A PROFESSIONAL STEEL DISTRIBUTOR

CONSOLIDATED FINANCIAL STATEMENTS

For the financial period from January 1, 2026 to June 30, 2026

SMC TRADING INVESTMENT JOINT STOCK COMPANY AND ITS SUBSIDIARIES

CONTENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at June 30, 2026

Unit: VND

ASSETS	Code	Notes	30/06/2026	01/01/2026
A. CURRENT ASSETS	**100**		**1.486.789.060.435**	**2.692.183.784.828**
I. Cash and cash equivalents	**110**	V.1	**21.448.139.850**	**135.320.970.073**
1. Cash	111		21.448.139.850	121.320.970.073
2. Cash equivalents	112		-	14.000.000.000
II. Short-term financial investments	**120**	V.2	**44.244.512.710**	**56.590.246.575**
1. Trading securities	121		-	-
2. Provision for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123	V.2.1	44.244.512.710	56.590.246.575
4. Allowance for Short-term Held-to-Maturity Investments	124		-	-
5. Other Short-term Investments	125		-	-
6. Allowance for Impairment of Other Short-term Investments	126		-	-
III. Short-term receivables	**130**	V.3	**582.724.272.349**	**1.432.902.187.307**
1. Short-term trade receivables	131	V.3.1	669.651.596.697	1.490.305.960.782
2. Short-term prepayments to suppliers	132	V.3.2	6.459.623.210	39.337.877.635
3. Short-term intercompany receivables	133		-	-
4. Construction contract-in-progress receivables	134		-	-
5. Other short-term receivables	135	V.3.4	28.358.129.410	82.431.657.935
6. Provision for doubtful debts	136	V.3.5	(121.745.076.968)	(179.173.309.045)
7. Shortage of assets awaiting for resolution	137		-	-
IV. Inventories	**140**	V.4	**349.429.076.140**	**411.191.502.074**
1. Inventories	141		356.898.309.905	421.035.091.186
2. Provision for decline in value of inventories	142		(7.469.233.765)	(9.843.589.112)
VI. Other current assets	**160**		**488.943.059.386**	**656.178.878.799**
1. Short-term prepaid expenses	161	V.10	2.884.299.947	1.587.434.201
2. Deductible VAT	162	V.14	200.431.609.815	217.470.688.476
3. Taxes and other receivables from the State Budget	163	V.14	1.907.149.624	1.900.756.122
4. Repurchase and sale of Government's bonds	164		-	-
5. Other current assets	165	V.2.1	283.720.000.000	435.220.000.000
B. LONG-TERM ASSETS	**200**		**2.112.939.989.052**	**1.761.526.090.684**
I. Long-term receivables	**210**	V.03	**692.047.246.064**	**147.767.623.037**
1. Long-term trade receivables	211		3.609.704.278	3.609.704.278
2. Long-term prepayments to suppliers	212		690.449.279.172	115.601.883.363
3. Working capital from sub-units	213		-	-
4. Long-term intercompany receivables	214		-	-
5. Other long-term receivables	215		1.597.966.892	32.165.739.674
6. Provision for doubtful long-term receivables	216		(3.609.704.278)	(3.609.704.278)
II. Fixed assets	**220**		**739.735.054.527**	**865.924.046.801**
1. Tangible fixed assets	221	V.5	572.789.498.898	543.176.637.739
- Cost	222		917.969.552.070	941.788.536.087
- Accumulated depreciation	223		(345.180.053.172)	(398.611.898.348)
2. Finance lease assets	224	V.6	63.927.064.693	219.494.561.238
- Cost	225		89.768.441.739	298.518.300.447
- Accumulated depreciation	226		(25.841.377.046)	(79.023.739.209)
3. Intangible fixed assets	227	V.7	103.018.490.936	103.252.847.824
- Cost	228		112.535.841.108	112.535.841.108
- Accumulated amortization	229		(9.517.350.172)	(9.282.993.284)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at June 30, 2026
Unit: VND

ASSETS	Code	Notes	30/06/2026	01/01/2026
IV. Investment Properties	**240**	V.8	**9.940.750.226**	**6.114.434.051**
1. Cost	241		13.946.869.444	9.080.842.650
2. Accumulated depreciation	242		(4.006.119.218)	(2.966.408.599)
V. Non-current assets in progress	**250**	V.9	**327.115.882.061**	**316.636.644.671**
1. Works in progress	251		-	-
2. Capital construction in progress	252		327.115.882.061	316.636.644.671
VI. Long-term investments	**260**	V.2	**146.763.659.612**	**219.545.039.381**
1. Investments in subsidiaries	261		-	-
2. Investments in associates, joint-ventures	262	V2.2	106.313.062.501	111.033.792.090
3. Investments in equity of other entities	263		52.362.500.000	157.147.500.000
4. Provision for decline in the value of long-term investments	264		(17.911.902.889)	(54.636.252.709)
5. Long-term Held-to-Maturity Investments	265		6.000.000.000	6.000.000.000
6. Allowance for Impairment of Long-term Held-to-Maturity Investments	266			-
VI. Other long-term assets	**270**		**197.337.396.562**	**205.538.302.743**
1. Long-term prepaid expenses	271	V.10	197.326.880.531	205.167.671.573
2. Deferred income tax assets	272		10.516.031	370.631.170
3. Equipment, materials, spare parts	273		-	-
4. Other long-term assets	274		-	-
5. Good-will	279		-	-
TOTAL ASSETS	**280**		**3.599.729.049.487**	**4.453.709.875.512**
C. LIABILITIES	**300**		**2.550.354.316.849**	**3.446.311.744.457**
I. Current liabilities	**310**		**2.511.387.455.575**	**3.379.978.468.011**
1. Short-term trade payables	311	V.12	1.075.212.604.100	1.196.979.090.326
2. Short-term advances from customers	312	V.13	64.370.649.317	52.937.464.969
3. Dividends and Profits Payable	313		-	-
4. Taxes and other payables to the State Budget	314	V.14	58.313.601.414	97.666.153.151
5. Payables to employees	315		-	4.705.897.001
6. Short-term accrued expenses	316	V.15	12.836.452.225	8.834.792.827
7. Short-term intercompany payables	317		-	-
8. Construction contract-in-progress payables	318		-	-
9. Short-term unrealized revenue	319	V.16	4.066.823.686	1.343.251.180
10. Other short-term payables	320	V.17	943.947.227	1.451.811.038
11. Short-term borrowings and financial lease liabilities	321	V.18	1.293.182.003.647	2.013.341.949.560
12. Provision for short-term payables	322		-	-
13. Bonus and welfare fund	323		2.461.373.959	2.718.057.959
14. Price stabilization fund	324		-	-
15. Repurchase and sale of Government's bonds	325		-	-

