FINANCIAL STATEMENTS

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

SMC TRADING INVESTMENT JOINT STOCK COMPANY

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SMC TRADING INVESTMENT JOINT STOCK COMPANY

STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

Unit: VND

ASSETS	Code	Notes	June 30, 2026	Jan 01, 2026
A. CURRENT ASSETS	**100**		**834.569.894.552**	**1.541.458.407.286**
I. Cash and cash equivalents	**110**	V.01	**7.397.216.385**	**50.868.137.609**
1. Cash	111		7.397.216.385	50.868.137.609
2. Cash equivalents	112		-	-
II. Short-term financial investments	**120**	V.02	**282.943.918.977**	**355.358.643.102**
1. Trading securities	121		-	-
2. Provision for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123		282.943.918.977	355.358.643.102
4. Provision for short-term investments held to maturity	124		-	-
5. Other short-term investments	125		-	-
6. Provision for losses on other short-term investment	126	V.02	-	-
III. Short-term Receivables	**130**	V.03	**267.204.617.610**	**790.973.413.163**
1. Short-term trade receivable	131		250.012.629.402	799.148.308.653
2. Short-term prepayments to suppliers	132		930.853.939	13.362.146.154
3. Short-term intercompany receivables	133		-	-
4. Construction contract-in-progress receivables	134		-	-
5. Other short-term receivables	135		48.947.249.300	90.081.967.566
6. Provision for doubtful debts	136		(32.686.115.031)	(111.619.009.210)
7. Shortage of assets awaiting resolution	137		-	-
IV. Inventories	**140**	V.04	**31.875.352.279**	**57.121.509.168**
1. Inventories	141		33.331.022.041	60.118.026.845
2. Provision for decline in value of inventories	142		(1.455.669.762)	(2.996.517.677)
V. Short-term biological assets	**150**		-	-
1. Livestock raised for short-term, one-time production.	151		-	-
2. Crops grown seasonally or for short-term, single-product production	152		-	-
3. Provision for short-term losses on biological assets	153		-	-
VI. Other current assets	**160**		**245.148.789.301**	**287.136.704.244**
1. Short-term prepaid expenses	161	V.08	1.218.426.862	890.217.037
2. Deductible VAT	162	V.10.3	34.530.362.439	36.846.487.207
3. Taxes and other receivables from the State Budge	163		-	-
4. Repurchase and sale of Government's bonds	164		-	-
5. Other current assets	165		209.400.000.000	249.400.000.000
B. LONG-TERM ASSETS	**200**		**2.197.517.230.205**	**1.711.209.843.863**
I. Long-term receivables	**210**	V.03	**690.449.279.172**	**115.601.883.363**
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212	V.03.2	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	V.03.3	-	-
6. Provision for doubtful long-term receivables	216		-	-
II. Fixed assets	**220**		**102.861.350.841**	**103.050.639.289**
1. Tangible fixed assets	221	V.05	1.135.713.280	1.250.410.590
- Cost	222		6.577.015.770	6.577.015.770
- Accumulated depreciation	223		(5.441.302.490)	(5.326.605.180)
2. Financial leased assets	224	V.06	-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-

ASSETS	Code	Notes	June 30, 2026	Jan 01, 2026
3. Intangible fixed assets	227	V.07	101.725.637.561	101.800.228.699
- Cost	228		105.455.589.108	105.455.589.108
- Accumulated depreciation	229		(3.729.951.547)	(3.655.360.409)
III. Long-term biological assets	**230**		-	-
1. Regularly raise livestock for product production	231		-	-
a) Livestock raised for periodic production have not yet reached m	232		-	-
b) Livestock raised for regular production reach maturity	233		-	-
- Cost	234		-	-
- Accumulated depreciation	235		-	-
2. Livestock raised for one-time, long-term production	236		-	-
3. Seasonal crops or long-term single-product crops	237		-	-
4. Provision for long-term losses of biological assets	238		-	-
IV. Investment Properties	**240**		**5.932.817.198**	**6.114.434.051**
1. Cost	241		9.080.842.650	9.080.842.650
2. Accumulated depreciation	242		(3.148.025.452)	(2.966.408.599)
V. Non-current assets in progress	**250**		**325.723.115.975**	**316.336.644.671**
1. Works in progress	251		-	-
2. Capital construction in progress	252		325.723.115.975	316.336.644.671
VI. Long-term investments	**260**		**1.069.415.889.827**	**1.166.587.672.822**
1. Investments in subsidiaries	261		1.517.204.956.172	1.517.204.956.172
2. Investments in associates, joint-ventures	262		78.748.922.500	78.748.922.500
3. Investments in equity of other entities	263		52.362.500.000	157.147.500.000
4. Provision for long-term investment losses in other e	264		(578.900.488.845)	(586.513.705.850)
5. Investment held until maturity	265		-	-
6. Provision for investments held to maturity in the long te	266		-	-
VI. Other long-term assets	**270**		**3.134.777.192**	**3.518.569.667**
1. Long-term prepaid expenses	271	V.08	3.134.777.192	3.518.569.667
2. Deferred income tax assets	272		-	-
3. Equipment, materials, spare parts	272		-	-
4. Other long-term assets	274		-	-
TOTAL ASSETS	**280**		**3.032.087.124.757**	**3.252.668.251.149**

RESOURCES	Code	Notes	June 30, 2026	Jan 01, 2026
C. LIABILITIES	**300**	V.10	**1.882.627.491.639**	**2.148.018.384.274**
I. Current liabilities	**310**		**1.882.627.491.639**	**2.148.018.384.274**
1. Current trade payables	311		824.950.435.712	884.337.678.219
2. Short-term advanced payments from customers	312		54.962.829.757	40.565.496.697
3. Dividends and profits must be paid	313		-	-
4. Taxes and other payables to the State Budget	314		4.672.228.166	26.269.659.377
5. Payables to employees	315		-	900.000.000
6. Short-term accrued expenses	316		10.370.094.801	6.199.134.945
7. Short-term intercompany payables	317		-	-
8.Construction contract-in-progress payables	318		-	-
9. Short-term unrealized revenue	319		4.066.823.686	726.551.180
10. Other short-term payables	320		46.828.376.066	48.405.939.996
11. Short-term borrowings and financial lease liabilitie	321	V.11	934.315.329.492	1.137.895.865.901
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 bond	325		-	-

ASSETS	Code	Notes	June 30, 2026	Jan 01, 2026
II. Long-term liabilities	330		-	-
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3.Taxes and long term other payables to the State Budget	333		-	-
4. Long-term accrued expenses	334		-	-
5. Inter-company payables for operating capital receiv	335		-	-
6. Long-term intercompany payables	336		-	-
7. Long-term unrealized revenue	337		-	-
8. Other long-term payables	338		-	-
9. Long-term borrowings and financial lease liabilities	339		-	-
10. Convertible bond	340		-	-
11. Preferred shares	341		-	-
12. Deferred income tax liabilities	342		-	-
13. Provision for long-term liabilities	343		-	-
14. Fund for science and technology development	344		-	-
D. OWNERS' EQUITY	**400**	V.12	**1.149.459.633.118**	**1.104.649.866.875**
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		160.258.695.958	115.448.929.715
- Retained earnings accumulated to the end of prior period	420a		115.448.929.715	42.856.918.354
- Retained earnings in this period	420b		44.809.766.243	72.592.011.361
TOTAL RESOURCES	**440**		**3.032.087.124.757**	**3.252.668.251.149**

