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DRAFT

REPORT

IMPLEMENTING PRODUCTION AND BUSINESS PLANNING IN 2025. BUSINESS PRODUCTION PLAN FOR 2026

I. GENERAL INFORMATION:

1. General Information

Trade Name: THUAN AN WOOD PROCESSING JOINT STOCK COMPANY

Business registration certificate number: 3700403867

Owner's investment capital: VND 104,000,000,000

Address: Binh Duong Boulevard, Binh Giao Quarter, Thuan Giao Ward, Ho Chi Minh City, Vietnam.

Thuan An Wood Processing Joint Stock Company is a state-owned enterprise with nearly 60% of its charter capital controlled by the state. The company has two factories: one in Thuan Giao Ward, Ho Chi Minh City, and another in Minh Hung Ward, Dong Nai Province. Its main business activities include: specializing in the production of wood blanks and interior decoration products from plantation timber; trading machinery and equipment; and real estate business and factory leasing. Its main export markets are the UK, the US, Australia, and Europe. After more than 20 years of continuous development, the company has increasingly affirmed its position in both domestic and international markets, especially in refined wood products. Notably, for the past seven years (2019-2025), the company has consistently ranked among the top 100 Sustainable Enterprises selected by the Vietnam Council for Sustainable Development.

2. Characteristics of the situation

Thuan An Wood Processing Joint Stock Company has focused on implementing the 2025 production and business plan agreed upon by the Vietnam Rubber Industry Group and the targets set by the 2025 Annual General Meeting of Shareholders, in the context of wood and wood product export businesses being affected by reciprocal taxes; the company faces intense competition for orders from FDI companies with strong management foundations and private companies with flexibility in procurement, investment, and labor recruitment.

In line with the Group's policy of streamlining the company's organizational structure for efficient and effective operation, at the beginning of the year, the Company merged the

Central Refining Plant into the Binh Phuoc Branch factory. The Central Refining Plant ceased operations from April 1, 2025.

The office in Thuan An, while awaiting a new upgrade investment plan, will be leased out to avoid wasting company assets and other resources (in accordance with Board of Directors Resolution No. 02/HĐQT dated March 24, 2025).

Due to the impact of the US retaliatory tax policy, finding tenants for factory space in Thuan An has been difficult, resulting in revenue from leasing activities only starting to be recorded from September 2025.

II. RESULTS

1. Production and Business Activities:

In 2025, the company faced many difficulties due to the implementation of the factory merger policy. Considering that the costs incurred due to the merger and streamlining of the organization are in line with the Group's policy, the Vietnam Rubber Industry Group adjusted the 2025 production and business plan for the Company. Therefore, the Company implemented the 2025 production and business plan with the following key indicators:

- Total revenue for 2025 is projected at VND 273.58 billion, reaching 110.44% of the annual plan and 99.58% of the 2024 target.
- Pre-tax profit for 2025 is projected at VND 7.54 billion, achieving 100.27% of the annual plan and reaching 70.16% compared to 2024.
- Total after-tax profit for 2025 is VND 5.95 billion, achieving 100.00% of the annual plan and 69.59% compared to 2024.
- The amount already contributed to the budget in 2025 is 10.16 billion VND, reaching 121.28% of the annual plan and 203.63% compared to 2024.

Some basic indicators:

| No | TARGETS | Unit | Plan | Perform | Percentage |
|----|---|--------------|--------|---------|------------|
| 1 | Revenue | Billion dong | 247.72 | 273.58 | 110.44 |
| 2 | Total cost | “ | 240.20 | 266.05 | 110.76 |
| 3 | Profit before tax | “ | 7.52 | 7.54 | 100.27 |
| 4 | Profit before tax/Charter capital ratio | % | 7.23 | 7.25 | 100.27 |
| 5 | Profit after tax | Billion dong | 5.95 | 5.95 | 100.00 |
| 6 | Dividends | % | 3.5 | 3.5 | 100.00 |

2. Financial Management

Currently, the company's total share capital is VND 104 billion, equivalent to 10,400,000 shares, and the number of treasury shares currently stands at 570,000 shares.