Unit: VND

ASSETS	Code	Notes	30/06/2026	01/01/2026
II. Long-term liabilities	**330**		**38.966.861.274**	**66.333.276.446**
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital received	334		-	-
5. Long-term intercompany payables	335		-	-
6. Long-term unrealized revenue	336	V.16	-	-
7. Other long-term payables	337		52.580.151	105.160.296
8. Long-term borrowings and financial lease liabilities	338	V.19	-	-
9. Convertible bond	339		8.544.122.102	35.857.957.129
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provision for long-term liabilities	342		30.370.159.021	30.370.159.021
13. Fund for science and technology development	343		-	-
D. OWNERS' EQUITY	**400**		**1.049.374.732.638**	**1.007.398.131.055**
1. Owners' paid-in capital	**411**		**736.785.870.000**	**736.785.870.000**
- Ordinary shares with voting rights	411a		736.785.870.000	736.785.870.000
- Preferred shares	411b		-	-
2. Share premium	412		253.132.567.160	253.132.567.160
3. Bond conversion option	413		-	-
4. Owners' other capital	414		-	-
5. Treasury shares	415		(717.500.000)	(717.500.000)
6. Difference upon assets revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418		-	-
9. Other funds	419		-	-
10. Retained earnings	420		81.853.859.739	40.491.849.938
- Retained earnings accumulated to the end of prior period	420a		40.491.849.938	(139.625.294.642)
- Retained earnings in this period	420b		41.362.009.801	180.117.144.580
11. Interests of non-controlling shareholders	429		(21.680.064.261)	(22.294.656.043)
TOTAL RESOURCES	**440**		**3.599.729.049.487**	**4.453.709.875.512**

Prepared by	Chief Accountant	General Director
Nguyen Thi Thu Thuy	**Nguyen Van Lam**	**Nguyen Quang Trung**

M.S.D.N: 0303522206 - C.T.C.P
CÔNG TY CỔ PHẦN ĐẦU TƯ THƯƠNG MẠI SMC
THÀNH PHỐ HỒ CHÍ MINH

Ho Chi Minh city, July 28, 2026

SMC TRADING INVESTMENT JOINT STOCK COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT

For the period from January 01, 2026 to June 30, 2026
Unit: VND

ITEMS	Code	Notes	Quarter II - Current year From 01/04/2026 to 30/06/2026	Quarter II - Prior Year From 01/04/2025 to 30/06/2025	Cumulative from the beginning of the year to the end of this period - Current year From 01/01/2026 to 30/06/2026	Cumulative from the beginning of the year to the end of this period - Prior Year From 01/01/2025 to 30/06/2025
1. Sales	1		**1.309.171.189.663**	**1.950.572.125.786**	**2.381.733.630.247**	**3.797.897.667.921**
2. Less sales deductions	2		61.805.857	(269.333.500)	88.485.607	294.914.150
3. Net sales	10	VI.01	**1.309.109.383.806**	**1.950.841.459.286**	**2.381.645.144.640**	**3.797.602.753.771**
4. Cost of sales	11	VI.02	1.269.988.473.814	1.996.328.239.350	2.319.704.967.689	3.800.368.861.335
5. Gross profit	20		**39.120.909.992**	**(45.486.780.064)**	**61.940.176.951**	**(2.766.107.564)**
6. Gain/(Loss) on Disposal of Investment Property	21		-	-	-	-
7. Financial income	22	VI.03	3.959.537.264	9.651.469.192	8.661.032.410	15.355.868.450
8. Financial expenses	23	VI.04	30.333.786.072	53.927.476.569	75.147.431.382	74.012.524.146
+ Borrowing interest expense	*24*		26.469.128.854	33.297.782.426	*58.132.138.309*	77.350.718.531
9. Selling expense	25	VI.05	14.510.136.728	18.860.487.888	28.114.878.251	36.769.968.796
10. General & administration expenses	26	VI.06	(38.822.561.251)	61.330.782.124	(18.407.851.207)	84.315.662.298
11. Gain or loss in joint-ventures, associates	27		(9.216.390.536)	862.087.307	(763.642.764)	(2.724.862.693)
12. Operating profit	30		**27.842.695.171**	**(169.091.970.146)**	**(15.016.891.829)**	**(185.233.257.047)**
13. Other income	31	VI.07	473.782.096	130.539.138.015	79.352.626.936	152.275.952.893
14. Other expenses	32	VI.08	1.491.348.762	20.321.297.310	10.746.275.606	25.416.638.247
15. Other profit	40		**(1.017.566.666)**	**110.217.840.705**	**68.606.351.330**	**126.859.314.646**
16. Net accounting profit before tax	50		**26.825.128.505**	**(58.874.129.441)**	**53.589.459.501**	**(58.373.942.401)**
17. Corporate income tax - current	51	VI.09	-	22.625.855.831	11.252.742.778	**22.625.855.831**
18. Corporate income tax - deferred	52		2.061.566.200	(334.600.958)	360.115.140	38.782.323
19. Net profit after corporate income tax	60		**24.763.562.305**	**(81.165.384.314)**	**41.976.601.583**	**(81.038.580.555)**
20. Shareholders of the parent company	61		22.788.047.277	(104.203.402.361)	41.362.009.801	(102.315.863.047)
21. Non-controlling shareholders	62		1.975.515.028	23.038.018.047	614.591.782	21.277.282.492
22. Earnings per share	70		310	(1.416)	562	(1.390)
23. Lãi suy giảm trên cổ phiếu	71		10	-	10	-

CÔNG TY CỔ PHẦN ĐẦU TƯ THƯƠNG MẠI SMC
M.S.D.N: 0303522206-C.T.C.P
THÀNH PHỐ HỒ CHÍ MINH

Nguyen Thi Thu Thuy	**Nguyen Van Lam**	**Nguyen Quang Trung**
Prepared by	Chief Accountant	General Director

Ho Chi Minh city, July 28, 2026

The notes to the consolidated financial statements form an integral part of this report

SMC TRADING INVESTMENT JOINT STOCK COMPANY AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT

As at June 30, 2026
Unit: VND

ITEMS	Code	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before tax	**01**	**53.589.459.501**	**500.187.040**
Adjustments for		-	-
- Depreciation of fixed assets and investment properties	02	21.382.850.317	(8.131.433.921)
- Provisions	03	(96.526.937.244)	(17.761.197.629)
- Gain/losses from foreign exchange differences upon revaluation of monetary assets denominated in foreign currencies	04	204.638.396	10.575.233.927
- Gains/losses from investing activities	05	(38.619.003.235)	(20.484.012.898)
- Interest expense	06	58.132.138.309	44.052.936.105
Other adjustments		-	-
Profit from operating activities before changes in working capita	**08**	**(1.836.853.956)**	**8.751.712.624**
- Increase (-)/ decrease (+) in receivables	09	350.143.544.243	39.024.111.941
- Increase (-)/ decrease (+) in inventories	10	64.136.781.281	(64.663.382.447)
- Increase (+)/ decrease (-) in payables (Other than payables, income tax)	11	(119.669.384.742)	266.682.030.740
- Increase (-)/ decrease (+)in prepaid expenses	12	6.543.925.296	(876.710.959)
- Increase (-)/ decrease (+) in trading securities	13	-	-
- Interest paid	14	(56.878.126.256)	(30.853.754.122)
- Corporate income tax paid	15	(14.349.030.462)	-
- Other receipts from operating activities	16	-	-
- Other payments on operating activities	17	(256.684.000)	(2.763.154.753)
Net cash inflows/(outflows) from operating activities	**20**	**227.834.171.404**	**215.300.853.024**
		-	-
CASH FLOWS FROM INVESTING ACTIVITIES		-	-
Purchases of fixed assets and other long-term assets	21	(3.255.901.926)	(4.119.963.289)
Proceeds from disposals of fixed assets and other long-term assets	22	106.702.168.934	20.576.978.703
Loans granted, purchases of debt instruments of other entities	23	(134.994.512.710)	(244.546.000.000)
Collection of loans, proceeds from sales of debt instruments of other enti	24	348.140.246.575	200.350.000.000
Investments in other entities	25	-	(11.912.520.097)
Proceeds from divestment in other entities	26	51.782.070.000	-
Dividends and interest received	27	64.651.550.873	14.044.615.681
Net cash inflows/(outflows) from investing activities	**30**	**433.025.621.746**	**(25.606.889.002)**
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Proceeds from borrowings	33	1.637.031.393.664	79.806.086.980
Repayments of borrowings	34	(2.362.434.532.698)	(243.834.421.462)
Payments for finance lease liabilities	35	(49.145.996.341)	(9.887.856.645)
Dividends paid	36	-	-
Net cash inflows/(outflows) from financing activities	**40**	**(774.549.135.375)**	**(173.916.191.127)**
		-	-
Net cash inflows/(outflows)	**50**	**(113.689.342.225)**	**15.777.772.895**
Cash and cash equivalents at the beginning of the period	60	135.320.970.073	143.281.861.697
Effect of foreign exchange differences	61	(183.487.998)	322.037.304
Cash and cash equivalents at the end of the period	**70**	**21.448.139.850**	**159.381.671.896**

