, investments in associates and investments in equity instruments of other entities is made when there is apparent evidence for impairment in value of the investments as at the balance sheet date.

Receivables

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties.

Inventories

Inventories are stated at the historical cost. When historical cost is higher than net realizable value, inventories shall be stated at net realizable value. The historical cost of inventories comprises direct materials expenses, direct labour expenses and general production expenses based on normal levels of operating activity that have been incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the normal course of business minus all estimated costs of completion and costs of marketing, selling and distribution.

Inventories are accounted for using the perpetual inventory method. Ex-stock prices are calculated using the weighted average cost method.

The Company's allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and Depreciation

Tangible fixed assets are stated at history cost less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

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

	Years
Buildings, structures	10 - 50
Machinery and equipment	10
Motor vehicles	10
Office equipment	06 - 10
Others	03 - 08

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Intangible fixed assets and Amortization

The Company's intangible fixed assets are informatics software, patent copyrights, environmental management systems and others are stated at history cost less accumulated amortization.

Historical costs of intangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Intangible fixed assets are amortized on a straight-line basis over their estimated useful lives of 6 years.

Prepaid expenses

Prepaid expenses reflect the actual costs that have been incurred but are related to the results of production and business activities of many accounting periods. The Company's prepaid expenses include the following types of expenses: advertising costs, fixed asset repair costs, and paint formulation purchase costs. Advertising costs, The cost of repairing fixed assets is allocated to expenses not exceeding 12 months. The cost of repairing fixed assets, the cost of purchasing paint formulations is allocated to the cost not exceeding 36 months.

Construction in progress

Properties under construction for production, leasing, administration or for any other purpose are recognized at cost. This includes related service and interest expense in accordance with the Company's accounting policy. The depreciation calculation of these assets is applied in the same way as with other assets, starting from the time the asset is ready for use.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Payables**

The payables are monitored in detail by maturity terms, subjects, kind of currency and other factors according to management demand of the Company.

The payables include payable to suppliers, loans payables and other payables which are determined almost certainly about the recorded value and duration which are not less than the obligation payable, they are classified as follows:

- Trade payables: includes commercial payables arising from the purchase of goods, services and assets between the Company and the seller (the independent unit of the Company, including amounts payable between the Holding company and its subsidiaries, joint ventures, affiliate).
- Other payables: include of non-commercial payables, non-related transactions of purchasing and selling of goods and services.

Loans

Includes loans, excluding loans in the form of the issuance of bonds or preferred stock that have a clause obligating the issuer to redeem it at a certain time in the future.

The Company monitors loans amounts and financial liabilities in details by each type and classifies them into short-term and long-term according to repayment term.

Expenses directly related to the loan are recognized to financial expenses, except for expenses incurred from a separate loan for investment, construction or production in progress, which are capitalized according to Accounting Standard "Borrowing costs."

Recognition and capitalization of Borrowing costs

All other borrowing costs are recognised in the Income statement when incurring, except for the borrowing cost capitalized under Vietnamese Accounting Standards "Borrowing cost".

Accrued expenses

Expenses that have not actually been incurred but are pre-recorded to operating expenses during the year to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on matching principle between income and expenses.

The Company recognizes accrued expenses under the following expenditure items:

- Interest expense accruals, royalty expenses: accrued according to the contract execution time;
- Deducting expenses for materials purchased but not yet received invoices; Deducting interest expenses in advance according to the contract.

Owners' equity

Share capital is recognized as the actual capital contributed to the Company. Retained earnings determined on the basis of profit after corporate income tax and the distribution of profits or settlement of losses of the Company.

Profit after tax of the Company is used to pay dividends to shareholders after having the approval of the Shareholders at the Annual General Meeting and after allocations to the reserve fund under the Company's Charter.

Capital surplus is recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue, or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Owners' equity (Continued)

Other sources of capital are due to the supplementation from business profits, revaluation of assets and net carrying values between the fair values of the assets gifted or granted to the Company after deducting taxes payable (if any) related to these assets.

Treasury shares are recorded at purchase price and presented as a reduction in owners' equity on the balance sheet.

Dividends are recorded as liabilities after the Resolution of the General Meeting of Shareholders or the Company's Board of Directors' Notice of Dividend Payment is issued and the Notice of the Ex-dividend Date of the Vietnam Securities Depository Center is announced.

Revenue recognition, other income

The Company's revenue includes sales of products and goods that are paints of all kinds.

Revenue from sale of goods shall be recognized when it satisfies all the five (5) conditions below:

- The Company has transferred to the buyer the significant risks and reward of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- Costs related to transactions can be determined.

Revenue from interest income, dividends and profits received and other income:

The revenue is recognized when the Company can obtain economic benefits from the above activities and when it is reliably measured.

Revenue deductions

Revenue deductions include:

- Sales returns: due to violations of commitment or economic contracts, bad qualified product, incorrect type or specification.

In case the products, goods sold or services provided from the previous period, but sales discounts, sales allowance and sale return incurred in this period, then the Company recognizes as the following principles:

- If incurred before issuance of interim financial statements: reducing revenue in the financial statements of interim reporting period.
- If incurred after the issuance of the interim financial statements of: reducing revenue of the occurrence period.

Cost of goods sold

Cost of goods sold including of cost of products, goods and services are recognized in accordance with revenue in the year.

For the cost of direct materials consumed exceeds normal levels, labour costs, fixed general administration expense which are not allocated to finished goods will be recognized in cost of sales (after minus the amount of compensation, if any) even if the goods have not been determined to be consumed.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial expenses

Financial expenses reflect expenses incurred during the period, which mainly include:

- Borrowing cost: Recorded monthly based on the loan principles, the interest rate and number of actual borrowing days.
- The expense of foreign exchange losses: is recognized when there is a difference between the actual exchange rate and the exchange rate recorded in accounting books and when there were incurred when the revaluation of monetary items denominated in foreign currencies.

Current corporate income tax and deferred tax expenses

Enterprise income tax expense (or income tax income): is the total current income tax expense (or current income tax income) when determining the profit or loss of a year.

Current corporate income tax expense: is the amount of corporate income tax payable based on taxable income in the year and current corporate income tax rate. Current income tax is calculated based on taxable income and applicable tax rates in the tax period. The taxable income difference from the accounting profit is due to the adjustment of the difference between accounting profit and taxable income according to the current tax policy.

Corporate income tax Parent company: The company was granted the Certificate of Science and Technology Enterprise No. 06/DNKHCN dated September 18, 2015. Therefore, the Company enjoys the CIT incentives as follows: Enjoy the preferential tax rate of 10% for a period of fifteen (15) years and be exempt from CIT for four (4) years, reduce 50% of the CIT amount payable within nine (9) years Continued with the principles of the Law on CIT and Official Letter No. 2173/CT-TT&HT dated September 21, 2016 of Hai Phong Tax Department on tax policy explanation. The company is entitled to a 50% corporate income tax reduction until the end of 2028, so the company is enjoying tax incentives with a tax rate of 10%. For yacht leasing activities, the Company is obliged to pay corporate income tax at the rate of 20% on taxable income.