Some of the Company's asset and capital indicators as of December 31, 2025 are as follows:

| No | TARGETS | Unit | December 31, 2024 | December 31, 2025 | Difference | Percentage |
|----|---------------------------------|--------------|-------------------|-------------------|------------|------------|
| 1 | Total assets | Billion dong | 319,68 | 310,80 | (8,88) | 97,22 |
| | Customer deposits | " | 186,25 | 194,22 | 7,97 | 104,28 |
| | Inventory | " | 66,93 | 40,03 | (26,9) | 59,81 |
| 2 | Equity | " | 161,01 | 158,44 | (2,58) | 98,40 |
| 3 | Short-term debt | " | 158,66 | 154,30 | (4,36) | 97,25 |
| | This includes: Short-term loans | " | 126,53 | 119,27 | (7,26) | 94,26 |

3. Investment Activities:

- In 2025, the company's total capital construction plan, approved by the Group, was VND 12.44 billion

+ Value achieved: VND 1.57 billion, equivalent to 12.61% of the plan approved by the Group.

+ Outstanding items: 02 fire protection systems cannot be implemented due to procedural obstacles in document approval, an objective reason stemming from the adjustment and merger of administrative boundaries.

- The company continues to maintain its equity investment in Phu Thinh Rubber Construction Investment Joint Stock Company with an initial capital of VND 2,000,000,000, equivalent to 20,000 shares. During its operation, the company received stock dividends in 2015 and 2016 totaling 1,040 shares, thus the current number of shares held is 21,040. In 2024, dividends will be distributed in cash in 2025 at a rate of 6% of par value, equivalent to VND 126,240,000.

4. Labor and wage matters:

- By 2025, the company will fully comply with regulations on social insurance, health insurance, unemployment insurance, and 24/7 occupational accident insurance for all employees working at the company and will fully settle all benefits as prescribed by law. Total workforce at the end of 2025: 309 people (Branch: 296 people; Office: 13 people).

- Labor force changes in 2025: increase of 112 people; decrease of 358 people.

- Average workforce in 2025: 384 people, reaching 92.97% of the plan.

- Average income in 2025: 12,260,084 VND/person/month; achieving 123.27% of the plan.

5. Security, Order, and Fire Prevention and Control:

- Effectively carry out national defense, security, and social order and safety work, and protect internal affairs within the unit. Continue to maintain labor and production emulation movements, ensuring stable income and employment for workers; fully implement all regulations and policies for workers.

- The on-site fire prevention and fighting team regularly conducts self-inspections, internal training, and monitors fire and explosion risks; assigns staff to be on duty 24/7 as required. Production workshops maintain a permanent fire prevention and fighting team, carrying out safety inspections and maintenance of on-site fire prevention and fighting equipment.

- The company closely cooperates with the militia of Binh Giao neighborhood and the Thuan Giao Ward Police in ensuring security and order at the unit. Thanks to effective coordination and prevention, no complex security and order incidents occurred during the year, contributing to maintaining political security and social order in the unit's operating area.

- Supervise fire safety measures for tenants within the company premises.

6. Social Activities:

- The company closely cooperates with the Rubber Workers' Union in implementing emulation movements and social activities launched and organized by the Vietnam Rubber Industry Group and the local authorities.

- In fulfilling its social welfare responsibilities, the company has organized visits and presented Tet gifts to beneficiaries of social policies in the ward every year during the Tet holiday.

- Supporting disadvantaged children through programs such as: "Mid-Autumn Festival and Scholarships for Disadvantaged Children" organized by the Binh Duong Provincial Children's Protection Fund (under Ho Chi Minh City); contributing to the Education Promotion Fund on October 28, 2025; participating in the "Spring with Disadvantaged Children" program of Ho Chi Minh City in 2025. At the same time, the company participates in charitable activities such as "Winter Volunteer Program 2025 - Spring Volunteer Program 2026" and contributes to supporting people affected by natural disasters, storms, and floods.

7. Other Tasks:

2025 marks the 7th consecutive year that the Company has been honored in the Top 100 Sustainable Enterprises, selected by the Vietnam Business Council for Sustainable Development. This is the result of the collective efforts of all employees in the Company.

The management and all employees have continuously innovated in management and production organization, contributing to improved business performance.

In the coming period, the company will continue to maintain and build upon its achievements, aiming to further improve production and business efficiency and achieve more sustainable development.

III. BUSINESS PLAN FOR 2026:

In 2026, the wood processing industry is expected to continue facing significant challenges, despite some signs of recovery compared to previous years. Although orders may improve, they are likely to remain unstable and heavily dependent on demand from major export markets such as the US and Europe. As a result, localized shortages of orders may still occur, particularly during off-peak market periods.