M.S.D.N: 0303522206 - C.T.C.P. CÔNG TY CỔ PHẦN ĐẦU TƯ THƯƠNG MẠI SMC THÀNH PHỐ HỒ CHÍ MINH

Nguyen Thi Thu Thuy
Prepared by

Nguyen Van Lam
Chief Accountant

Nguyen Quang Trung
General Director
Ho Chi Minh city, July 28, 2026

This explanatory note is an integral part of and should be read in conjunction with the accompanying financial statements.

I. BUSINESS HIGHLIGHTS

1 Structure of ownership

SMC Trading Investment Joint Stock Company (Hereinafter referred to as "the Company") operates under the Business registration certificate No. 4103002772 dated October 18, 2004 issued by the Department of Planning and Investment of HCMC, and being amended to the 24th one in accordance with the Business registration certificate No. 0303522206 Jan 22, 2026.

The Company's stock has been officially traded in HCMC Stock Exchange with the code: SMC since October 30, 2006 in compliance with the Listed License No. 62/UBCK-GPNY dated September 29, 2006 issued by the Chairman of the State Securities Commission.

Structure of ownership: Joint Stock Company.

2 English name , head office

English name: **SMC Trading Investment Joint Stock Company. Short name: SMC J.S.C.**

- Head office: 124 -126 Ung Van Khiem, Thanh My Tay ward , Binh Thanh district, HCMC.

3 Business sectors:

Production - Trading - Services - Construction.

4 Principal activities

Producing, trading, importing and exporting of steel, iron, household appliances, construction materials, interior decoration, equipment for construction, mechanics, frames for warehouse, plant by aluminum, steel, inox (not being produced at the head office); Building, installing of civil, industrial, irrigational, traffic work projects; Repairing of house, interior decoration; Preparing of plan for construction investment; Trading of house, household appliances; foodstuff;

5 Total employees

Total employees to Jun. 30, 2026 447 persons

6 List of subsidiaries under consolidation:

Subsidiary's name	Address	Principal activities	Percentage of owning	Percentage of voting right
SMC Steel Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, and service	100,00%	100,00%
SMC Trading One-Member Co., Ltd.	Phung Khac Khoan Street, Dong Hoa Ward. Ho Chi Minh City	Manufacturing, trading, service and construction	100,00%	100,00%
SMC Steel Mechanical One-Member Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, service and construction	100,00%	100,00%
SMC Hiep Phuoc One-Member Co., Ltd.	Ung Van Khiem Street, Thanh My Tay Ward, Ho Chi Minh City, VN	Manufacturing, trading, service and construction	100,00%	100,00%
SMC Tan Tao One-Member Co., Ltd.	Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City, VN	Trading, service and construction	100,00%	100,00%
SMC Da Nang One-Member Co., Ltd.	Hoa Xuan Ward, Da Nang City	Manufacturing, trading, service and construction	100,00%	100,00%

6 List of subsidiaries under consolidation: (cont)

Subsidiary's name	Address	Principal activities	Percentage of owning	Percentage of voting right
SMC Phu My Steel Processing Co., Ltd.	Phu My II Industrial Park, Tan Phuoc Ward, Ho Chi Minh City	Manufacturing, trading, service and construction	100,00%	100,00%
SMC Phu My Precision Co., Ltd.	Phu My II Industrial Park, Tan Phuoc Ward, Ho Chi Minh City	Manufacturing, trading, service and construction	100,00%	100,00%
SMC Phu My Machinery - Automation Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, service	100,00%	100,00%
Sendo Steel Pipe Joint Venture Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, and service	75,00%	75,00%
SMC - Summit Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, service	50,00%	50,00%
Hanwa SMC Steel Service Ha Noi Company Limited	Quang Minh Industrial Park, Me Linh Province, Ha Noi City, VN	Manufacturing, trading, service and construction	35,00%	35,00%
SMC Toami Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, service	25,00%	25,00%
VSSC Steel Center Limited Liability Company	Phu My II Industrial Park, Tan Phuoc Ward, Ho Chi Minh City	Manufacturing, trading, service	15,00%	15,00%

II. ACCOUNTING PERIOD AND REPORTING CURRENCY

1 The fiscal year is begun on January 01 and ended on December 31 annually.

2 Vietnam Dong (VND) is used as a currency unit for accounting records.

III ADOPTION OF ACCOUNTING STANDARDS AND POLICIES

The Group applies Vietnamese accounting standards and corporate accounting system issued under the Circular No. 99/2025/TT-BTC dated November 27, 2025, which replaces Circular No. 200/2014/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance

The Group applies the Circular No. 202/2014/TT-BTC ("Circular 202") dated December 22, 2014; No. 43/2026/TT-BTC issued by the Ministry of Finance guiding the preparation and presentation of the consolidated financial statements.

IV APPLICABLE ACCOUNTING POLICIES

1. Applicable Accounting System

The Group applies Vietnamese accounting standards and corporate accounting system issued under the Circular No. 200/2014/TT-BTC dated December 22, 2014, the Circular 53/2016/TT-BTC dated March 21, 2016 amended and supplemented a number of articles of the Circular 200/2014/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

2. Foreign exchange rate applicable in accounting

Transactions arising in foreign currencies are converted at the exchange rate at the date of the transaction. The balance of monetary items denominated in foreign currencies at the end of the accounting period is converted at the exchange rate on that date.

Principles for determining exchange rates for arising transactions

- Actual exchange rate when buying and selling foreign currencies (spot foreign currency trading contracts, forward contracts, futures contracts, options contracts, swap contracts): exchange rate signed in the buying contract, selling foreign currency between the Company and the bank.

- The Group has translated foreign currencies into Vietnam Dong at the actual rate.

+ For capital contributions or receipt of contributed capital: foreign currency buying rate of the bank where the Company opens an account to receive capital from investors at the date of capital contribution.

+ For receivables: buying rate of the commercial bank where the Company appoints the customer to pay at the time the transaction arises.

+ For liabilities: selling exchange rate of the commercial bank where the Company plans to trade at the time the transaction occurs.

+ For asset purchase transactions or expenses paid immediately in foreign currency (not through accounts payable): buying exchange rate of the commercial bank where the Company makes payments.

Principles for determining the actual rate

Closing balance of monetary items denominated in foreign currencies are revaluated at the actual rate ruling at the balance sheet date.

- The actual exchange rates upon revaluation of monetary assets denominated in foreign currencies which have been classified as assets will be the buying rate of the commercial bank where the company regulary trades on Dec. 31, 2024.
- The actual exchange rates upon revaluation of monetary assets denominated in foreign currencies which have been classified as payables will be the selling rate of the commercial bank where the company regulary trades on Dec. 31, 2024.