For Subsidiaries: Corporate income tax rate is 20% on taxable income.

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the inspection results of the competent tax authorities.

Other taxes are applied in accordance with applicable tax laws in Vietnam.

Earnings per share

Basic earnings per share are calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Related parties

A party is considered a related party of the Corporation in case that party is able to control the Corporation or to cause material effects on the financial decisions as well as the operations of the Corporation. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

When considering the relationship of related parties, the nature of relationship is focused more than its legal form.

Segment reporting

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments. The Board of General Directors believes that the Company operates in segments according to its business lines of sale of paints and mainly operates in a segment according to the geographical area of Vietnam. Therefore, the Company does not present segment reports by business segments and by geographical segments.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE CONSOLIDATED BALANCE SHEET**5.1 Cash and cash equivalents**

	31/12/2025	01/01/2025
	VND	VND
Cash	7,138,800,390	6,903,426,404
Cash at bank	18,623,507,917	25,707,501,646
Cash equivalent	-	85,300,000,000
- Deposits with term less than 3 months	-	85,300,000,000
Total	25,762,308,307	117,910,928,050

5.2 Financial investments**a. Held to maturity investments**

	31/12/2025		01/01/2025	
	Cost	Book Value	Cost	Book Value
Short term	266,546,639,259	266,546,639,259	161,708,266,750	161,708,266,750
- Term deposits	183,497,372,509	183,497,372,509	5,850,000,000	5,850,000,000
- Held to maturity investments	83,049,266,750	83,049,266,750	155,858,266,750	155,858,266,750
Long term	6,000,000,000	6,000,000,000	13,000,000,000	13,000,000,000
- Bonds (*)	6,000,000,000	6,000,000,000	13,000,000,000	13,000,000,000
Total	272,546,639,259	272,546,639,259	174,708,266,750	174,708,266,750

Unit: VND

(*): (1): Certificate of ownership of Vietnam Bank for Agriculture and Rural Development issued on 24 December 2020 (Code: AGRIBANK202703); Quantity: 1,000 bonds as at 24/12/2020, Par value: VND 1,000,000/bond; Total: VND 1,000,000,000 (One billion VND), bond maturity: 7 years; interest rate applicable to the entire 07 years is the floating rate and equal to; (Interest rate = Reference rate + Amplitude, whereas: the annual addition amplitude rate for the first five years is 1.3% per year, the annual addition amplitude rate in the fifth year and seventh year each year is 1.5% per year; form of bonds: Registered bonds are issued in the form of booking entry. These bonds are being pledged and mortgaged at Vietnam Bank for Agriculture and Rural Development. Issue date: 24 December 2020, maturity date: 24 December 2027.

(2): Certificate of ownership of Vietnam Joint Stock Commercial Bank for Industry and Trade's bonds issued in 2021 and maturing in 2031 (Code: CTG2131T2); Quantity: 50,000 bonds as at 18/11/2021, Par value: VND 100,000/bond; bond maturity: 10 years, interest rate: apply for the entire 10 (ten) years is the floating rate and equal to the Reference Rate + 1.0% amplitude/year; form of bonds: Bonds are issued in the form of book entry. Issuance date: 11/18/2021 - expiration date: 11/18/2031. Bonds were used as pledge at Joint Stock Commercial Bank for Industry and Trade of Vietnam - Ngo Quyen Branch under the Pledge of Valuable Paper Contract No. 01.TP/2021/HDBD/NHCT168-TRAIPIEUSONH.

HAI PHONG PAINT JOINT STOCK COMPANY

No. 12 Lach Tray, Le Chan Ward,
Hai Phong City, Vietnam.

Form B 09 – DN/IN
Issued under Circular No. 202/2014/TT-BTC
December 22, 2014 of the Ministry of Finance

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.2 Financial investments (Continued)

	Rate			31/12/2025 (VND)			01/01/2025 (VND)		
	Ownership Ratio (%)	Voting Ratio (%)	Number of shares held	Cost	Reasonable value	Provision	Cost	Reasonable value	Provision
Investment in the associated and joint-venture companies									
Petro Viet Nam Paint JSC	31.21%	31.21%	112,370	21,324,607,792	-	-	20,565,337,074	-	-
VLC Group JSC	32.94%	32.94%	2,840,800	27,966,261,067	-	-	27,959,830,001	-	-
Asian Chemical & Paint Real Estate JSC (1)	34.95%	34.95%	15,377,988	122,113,566,110	-	-	87,911,809,570	-	-
Samhwa Hai Phong Paint Limited Liability Company	50.00%	50.00%	-	29,169,405,257	-	-	25,102,885,032	-	-
VLC Powder Coating Company Limited	45.91%	45.91%	-	22,352,056,461	-	-	8,050,509,609	-	-
Bao Kim METAL Company Limited	47.95%	47.95%	-	7,696,378,572	-	-	-	-	-
Investment in other entities				70,911,283,776	(7,735,160,000)		65,060,883,587	(7,735,160,000)	
PAINTPRO Professional Paint Solutions JSC	18.34%	18.34%	441,146	4,335,160,000	(4,335,160,000)		4,484,759,811	(4,335,160,000)	
VICO Limited Company (2)	12%	12%	-	12,132,544,000	-		12,132,544,000	-	
SIVICO JSC (3)	7%	7%	202,500	1,243,579,776	-		1,243,579,776	-	
VLC Packaging JSC	5%	5%	140,000	1,400,000,000	-		1,400,000,000	-	
VIFA coating Joint Stock Company	0.00%	0.00%	340,000	3,400,000,000	(3,400,000,000)		3,400,000,000	(3,400,000,000)	
Entrusting VLC Group Joint Stock Company to invest	0.00%	0.00%	-	48,400,000,000	-		42,400,000,000	-	
Total				301,533,559,035	(7,735,160,000)	(*)	234,651,254,873	(7,735,160,000)	(*)

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.3 Receivables from customers

	31/12/2025 VND	01/01/2025 VND
Short term	296,025,772,080	331,736,233,313
Samhwa Hai Phong Paint Limited Company	66,766,737,224	81,340,919,866
Hoa Phat Container Production Joint Stock Company	10,092,251,711	29,407,860,709
Petro Vietnam Paint Joint Stock Company	1,188,539,281	20,450,609,663
Quang Huy Paint Joint Stock Company	21,807,840,000	21,807,840,000
Others	196,170,403,864	178,729,003,075
Total	296,025,772,080	331,736,233,313
<i>Receivables from related parties (Details in Note 7.1)</i>	<i>72,651,530,667</i>	<i>101,931,088,545</i>

5.4 Repayments to suppliers

	31/12/2025 VND	01/01/2025 VND
Sao Do Investment Group Joint Stock Company	42,804,300,000	38,523,870,000
Others	19,008,837,150	17,598,204,201
Total	61,813,137,150	56,122,074,201