In addition, increasing competition within the industry, as many businesses compete for orders, has led to a trend of price reductions to maintain production levels. This further narrows profit margins and directly affects the business performance of enterprises.

Moreover, input costs — including raw materials, labor, and expenses related to compliance with international standards (such as environmental regulations and legal timber sourcing requirements) remain high, creating additional pressure on production activities. Strict requirements from export markets regarding traceability and sustainable development also require businesses to invest more resources to ensure compliance.

Therefore, these factors are expected to continue affecting the Company's ability to maintain stable orders, sustain employment for employees, and ensure stable business operations in 2026.

Based on the overall situation of the wood processing industry and the Company's current order outlook, the Management Board has developed the following production and business plan for 2026:

1. Key Production and Business Indicators:

| No | TARGETS | Unit | Implemented 2025 | Plan 2026 | Percentage |
|----|---|--------------|------------------|-----------|------------|
| 1 | Revenue | Billion dong | 273,58 | 255,24 | 93,30 |
| 2 | Total cost | “ | 266,05 | 247,18 | 92,91 |
| 3 | Profit before tax | “ | 7,54 | 8,06 | 106,90 |
| 4 | Profit before tax/Charter capital ratio | % | 7,25 | 7,75 | 106,90 |
| 5 | Profit after tax | Billion dong | 5,95 | 6,42 | 107,90 |
| 6 | Dividends | % | 3,5 | 3,5 | 100,00 |

The Company's planned revenue for 2026 is set at 93.3% of the actual revenue achieved in 2025, as the Company will focus its resources on its core manufacturing and business activities, particularly value-added wood products. At the same time, the Company will scale down its rubberwood sawn timber business segment due to its unstable revenue contribution and relatively low profit margins.

2. Solutions for implementing the 2026 plan

To implement the 2026 production and business plan amid the forecasted challenges ahead, the Company needs to proactively and comprehensively deploy various solutions to maintain stable business operations, improve management efficiency, and gradually create momentum for sustainable growth in the coming years.

First, the Company will focus on strengthening market development activities, expanding markets, and diversifying its customer base in order to reduce dependence on traditional markets. At the same time, the Company will enhance efforts to approach new customers, improve service quality, and maintain its reputation to retain and expand its existing customer base.

Second, the Company will emphasize improving its competitiveness by strictly controlling production costs, optimizing input expenses, improving quality control processes, and enhancing labor productivity. In parallel, the Company will invest in research and development of higher value-added product lines that align with market trends and customer demand, thereby improving profit margins.

Third, the Company will continue to proactively build a stable supply chain, ensuring a legal and sustainable source of raw materials that complies with traceability requirements and environmental standards in export markets. At the same time, the Company will strengthen cooperation with reputable suppliers to ensure sustainability in production activities.

Fourth, the Company will pay close attention to recruitment activities to meet production demands, stabilize the workforce, and improve the material and spiritual well-being of employees. These efforts aim to strengthen solidarity among employees and foster the development of the Company's corporate culture.

Fifth, the Company will invest in new machinery and modern technology to meet the high technical requirements of its products, ensure precision, improve productivity, and reduce direct labor dependency. In addition, the Company will manufacture certain supporting tools and reorganize production lines, machinery, and equipment to better align with current product lines, thereby improving operational efficiency.

Sixth, the Company will continue to promote technical improvement initiatives and apply practical solutions to enhance production efficiency, reduce costs, and improve product quality.

Seventh, the Company will continue maintaining and implementing its sustainable development orientation by fulfilling targets in the three areas of Economic – Social – Environmental performance. In 2026, the solidarity and determination of all employees together with the Company's Management Board will create a collective strength and strong motivation to help the Company overcome challenges and fulfill the targets assigned by the General Meeting of Shareholders.

Through the synchronized implementation of the above solutions, the Company expects to gradually overcome difficulties, stabilize production and business operations, improve

operational efficiency, and establish a solid foundation for sustainable development in the years ahead.

Best regards!

**GENERAL DIRECTOR
(signed)**

Le Thi Xuyen

Place of receipt:

- As above
- Shareholders
- Board of Directors, Board of Supervisors, Board of General Directors
- Posted on Company Website
- Filed: Literature.