3. Cash and cash equivalents

- Cash includes cash on hand, cash in bank (demand deposit).

- Cash equivalents are short-term investments with a redemption period or maturity of no more than 3 months from the date of purchase, are easily converted into a known amount of money and without much risk in conversion into money

4. Construction in progress

Construction in progress reflects directly related costs (including interest expenses) related in accordance with the Company's accounting policy to assets under construction, machinery and equipment being installed for production purposes, leasing and management as well as costs associated with ongoing fixed asset repairs. These assets are recognized at cost and are not subject to depreciation.

These costs are capitalised as an additional cost of asset when the works have been completed. After the works have been finalized, the asset will be handed over and put into use.

5. Prepaid expenses

Prepaid expenses include expenses that actually incurred but relate to the operating result of several accounting periods. Method of allocating prepaid expenses: The determining and allocating of prepaid expenses into costs of production and doing business of each period is on a straight-line basis.

The company's prepaid expenses include the following main expenses:
- Tools and supplies
- Fixed asset repair costs
- Prepaid land rental

6. Trade receivables

Receivables are presented at book value less provisions for doubtful debts.

The classification of receivables is done according to the following principles:

Receivables from customers reflect commercial receivables arising from buying and selling transactions between the Enterprise and the buyer who is an independent unit of the Company, including receivables from sales of export goods entrusted to other units.

Other receivables reflect non-commercial receivables, not related to purchase and sale transactions.

Provision for bad debts is made for each bad debt based on the overdue age of the debts or the expected level of loss that may occur, specifically as follows:
- For overdue receivables;
- For receivables that are not overdue but are unlikely to be recovered: based on the expected level of loss to set up provisions.

Increases and decreases in bad debt provision balances that need to be made at the end of the fiscal year are recorded in general & administration expenses

7. Inventories

Inventories are stated at the lower of cost and net realisable value of inventories.

Method of calculating inventories' value: Weighted average method.
Method of accounting for the inventories: Perpetual method.

Method of making provision for decline in value of inventories: Provision for decline in value of inventories is made for each inventory with the cost greater than the net realisable value. Net realisable value is estimated selling price of inventories in the ordinary course of business less (-) estimated costs of completion and estimated costs necessary to sell them. (For services provided in progress, provision for decline in value of inventories is calculated according to each type of service with a separate price.)

8. Fixed assets & Method of depreciating

Tangible fixed assets are stated at original cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred after initial recognition are only capitalised as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

Computer software

Costs related to computer software programs that are not an integral part of the related hardware are capitalized. The original price of computer software is all expenses that the Company has spent up to the time the software is put into use.

Land use rights

Land use rights are all actual expenses the Company has paid that are directly related to used land, including money spent to have land use rights, costs for compensation and site clearance, site leveling, registration fees, etc. When land use rights are purchased along with houses and architectural objects on the land, the value of land use rights is determined separately and recorded as an intangible fixed asset.

Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

Buildings and structures	06 - 30 years
Machinery and equipment	03 - 15 years
Transportation and facilities	01 - 10 years
Office equipment	03 - 09 years
Software program	02 - 20 years

Non-term land use rights are carried at cost and not amortised.

9. Investment properties

Principles for recording investment property: Investment property is the right to use land, a house, a part of a house or infrastructure owned by the Company or financial leasing is used to earn profit from leasing or waiting for price increases. Investment property is stated at cost less accumulated depreciation.

The original cost of investment property: is all expenses that the Company has to spend or the fair value of the amounts given in exchange for acquiring investment property up to the time of purchase or completion of construction of that investment property

Expenditures incurred after the initial recognization are recorded as expenses in the period, except for the case where it can be clearly demonstrated that the expenditures have resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property, the expenditures are capitalised as an additional cost of investment property.

When investment properties are sold, the original cost and accumulated depreciation are written off and any gain or loss resulting from the sales of these properties will be recorded into the income statement in the period.

The investment properties awaiting price increases do not make depreciation. In case where there is reliable evidence showing that the investment properties have devalued in comparison with the market value and the devaluated amount has been reliably determined, then the Company will evaluate the decrease of the investment property's original cost and record the loss in cost of goods sold.

Investment property used for rental: depreciation is recorded using the straight-line method over the estimated useful life of the investment property.

10. Liabilities

Liabilities are recognized for amounts to be paid in the future for goods and services received. Liabilities are recognized based on reasonable estimates of the amount payable.

The classification of payables as payables to vendors, internal payables and other payables is based on the following principles:

- Payables to vendors reflect trade payables arising from purchases of goods, services, assets and the vendor is an independent unit of the Company, including payables when Imported through consignee.

- Other payables reflect non-commercial payables, not related to transactions of buying, selling or providing goods and services.

11. Borrowings and finance lease liabilities

Borrowings are total amounts the Group owes to banks, institutions, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Financial lease liabilities are recorded as total payable amount calculated by present value of minimum lease payment amounts or fair value of leased assets.

Borrowings and financial lease liabilities are monitored in detail according to creditor, agreement and borrowed asset.

12. Financial investments

Financial investments in Associates

The goodwill arising from the investment in Associates will be reflected in the book value of the investment. The Group does not allocate this goodwill, but evaluate annually to see whether the goodwill is devalued or not.

The equity method: is the method in which the investment is recorded initially at cost and will not be adjusted whenever there is a change of the investor's ownership in net assets of the associate. The consolidated income statement reflects the Group's portion in associate's operating results as a separate item after the investment date.

Equity investments in other entities

Investments in equity instruments of other entities are initially recognized at the original cost, which includes the purchase price or capital contribution plus direct costs related to investment activities. Dividends and profits of periods before the investment is purchased are accounted for as a decrease in the value of that investment itself. Dividends and profits of periods after the investment is purchased are recorded as revenue. Dividends received in shares are only tracked by the number of additional shares, the value of shares received is not recorded/recorded at par value (except for state-owned companies that comply with current provisions of law).

Held-to-maturity investments

Held-to-maturity investments are initially recorded at cost including purchase price and costs related to the investment transaction. After initial recording, these investments are recorded at their recoverable amount. Interest income from held-to-maturity investments after the purchase date is recorded on the income statement on an accrual basis. Interest earned before the Company holds it is recorded as a deduction from the original price at the time of purchase.

Provision for loss of investments in equity instruments of other entities are made as follows

- For investments in listed stocks or the fair value of investments that are reliably determined, the provision is based on the market value of the stocks.

- For investments whose fair value cannot be determined at the time of reporting, provisions are made based on the investee's losses with the level of provision equal to the difference between the actual capital contribution of the parties at the other unit and the actual owners' equity multiplied by the Company's capital contribution ratio compared to the total actual capital contribution of the parties at the other unit.

13. Salary policies and compulsory insurance

Salary calculated and accounted for expenses in the period according to the labor contract and the salary regulation of the Company. Accordingly, social insurance, health insurance and unemployment insurance are also deducted at the rate of 25,5%, 4,5% and 2% corresponding to the employee's salary. The rate of 21,5% will be included in the cost of social insurance, health insurance, unemployment insurance in the period; and 10,5% will be deducted from the employee's salary.

14. Unearned revenue

Unrealized revenue is the revenue which will be recorded in correspondence with the obligations that the Group must perform in one or more following accounting periods.

Unearned revenue include amounts of customers paid in advance for one or many accounting periods in case where the Group has delivered goods to customer and the customer has agreed to pay.

Method of allocating unearned revenue is on the principle of conformity with obligations that the Group will perform in next one or several accounting periods.