Prepared By	Chief Accountant	General Director
Nguyen Thi Hong Phuc	**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

INCOME STATEMENT

For the first 6 months of the year 2026

Unit: VND

ITEMS	Code	Notes	Quarter II Year 2026 From April 1, 2026 to June 30, 2026	Quarter II Year 2025 From April 1, 2025 to June 30, 2025	Cumulative Year 2026 From Jan 1, 2026 to June 30, 2026	Cumulative Year 2025 From Jan 1, 2025 to June 30, 2025
1	2	3	4	5	6	7
1. Total Sales Revenue	1		**626.898.666.854**	**823.921.491.127**	**1.186.762.044.203**	**1.659.606.364.041**
2. Less sales deductions	2		-	-	-	-
3. Net Revenue	10	VI.01	**626.898.666.854**	**823.921.491.127**	**1.186.762.044.203**	**1.659.606.364.041**
4. Cost of good sold	11	VI.02	624.461.468.522	837.598.023.870	1.185.291.305.517	1.683.499.462.524
5. Gross profit (20 = 10 -11)	20		**2.437.198.332**	**(13.676.532.743)**	**1.470.738.686**	**(23.893.098.483)**
6. Gain/loss on the sale or disposal of investment property	21		-	-	-	-
7. Financial income	22	VI.03	43.454.170.480	14.731.862.617	51.916.992.075	24.151.872.010
8. Financial expenses	23	VI.04	59.775.281.370	99.317.239.447	82.250.022.287	96.373.622.507
In which: borrowing interest expenses	*24*		19.631.912.633	18.940.255.090	37.825.951.102	33.994.658.151
9. Selling expense	25	VI.05	3.395.921.471	3.168.825.557	5.419.672.082	5.814.638.621
10. General & administration expenses	26	VI.06	(72.062.543.294)	26.991.585.073	(63.587.254.041)	35.418.413.580
11. Operating profit (30 = 20 + (21 - 22)-(25 + 26))	30		**54.782.709.265**	**(128.422.320.203)**	**29.305.290.433**	**(137.347.901.181)**
12. Other income	31	VI.07	13.026.931.312	3.646.853.536	17.516.465.756	3.878.202.316
13. Other expenses	32	VI.08	(4.111.608.521)	39.646.371.768	2.011.989.946	39.681.178.826
14. Other profit (40 = 31 - 32)	40		**17.138.539.833**	**(35.999.518.232)**	**15.504.475.810**	**(35.802.976.510)**
15. Net accounting profit before tax (50 = 30 + 40)	50		**71.921.249.098**	**(164.421.838.435)**	**44.809.766.243**	**(173.150.877.691)**
16. Corporate income tax - current	51	VI.09	-	-	-	-
17. Corporate income tax - deferred	52	VI.10	-	-	-	-
18. Net profit after corporate income tax (60 = 50 - 51 -52)	60		**71.921.249.098**	**(164.421.838.435)**	**44.809.766.243**	**(173.150.877.691)**
19. Earnings per share	70		**976**	(2.232)	**608**	**(2.350)**

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Prepared By	Chief Accountant	General Director
Nguyen Thi Hong Phuc	**Nguyen Van Lam**	**Nguyen Quang Trung**
		Ho Chi Minh City, July 28, 2026

SMC TRADING INVESTMENT JOINT STOCK COMPANY

CASH FLOW STATEMENT

For the first 6 months of the year 2026

Unit: VND

ITEMS	Code	From January 1, 2026 to June 30, 2026	From January 1, 2025 to June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before tax	***01***	**44.809.766.243**	**(173.150.877.691)**
Adjustments for:			
- Depreciation of fixed assets and investment properties	02	370.905.301	370.905.301
- Provisions	03	(88.086.959.099)	81.802.930.227
- Gain/losses from foreign exchange differences upon revaluation of monetary assets denominated in foreign currencies	04	206.638.266	(33.599.347)
- Gains/losses from investing activities	05	9.540.398.077	(21.868.656.049)
- Interest expense	06	34.604.619.227	34.044.658.149
- Other adjustments	07	-	-
Profit from operating activities before changes in working capital	***08***	**1.445.368.015**	**(78.834.639.410)**
- Increase (-)/ decrease (+) in receivables	09	(51.630.776.738)	(1.869.602.807)
- Increase (-)/ decrease (+) in inventories	10	26.787.004.804	18.257.140.683
- Increase (+)/ decrease (-) in payables (Other than payables, income tax)	11	146.425.894.643	(30.262.847.651)
- Increase (-)/ decrease (+)in prepaid expenses	12	55.582.650	(3.662.550.312)
- Increase (-)/ decrease (+) in trading securities	13	-	-
- Interest paid	14	(34.604.619.227)	(29.679.980.543)
- Corporate income tax paid	15	(4.349.030.462)	-
- Other receipts from operating activities	16	-	-
- Other payments on operating activities	17	(256.684.000)	(3.231.466.420)
Net cash inflows/(outflows) from operating activities	**20**	**83.872.739.685**	**(129.283.946.460)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets and other long-term assets	21	-	(171.111.111)
Proceeds from disposals of fixed assets and other long-term	22	-	-
Loans granted, purchases of debt instruments of other entiti	23	(169.070.551.750)	(939.570.000.000)
Collection of loans, proceeds from sales of debt instruments of other entities	24	353.900.000.000	903.423.879.656
Investments in other entities	25	-	-
Proceeds from divestment in other entities	26	51.782.070.000	-
Dividends and interest received	27	43.462.531.923	15.429.468.300
Net cash inflows/(outflows) from investing activities	**30**	**280.074.050.173**	**(20.887.763.155)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and capital contribution	31	-	-
Repayment of contributed capital and repurchase of stock issued	32	-	-
Proceeds from borrowings	33	1.022.977.435.566	1.738.914.124.259
Repayments of borrowings	34	(1.430.188.508.382)	(1.539.572.852.939)
Payments for finance lease liabilities	35	-	-
Dividends paid	36	-	-
Net cash inflows/(outflows) from financing activities	**40**	**(407.211.072.816)**	**199.341.271.320**
Net cash inflows/(outflows) (50 = 20+ 30 + 40)	**50**	**(43.264.282.958)**	**49.169.561.705**
Cash and cash equivalents at the beginning of the period	60	50.868.137.609	72.616.766.863
Effect of foreign exchange differences	61	(206.638.266)	33.599.347
Cash and cash equivalents at the end of the period (70 = 50+60+61)	**70**	**7.397.216.385**	**121.819.927.915**

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THÀNH PHỐ HỒ CHÍ MINH

Prepared By	Chief Accountant	General Director
Nguyen Thi Hong Phuc	**Nguyen Van Lam**	**Nguyen Quang Trung**

Ho Chi Minh City, July 28, 2026

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

I. BUSINESS HIGHLIGHTS

1 Structure of ownership

SMC Investment and Trading Joint Stock Company (hereinafter referred to as "the Company") operates under Business Registration Certificate No. 4103002772 issued by the Department of Planning and Investment of Ho Chi Minh City on October 18, 2004 and registered for the 24th change under Business Registration Certificate No. 0303522206 dated Jan 22, 2026

The Company's share 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.