5.5 Other receivables

	31/12/2025		01/01/2025	
	Book Value	Provision	Book Value	Provision
Short term receivables	150,952,010,075	-	103,320,285,347	-
Capital gains and dividends	8,262,440,280	-	40,924,422,754	-
Asian Chemical & Paint Real Estate JSC	125,895,351,324	-	43,144,407,928	-
- Advances	9,147,640,140	-	9,508,775,140	-
- Collateral, deposits	593,057,115	-	3,636,347,184	-
- Others	7,053,521,216	-	6,106,332,341	-
Total	150,952,010,075	-	103,320,285,347	-
<i>Receivables from related parties (Details in Note 7.1)</i>	<i>127,511,391,324</i>		<i>37,265,308,774</i>	

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.6 Bad debts

	31/12/2025		01/01/2025	
	Cost	Recoverable value	Cost	Recoverable value
The total value of receivables, loans that are overdue or not overdue but difficult to recover	28,776,090,002	17,234,736,748	28,400,605,935	20,516,996,494
<i>In which:</i>				
	Overdue 6 months - 01 year	Overdue 01-02 years	Overdue 02-03 years	Overdue more than 3 years
Duong Giang Co., LTD	-	-	-	448,623,581
Minh Xuan Joint Stock Company	-	-	-	358,680,064
Ben Kien Shipbuilding Industry Company Ltd	-	-	-	263,882,194
Lilama 5.,JSC	-	-	-	392,388,933
Sao Thuy Design and Construction JSC	-	-	-	858,206,864
Hoang Linh Petrol and Trading Company Limited	-	-	-	219,108,246
MLS Joint Stock Company	-	1,567,564,560	-	-
Quang Huy Paint JSC	-	21,807,840,000	-	-
Others	-	354,616,325	756,466,458	1,748,712,777
Total	-	23,730,020,885	756,466,458	4,289,602,659

5.7 Inventories

	31/12/2025		01/01/2025	
	Cost	Provision cost	Cost	Provision cost
Raw materials	236,330,344,655	(453,508,632)	163,271,981,860	(458,447,423)
Tools and supplies	2,061,005,451	-	1,801,421,939	-
Work in progress	1,233,427,647	(888,072,716)	1,522,433,033	(682,009,521)
Finished goods	75,815,216,876	(927,396,490)	67,428,047,867	(1,844,948,365)
Total	315,439,994,629	(2,268,977,838)	234,023,884,699	(2,985,405,309)

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.8 Prepaid expenses

	31/12/2025	01/01/2025
	VND	VND
Short term	1,498,072,014	1,861,899,993
Advertising costs	275,000,000	1,315,400,000
Tools and equipment	489,825,975	114,324,785
Others	733,246,039	432,175,208
Long term	39,384,511,132	39,561,817,028
Others	620,118,506	126,559,212
Tools and tools to use	217,994,214	126,138,681
Fixed asset repair costs	-	24,619,135
Land rental fee of Dinh Vu Industrial Park	37,576,858,412	38,913,000,000
Prepaid cost to buy Paint formula	969,540,000	371,500,000
Total	40,882,583,146	41,423,717,021

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.9 Tangible fixed assets

	Buildings, structures	Machinery, equipment	Motor vehicles	Tool & Equipment	Total
HISTORICAL COST					
As at 01/01/2025	81,164,484,358	144,098,896,679	65,352,549,274	12,581,442,666	303,197,372,977
Increase	800,160,187	2,400,088,809	390,000,000	896,626,900	4,486,875,896
Purchasing in year	800,160,187	2,400,088,809	390,000,000	896,626,900	4,486,875,896
Decrease	-	75,000,000	75,000,000	75,000,000	225,000,000
Disposal	-	75,000,000	75,000,000	75,000,000	225,000,000
As at 31/12/2025	81,964,644,545	146,423,985,488	65,667,549,274	13,403,069,566	307,459,248,873

ACCUMULATED DEPRECIATION

As at 01/01/2025	46,707,959,324	103,388,150,542	51,491,876,000	9,609,313,199	211,197,299,065
Increase	3,533,337,389	8,384,725,565	3,188,918,791	844,539,185	15,951,520,930
Depreciation in year	3,533,337,389	8,384,725,565	3,188,918,791	844,539,185	15,951,520,930
Decrease	-	33,750,000	-	75,000,000	108,750,000
Disposal	-	33,750,000	-	75,000,000	108,750,000
As at 31/12/2025	50,241,296,713	111,739,126,107	54,680,794,791	10,378,852,384	227,040,069,995

NET BOOK VALUE

As at 01/01/2025	34,456,525,034	40,710,746,137	13,860,673,274	2,972,129,467	92,000,073,912
As at 31/12/2025	31,723,347,832	34,684,859,381	10,986,754,483	3,024,217,182	80,419,178,878

Net book value of tangible fixed assets used to secure bank loans as at 31/12/2025 is VND 60,130,437,623 (As at 31/12/2024 is VND 74,085,456,817).

History cost of tangible fixed assets which are fully depreciated but still in use as at 31/12/2025 is VND 116,819,499,178 (As at 31/12/2024 is VND 82,429,945,331).

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.10 Intangible fixed assets

Unit: VND

	Copyright, patent	Soft ware	Environmental management system	Others	Total
Historical Cost					
As at 01/01/2025	5,038,810,859	2,955,825,903	576,515,238	467,129,469	9,038,281,469
Increase	-	-	-	117,848,000	117,848,000
Purchasing in year	-	-	-	117,848,000	117,848,000
Decrease	-	-	-	-	-
As at 31/12/2025	<u>5,038,810,859</u>	<u>2,955,825,903</u>	<u>576,515,238</u>	<u>584,977,469</u>	<u>9,156,129,469</u>
ACCUMULATED AMORTIZATION					
As at 01/01/2025	4,842,280,821	2,421,962,638	348,140,235	467,129,469	8,079,513,163
Increase	196,530,038	101,154,943	101,499,996	11,784,798	410,969,775
Amortization in year	196,530,038	101,154,943	101,499,996	11,784,798	410,969,775
Decrease	-	-	-	-	-
As at 31/12/2025	<u>5,038,810,859</u>	<u>2,523,117,581</u>	<u>449,640,231</u>	<u>478,914,267</u>	<u>8,490,482,938</u>
NET BOOK VALUE					
As at 01/01/2025	196,530,038	533,863,265	228,375,003	-	958,768,306
As at 31/12/2025	<u>-</u>	<u>432,708,322</u>	<u>126,875,007</u>	<u>106,063,202</u>	<u>665,646,531</u>

History cost of intangible fixed assets which are fully amortized but still in use as at 31/12/2025 is VND 8,063,781,469 (As at 31/12/2024 is VND 5,464,429,588).