15. Borrowing costs

Principles for recording borrowing costs: Borrowing costs include loan interest and other costs incurred directly related to loans. Borrowing costs are recorded as expenses when incurred.

16. Accruals

Accruals include interest expense, salary and bonus expenses, transportation expense, ... which have been arised in the reporting period, but have not been settled. Salary and bonus expenses are recorded into cost of production, business expenses in the period according to the principle of conformity between revenue and expenses.

17. Retained earnings

Profit after corporate income tax shall be distributed to shareholders after setting aside funds in accordance with the Charter of the Group as well as the

18. Owner's Equity

The owners' capital is recognized according to the actual contributed capital of owners.

Equity surplus is recognized according to the difference between the issue price and the par value of shares at initial issuance, additional issuance, the difference between the reissue price and the book value of treasury shares and the capital component of convertible bonds at maturity. Direct costs related to the additional issuance of shares and the reissue of treasury shares are credited to the share capital surplus.

The owners' equity instruments acquired by the Group (treasury share) are recorded at original cost and deducted into the owners' equity. The Group does not record gain (loss) when purchasing, selling, issuing or cancelling its equity instruments. Upon reissue, the difference between reissue price and cost will be recorded in item "Share premium".

19. Revenue and other income

Revenue from the sale of good should be recognized when all the five (5) following conditions have been satisfied:

- The enterprise has transferred to buyer The significant risks and rewards of ownership of The goods
- The enterprise retains neither continuing managerial involvement as an owner nor effective control over the goods sold
- The amount of revenue can be measured reliably; When the contract specifies that buyers are entitled to return products, goods they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return products, goods (except for changing to other goods, services)

- The economic benefits associated with the transaction has flown or will flow to the enterprise
- Identify The costs related to The sales transaction.

Revenue from service rendered

Revenue from services rendered is recorded when the result of the supply of services is determined reliably. In case where the services are rendered in several periods, the revenue will recorded by the part of completed works at the end of the accounting period.

Revenue from processing

Revenue from processing materials, goods is the received amount from processing excluding the value of materials, goods received for processing.

Financial income

Income arising from interests, distributed dividends and profits of the enterprises shall be recognized if they simultaneously satisfy the two (2) conditions below: 1. It is possible to obtain economic benefits from the concerned transactions; 2. Income is determined with relative certainty.

20. Expense recognition.

Expenses are recognized based on actual incurrence and matched with the corresponding revenue.

21. Taxes

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

Current income tax

Current income tax is a tax calculated based on taxable income. Taxable income differs from accounting profit due to adjustment of temporary differences between tax and accounting, non-deductible expenses as well as adjustment of non-taxable income and loss carried forward.

Deferred income tax

Deferred income tax is the corporate income tax that will be payable or refunded due to the temporary difference between the book value of assets and liabilities to prepare financial statements and the basis for calculating income tax. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized only when it is probable that taxable profits will be available in the future against which these deductible temporary differences can be utilized.

22. Related parties

Enterprises that control, or are controlled directly or indirectly through one or more intermediaries, or are under common control with the reporting enterprise (including parent companies, subsidiaries, subsidiaries of the same group);

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED BALANCE SHEET

1. Cash and cash equivalents		30/06/2026	01/01/2026
Cash		276.486.012	396.275.246
Cash in bank	(*)	21.171.653.838	120.924.694.827
Cash with term of less than 3 months		-	14.000.000.000
Total		**21.448.139.850**	**135.320.970.073**

(*) In which:	30/06/2026	01/01/2026
Cash in bank in foreign currency is USD	80.603,13	168.594,92
Equivalent to VND	2.109.531.836	4.399.462.601

2. Financial investments

2.1 Held to maturity investments	30/06/2026	01/01/2026
Deposits with the term of over 03 mont	293.720.000.000	491.810.246.575
Bonds with term from 06 - 10 years	6.000.000.000	6.000.000.000
Receivables from short-term loans	34.244.512.710	-

2.2 Equity investments in other entities

	Original cost	Provision 30/06/2026	Fair value at 30/06/2026	Original cost	Provision 01/01/2026	Fair value at 01/01/2026
(a) - Investment into associates	103.015.255.066	3.297.807.435	106.313.062.501	103.015.255.066	8.018.537.024	111.033.792.090
(b) - Investment into other entities	52.362.500.000	(17.911.902.889)	34.450.597.111	157.147.500.000	(54.636.252.709)	102.511.247.291
Total	**155.377.755.066**	**(14.614.095.454)**	**140.763.659.612**	**260.162.755.066**	**(46.617.715.685)**	**213.545.039.381**

(a) Investment into associates	Registered Capital	Original cost	Group's ownership (profit (loss)) in associates or joint ventures	Percent age of owning	Fair value 30/06/2026
SMC-SUMMIT Co.,Ltd	83.286.000.000	41.640.000.000	(31.171.268.958)	50%	10.468.731.042
Hanwa SMC Steel Service HN Co.,Ltd	64.369.800.000	45.440.755.066	50.403.576.393	35%	95.844.331.459
SMC TOAMI Co.,Ltd	65.217.375.000	15.934.500.000	(15.934.500.000)	25%	-
Total	**212.873.175.000**	**103.015.255.066**	**3.297.807.435**		**106.313.062.501**

(b) Investment into other entities	30/06/2026			01/01/2026		
Listed companies	**Original cost**	**Provision**	**Fair value**	**Original cost**	**Provision**	**Fair value**
	-	-	-			
Hoa Binh Construction Group JSC (	-	-	-	104.785.000.000	(37.198.675.000)	67.586.325.000
	-	-	-	-	-	-
Securities traded on UpCom						
Thong Nhat Flat Steel JSC (TNS)	14.000.000.000	(9.752.125.180)	4.247.874.820	14.000.000.000	(9.277.800.000)	4.722.200.000
Other company						
VSSC Steel Center Co., Ltd	38.362.500.000	(8.159.777.709)	30.202.722.291	38.362.500.000	(8.159.777.709)	30.202.722.291
Total	**52.362.500.000**	**(17.911.902.889)**	**34.450.597.111**	**157.147.500.000**	**(54.636.252.709)**	**102.511.247.291**

3. Receivables

3.1 Trade receivables

a) Short-term	30/06/2026	01/01/2026
- Local customers	649.947.290.413	1.473.709.003.383
- Foreign customers (*)	14.283.110.607	8.356.982.818
- Related parties (See Note VII.2)	5.421.195.677	8.239.974.581
Total	**669.651.596.697**	**1.490.305.960.782**

	30/06/2026	01/01/2026
b) Long-term (*)		
- Local customers	3.609.704.278	3.609.704.278
(*) Including doubtful accounts for which a 100% provision has been made	3.609.704.278	3.609.704.278

3.2 Short-term prepayments to suppliers

a) Short-term	30/06/2026	01/01/2026
- Prepayments to suppliers	6.459.623.210	39.337.877.635
- Related parties (See Note VII.2)	-	-
Total	**6.459.623.210**	**39.337.877.635**

b) Long-term	30/06/2026	01/01/2026
- Novareal JSC	690.449.279.172	115.601.883.363

3.4 Other receivables

a) Short-term	30/06/2026	01/01/2026
- Interest receivables from deposit, bond, loan	5.803.136.240	4.067.408.935
- Short-term deposits	327.748.000	317.748.000
- Receivables from discounts	9.141.974.160	8.847.923.216
- Advances	160.000.000	49.723.000.000
- VAT from finance lease awaiting for transferring	1.332.390.201	5.990.734.932
- VAT to be refunded	11.522.381.577	11.884.279.495
- Others	70.499.232	1.600.563.357
- Related parties (See Note VII.2)	-	-
Total	**28.358.129.410**	**82.431.657.935**

b) Long-term	30/06/2026	01/01/2026
- Deposits for financial lease (*)	1.577.966.892	32.145.739.674
- Other deposits	20.000.000	20.000.000
Total	**1.597.966.892**	**32.165.739.674**
	-	-
	-	-