The charter capital in accordance with the Business registration certificate is VND 736,785,870,000 divided into 73.678.587 shares with its par value of VND 10.000 per share. All shares are ordinary shares.

SMC Trading Investment Joint Stock Company.

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

2 Business sector

Manufacturing - Trading - Service - Construction.

3 Normal operating cycle

Normal operating cycle of the Company lasts 12 months.

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; Logistics; Warehouses service for domestic and exported goods.

5 Total employees to June 30, 2026: 58 persons

6 Enterprise Structure

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

6 **Enterprise Structure (Cont.)**

Subsidiary's name	Address	Principal activities	Percentage of Contribution %	Percentage of voting right %
SMC Phu My Precision Mechanics Co., Ltd.	Phu My II Industrial Park, Tan Phuoc Ward, Ho Chi Minh City	Manufacturing, trading, service, construction	100%	100%
SMC Phu My Automatic Equipment Co., Ltd	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, service	100%	100%
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%	75%
Hanwa SMC Steel Service Ha Noi Co., Ltd.	Quang Minh Industrial Park, Me Linh Province, Ha Noi City, VN	Manufacturing, trading, and service	35%	35%
SMC - Summit Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, and service	50%	50%
SMC Toami Co., Ltd.	Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, VN	Manufacturing, trading, and service	25%	25%
VSSC Steel Center Co., Ltd.	Phu My II Industrial Park, Tan Phuoc Ward, Ho Chi Minh City	Manufacturing, trading, and service	15%	15%

7 **Disclosure on comparability of information in the financial statements**

The selection of figures and information need to be presented in the financial statements has been implemented on the principle of comparability among corresponding accounting periods.

II. ACCOUNTING PERIOD AND REPORTING CURRENCY

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

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

III ADOPTION OF ACCOUNTING STANDARDS AND POLICIES

The consolidated financial statements of SMC Investment and Trading Joint Stock Company and its subsidiaries ("the Group") are prepared and presented in Vietnamese Dong in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance.

For the fiscal year 2026, the Company will apply the Vietnamese Enterprise Accounting System issued under Circular 99/2025/TT-BTC dated October 27, 2025, replacing Circular 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance

IV APPLICABLE ACCOUNTING POLICIES

1. Basis for preparing financial statements

The financial statements are prepared on the basis of accrual accounting (except for information related to cash flows).

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.

Exchange rate differences arising during the period from transactions in foreign currencies are recorded in financial income or financial expenses. Exchange rate differences due to the revaluation of monetary items denominated in foreign currencies at the end of the fiscal year after clearing the increase and decrease difference are recorded in financial income or financial expenses.

Principles for determining exchange rates for arising transactions

The exchange rate used to convert transactions arising in foreign currency is the actual exchange rate at the time the transaction occurs. Actual exchange rates for transactions in foreign currencies are determined as follows:

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.

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.

Principles for determining exchange rates for arising transactions (cont.)

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.

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

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 Vietcombank as at June 30, 2026.
- 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 Vietcombank as at June, 2026.

3. Cash and cash equivalents

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

Cash equivalents comprise term deposits and other short-term investments with an original maturity of three months or less, highly liquid, readily convertible to known amount of cash and subject to an insignificant risk of changes in value.

4 Financial investments

Held-to-maturity investments

An investment is classified as held to maturity when the Corporation/Enterprise has the intention and ability to hold it to maturity.

Held-to-maturity investments include: term bank deposits (including bills and promissory notes), bonds, preferred shares must be redeemed by the issuer at a certain time in the future and held-to-maturity loans to collect interest periodically and other 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.

When there is solid evidence that part or all of the investment may not be recoverable and the amount of loss can be reliably determined, the loss is recorded in financial expenses during the period and directly deducted from the investment value.

Loans

Loans are determined at the original cost less (-) provision for doubtful debts. Provision for bad debts of loans is established based on the expected level of loss that may occur.

Financial investments in Subsidiary, Associates

A subsidiary is an enterprise controlled by the parent company. Control is achieved when the Parent Company has the ability to control the financial and operating policies of the investee enterprise in order to obtain economic benefits from that enterprise's activities.

A joint venture company is an enterprise established based on a contractual agreement under which the Company and participating parties carry out economic activities based on joint control. Joint control is understood as making strategic decisions related to the operating and financial policies of the joint venture company that must have the consensus of the parties participating in the joint venture.

An associate is an enterprise over which the Company has significant influence but no control over the financial and operating policies. Significant influence is the right to participate in making financial and operating policy decisions of the investee enterprise but not to control these policies.

Investments in subsidiaries, joint ventures, and associates are initially recorded at the original cost, including the purchase price or capital contribution plus costs directly related to the investment. In the case of investment in non-monetary assets, the cost of the investment is recorded according to the fair value of the non-monetary asset at the time of arising.

Provision for loss of investments in subsidiaries, joint ventures, and associates is made when the subsidiaries, joint ventures, or associates suffer losses with the level of provision equal to the difference between the actual capital contributions of the parties in subsidiaries, joint ventures and associates and the actual owners' equity multiplied by the Company's capital contribution ratio compared to the total actual capital contribution of the parties in subsidiaries, joint ventures, and associates.

(If a subsidiary, joint venture or associate company is the subject of a consolidated financial statement, the basis for determining loss provisions is the consolidated financial statement).

Equity investments in other entities

Investments in equity instruments of other entities include investments in equity instruments but the Company does not have control, joint control or significant influence over the invested party.

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).

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.

5. Trade receivables and other 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

6. Inventories

Original costs are determined as follows:

- **The original cost of materials, merchandises** consists of costs of purchase, costs of transportation and other costs incurred in bringing the inventories to their present location and condition.

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.)

Increases and decreases of provision for decline in value of inventories balances that need to be made at the end of the fiscal year are recorded in the cost of goods sold.

7. Fixed assets

Tangible fixed assets

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 period.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

Determination of original costs of tangible fixed assets:

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

Fixed assets which are buildings, structures attached to land use rights, the value of land use rights is computed separately and recorded as intangible fixed assets.

Financial lease fixed assets

A lease is classified as a finance lease if the majority of the risks and rewards associated with ownership of the asset belong to the lessee.

Financial lease fixed assets are stated at original cost less (-) accumulated depreciation. The original cost of a fixed asset under a finance lease is the lower of the fair value of the leased asset at the inception of the lease contract and the present value of the minimum lease payment. The discount rate to calculate the present value of the minimum rental payment for a property lease is the interest rate implicit in the property lease contract or the interest rate stated in the contract. In case the interest rate implicit in the lease contract cannot be determined, the loan interest rate at the beginning of the lease will be used.

Intangible fixed assets

Intangible fixed assets are recorded at cost less (-) accumulated depreciation. The historical cost of intangible fixed assets includes all costs that the Company must spend to acquire the fixed asset up to when the asset is put into a ready-to-use state. Costs related to intangible fixed assets that arise after initial recognition are recorded as production and business costs in the period unless these costs are associated with a specific intangible fixed asset and increase the economic benefits from these assets.