5.11 Construction in progress

Unit: VND

	31/12/2025		01/01/2025	
	Cost	Recoverable Value	Cost	Recoverable Value
Construction in process				
- Machinery and equipment lines	9,498,600,351	9,498,600,351	8,150,519,268	8,150,519,268
- Renovate and repair factory	2,107,876,957	2,107,876,957	205,569,661	205,569,661
- Dinh Vu Industrial Park Project Costs	3,435,455,935	3,435,455,935	246,491,773	246,491,773
Total	<u>15,041,933,243</u>	<u>15,041,933,243</u>	<u>8,602,580,702</u>	<u>8,602,580,702</u>

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.12 Trade payables

	31/12/2025		01/01/2025	
	Book value	Amount can be paid	Book value	Amount can be paid
	<i>Unit: VND</i>			
Short term	143,115,122,505	143,115,122,505	171,095,300,653	171,095,300,653
FSI Viet Nam Ltd.,Co	-	-	612,534,547	612,534,547
Samhwa Paints Vina Company Limited	20,302,941,569	20,302,941,569	16,416,451,920	16,416,451,920
Kukdo Chemical Co. Ltd	2,956,353,840	2,956,353,840	1,683,857,930	1,683,857,930
Anhui Meijia New Materials Co., Ltd	3,930,222,453	3,930,222,453	3,834,520,427	3,834,520,427
Chugoku Marine Paint Singapore	12,910,101,710	12,910,101,710	15,404,359,009	15,404,359,009
Samhwa Paints Ind Co., Ltd	-	-	38,237,768,884	38,237,768,884
Petro Viet Nam Paint Joint Stock Company	16,545,469,148	16,545,469,148	21,779,867,425	21,779,867,425
Top Solvent (VIETNAM) Limited Liability Company	13,909,382,640	13,909,382,640	15,093,845,800	15,093,845,800
Others	72,560,651,145	72,560,651,145	58,032,094,711	58,032,094,711
Total	143,115,122,505	143,115,122,505	171,095,300,653	171,095,300,653
<i>In which payables to related parties (Details in Note 7.1)</i>	<i>16,545,469,148</i>	<i>16,545,469,148</i>	<i>21,818,076,564</i>	<i>21,818,076,564</i>

5.13 Prepayments from customers

	31/12/2025	01/01/2025
	VND	VND
Others	2,135,763,638	838,727,120
Total	2,135,763,638	838,727,120

5.14 Taxes and receivables, payables to the State Budget

	01/01/2025		31/12/2025	
	Additions	Paid	Additions	Paid
Payables	7,712,303,007	52,046,937,579	48,109,385,226	11,649,855,360
VAT tax	3,322,194,989	28,320,451,007	27,165,356,503	4,477,289,493
Import& Export tax	-	95,571,317	95,571,317	-
Corporate income tax	4,038,302,271	16,545,101,678	13,706,812,259	6,876,591,690
+ <i>In year</i>	<i>4,038,302,271</i>	<i>16,047,617,516</i>	<i>13,209,328,097</i>	<i>6,876,591,690</i>
+ <i>Corporate income tax collection</i>	<i>-</i>	<i>497,484,162</i>	<i>497,484,162</i>	<i>-</i>
Personal income tax	141,386,866	6,504,116,724	6,534,587,744	110,915,846
FCT	199,997,853	476,021,335	499,760,442	176,258,746
Fee & charge & other payables	10,421,028	105,675,518	107,296,961	8,799,585

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.15 Accrued expenses

	31/12/2025 VND	01/01/2025 VND
Short term	9,815,357,315	13,693,244,193
Patents Expense for CMP	4,548,114,797	6,593,472,244
Interest expense	736,299,143	674,800,000
Extract the cost of materials and other expenses	357,200,000	1,158,100,124
Others	248,462,800	222,719,800
Cost of using the license is to be paid to Samhwa	3,925,280,575	5,044,152,025
Total	9,815,357,315	13,693,244,193

5.16 Other payables

	31/12/2025 VND	01/01/2025 VND
Short term	23,501,705,120	22,029,561,833
Trade Union fees	472,495,689	711,753,859
Equitization payable	105,050,000	105,050,000
Dividends or profits payable	3,194,461,905	3,108,414,705
Others payable	19,729,697,526	18,104,343,269
<i>Contributing capital to purchase yachts</i>	<i>7,434,500,000</i>	<i>7,434,500,000</i>
<i>Others</i>	<i>12,295,197,526</i>	<i>592,519,600</i>
Total	23,501,705,120	22,029,561,833

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.17 Borrowings and finance lease liabilities

	31/12/2025 (VND)		In Year (VND)		01/01/2025 (VND)	
	Value	Amount can be paid	Increase	Decrease	Value	Amount can be paid
Short term	597,955,962,461	597,955,962,461	1,461,710,576,001	1,372,815,277,267	509,060,663,727	509,060,663,727
Vietnam Joint Stock Commercial Bank For Industry And Trade - Ngo Quyen Branch (1)	120,697,553,486	120,697,553,486	345,538,422,424	378,722,188,135	153,881,319,197	153,881,319,197
Vietnam Bank For Agriculture And Rural Development - Hai Phong Branch (2)	220,086,423,410	220,086,423,410	526,621,312,895	507,753,562,869	201,218,673,384	201,218,673,384
Cathay United Bank - Ho Chi Minh City Branch (3)	8,620,176,600	8,620,176,600	60,599,077,191	56,451,545,943	4,472,645,352	4,472,645,352
An Binh Commercial Joint Stock Bank - Hai Phong Branch	-	-	-	55,592,914,556	55,592,914,556	55,592,914,556
Vietnam International Commercial Joint Stock Bank (4)	64,193,881,658	64,193,881,658	167,342,321,582	141,095,816,097	37,947,376,173	37,947,376,173
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hai Phong Branch (5)	7,153,350,121	7,153,350,121	78,232,798,527	84,835,078,994	13,755,630,588	13,755,630,588
Hong Leong Bank Vietnam Limited (6)	69,977,268,862	69,977,268,862	69,977,268,862	29,668,296,281	29,668,296,281	29,668,296,281
Kasikornbank Public Company Limited – Ho Chi Minh City Branch(7)	59,396,586,656	59,396,586,656	113,470,522,824	54,073,936,168	-	-
The Hongkong and Shanghai Banking Corporation(8)	29,443,862,542	29,443,862,542	29,443,862,542	-	-	-
Others (9)	18,386,859,126	18,386,859,126	70,484,989,154	64,621,938,224	12,523,808,196	12,523,808,196
Long term	86,844,826,514	86,844,826,514	24,068,518,761	23,281,432,716	86,057,740,469	86,057,740,469
Vietnam Bank For Agriculture And Rural Development - Hai Phong Branch (10)	47,332,000,000	47,332,000,000	8,560,710,000	1,070,000,000	39,841,290,000	39,841,290,000
Others (9)	32,409,491,097	32,409,491,097	15,507,808,761	18,632,427,136	35,534,109,472	35,534,109,472
Chailcase International Leasing Co., Ltd - Hanoi Branch (11)	3,340,888,417	3,340,888,417	-	2,826,905,580	6,167,793,997	6,167,793,997
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hai Phong Branch (12)	3,762,447,000	3,762,447,000	-	752,100,000	4,514,547,000	4,514,547,000
Total	684,800,788,975	684,800,788,975	1,485,779,094,762	1,396,096,709,983	595,118,404,196	595,118,404,196

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5.17 Borrowings and finance lease liabilities (Continued)

<1> Loan agreement under a credit limit No. 01/2025/HĐCVHM/NHCT168-SONHP dated October 29, 2025, entered into between Vietnam Joint Stock Commercial Bank for Industry and Trade – Ngo Quyen Branch and Hai Phong Paint Joint Stock Company, with a credit limit of VND 250,000,000,000, which also includes outstanding balances governed by Credit Agreement No. 01/2024-HĐCVHM/NHCT168-SONHP dated July 17, 2024. The availability period of the credit limit is 12 months, from October 29, 2025 to October 28, 2026. The loan is intended to supplement working capital for production and business operations. The term of each drawdown is specified in the relevant debt acknowledgment note but shall not exceed 06 months, and the applicable interest rate is determined in the respective credit agreement and any amendments (if any).