3.5 Doubtful debts	30/06/2026		01/01/2026	
	Original cost	**Provision**	**Original cost**	**Provision**
Short-term	**289.968.423.580**	**121.745.076.968**	**881.414.155.042**	**179.173.309.045**
Hung Phuoc Loc Trading Service Co.,	16.838.095.540	16.838.095.540	16.968.095.540	11.877.666.878
Kim Thanh Steel Co., Ltd.	25.643.123.635	12.821.561.818	25.643.123.635	7.692.937.091
Trung Nam Construction	-	-	26.831.523.592	26.831.523.592
Ngan Hiep Real Estate Joint Stock Company	9.470.569.514	-	9.470.569.514	6.812.994.890
Other customers	238.016.634.891	92.085.419.610	802.500.842.730	125.958.186.594

Doubtful debts (cont.)	30/06/2026		01/01/2026	
	Original cost	**Provision**	**Original cost**	**Provision**
Long-term	**3.609.704.278**	**3.609.704.278**	**3.609.704.278**	**3.609.704.278**
Other customers	3.609.704.278	3.609.704.278	3.609.704.278	3.609.704.278
Total	**293.578.127.858**	**125.354.781.246**	**1.000.625.742.686**	**182.783.013.323**

4. Inventories

	30/06/2026		01/01/2026	
	Original cost	**Provision**	**Original cost**	**Provision**
Raw materials	108.612.184.750	(3.683.617.422)	132.296.477.435	(2.503.230.953)
Tools and supplies	18.293.473.444	-	19.172.569.439	-
Finished goods	64.619.717.246	(3.785.616.343)	75.874.613.204	(2.022.832.223)
Goods	165.372.934.465	-	193.691.431.108	(5.317.525.936)
Goods in transit	-	-	-	-
Total	**356.898.309.905**	**(7.469.233.765)**	**421.035.091.186**	**(9.843.589.112)**

5. Tangible fixed assets

	Buildings & structures	**Machinery & equipment**	**Transportation & facilities**	**Office supplies and other assets**	**Total**
Original cost					
Opening balance	**545.373.696.014**	**297.355.134.870**	**89.036.402.461**	**10.023.302.742**	**941.788.536.087**
New purchases	-	183.464.550.195	2.067.946.369	-	185.532.496.564
Disposal, sales	36.503.233.152	153.268.253.410	16.784.943.227	2.795.050.792	209.351.480.581
Closing balance	**508.870.462.862**	**327.551.431.655**	**74.319.405.603**	**7.228.251.950**	**917.969.552.070**
Accumulated depreciation					
Opening balance	**119.054.670.865**	**226.002.838.970**	**44.449.452.094**	**9.104.936.419**	**398.611.898.348**
Charge for the per	10.523.507.348	61.106.736.684	4.114.221.270	152.769.004	75.897.234.306
Disposal, sales	28.468.911.928	83.101.889.030	15.131.195.324	2.627.083.195	129.329.079.477
Closing balance	**101.109.266.284**	**204.007.686.624**	**33.432.478.040**	**6.630.622.228**	**345.180.053.179**
Net book value					
Opening balance	426.319.025.149	71.352.295.900	44.586.950.367	918.366.323	543.176.637.739
Closing balance	**407.761.196.577**	**123.543.745.031**	**40.886.927.563**	**597.629.722**	**572.789.498.891**

6. Finance lease assets

	Machinery & equipment
Original cost	**89.768.441.739**
Accumulated depreciation as at opening balance	(79.023.739.209)
Charge for the period	53.182.362.163
Net book value	**63.927.064.693**

Unit: VND

7.	Intangible fixed assets	Land use rights	Software program	Total
	Original cost			
	Opening balance	100.668.929.767	11.866.911.341	112.535.841.108
	Increase		-	-
	Decrease	-	-	-
	Closing balance	**100.668.929.767**	**11.866.911.341**	**112.535.841.108**
	Accumulated amortization			
	Opening balance		9.282.993.284	9.282.993.284
	Increase		234.356.888	234.356.888
	Decrease			-
	Closing balance	-	**9.517.350.172**	**9.517.350.172**
	Net book value			
	Opening balance	**100.668.929.767**	**2.583.918.057**	**103.252.847.824**
	Closing balance	**100.668.929.767**	**2.349.561.169**	**103.018.490.936**

8.	Investment Property	Opening balance	Increase	Decrease	Closing balance
	Rental investment property (Infrastructure)				
	Original cost				
		9.080.842.650			9.080.842.650
	Total	**9.080.842.650**	**4.866.026.794**	-	**9.080.842.650**
	Accumulated amortization				
	- Charge for the year	2.966.408.599	1.039.710.619		4.006.119.218
	Total	**2.966.408.599**	**1.039.710.619**		**4.006.119.218**
	Net book value	6.114.434.051	(1.039.710.619)		5.074.723.432
	Total	**6.114.434.051**	**(1.039.710.619)**		**5.074.723.432**

9.	Construction in progress	30/06/2026	01/01/2026
	Purchases of fixed assets	1.092.766.086	-
	Construction in progress for fixed assets	325.723.115.975	316.336.644.671
	Others	300.000.000	300.000.000
	Total	**327.115.882.061**	**316.636.644.671**

10. Prepaid expenses

a)	Short-term	30/06/2026	01/01/2026
	- Tools and supplies awaiting for allocation	316.466.000	251.803.144
	- Land rental and office rental costs in 2024 await allocation	260.651.388	-
	- Prepaid Insurance Expenses	79.353.121	-
	- Other expenses awaiting for allocation	2.227.829.438	1.335.631.057
	Cộng	**2.884.299.947**	**1.587.434.201**

Unit: VND

b) Long-term	30/06/2026	01/01/2026
- Prepaid land rental awaiting for allocation	188.301.602.921	190.845.147.739
- Tools and supplies awaiting for allocation	3.531.321.068	5.649.243.449
- Repairing expense awaiting for allocation	1.652.482.111	2.155.782.355
- Others	3.841.474.431	6.517.498.030
Total	**197.326.880.531**	**205.167.671.573**

11. Deferred income tax assets	30/06/2026	01/01/2026
- Provision for doubtful debts	-	-
- Foreign exchange difference gain upon revaluation	-	-
- Plant rental expense	-	21.032.060
- Depreciation expense	10.516.030	349.599.110
Total	**10.516.032**	**370.631.170**

12. Payables

12.1 Short-term payables	30/06/2026		01/01/2026	
	Amount	Amount to be able to pay	Amount	Amount to be able to pay
- Local suppliers	924.053.806.716	924.053.806.716	944.829.510.435	944.829.510.435
- Foreign suppliers	50.402.645.349	50.402.645.349	65.768.290.097	65.768.290.097
- Related parties (See Note VII.2)	100.756.152.035	100.756.152.035	186.381.289.794	186.381.289.794
Cộng	**1.075.212.604.100**	**1.075.212.604.100**	**1.196.979.090.326**	**1.196.979.090.326**

13 Short-term advances from customers (*)	30/06/2026	01/01/2026
- Customers	64.370.649.317	52.937.464.969
- Related parties (See Note VII.2)	-	-
Total	**64.370.649.317**	**52.937.464.969**