When intangible fixed assets are sold or liquidated, their original cost and accumulated depreciation are written off and profits and losses arising from disposal are recorded in income or expenses during the year.

Principles for recording intangible fixed assets:

Land use right

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.

Rights to use leased land before the effective date of the 2003 Land Law (before July 1, 2004) and the Company has paid land rent for the entire lease period or has paid land rent in advance for many years, the remaining paid land lease term is at least 5 years and a land use right certificate is issued by a competent authority.

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.

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.

The estimated useful life for assets is as follows:	**Depreciation period**
Machinery and equipment	03 - 05 years
Transportation and facilities	06 - 10 years
Office equipment	03 - 08 years
Software program	02 - 20 years

8. Investment property

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 conversion from owner-occupied property or inventory to investment property is only when the owner stops using the asset and begins leasing it to another party or at the end of the construction period. The transfer from investment property to owner-occupied property or inventory occurs only when the owner begins to use the property or begins to develop it for sale. The transfer from investment property to owner-occupied property or inventory does not change the original cost or residual value of the property at the date of conversion.

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

Estimated useful life of investment properties:

Infrastructure	*25 years*

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.

9. 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.

10. Financial lease contract

Leases are classified as finance leases if the lease agreement transfers substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. The principal amount of future lease payments under finance leases is recognised as a liability. The interest portion of lease payments is recognised in the income statement over the lease term to reflect a constant rate of interest on the remaining balance of the finance lease liability.

Capitalized finance lease assets are depreciated using the straight-line method over their estimated useful lives or over the lease term, if there is a reasonable certainty that ownership will not be transferred to the lessee at the end of the lease term.

Financial lease fixed assets	06 years

11. Financial investment

Investment in Subsidiaries

Investments in subsidiaries over which the Company has control are accounted for using the cost method. Distributions from the accumulated profits of the subsidiaries received by the Parent Company subsequent to the date on which the Parent Company gains control are recognized in the Parent Company's income statement for the period. Other distributions are considered a recovery of investments and are deducted from the investment value.

Investment in Associates

Investments in associates over which the Company has significant influence are accounted for using the cost method.

Distributions from the accumulated net profits of the associates after the date of acquisition are recognized in the Company's income statement for the period. Other distributions are considered as a return on investment and are deducted from the investment value.

Joint venture to establish jointly controlled business

The Company's share of the joint venture is accounted for using the cost method. Under this method, the Company's share of the joint venture is initially recorded at cost. Distributions from the accumulated net profits of the joint ventures after the date the Company enters into the joint venture are included in the income statement of the Company. Other distributions are considered as a recovery of investments and are deducted from the investment value.

Stock investments and other investments

Investments are recorded at cost. Provision for losses on financial investments in economic organizations is made when these economic organizations suffer losses (except for planned losses determined in the business plan before investment) with the provision corresponding to the Company's capital contribution ratio in these economic organizations. Provision for securities price reduction is made for each type of securities listed on the stock market when the market price is lower than the book value. Unlisted securities for which there is no basis for reliably determining the fair value are recorded at the original purchase price.

Provision for loss of financial investments

Provision for losses on financial investments is made for each type of security when the market price is lower than the book value.

- For listed securities: the actual market price of securities is calculated based on the actual price on the Hanoi Stock Exchange (HNX) which is the average trading price on the date of provisioning; the Ho Chi Minh City Stock Exchange (HOSE) is the closing price on the date of provisioning.

- For unlisted securities: the actual market price of securities is determined as follows:

+ For companies registered to trade on the unlisted public companies market (UPCom), the actual stock price on the market is determined as the average trading price on the system on the date of provision.

+ For companies that have not registered to trade on the public companies' trading market, the actual stock price on the market is determined as the average price based on the transaction prices provided by at least three (03) securities companies at the time of making the provision.

In case the market value of securities cannot be determined, the investment shall not be subject to provision for securities price reduction.

For long-term financial investments: provisions are made when the investee company is making a loss (except in cases of planned losses determined in the business plan before investment).

12. 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.

13. Provisions for payables

Provisions for future liabilities are of uncertain amount or timing. Provisions are recognised when the obligation is determined to be certain at the end of the reporting period.

Provisions for payables are recorded by the additional or reversal method based on the difference between the provision for payables to be established this year compared to the provision for payables established last year.

Provision for unemployment benefits: recorded when actually incurred.

14. Interest expense

Borrowing costs are recognized as expenses in the period in which they are incurred, unless they are capitalized as required by

Interest on loans directly related to the purchase and construction of fixed assets in the period before completion and putting into use will be added to the original cost of the assets.

Interest on other loans is recognized as financial expenses as soon as it arises.

15. Accrued expenses

Payables are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company by the supplier.

16. Profit distribution

Profit after tax is distributed to shareholders after being approved by shareholders at the Annual General Meeting of Shareholders and after setting aside funds in accordance with the Company's Charter and Vietnamese laws.

17. Capital recognition principle

Owner's equity is recorded at the initial actual capital contributed by the owner.

Share capital surplus is recorded as the difference greater or less between the actual issuance price and the par value of shares issued for the first time, additionally issued or reissued treasury shares.

Treasury shares are recorded at the actual value of the shares issued by the Company and then repurchased, deducted from the Company's equity. The Company does not record any gains/(losses) when purchasing, selling, or issuing its own equity instruments.

18. Revenue recognition

Sales revenue is recognized when all five (5) following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the products or goods;
- The company no longer holds the right to manage the goods as the owner of the goods or the right to control the goods;
- Revenue is determined relatively reliably;
- The company has obtained or will obtain economic benefits from the sale transaction;
- Identify costs associated with sales transactions.

Service revenue

When the outcome of a contract can be reliably measured, revenue is recognized based on the volume of services rendered and the customer's acceptance of payment.

Bonus shares or stock dividends

No income is recognised when the right to receive bonus shares or stock dividends is established. However, the number of bonus shares or stock dividends received will be presented in the relevant Notes to the financial statements.

Income from securities trading, capital transfer

Income from securities trading and capital transfer is determined as the difference between the selling price and the cost price of securities. This income is recorded on the date of transaction, i.e. the transfer contract is executed.

19. Expense recording

Expenses are recorded as they actually occur and are commensurate with revenue.

20. Tax

The Company is liable to pay corporate income tax at the rate of 20% on taxable income. Taxable income is calculated based on the results of operations for the year and adjusted for non-deductible expenses and losses carried forward from previous years, if any.

In addition to corporate income tax, the Company is obliged to pay other taxes in accordance with current tax regulations.

The specific tax payable will be recorded according to the tax settlement audit of the tax authority.

Current Tax

Tax assets and liabilities for the current and prior years are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred income tax is determined on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, carry forward of unused tax losses and the unused tax credits can be utilized.

21. Related parties

A party is considered to be related to the Company if it has the ability to control the Company or exercise significant influence over the Company's financial and operating results. Significant transactions between the Company and related parties, if any, will be disclosed in the financial statements.