<2> Credit Agreement No. 2100-LA V-202300543 dated November 6, 2023 and Amendment Agreement No. 06/PL543 dated December 9, 2024, entered into between Vietnam Bank for Agriculture and Rural Development – Hai Phong City Branch and Hai Phong Paint Joint Stock Company, with a credit limit of VND 200,000,000,000, which includes all outstanding balances and obligations under Credit Agreement No. 2100-LA V-202200560 dated November 1, 2022, the availability period of the credit limit is from the signing date of the amendment agreement to November 2, 2026, the purpose of the loan is to supplement working capital to pay for expenses serving the production and trading of paints, oils, resins and other products in accordance with the business license for the 2023–2024 business plan, the loan term and repayment schedule of principal and interest are specified in each debt acknowledgment note, the final maturity date under each debt acknowledgment note may exceed the end date of the availability period, the lending interest rate applied to outstanding principal within term is determined for each debt acknowledgment note and at the amendment date is 6.5% per annum for VND disbursements and 4.5% per annum for USD disbursements, and the loan is partially secured by collateral with a minimum secured ratio of 35% of the total outstanding credit exposure.

Credit limit agreement No. 2100-LA V-202400110 dated March 25, 2024, entered into between Vietnam Bank for Agriculture and Rural Development – Hai Phong City Branch and Hai Phong Paint Joint Stock Company No. 2, with a credit limit of VND 22,000,000,000, the loan and repayment currencies are VND and USD, the availability period of the credit limit is 12 months, and the interest rate is specified in each debt acknowledgment note (for VND-denominated loans, a preferential interest rate of 5% per annum applies to loans within 6 months from the disbursement date up to December 31, 2024).

<3> Credit limit agreement No. CL445/24 dated July 18, 2024, entered into between Cathay United Bank – Ho Chi Minh City Branch and Hai Phong Paint Joint Stock Company, with a credit limit of VND 80,000,000,000, the drawdown period is 01 year from the signing date of the agreement, the purpose of the loan is to finance the borrower's working capital, the term of each drawdown is up to 150 days from the day following the disbursement date, the lending interest rate is determined depending on each disbursement time, and the loan is secured by the personal guarantee of Mr. Nguyen Van Vien and term deposits at the bank.

<4> Credit agreement No. 1099371.25 dated October 27, 2025, entered into between Hai Phong Paint Joint Stock Company and Vietnam International Commercial Joint Stock Bank (VIB), with a short-term credit limit of VND 150,000,000,000 (in words: One hundred fifty billion Vietnamese dong only), the availability period of the credit limit is up to 6 months from the signing date, the term of the credit facility is 12 months, the purpose of the loan is to supplement working capital for the production and trading of paints in accordance with the Company's business registration, the term of each debt acknowledgment note is up to 06 months, and the loan is secured by deposits and certificates of deposit maintained at VIB and the personal guarantee of the General Director.



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5.17 Borrowings and finance lease liabilities (Continued)

<5> Loans between Vietnam Joint Stock Commercial Bank for Foreign Trade – Hai Phong Branch and Hai Phong Paint Joint Stock Company No. 2 comprise the following agreements: Credit limit agreement No. 01.2023/HDCVHM/VCB-SHP2 dated December 5, 2023, with a credit limit of VND 35,000,000,000, including outstanding balances under the same agreement as at the signing date, the purpose of the loan is to finance reasonable, lawful and valid short-term credit needs for production and business activities, excluding short-term needs for fixed asset investments, the availability period is 12 months from the effective date of the agreement, the lending interest rate is determined for each debt acknowledgment note, and the loan is secured in accordance with the security arrangements stipulated in Credit Agreement No. 01.2023/VCB-SHP2 dated December 5, 2023.

Credit limit agreement No. 01.2024/VCB-SHP2 dated August 22, 2024, entered into between Vietnam Joint Stock Commercial Bank for Foreign Trade – Hai Phong Branch and Hai Phong Paint Joint Stock Company No. 2, with a credit limit of VND 35,000,000,000, the purpose of the loan is to finance reasonable, lawful and valid credit needs for production and business activities, the availability period is 12 months from the effective date of the agreement, the lending interest rate is determined for each debt acknowledgment note, and the loan is secured in accordance with the security arrangements stipulated in Credit Agreement No. 01.2024/VCB-SHP2 dated August 22, 2024.

<6> Credit agreement No. HCM/2022/003/STL/FA dated February 18, 2022, entered into between Hong Leong Bank Vietnam Limited and Hai Phong Paint Joint Stock Company, with a credit limit of VND 70,000,000,000 (in words: Seventy billion Vietnamese dong), the maximum tenor for each disbursement or each LC issuance is 06 months from the day following the disbursement date or from the issuance date of each LC, the purpose of the loan is to finance import or domestic purchases of raw materials and goods related to the borrower's business operations, the interest rate applicable to each credit facility may vary depending on the Bank's cost of funds from time to time and is determined on the date the credit is granted and specified in the credit advice and disbursement confirmation issued by the Bank, and the agreement is effective from the signing date until February 18, 2025.

<7> Credit limit agreement No. 208/2024/FA-01 dated March 26, 2025, entered into between KASIKORNBANK Public Company Limited – Ho Chi Minh City Branch and Hai Phong Paint Joint Stock Company, with a total credit limit of VND 70,000,000,000 (including VND 25,000,000,000 for domestic disbursements and VND 50,000,000,000 for offshore disbursements, which are interchangeable), the availability period of the credit limit is 12 months from the signing date, the purpose of the loan is to finance working capital and/or the import of raw materials and/or goods related to the borrower's business operations, the term of each drawdown is up to 180 days from the day following the disbursement date, the lending interest rate is determined depending on each disbursement time, and the loan is secured by the personal guarantees of Mr. Nguyen Van Vien and Mr. Nguyen Van Dung.

<8> Master agreement for digital facilities No. VHN893906 dated September 9, 2025, entered into between HSBC Bank (Vietnam) Ltd. – Hanoi Branch and Hai Phong Paint Joint Stock Company, with a total facility limit of VND 150,000,000,000, the availability period is 12 months from the signing date, the purpose of the agreement is to provide facilities including pre-shipment financing for the seller (under sales contracts, purchase orders or export letters of credit), trade facilities, etc., the lending interest rate is determined depending on each disbursement time, and the facility is secured by a pledge of funds in the Company's bank accounts equivalent to 20% of the Company's outstanding principal balance at each point in time, together with the security registration certificate issued by the relevant secured transaction registration authority.

<9> Loans from individuals within the Company bear interest at rates ranging from 6.6% to 7.2% per annum.