14 Taxes and payables to/ receiables from the State Budget

a) Payables	30/06/2026	01/01/2025
- VAT	938.050.793	27.167.923.552
- Corporate income tax	57.163.387.789	61.382.222.805
- Personal income tax	212.162.832	154.432.173
- Other taxes	-	8.961.574.621
Total	**58.313.601.414**	**97.666.153.151**

b) Receivables	30/06/2026	01/01/2025
- VAT Input Deductible	200.431.609.815	217.470.688.476
- CIT over paid	1.445.047.120	1.416.059.861
- PIT over paid	462.102.504	455.709.002
- Other taxes	-	28.987.259
Total	**202.338.759.439**	**219.371.444.598**

15 Accrued expenses	30/06/2026	01/01/2026
- Borrowing interest payable	3.975.033.363	3.877.170.168
- Short-term accrued expenses	-	2.352.026.748
- Bonus, payroll expenses payable; Remuneration paid to the Board of Directors	-	2.260.505.110
- Other expenses payable	8.861.418.862	345.090.801
Total	**12.836.452.225**	**8.834.792.827**

		30/06/2026	01/01/2026
16	**Unearned revenue**		
a)	**Short-term**		
	- Unearned revenue from sale of goods	4.066.823.686	1.343.251.180
	Total	**4.066.823.686**	**1.343.251.180**
b)	**Long-term**		
	Unearned revenue from sale of goods	52.580.151	105.160.296
	Total	**52.580.151**	**105.160.296**

		30/06/2026	01/01/2026
17	**Other short-term payables**		
	- Trade union fee	504.642.500	412.207.500
	- Others	439.304.727	1.039.603.538
	Total	**943.947.227**	**1.451.811.038**

		30/06/2026	01/01/2026
18	**Short-term borrowings**		
18.1	**Short-term**	**1.073.816.241.128**	**1.735.546.185.704**
a)	Vietinbank	499.971.354.442	1.123.125.845.840
b)	MB Bank	-	-
c)	VIB Bank	-	-
d)	Maritimebank	210.211.345.455	199.868.490.250
e)	BIDV Bank	314.207.249.711	344.671.193.073
f)	CTBC Bank Co., Ltd.	-	-
g)	HD Bank	31.065.767.205	49.982.711.040
h)	OCB Bank	-	-
h)	TP Bank	-	-
i)	TP Bank - District 2 Branch	18.360.524.315	17.897.945.501
18.2	**Individuals**	**88.840.000.000**	**99.000.000.000**
18.3	**Current portion of long term borrowings(*)**	**130.525.762.519**	**178.795.763.856**
	Total	**1.293.182.003.647**	**2.013.341.949.560**

		30/06/2026	01/01/2026
(*)	**Current portion of long term borrowing**	**130.525.762.519**	**178.795.763.856**
a)	Chailease Internaltional Leasing Co., Ltd.	-	573.366.400
b)	Vietnam International Leasing Company ('	-	34.081.852.505
c)	Vietcombank Financial Leasing Co., Ltd.	10.887.216.288	12.124.906.218
d)	Vietinbank	-	-
e)	Maritimebank	6.213.546.250	18.640.638.750
f)	VIB Bank	-	-
g)	Current portion of bonds	113.424.999.981	113.374.999.983

- Bonds (*)

(*)	Code	Borrowing purpose	'm of bor	Value	Coupon rate %/year	The interest calculation Due date	Mortgaged asset
	SMCH2126002	To add the working capital	5 years	Giá trị lưu hành theo mệnh giá	Lãi suất %/năm	+ 1 year + 08/10/2026	All contributed capital (35% of charter capital) of the Company in Hanwa SMC Steel Service Hanoi Co., Ltd.

		30/06/2026	01/01/2026
19	**Long-term borrowings**	**8.544.122.102**	**35.857.957.129**
	- Long-term	-	-
a)	VIB Bank	-	-
b)	Maritimebank	-	-
	- Long-term financial lease liabilities	**8.544.122.102**	**35.857.957.129**
a)	Chailease Internaltional Leasing Co., Ltd.	-	34.828.800
b)	Vietcombank Financial Leasing Co., Ltd.	8.544.122.102	13.987.730.246
C)	Vietnam International Leasing Company (VILC)	-	21.835.398.083

20 Owners' equity

		30/06/2026	Increase	Decrease	01/01/2026
(a)	Owners' capital	736.785.870.000	-	-	736.785.870.000
	Share premium	253.132.567.160	-	-	253.132.567.160
	Owners' other capital	-	-	-	-
(b)	Treasury shares	(717.500.000)	-	-	(717.500.000)
	Investment and development fund	-	-	-	-
(c)	Retained earnings	81.853.859.739	41.362.009.801	-	40.491.849.938
	Non-controlling shareholders	(21.680.064.261)	614.591.782	-	(22.294.656.043)
	Total	**1.049.374.732.638**	**41.976.601.583**	-	**1.007.398.131.055**

	30/06/2026	01/01/2026
Shares		
Number of shares sold out to the public	**73.678.587**	**73.678.587**
- Ordinary share	73.678.587	73.678.587
Number of shares repurchased	**(71.750)**	**(71.750)**
- Ordinary share	(71.750)	(71.750)
Number of shares in circulation	**73.606.837**	**73.606.837**

(c) Retained earnings

- At the beginning of the period	**40.491.849.938**
- Profit after tax as at 30/06/2026	**41.362.009.801**
Retained earnings	**81.853.859.739**

21 Off balance sheet items	**30/06/2026**	**01/01/2026**
Foreign currencies:	**80.603,13**	**168.594,92**
- USD	80.603,13	168.594,92
Bad debts written off :	124.267.222.761,00	124.267.222.761,00

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED INCOME STATEMENT

		From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
1.	**Net revenue from goods sold**		
	Revenue from merchandises and finished goods sold	2.308.447.300.731	3.711.031.592.867
	Revenue from service provided	5.354.422.083	78.354.023.455
	Other	10.938.952.959	8.512.051.599
	Total revenue	**2.381.733.630.247**	**3.797.897.667.921**
	Sales deductions	**(1.303.065.988)**	**(50.272.600)**
	Sales returns	(33.217.000)	(19.196.200)
	Sales discount	15.127.050	(244.641.550)
	Sales allowances	(40.141.557)	(31.076.400)
	Total net revenue	**2.380.430.564.259**	**3.797.847.395.321**

		From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
2.	**Cost of sales**		
	Cost of goods sold	2.322.079.323.036	3.808.283.520.510
	Provision for devaluation of inventories	(2.374.355.347)	(7.914.659.175)
	Total	**2.319.704.967.689**	**3.800.368.861.335**

		From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
3.	**Financial income**		
	Income from deposit, margin interest, bond interest and loan interests	5.437.472.129	11.623.080.315
	Payment discounts received	285.080.701	2.358.832.747
	Gains from liquidation of investments in other entities & Dividends	-	-
	Gain from realised foreign exchange differences	752.816.980	1.373.955.288
	Gain from unrealised foreign exchange differences	125.353	-
	Other	2.185.537.247	-
	Total	**8.661.032.410**	**15.355.868.450**

		From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
4.	**Financial expenses**		
	Borrowing and financial lease interest expense	58.132.138.309	77.350.718.531
		51.782.070.000	-
	(Reversal)/ provision for financial investments	(36.724.349.820)	(5.472.466.343)
	Loss from realised foreign exchange differences	231.781.198	1.570.033.135
	Others	1.725.791.695	564.238.823
	Total	**75.147.431.382**	**74.012.524.146**