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

			30/06/2026	01/01/2026
1.	**Cash and cash equivalents**			
	Cash on hand		17.862.861	118.744.260
	Cash in bank	(1.1)	7.379.353.524	50.749.393.349
	Term deposit (under 3 months)	(1.2)	-	-
	Total		**7.397.216.385**	**50.868.137.609**

	30/06/2026	01/01/2026
(1.1) In there:		
Bank deposits in USD	48.421,87	48.728,77
Equivalent to VND	1.264.101.337,00	1.270.700.136,00

2. Financial investments

2.1 Business securities

		30/06/2026	01/01/2026
2.2	**Held to maturity investments (short-term)**		
a	Deposits with term more than 3 months (*)	-	-
b.	**Receivables from short-term loans**	-	-
	- Related parties:	248.699.406.267	355.358.643.102
	+ SMC Phu My Precision Mechanics Co., Ltd	27.000.000.000	30.000.000.000
	+ SMC Tan Tao One - Member Co., Ltd	91.472.643.102	117.822.643.102
	+ Sendo Steel Pipe JV Co., Ltd	24.016.000.000	56.966.000.000
	+ SMC Phu My Automatic Equipment Co., Ltd	106.210.763.165	150.570.000.000
	- Trung Nam	34.244.512.710	-
	Cộng	**282.943.918.977**	**355.358.643.102**

2.3 Investments in equity of other entities

	Original cost	Provision 30/06/2026	Fair value 30/06/2026	Original cost	Provision 01/01/2026	Fair value 01/01/2026
(a) - Investing in subsidiaries	1.517.204.956.172	(513.879.816.998)	1.003.325.139.174	1.517.204.956.172	(496.925.552.362)	1.020.279.403.810
(b) - Investment in associates	78.748.922.500	(47.108.768.958)	31.640.153.542	78.748.922.500	(34.951.900.779)	43.797.021.721
(c) - Invest in other units	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	**1.648.316.378.672**	**(578.900.488.845)**	**1.069.415.889.827**	**1.753.101.378.672**	**(586.513.705.850)**	**1.166.587.672.822**

(a) Investing in subsidiaries	**Charter capital**	**Original cost**	**Provision 30/06/2026**	**Percentage of Contribution %**	**Fair value 30/06/2026**
SMC Trading One - Member Co.. Ltd.	50.000.000.000	50.000.000.000	(19.740.905.470)	100%	30.259.094.530
SMC Steel Mechanical One - Member C	180.000.000.000	180.000.000.000	-	100%	180.000.000.000
SMC Steel Co., Ltd.	230.000.000.000	230.000.000.000	-	100%	230.000.000.000
SMC Hiep Phuoc One - Member Co., Lt	30.000.000.000	30.000.000.000	-	100%	30.000.000.000
SMC Tan Tao One - Member Co., Ltd	200.000.000.000	200.000.000.000	(191.807.077.913)	100%	8.192.922.087
Sendo Steel Pipe JV Co., Ltd.	171.040.000.000	132.204.956.172	(132.204.956.172)	75%	-
SMC Da Nang One - Member Co., Ltd	50.000.000.000	50.000.000.000	(33.150.786.566)	100%	16.849.213.434
SMC Phu My Steel Processing Co., Ltd	220.000.000.000	220.000.000.000	(9.364.259.764)	100%	210.635.740.236
SMC Phu My Precision Mechanics Co., Ltd	375.000.000.000	375.000.000.000	(83.709.535.832)	100%	291.290.464.168
SMC Phu My Automatic Equipment Co., L	50.000.000.000	50.000.000.000	(43.902.295.281)	100%	6.097.704.719
Total	**1.556.040.000.000**	**1.517.204.956.172**	**(513.879.816.998)**		**1.003.325.139.174**

(b) Investment in associates

	Charter capital	Original cost	Provision 30/06/2026	Percentage of Contribution %	Fair value 30/06/2026
SMC - Summit Co., Ltd.	83.286.000.000	41.640.000.000	(31.174.268.958)	50%	10.465.731.042
Hanwa SMC Steel servive Ha Noi Co., Ltd.	64.369.800.000	21.174.422.500	-	35%	21.174.422.500
SMC Toami Co., Ltd.	65.217.375.000	15.934.500.000	(15.934.500.000)	25%	-
Total	**212.873.175.000**	**78.748.922.500**	**(47.108.768.958)**		**31.640.153.542**

(c) Invest in other units

	30/06/2026			01/01/2026		
	Original cost	Provision	Fair value	Original cost	Provision	Fair value
Securities traded on UPCom						
HBC	-	-	-	104.785.000.000	(37.198.675.000)	67.586.325.000
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 companies						
VSSC (*)	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	**217.999.094.035**	**779.710.431.298**
Delta Valley Binh Thuan Company Limited	1.497.368.255	440.796.852.909
Others	216.501.725.780	338.913.578.389
- Foreign customers (*)	-	-
- Related parties (see Notes VII.2)	**32.013.535.367**	**19.437.877.355**
Total	**250.012.629.402**	**799.148.308.653**

b) Long-term	30/06/2026	01/01/2026
Thuy Thanh Phat Trading One - Member Co., Ltd	-	-
Total	-	-

3.2 Prepayments to suppliers

a) Short-term	30/06/2026	01/01/2026
- Local Suppliers	**930.853.939**	**13.362.146.154**
Others	930.853.939	13.362.146.154
- Foreign Suppliers	-	-
- Related parties (see Notes VII.2)	-	-
Total	**930.853.939**	**13.362.146.154**

b) Long-term	30/06/2026	01/01/2026
- Nova group	690.449.279.172	115.601.883.363
Total	**690.449.279.172**	**115.601.883.363**

3.3 Other receivables

a) Short-term	30/06/2026	01/01/2026
- Interest receivable from bank deposits	4.396.531.918	2.431.848.082
- Payment discounts	9.141.974.160	8.847.923.216
- Receivables from the sale of securities		-
- Advances	105.000.000	49.702.000.000
- Related parties (see Notes VII.2)	35.186.714.824	28.983.173.670
- Other receivables	117.028.398	117.022.598
Total	**48.947.249.300**	**90.081.967.566**

b) Long-term	30/06/2026	01/01/2026
- Deposits for financial lease	-	-

- Deposits for car rental	-	-
Total	-	-

3.4 Doubtful debts

	30/06/2026			01/01/2026		
	Original cost	**Provision**	**Object**	**Original cost**	**Provision**	**Object**
Short-term	168.467.740.389	32.686.115.031		759.704.955.851	111.619.009.210	
	-	-	Trung Nam Construction Investment J.S.C	26.831.523.592	26.831.523.592	Trung Nam Construction Investment J.S.C
	-	-	Kim Ngươn Company Limited	2.198.348.141	1.538.843.699	Kim Ngươn Company Limited
	2.624.875.676	2.624.875.676	Tien Tien Phat Construction Joint Stock Company	2.624.875.676	2.624.875.676	Tien Tien Phat Construction Joint Stock Company
	9.470.569.514	-	Ngan Hiep Real Estate Joint Stock Company	9.470.569.514	6.812.994.890	Ngan Hiep Real Estate Joint Stock Company
	156.372.295.199	30.061.239.355	Others	718.579.638.928	73.810.771.353	Others

4. Inventories

	30/06/2026	01/01/2026
Good	33.331.022.041	60.118.026.845
Provision	(1.455.669.762)	(2.996.517.677)
Total	**31.875.352.279**	**57.121.509.168**

5. Tangible fixed assets

	Buildings & structures	Machinery & equipment	Transportation & facilities	Office supplies	Total
Original cost					
Opening balan	-	67.980.000	3.380.899.469	3.128.136.301	6.577.015.770
Increase	-	-	-		-
Decrease	-	-	-	-	-
Closing balanc	-	**67.980.000**	**3.380.899.469**	**3.128.136.301**	**6.577.015.770**
Accumulated depre					
Opening balan	-	67.980.000	2.163.587.520	3.095.037.660	5.326.605.180
Increase	-	-	108.077.583	6.619.727	114.697.310
Decrease	-	-	-	-	-
Closing balanc	-	**67.980.000**	**2.271.665.103**	**3.101.657.387**	**5.441.302.490**
Net book value					
Opening balan	-	-	**1.217.311.949**	**33.098.641**	**1.250.410.590**
Closing balanc	-	-	**1.109.234.366**	**26.478.914**	**1.135.713.280**

Ending original costs of tangible fixed assets–fully depreciated but still in use: VND 4.603.457.210.