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5.17 Borrowings and finance lease liabilities (Continued)

<10> Credit agreement No. 2100-LAV-202400636 dated December 12, 2024, entered into between Vietnam Bank for Agriculture and Rural Development – Hai Phong City Branch and Hai Phong Paint Joint Stock Company, with a loan amount of VND 21,402,000,000 (in words: Twenty-one billion four hundred and two million Vietnamese dong), the purpose of the loan is to pay for the lease of infrastructure for a 20,000 m² land plot, parcel No. CN9-01A at Nam Dinh Vu Industrial Park (Zone 1), the lending method is on a case-by-case basis, the loan term is 124 months from the day following the first disbursement date, including a grace period of 4 months from the day following the first disbursement date, the lending interest rate is floating, with a preferential rate of 6% per annum applied for 12 months from the disbursement date for disbursements arising from the signing date until December 31, 2025, and the loan is secured by machinery and equipment, automobiles, inland waterway vehicles, land use rights, deposit contracts, assets attached to leased land with annual rental payments in An Dong Commune, An Duong District, Hai Phong City, and bonds issued by Agribank Securities Joint Stock Company.

Credit agreement No. 2100-LAV-202400543 dated October 21, 2024, entered into between Vietnam Bank for Agriculture and Rural Development – Hai Phong City Branch and Phonix Plastic Joint Stock Company, with a loan amount of VND 27,000,000,000, the purpose of the loan is to finance payments and reimburse costs for leasing 20,000 m² of infrastructure at land parcel No. CN09-01B located in the area south of Dinh Vu Bridge, Cat Hai, Nam Dinh Vu Industrial Park (Zone 1), the loan term is 144 months from the first disbursement date, including a grace period of 24 months from the first disbursement date, the interest rate at the signing date is 6% per annum applied for 12 months from the disbursement date, after which the normal lending rate applies, and the loan is secured by the rights to exploit and use the land, rights to benefits and income derived from the business and exploitation of land use rights, and rights arising from the sublease contract of land use rights with technical infrastructure No. CN9-01B/2024/HDTD dated September 26, 2024.

<11> Finance lease agreement No. C24054041P5 dated May 30, 2024, entered into between Chailcase International Financial Leasing Co., Ltd. and Hai Phong Paint Joint Stock Company, the leased assets comprise machinery and equipment, the purpose of the lease is to serve the lessee's operations, the lease term is 36 months, the total lease value is VND 7,709,742,493, the lease interest rate is 6.64% per annum before the lease commencement date and 6.64% per annum after the lease commencement date (from the first to the sixth rental payment period) and 8.64% per annum (from the seventh rental payment period onwards), the lease is secured by a security deposit of VND 593,057,115 and a guarantee letter issued by Mr. Nguyen Van Dung, and the residual value of the leased assets at the end of the lease term is VND 177,917,134.

<12> Medium- and long-term loan agreement No. 01.2024/HDCV-TDH/VCB-SHP2 dated August 22, 2024, entered into between Vietnam Joint Stock Commercial Bank for Foreign Trade – Hai Phong Branch and Hai Phong Paint Joint Stock Company No. 2, with a loan amount of VND 7,700,000,000, the purpose of the loan is to finance medium- and long-term borrowings for the investment plan to construct Warehouse No. 8, Research Building No. 9 and to repair Workshop No. 6 in accordance with signed economic contracts, the availability period is 60 months from the effective date of the agreement, the lending interest rate is determined at the time of disbursement, and the loan is secured by Warehouse No. 8, Research Building No. 9, and the amended certification of assets on land for the three-storey office building as recorded in the Certificate of land use rights, ownership of residential house and other assets attached to land No. BN877656 of the Company.



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5.18 Owners' equity

a. Changes of owners' equity

Unit: VND

	Paid-in capital	Share premium	Other Paid-in capital	Treasury Shares	Investment & development funds	Retained earnings	Non controller interest	Total
As at 01/01/2024	80,071,770,000	10,787,152,766	7,250,586,886	(467,410,000)	285,022,068,384	95,711,545,139	21,315,538,454	499,691,251,629
Increase capital	-	-	-	-	-	-	1,500,000,000	1,500,000,000
Gain in the last year	-	-	-	-	-	103,878,866,957	2,824,040,785	106,702,907,742
Allocation to Investment & development funds (i)	-	-	-	-	46,595,556,081	(46,595,556,081)	-	-
Dividend paid (i)	-	-	-	-	-	(23,881,308,000)	(1,062,000,000)	(24,943,308,000)
Allocation to Bonus & welfare funds (i)	-	-	-	-	-	(14,100,566,898)	(695,876,550)	(14,796,443,448)
Allocation to the Board of Management' bonus fund	-	-	-	-	-	(2,057,889,500)	-	(2,057,889,500)
Distribution of profits of associated companies	-	-	-	-	-	(129,578,217)	-	(129,578,217)
As at 31/12/2024	80,071,770,000	10,787,152,766	7,250,586,886	(467,410,000)	331,617,624,465	112,825,513,400	23,881,702,689	565,966,940,206
As at 01/01/2025	80,071,770,000	10,787,152,766	7,250,586,886	(467,410,000)	331,617,624,465	112,825,513,400	23,881,702,689	565,966,940,206
Gain in the year	-	-	-	-	-	134,464,042,828	3,241,909,203	137,705,952,031
Change in ownership interest in a subsidiary	-	-	-	-	-	(500,071,788)	500,071,788	-
Allocation to Investment & development funds (i)	-	-	-	-	50,000,000,000	(50,000,000,000)	-	-
Dividend (i)	-	-	-	-	-	(23,881,308,000)	-	(23,881,308,000)
Allocation to Bonus & welfare funds (i)	-	-	-	-	-	(24,610,540,776)	-	(24,610,540,776)
Allocation to the Board of Management' bonus fund (i)	-	-	-	-	-	(5,183,781,514)	-	(5,183,781,514)
Change in ownership interest in an associate	-	-	-	-	-	1,113,429,236	-	1,113,429,236
Distribution of profits of associated companies (i)	-	-	-	-	-	(400,935,010)	-	(400,935,010)
As at 31/12/2025	80,071,770,000	10,787,152,766	7,250,586,886	(467,410,000)	381,617,624,465	143,826,348,376	27,623,683,680	650,709,756,173

((i)): During the year the Company and its subsidiaries make distributions according to the resolution of the general meeting of shareholders of the Parent Company and its subsidiaries and affiliates.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.18 Owners' equity (Continued)

b. Detail shareholders' capital

	31/12/2025	01/01/2025
	VND	VND
Mrs. Luu Thi Phuong Lan	4,633,040,000	4,633,040,000
Mrs. Nguyen Thi Xuan Dung	6,977,040,000	6,278,040,000
Mrs. Nguyen Van Vien	6,151,420,000	6,151,420,000
AFC VF LIMITED	8,005,000,000	8,580,000,800
Others	54,305,270,000	54,429,269,200
Total	80,071,770,000	80,071,770,000

c. Capital transactions with shareholders and appropriation of profits and dividends