		From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
5.	**Selling expense**		
	Salaries	9.484.455.982	10.907.035.461
	(Reversal)/ provision	-	-
	Tools and suppliesg	8.333.300	93.366.667
	Depreciation	238.479.738	1.908.079.061
	Cost of hired services	16.507.196.213	21.022.856.697
	Other expenses paid by cash	1.876.413.018	2.838.630.910
	Total	**28.114.878.251**	**36.769.968.796**

6. General and administration expenses	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Salaries	13.723.860.864	13.040.363.600
Materials, office supplies	329.191.496	358.354.013
Depreciation	2.304.205.078	2.978.087.150
Taxes, fees, charges	16.589.729	42.540.781
Provision/ (reversal) for doubtful debts	(57.439.232.077)	44.392.044.968
Cost of hired services	16.388.114.614	20.907.156.019
Other expenses paid by cash	6.269.419.089	2.597.115.767
Total	**(18.407.851.207)**	**84.315.662.298**

7. Other income	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Income from disposal of fixed assets	60.417.520.383	146.336.216.378
Income from financial assets leasing	-	-
Income from late payment fines	7.533.888.292	-
Others	11.401.218.261	5.939.736.515
Total	**79.352.626.936**	**152.275.952.893**

8. Other expenses	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Costs of disposal of fixed assets and land use rights	2.256.262.506	1.037.480.143
Financial leasing fixed assets depreciation expenses	-	-
Fines, compensation	1.785.583.554	-
Others	6.704.429.546	24.379.158.104
Total	**10.746.275.606**	**25.416.638.247**

9. Current income tax expense	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Current corporate income tax expense incurred at companies:		
- SMC Trading Investment JSC	-	-
- SMC Steel Co.,Ltd.	11.252.742.778	3.359.942.988
- Sendo Steel Pipe Joint Venture Co., Ltd.	-	
Current income tax expense	**11.252.742.778**	**22.625.855.831**

10. Costs of production and trading by factors	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Raw materials cost	1.013.493.603.869	1.865.653.510.498
Labor cost	47.603.295.945	58.599.543.526
Depreciation	28.811.912.102	48.354.457.584
Cost of hired services	26.862.464.643	69.454.120.179
Other expenses paid by cash	13.900.772.895	17.995.291.209
Total	**1.130.672.049.454**	**2.060.056.922.996**

VII. Other information

1. Post balance sheet events

Out of the matters as mentioned above, there are no significant events occurred since the period ended that need to be adjusted or noted in the financial statements.

2. Related party information

As at Jun. 30, 2026, balances with related parties:

Related parties	Relationship	Items	Receivables/(Payables)
SMC - Summit Co., Ltd.	Associates	Short-term receivables	5.340.390.077
		Trade payables	60.168.445.801
		Sale of goods	138.103.025.632
		Rendered services	420.000.000
		Dividends	-
		Goods purchased	-
		Services received	-
Hanwa SMC Steel Service Ha Noi Co., Ltd.	Associates	Short-term receivables	-
		Receivables	-
		Other payables	-
		Sale of goods	-
		Rendered services	3.500.000
		Dividends	3.957.086.825
SMC Toami Co., Ltd.	Associates	Short-term receivables	-
		Người mua trả tiền trước	-
		Trade payables	-
		Other receivables	-
		Goods purchased	-
		Sale of goods	-
		Rendered services	-
Hanwa Viet Nam Co., Ltd.	A subsidiary of investor	Short-term receivables	80.805.600
		Trade payables	40.587.706.234
		Sale of goods	4.201.463.925
		Rendered services	482.287.000
		Payment discounts received	-
		Goods purchased	45.661.780
		services received	-
Hanwa Co., Ltd	Investor	Sale of goods	-
			-
Ms. Nguyen Thi Ngoc Loan	Former Chairman of the Board	Long-term trade receivables	3.609.704.278

3. Other information

	Quarter II 2026	Quarter II 2025
Net revenue	1.309.109.383.806	1.950.841.459.286
Profit after tax	24.763.562.305	(81.165.384.314)

- Revenue for QII/2026 decreased by 33% compared to the same period in 2025.
- Profit after tax recorded a positive turnaround, shifting from a loss of VND 81,165,384,314 in Q2/2025 to a profit of VND 24,763,562,305 in Q2/2026.

The reason is:

- The consolidated business performance for the second quarter of 2026 showed a significant improvement compared to the same period last year. Net revenue reached 67% of the prior-year period, driven by the Group's proactive scaling down of operations and comprehensive restructuring of business activities and product lines toward safety and efficiency. Gross profit gradually recorded a positive turnaround, shifting from a loss to a profit of VND 39.1 billion in Q2/2026.

- Additionally, tight control over financial and general and administrative (G&A) expenses, coupled with increases in financial income and other income, contributed to driving bottom-line profitability."

	First 6 months of the year 2026	First 6 months of the year
Net revenue	2.381.645.144.640	3.797.602.753.771
Profit after tax	41.976.601.583	(81.038.580.555)

- Accumulated net revenue for the first 6 months of 2026 decreased by 37% compared to the same period in 2025.
- Accumulated profit after tax for the first 6 months of 2026 recorded a positive turnaround compared to the same period last year, shifting from a loss of VND 81,038,580,555 to a profit of VND 41,976,601,583.

The reason is:

- Accumulated for the first 6 months of 2026, the consolidated business performance recorded a significant improvement in operational efficiency compared to the prior-year period.
- Net revenue decreased to approximately 63% year-on-year. This decline was primarily driven by the Group's aggressive and comprehensive restructuring of business activities and product categories. Specifically, the Group completely terminated inefficient steel pipe pickling, rolling, and galvanizing operations due to a lack of competitive advantage, shifting its core focus toward commercial trading and Coil Center operations.

- Concurrently, the Group proactively managed and selected high-efficiency transactions while maintaining a cautious business strategy amid a highly volatile market. During the period, steel prices fluctuated sharply while consumption demand remained subdued. Consequently, gross profit recorded a positive turnaround, shifting from a loss to a profit of VND 61.9 billion in the first half of 2026.

- An increase in financial income and other income, coupled with better control over financial and general and administrative (G&A) expenses, enabled the Group to transition from a net loss of over VND 81 billion in the same period last year to a net profit after tax of nearly VND 42 billion in the current period.

- During the first 6 months of 2026, the Group executed the liquidation and transfer of key assets, including HBC shares, factories, and machinery and equipment belonging to SMC Steel Co., Ltd., and machinery and equipment from Sendo Steel Pipe Joint Venture Co., Ltd. This initiative contributed to downscaling inefficient manufacturing investments, thereby controlling and improving related expenses such as production costs, operational management, and financial expenses, while injecting cash flow back into more profitable business segments.

In general, consolidated financial results for Q2 and the first 6 months of 2026 showed a substantial year-on-year improvement. However, core business operations remained impacted by the broader headwinds in the steel market. Moving forward, the Group will continue to focus on enhancing operational efficiency, managing risks, and optimizing its financial structure to sustain stable business performance.

M.S.D.N: 0303522206 - C.T.C.P
CÔNG TY CỔ PHẦN ĐẦU TƯ THƯƠNG MẠI SMC
THÀNH PHỐ HỒ CHÍ MINH

Prepared by	Chief Accountant	General Director
Nguyen Thi Thu Thuy	**Nguyen Van Lam**	**Nguyen Quang Trung**

Ho Chi Minh city, July 28, 2026