6. Financial leased assets (Machinery & equipment)

	Machinery & equipment
Original cost	-
Opening Accumulated amortization	-
Accumulated amortization	-
Net book value	-

7. Intangible fixed assets

	Land use rights	Software program	Total
Original cost			
Opening balance	100.668.929.767	4.786.659.341	105.455.589.108
Increase	-	-	-
Decrease	-	-	-
Closing balance	**100.668.929.767**	**4.786.659.341**	**105.455.589.108**
Accumulated amortization			
Opening balance	-	3.655.360.409	3.655.360.409
Increase	-	74.591.138	74.591.138
Decrease	-	-	-
Closing balance	**-**	**3.729.951.547**	**3.729.951.547**
Net book value			
Opening balance	**100.668.929.767**	**1.131.298.932**	**101.800.228.699**
Closing balance	**100.668.929.767**	**1.056.707.794**	**101.725.637.561**

The original costs of intangible fixed assets–fully depreciated but still in use: VND 1.803.013.816.

8. Investment properties (Infrastructure)

	Opening balance	Increase	Decrease	Closing balance
Original cost	9.080.842.650	-	-	9.080.842.650
Total	**9.080.842.650**	**-**	**-**	**9.080.842.650**
Accumulated amortization	2.966.408.599	181.616.853	-	3.148.025.452
Total	**2.966.408.599**	**181.616.853**	**-**	**3.148.025.452**
Net book value	6.114.434.051	(181.616.853)	-	5.932.817.198
Total	**6.114.434.051**	**(181.616.853)**	**-**	**5.932.817.198**

8.1 Prepaid expenses

a) Short-term	30/06/2026	01/01/2026
Office repair expenses	1.218.426.862	890.217.037
Total	**1.218.426.862**	**890.217.037**

b) Long-term	30/06/2026	01/01/2026
- Premises rental expense	911.543.081	922.569.812
- Office repair expenses	1.652.482.111	2.124.619.855
- Other expenses	570.752.000	471.380.000
Total	**3.134.777.192**	**3.518.569.667**

9. Deferred income tax assets	30/06/2026	01/01/2026
- Provision for decline in the value of investments	-	-
Total	-	-

10. Trade payables

10.1 Payables	30/06/2026		01/01/2026	
Short-term	**Amount**	**Amount to be able to pay**	**Amount**	**Amount to be able to pay**
- Local suppliers	**726.978.778.604**	**726.978.778.604**	**777.864.156.849**	**777.864.156.849**
Vina Kyoel Steel Co., Ltd.	565.848.702.630	565.848.702.630	604.205.202.593	604.205.202.593
VNSteel - Southern Steel Co., Ltd.	121.189.316.842	121.189.316.842	129.616.238.757	129.616.238.757
Marubeni-Itochu Steel Vietnam Co., Ltc	-	-	-	-
Others	39.940.759.132	39.940.759.132	44.042.715.499	44.042.715.499
- Foreign suppliers	**50.285.400.000**	**50.285.400.000**	**51.798.015.796**	**51.798.015.796**
HYUNDAI CORPORATION	50.285.400.000	50.285.400.000	51.798.015.796	51.798.015.796
-Related parties (see Notes VII.2)	**47.686.257.108**	**47.686.257.108**	**54.675.505.574**	**54.675.505.574**
Total	**824.950.435.712**	**824.950.435.712**	**884.337.678.219**	**884.337.678.219**

10.2 Advances from customers	30/06/2026	01/01/2026
- No Va Land Investment Group Corporation	40.000.000.000	40.000.000.000
- Các khách hàng khác	14.962.829.757	565.496.697
- SMC Toami Co., Ltd. (see Notes VII.2)	-	-
Total	**54.962.829.757**	**40.565.496.697**

10.3 Taxes and payables to the State Budget

a) Payables	30/06/2026	Amount payable	Actual payment	01/01/2026
- Corporate income tax	4.598.856.858	-	4.349.030.462	8.947.887.320
- Personal income tax	73.371.308	336.793.518	290.653.412	27.231.202
- Other taxes	-	-	7.319.718.349	7.319.718.349
Total	**4.672.228.166**	**336.793.518**	**21.934.224.729**	**26.269.659.377**

b) Receivable	30/06/2026	Amount payable	Actual payment	01/01/2026
- VAT	34.530.362.439	118.706.008.567	121.022.133.335	36.846.487.207
- Personal income tax	-	-	-	-
Total	**34.530.362.439**	**118.706.008.567**	**121.022.133.335**	**36.846.487.207**

10.4 Accrued expenses	30/06/2026	01/01/2026
- Interest expense payable	3.310.921.198	2.420.802.438
- Others	7.059.173.603	3.778.332.507
Total	**10.370.094.801**	**6.199.134.945**

10.5 Short-term unrealized revenue	30/06/2026	01/01/2026
	4.066.823.686	726.551.180

10.6 Other short term payables

a) Short-term	30/06/2026	01/01/2026
- Union dues	504.200.000	412.207.500
- Trade union fee		-
- Related parties (see Notes VII.2)	46.002.056.775	47.670.700.937
- Other payables	322.119.291	323.031.559
Total	**46.828.376.066**	**48.405.939.996**

11. Borrowings and financial lease liabilities

11.1 Short-term	30/06/2026		01/01/2026	
	Value	Ability to pay debt	Value	Ability to pay debt
a) - Banks:	**822.617.403.418**	**658.418.216.437**	**822.617.403.418**	**822.617.403.418**
a.1) Vietinbank	334.956.419.809	334.956.419.809	449.774.719.593	449.774.719.593
a.2) HD Bank	31.065.767.205	31.065.767.205	49.982.711.040	49.982.711.040
a.3) BIDV Bank	292.396.029.423	292.396.029.423	322.859.972.785	322.859.972.785
b) - Borrowings from individuals	**38.840.000.000**	**38.840.000.000**	**99.000.000.000**	**99.000.000.000**
c) - Borrowings from related parties	**237.057.113.055**	**237.057.113.055**	**216.278.462.483**	**216.278.462.483**
Total	**934.315.329.492**	**934.315.329.492**	**1.137.895.865.901**	**1.137.895.865.901**