	In 2025	In 2024
	VND	VND
Shareholders' capital		
Opening balance	80,071,770,000	80,071,770,000
Increased during the period	-	-
Decreased during the period	-	-
Closing balance	80,071,770,000	80,071,770,000
Dividend, Profit distribution	23,881,308,000	23,881,308,000

d. Dividends

	In 2025
Dividends announced after the end of the financial year	
Announced dividends on common shares:	Not yet announced; just announced to advance the dividend in 2025 at 10%

On January 5, 2026, the Company's Board of Directors approved Resolution No. 01/2026/NQ-HĐQT regarding the interim dividend payment for 2025 at a rate of 10% of charter capital. The expected record date is January 16, 2026, and the payment date is February 5, 2026.

e. Shares

	31/12/2025	01/01/2025
	Shares	Shares
Quantity of issued shares	8,007,177	8,007,177
Common shares	-	-
Purchased shares	46,741	46,741
Common shares	46,741	46,741
Outstanding shares	7,960,436	7,960,436
Common shares	7,960,436	7,960,436
Par value of outstanding shares (VND/share)	10,000	10,000

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

5.19 Off Consolidated Balance Sheet Items

a. Foreign currencies

	31/12/2025		01/01/2025	
	Currency	Equivalents VND	Currency	Equivalents VND
USD	1,115.68	29,427,962	13,752.09	352,659,858
Total		29,427,962		352,659,858

6. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT

6.1 Revenue from sales of goods and provision of services

	In 2025 VND	In 2024 VND
Revenue from sales of goods	1,533,975,432,528	1,394,625,747,401
Others	-	11,950,800
Total	1,533,975,432,528	1,394,637,698,201
Revenue deductions		
Sale return	490,042,542	6,448,000
Total	490,042,542	6,448,000
Net Revenue		
Revenue from sales of goods	1,533,485,389,986	1,394,619,299,401
Others	-	11,950,800
Total	1,533,485,389,986	1,394,631,250,201
<i>In which the revenue of related parties (Details in Note 7.1)</i>	<i>427,184,613,779</i>	<i>373,026,474,105</i>

6.2 Cost of goods sold

	In 2025 VND	In 2024 VND
Cost of goods sold	1,236,628,108,496	1,125,295,357,448
Reversal of material provision	(716,427,471)	890,362,926
Total	1,235,911,681,025	1,126,185,720,374

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

6.3 Financial income

	In 2025 VND	In 2024 VND
Interest income, loan	11,480,486,272	10,126,100,015
Dividend, profit received	4,360,066,300	3,530,978,800
Realized loss on exchange difference	1,701,473,132	809,126,746
Unrealized loss on exchange difference	10,041,504	347,187,063
Others	142,577,680	-
Total	17,694,644,888	14,813,392,624
<i>In which the financial income of related parties (Details in Note 7.1)</i>	<i>6,016,274,622</i>	<i>7,422,896,411</i>

6.4 Financial expenses

	In 2025 VND	In 2024 VND
Interest expense	34,153,710,162	37,486,973,674
Realized exchange rate difference loss	3,565,984,803	2,799,995,509
Unrealized exchange rate difference loss	421,303,588	183,391,592
Others	-	255,131,000
Total	38,140,998,553	40,725,491,775

6.5 Selling expenses and General and administrative expenses

	In 2025 VND	In 2024 VND
Selling expenses	81,888,087,641	80,293,740,381
Employee expenses	23,181,156,948	21,955,495,100
Depreciation expenses	1,325,831,088	1,401,113,028
Outsourcing expense	32,830,025,728	33,389,038,561
- Carriage cost	15,220,374,958	16,167,445,388
- Advertising expenses	8,282,193,891	11,173,323,531
- Outsourcing expense	9,327,456,879	6,048,269,642
Other expenses in cash	24,551,073,877	23,548,093,692
General administrative expense	47,227,073,193	42,418,649,883
Employee expenses	23,935,280,840	20,459,410,529
Office supplies	721,414,104	644,949,585
Depreciation expenses	1,117,452,995	1,539,535,475
Tax charges and fees	1,280,407,013	1,126,208,691
Provision expenses	3,657,743,813	3,567,965,358
Outsourcing expense	5,200,873,000	5,936,304,540
Other expenses in cash	11,313,901,428	9,144,275,705
Total	129,115,160,834	122,712,390,264

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

6.6 Other income/Other expenses

	In 2025 VND	In 2024 VND
Other Income		
Gain on liquidation of assets	-	27,272,727
Differences from inventory	36,825,975	199,699,311
Revenue from insurance compensation	242,123,186	983,537,067
Obtained by office rental	465,818,182	243,090,909
200l drum shell recovery	-	114,037,504
Others	240,113,269	34,968,143
Total	984,880,612	1,602,605,661
Other Expenses		
Expenses on liquidation of assets	758,877,606	1,122,572,086
Inventory discrepancies	24,097,659	277,842,925
Carrying amount of assets disposed of	41,250,000	-
Residual value of the lost asset	146,716,920	160,984,855
Late payment penalties on taxes and administrative	678,188,927	-
Others	240,000,000	31,818,181
Total	1,889,131,112	1,593,218,047
Other profits	(904,250,500)	9,387,614
<i>In which: Other Income with related parties (Details in Note 7.1)</i>	<i>84,000,000</i>	<i>84,000,000</i>

6.7 Current corporate income tax expense

	In 2025 VND	In 2024 VND
Current corporate income tax	16,545,101,678	12,433,873,701
Total	16,545,101,678	12,433,873,701

6.8 Earnings per share

	In 2025 VND	In 2024 (Restated)
Accounting profit after corporate income tax of the Parent Company (VND)	134,464,042,828	103,878,866,957
Adjustments increase	-	-
Adjustments to decrease (*)	-	(29,794,322,290)
- <i>Deducting bonus and welfare fund, Board bonus fund</i>	-	(29,794,322,290)
Profit or loss allocated to shareholders of the parent company holding common shares (VND)	134,464,042,828	74,084,544,667
Average number of outstanding shares in the period/ year	7,960,436	7,960,436
Basic earnings per share (VND/share)	16,892	9,307

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

6.8 Earnings per share (Continued)

(i): At the Reporting Date, the Company and its Subsidiaries have not reliably estimated the amount of profit for the fiscal year ended December 31, 2025 that may be allocated to the Executive Management's Compensation, Benefits, and Bonus Fund. If the Executive Management's Bonus, Benefits, and Bonus Fund is deducted for the fiscal year ended December 31, 2025, net profit attributable to shareholders and underlying interest on shares will decrease.

(ii) The Company re-determines the deductions for bonus, welfare and executive bonuses for the financial year ended December 31, 2024 according to the profit distribution ratio for 2024 of the Company approved in the Resolutions. The General Meeting of Shareholders in 2025 of the Parent Company and Hai Phong Paint No. 2 Joint Stock Company - Subsidiaries. Accordingly, basic earnings per share for the year ended 31 December 2024 are restated as follows:

	In 2024 (Restated)	In 2024 (Presented)	Diff
Accounting profit after corporate income tax of the Parent Company (VND)	103,878,866,957	103,878,866,957	-
Adjustments increase	-	-	-
Adjustments to decrease (ii)	(29,794,322,290)	-	(29,794,322,290)
- From the bonus and welfare fund, Board Bonus Fund	(29,794,322,290)	-	(29,794,322,290)
Profit or loss allocated to shareholders of the parent company holding common shares (VND)	74,084,544,667	103,878,866,957	(29,794,322,290)
Average number of outstanding shares in the period/ year	7,960,436	7,960,436	-
Basic earnings per share (VND/share)	9,307	13,049	(3,743)

6.9 Production and business expenses by factors

	In 2025 VND	In 2024 VND
Material expenses	846,075,588,156	805,756,195,174
Employee expenses	83,210,216,871	80,850,544,404
Depreciation expenses	16,362,490,705	19,375,400,305
Provision expenses	3,657,743,813	3,567,965,358
Outsourcing expense	95,316,176,540	84,774,082,791
Other expenses in cash	40,325,434,296	36,149,447,937
Total	1,084,947,650,381	1,030,473,635,969

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

7. OTHER INFORMATION

7.1 Transactions and balances with related parties

In the year, the Company has transactions with related parties as follows:

<u>Related parties</u>	<u>Relations</u>
Bao Kim METAL Company Limited	Associates
VLC Powder Coating Company Limited	Associates
Viet Nam Petro Paint JSC	Associates
PAINTPRO Professional Paint Solution Joint Stock Company	Associates
VLC Group Joint Stock Company	Associates
Asian Chemical & Paint Real Estate JSC	Associates
Samhwa Hai Phong Paint Limited	Joint ventures
Members of the Board of Directors, Board of Directors, Board of Supervisors and individuals related to key management members	Significant influence

Remuneration for Boards of Management, Supervisors and General Directors

<u>Related parties</u>	<u>Nature of transaction</u>	<u>In 2025 VND</u>	<u>In 2024 VND</u>
Board of Management and Supervisors	Remuneration	5,405,062,963	2,167,500,000
Board of General Directors and other key management personnel	Salary	12,223,919,028	8,131,682,513

In which:

Remuneration of the Board of Management

<u>Full name</u>	<u>Title</u>	<u>In 2025 VND</u>	<u>In 2024 VND</u>
Mr. Nguyen Van Vien	Non-executive Chairman	1,247,322,222	500,000,000
Mr. Nguyen Van Dung	Vice Chairman	1,455,209,259	583,500,000
Mr. Vu Trung Dung	Member	623,661,111	250,000,000
Mrs. Bui Kim Ngoc	Member	623,661,111	250,000,000
Mr. Nguyen Mong Lan	Non-executive members	623,661,111	250,000,000

Remuneration of the Supervisory Board

<u>Full name</u>	<u>Title</u>	<u>In 2025 VND</u>	<u>In 2024 VND</u>
Mrs. La Quynh Chi	Head of Supervisor	415,774,075	167,000,000
Mrs. Hoang Thi Thu	Member	207,887,037	83,500,000
Mrs. Nguyen Thi Thanh Tram	Member	207,887,037	83,500,000

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

7.1 Transactions and balances with related parties (Continued)

Remuneration for Boards of Management, Supervisors and General Directors (Continued)

Income of the General Director and Other managers

Full name	Title	In 2025 VND	In 2024 VND
Mr. Nguyen Van Vien	Non-executive Chairman	9,500,000	8,500,000
Mr. Nguyen Mong Lan	Non-executive members	5,000,000	5,000,000
Mr. Nguyen Van Dung	Vice Chairman and General Director	6,951,119,463	4,115,334,513
Mr. Vu Trung Dung	Deputy General Director	1,373,154,247	1,340,193,096
Mrs. Bui Kim Ngoc	Deputy General Director	1,700,652,612	1,477,567,592
Mrs. La Quynh Chi	Head of Supervisor	5,000,000	5,000,000
Mrs. Hoang Thi Thu	Member	1,126,563,409	904,584,169
Mrs. Nguyen Thi Thanh Tram	Member	282,060,673	275,503,143
Mrs. Le Thi Tu Hien	Corporate governance officer	770,868,623	-

Transactions with related parties

Related parties	Nature of transaction	In 2025 VND	In 2024 VND
Sale of goods and services		427,268,613,779	373,110,474,105
Petro Viet Nam Paint JSC	Sales of goods	156,098,176,262	70,914,874,239
VLC Powder Coating Company Limited	Sales of goods	3,183,525,826	7,244,129,060
Samhwa Hai Phong Paint Limited	Sales of goods	267,902,911,691	294,867,470,806
Liability Company	Rent office	84,000,000	84,000,000
Buying goods and services		152,651,090,555	92,300,407,100
Samhwa Hai Phong Paint Limited Liability Company	Buying goods	972,759,887	496,610,490
VLC Powder Coating Company Limited	Buying goods	10,725,306,555	4,076,830,275
Petro Viet Nam Paint JSC	Buying goods	140,953,024,113	87,726,966,335
Divide profits from subsidiaries and joint ventures		1,496,040,000	1,123,700,000
VLC Powder Coating Company Limited	Dividend	147,600,000	-
Petro Viet Nam Paint JSC	Dividend	1,348,440,000	1,123,700,000
Samhwa Hai Phong Paint Limited Liability Company	Dividend	-	1,396,500,000
Other		4,520,234,622	4,902,696,411
Asian Chemical & Paint Real Estate JSC	Investment returns	4,520,234,622	4,902,696,411

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31/12/2025

7.1 Transactions and balances with related parties (Continued)

Related Party Balance

Receivables	Relations	31/12/2025 VND	01/01/2025 VND
Receivables		72,651,530,667	101,931,088,545
Petro Viet Nam Paint JSC	Associates	1,188,539,281	20,450,609,663
VLC Powder Coating Company Limited	Associates	4,696,254,162	139,559,016
Samhwa Hai Phong Paint Limited Liability Company	Associates	66,766,737,224	81,340,919,866
Other Receivables		127,363,791,324	37,265,308,774
Petro Viet Nam Paint JSC	Associates	1,348,440,000	1,123,700,000
Asian Chemical & Paint Real Estate JSC	Associates	125,895,351,324	34,625,108,774
Samhwa Hai Phong Paint Limited Liability Company	Associates	-	1,396,500,000
VLC JSC	Associates	120,000,000	120,000,000
VLC Powder Coating Company Limited	Associates	147,600,000	
		31/12/2025 VND	01/01/2025 VND
Payables		16,545,469,148	21,818,076,564
Petro Viet Nam Paint JSC	Associates	16,545,469,148	21,779,867,425
VLC JSC	Associates	-	38,209,139
Other payables		1,035,000,000	1,035,000,000
Samhwa Hai Phong Paint Limited Liability Company	Associates	1,035,000,000	1,035,000,000

7.2 Comparative figures

Comparative figures are taken from the Consolidated financial statements for the year ended 31st December 2024 which are audited by CPA VIETNAM Auditing Company Limited - A Member firm of INPACT.

Preparer/Chief Accountant



Doan Thi Dung

Hai Phong, 25th March, 2026

General Director



Nguyen Van Dung