(a.1) Loan from Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch under credit contract No. 22.2030068/2022-HĐCVHM/NHCT900-ĐTTMSMC dated September 16, 2022, AND No. 22.2030068/2022-HĐCVHM-SĐBS02/NHCT900-ĐTTMSMC dated October 13, 2023, AND No. 22.2030068/2022-HĐCVHM-SĐBS03/NHCT900-ĐTTMSMC dated April 19, 2024, AND No. 22.2030068/2022-HĐCVHM-SĐBS04/NHCT900-ĐTTMSMC dated December 27, 2024, AND No. 22.2030068/2022-HĐCVHM-SĐBS05/NHCT900-ĐTTMSMC dated August 11, 2025, AND No. 22.2030068/2022-HĐCVHM-SĐBS06/NHCT900-ĐTTMSMC dated March 9, 2026. The term of each loan is a maximum of 06 months. This loan is secured by assets formed from the loan proceeds; receivables and revolving inventory; land use rights; ownership rights to houses and other assets attached to land; and receivables and revolving inventory of SMC Trading One Member Limited Liability Company; Property rights regarding capital contributions to SMC Steel Co., Ltd., SMC Steel Mechanical Engineering One Member Co., Ltd., SMC Trading One Member Co., Ltd., SMC Hiep Phuoc One Member Co., Ltd., SMC Da Nang One Member Co., Ltd., SMC Tan Tao One Member Co., Ltd., Sendo Steel Pipe Joint Venture Co., Ltd., and SMC Phu My Automation Equipment Co., Ltd. The outstanding loan balance as of June 30, 2026, is VND 334,956,419,809.

(a.2) This is a loan from Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank) – Hiep Phu Branch, governed by Credit Agreement No. 46757/24MN/HĐTD dated December 31, 2024. The loan limit is capped at VND 50 billion, with a maximum term of four months per loan disbursement. The loan is secured by goods acquired using the bank-provided funds, revolving inventory, and land use rights along with assets attached to the land owned by the Equipment Company. The outstanding loan balance as of June 30, 2026, is VND 31,065,767,205.

(a.3) Loan from the Bank for Investment and Development of Vietnam (BIDV) – Thong Nhat Branch, pursuant to credit limit agreement No. 01/2025/94681/HĐTD dated December 19, 2025, and overdraft agreements No. 01/2026/94681/HĐTC dated June 10, 2026, and No. 02/2026/94681/HĐTC dated June 30, 2026; the maximum term for each loan is 06 months. The loan is secured by assets formed from the loan proceeds; receivables and revolving inventory; land use rights, assets attached to the land, and property rights regarding the capital contribution in SMC Phu My Precision Mechanical Co., Ltd.; and the balance of a deposit contract and the pledge of said deposit contract balance. The outstanding loan balance as of June 30, 2026, was VND 292,396,029,423.

11.2 Long-term	Value	Ability to pay debt	Value	Ability to pay debt
- Long term bank loans	-	-	-	
- Related parties (*)	-	-	-	-
- Bond issuance costs	-	-	-	-

12. Owners' equity

		30/06/2026	Increase	Decrease	01/01/2026
(a)	Owners' Paid-in capital	736.785.870.000	-	-	736.785.870.000
	Share premium	253.132.567.160	-	-	253.132.567.160
(b)	Treasury share	(717.500.000)	-	-	(717.500.000)
	Investment and Developm	-	-	-	-
(c)	Retained earnings	160.258.695.958	44.809.766.243	-	115.448.929.715
	Total	**1.149.459.633.118**	**44.809.766.243**	**-**	**1.104.649.866.875**

Shares	**30/06/2026**	**01/01/2026**
Number of shares sold out to the public	73.678.587	73.678.587
- Number of shares in circulation	73.178.587	73.178.587
- Ordinary share	73.178.587	73.178.587
- Preferred stock	-	-
Number of shares repurchased	(71.750)	(71.750)
- Ordinary share	(71.750)	(71.750)
- Preferred stock	-	-
Number of shares in circulation	**73.606.837**	**73.606.837**
- Ordinary share	73.106.837	73.106.837
- ESOP	-	-

(c) Profit using distribution

- Accumulated Profit (Loss) to 01/01/2026	**115.448.929.715**
- Return of Development Investment Fund	-
- Profit (Loss) after tax in Q1 2026	**44.809.766.243**
Accumulated Profit (Loss) to 31/03/2026	**160.258.695.958**

13. Off-Balance Sheet Items	**30/06/2026**	**01/01/2026**
Foreign currencies:	**48.421,87**	**48.728,77**
- USD	48.421,87	48.728,77
Bad debt resolved:	**94.822.194.217**	**94.822.194.217**

VI. Additional Information Income Statement

1. Net revenue	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Net revenue from goods sold	1.186.762.044.203	1.659.606.364.041
Net revenue from service rendered	-	-
Total	**1.186.762.044.203**	**1.659.606.364.041**

2. Cost of sales	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Cost of goods sold	1.185.291.305.517	1.683.499.462.524
Total	**1.185.291.305.517**	**1.683.499.462.524**

3. Financial income	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Income from bank and deposit interest	6.154.364.917	5.384.271.672
Interest from capital	9.020.459.632	13.982.427.955
Dividends divided	36.457.086.825	2.519.954.668
Foreign exchange differences	-	33.599.347
Payment discounts received	285.080.701	2.231.618.368
Profits from disposal of investments in other companies		-
Total	**51.916.992.075**	**24.151.872.010**

4. Financial expenses	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Borrowing and financial lease interest expense	37.825.951.102	33.994.658.151
Loss from realised foreign exchange differences	205.218.192	-
Costs of selling securities	51.782.070.000	-
Personal loan interest	-	-
(Reversal)/ provision for financial investments	(7.613.217.005)	62.328.964.358
Other	49.999.998	49.999.998
Total	**82.250.022.287**	**96.373.622.507**

5. Selling expense	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Salaries	1.914.195.456	2.146.084.989
Materials and office supplies	-	-
Depreciation	47.343.814	47.343.814
Cost of hired services	3.274.368.697	3.487.647.766
Other expenses paid by cash	183.764.115	133.562.052
Total	**5.419.672.082**	**5.814.638.621**

6. General and administration expenses	From 01/01/2026 to 30/06/2026	From 01/01/2025 to 30/06/2025
Salaries	6.733.802.884	5.702.066.427
Materials and office supplies	96.878.389	23.027.272
Taxes, fees, charges	-	3.000.000
Depreciation	141.944.634	141.944.634
Provision/ (reversal) for doubtful debts	(78.932.894.179)	20.838.514.097
Cost of hired services	7.146.915.081	8.132.837.138
Other expenses paid by cash	1.226.099.150	577.024.012
Total	**(63.587.254.041)**	**35.418.413.580**

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	-	-
Income from financial assets leasing	-	-
Overdue interest	7.412.989.118	-
Other	10.103.476.638	675.972.477
Total	**17.516.465.756**	**3.878.202.316**

8. Other expenses	**From 01/01/2026 to 30/06/2026**	**From 01/01/2025 to 30/06/2025**
Remaining value of fixed assets and disposal expenses of fixed assets	-	-
Depreciation of financial assets leasing	-	-
Fines and compensation	-	
Other	2.011.989.946	39.681.178.826
Total	**2.011.989.946**	**39.681.178.826**

9. Remaining value of fixed assets and disposal expenses of fixed asset	**From 01/01/2026 to 30/06/2026**	**From 01/01/2025 to 30/06/2025**
Total profit before tax	**44.809.766.243**	**(173.150.877.691)**
- Current corporate income tax expense		**-**

10 Deferred income tax expense	**From 01/01/2026 to 30/06/2026**	**From 01/01/2025 to 30/06/2025**
- Deferred income tax expense	-	-
Total	**-**	**-**

11 Costs of production and trading by factors	**From 01/01/2026 to 30/06/2026**	**From 01/01/2025 to 30/06/2025**
Materials and office supplies	96.878.389	23.027.272
Salaries	8.647.998.340	7.848.151.416
Taxes, fees, charges	-	3.000.000
Depreciation	189.288.448	189.288.448
Provision/ (reversal) for doubtful debts	(78.932.894.179)	20.838.514.097
Cost of hired services	10.421.283.778	11.620.484.904
Other expenses paid by cash	1.409.863.265	710.586.064
Total	**(58.167.581.959)**	**41.233.052.201**

VII. Other information

1. Events occurring after the end of the financial period

The Company has not had any material events occurring after the Balance Sheet date that require adjustments to or disclosure in the Financial Statements.

2. Related party business

As of the balance sheet date, outstanding amounts with related parties were mainly as follows:

Related parties	Relationship	Content	Receivables / (Payables)
SMC Steel Co., Ltd	Subsidiary	Receivables	-
		Other Payables	2.981.276.574
SMC Steel Mechanical One - Member Co., Ltd.	Subsidiary	Receivables	-
		Other Payables	481.301.064
SMC Trading One - Member Co., Ltd.	Subsidiary	Other Payables	12.191.710.114
SMC Hiep Phuoc One - Member Co., Ltd.	Subsidiary	Other Payables	30.306.069.023
SMC Tan Tao One - Member Co., Ltd.	Subsidiary	Receivables	26.750.145.290
		Other receivables	8.668.988.740
Sendo Steel Pipe Joint Venture Co., Ltd.	Subsidiary	Receivables	-
		Other receivables	123.212.055
SMC Phu My Steel Processing Co., Ltd.	Subsidiary	Receivables	
		Payables	9.281.174
		Other Payables	41.700.000
		Other receivables	-
SMC Phu My Precision Mechanics Co., Ltd.	Subsidiary	Other receivables	171.613.699
		Other Payables	-
SMC Phu My Automatic Equipment Co., Ltd.	Subsidiary	Receivables	-
		Other receivables	26.222.900.330
SMC - Summit Co., Ltd.	Associates	Receivables	5.263.390.077
		Payables	47.676.975.934
		Other receivables	-

Related parties	Relationship	Content	Amount
SMC Steel Co., Ltd	Subsidiary	Sale of good	-
		Loan interest	2.432.745.068
		Supplied service received	-
SMC Steel Mechanical One - Member Co., Ltd.	Subsidiary	Sale of good	-
		Profits received	30.000.000.000
		Loan interest	2.185.537.247
Hanwa SMC Steel Service Ha Noi Co., Ltd.	Associates	Sale of good	
		Supply of service	3.500.000
		Profits received	3.957.086.825
SMC Tan Tao One - Member Co., Ltd.	Subsidiary	Sale of good	27.259.630.770
		Goods purchased	13.751.833.175
		Interest on capital	3.797.107.549
		Supplied service received	-
SMC Hiep Phuoc One - Member Co., Ltd.	Subsidiary	Interest on capital	-
		Profits received	2.500.000.000
Sendo Steel Pipe Joint Venture Co., Ltd.	Subsidiary	Interest on capital	1.104.035.672
		Supply of service	1.356.600
SMC Phu My Steel Processing Co., Ltd.	Subsidiary	Sale of good	-
		Supplied service received	49.969.880
		Supply of service	327.600
SMC Phu My Precision Mechanics Co., Ltd.	Subsidiary	Interest on capital	1.210.253.424
		Supplied service received	719.409.750
SMC Phu My Automatic Equipment Co., Ltd.	Subsidiary	Sale of good	-
		Interest on capital	2.909.062.987
		Supplied service received	-
SMC - Summit Co., Ltd.	Associates	Sale of good	138.103.025.632
		Profits received	

3. Other information

	Quarter II 2026	Quarter II 2025
Net revenue	**626.898.666.854**	**823.921.491.127**
Profit after tax	**71.921.249.098**	**(164.421.838.435)**

- Revenue for the second quarter of 2026 was 76% of that in the same period of 2025.
- Profit after tax showed a positive turnaround, shifting from a loss of VND 164.421.838.435 in the second quarter of 2025 to a profit of VND 71.921.249.098 in the second quarter of 2026.

Cause:

- The second quarter of 2026 saw significant volatility in steel prices driven by rising input material and logistics costs, as well as geopolitical instability. Domestic consumption gradually recovered, supported by public investment and a warming real estate market. However, the steel industry overall remains subject to various uncertainties, including cautious demand, continued price volatility, and intense competition.

- Adopting a prudent business strategy that prioritizes capital efficiency and safety over sales volume growth, SMC recorded a 23.91% year-on-year decline in revenue for the second quarter of 2026. However, the company's gross profit margin improved significantly—shifting from a loss to a profit—thanks to enhanced inventory management and the optimization of its sales mix.

- In addition, increases in financial and other income, proactive recovery and resolution of slow-moving receivables, and the control of interest and administrative expenses contributed to the Company posting a profit after tax for the second quarter of 2026, contrasting with the significant loss recorded in the same period of the previous year.

	Accumulated in 2026	Accumulated in 2025
Net revenue	1.186.762.044.203	1.659.606.364.041
Profit after tax	44.809.766.243	(173.150.877.691)

- Accumulated revenue for 2026 is only 72% of the figure for the same period in 2025.
- Accumulated profit after tax shifted positively from a loss of VND 173.150.877.691 in 2025 to a profit of VND 44.809.766.243 in 2026.

Cause:

- For the first six months of 2026, the Company's business performance showed marked improvement compared to the first half of 2025. Net revenue stood at 72% of the figure from the same period last year, reflecting a strategic shift toward prioritizing profitable transactions and risk control. Consequently, gross profit reached VND 1.5 billion; while still modest, this represents a positive turnaround from the loss of nearly VND 24 billion recorded in the same period of the previous year.

- Unpredictable fluctuations in steel prices, rising input material and logistics costs, and a slow, cautious recovery in industry-wide consumption are putting pressure on corporate profit margins.

- Through the continued, vigorous implementation of operational restructuring measures—including the disposal of underperforming assets, capital structure reorganization, and strict management of inventory and receivables—alongside financial revenue, other income, and cost reductions, the enterprise has successfully enhanced its operational efficiency and improved profitability.

At the end of the first six months of 2026, the Company's profit after tax reached VND 44.8 billion, compared to a substantial loss of VND 173.2 billion in the same period of the previous year.

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 Hong Phuc	Nguyen Van Lam	Nguyen Quang Trung
Prepared By	Chief Accountant	General Director

Ho Chi Minh City, July 28, 2026