THIEN LONG GROUP CORPORATION ("Thien Long" or the "Company")
Date: October 30, 2025
Ticker: HOSE: TLG

Thien Long Business Update – Q3 and 9M 2025

Net profit reached 84% of the full-year target, supported by a strong recovery in the domestic market and steady momentum in exports.

I. KEY BUSINESS RESULTS

Q3/2025 consolidated net revenue reached VND 1,184.5 billion, up 32.2% YoY. Of which:

- Domestic revenue reached VND 893.5 billion (+34.7% YoY)
- International revenue reached VND 291.0 billion (+25.1% YoY)

Q3/2025 consolidated net profit after tax (attributable to shareholders of the parent) reached VND 76.1 billion, down 16.9% YoY, as the Company proactively increased selling expenses to strengthen its distribution system and stimulate consumption.

For the 9-month period of 2025, revenue reached VND 3,224.8 billion (+10.7% YoY) and net profit after tax reached VND 377.7 billion (-10.6% YoY), equivalent to 84% of the full-year target.

Gross profit margin improved to 49.6%, partly reflecting the positive impact of product portfolio restructuring and enhanced manufacturing productivity.

II. BUSINESS ENVIRONMENT

Domestic Market – Gradual Recovery Amid Market Volatility

Following a period impacted by new tax regulations and the Government's campaign against counterfeit goods in Q2/2025, the domestic market showed clear signs of recovery in July and August as traditional retail channels began stabilizing.

However, business activity slowed down in September due to storms and floods in Northern and North Central Vietnam, causing localized disruptions in logistics and distribution. Nevertheless, overall Q3 results reflect the resilience and adaptability of the domestic sales system, even as macro uncertainties persist.

International Market – Sustained Growth Momentum

Q3 export revenue reached VND 291 billion, up 25.1% YoY, reflecting the Company's successful adaptation in key international markets following a volatile first half of the year.

III. FINANCIAL HIGHLIGHTS

Gross profit grew in Q3/2025 - Gross profit improved in both the domestic and international markets, mainly due to:

- Ongoing product portfolio restructuring aimed at optimizing gross margins,
- Improved production efficiency, and
- Effective input cost control.

In export markets, favorable foreign exchange movements further supported gross profit growth.

Selling expenses increased during the period - Thien Long continued to invest heavily in sales operations and promotional campaigns to strengthen market share and brand visibility. The increase in selling expenses reflects the Company's proactive investment strategy to ensure distribution stability in the face of intensifying competition.

Since May 2025, the Company implemented adjustments to its trade support policy for its domestic distribution network. Under the new policy, trade support amounts are now recognized as selling expenses. While this increases both revenue and a portion of selling expenses, it has limited impact on net profit.

G&A expenses rose slightly by 4.4% in Q3/2025, indicating continued effective cost control.

Total assets as of the end of the period reached VND 3,792.8 billion (+12.9% YTD). Equity reached VND 2,550.3 billion (+8.7% YTD). These figures reflect a solid financial foundation and stable liquidity.

Outlook for Q4/2025 - Despite potential market uncertainties, Thien Long remains committed to its strategic direction and continues working toward achieving the business targets approved at the 2024 AGM.

IV. STRATEGIC PROJECT UPDATES

1. Joint Venture Expansion in Indonesia (Q1/2025)

In Q1/2025, Thien Long entered a joint venture in Indonesia with partners Snapgreen (Indonesia) and Silver Lion (Singapore), marking a significant step in expanding the FlexOffice and Colokit brands in this promising market.

- With a population three times that of Vietnam and cultural/economic similarities, Indonesia aligns well with TLG's vision to lead the writing instrument and stationery industry in Southeast Asia.
- Snapgreen's extensive network in FMCG, retail, and technology, combined with real-time consumer insights from Snapcart (its tech subsidiary), will help Thien Long:
    - Optimize go-to-market strategy,
    - Accelerate market penetration, and
    - Drive rapid growth in Indonesia.

2. Strategic Investment in Phuong Nam Cultural JSC (Q2/2025)

In Q2/2025, Thien Long's Board of Directors approved for Tan Luc South Trading & Service Co., Ltd., a 100%-owned subsidiary, to acquire shares from existing shareholders of Phuong Nam Cultural JSC (PNC)—a leading bookstore retail brand in Vietnam, operating approximately 50 stores in prime urban locations.

- As of June 6, 2025, Tan Luc South increased its ownership in PNC to 49.49%, becoming a major shareholder.
- This strategic partnership is expected to create strong synergies by:
    - Integrating Thien Long's product ecosystem with PNC's retail network,
    - Jointly fulfilling the mission to support learning and creativity for Vietnamese consumers.

3. Establishment of Import & Distribution Entity in the Philippines (Q3/2025)

In Q3/2025, Thien Long's Board of Directors approved the **establishment of a legal entity in the Philippines** to import and distribute stationery products.

- This milestone marks the next strategic step after years of building a strong foundation of products, brand awareness, and distribution in the Philippines.
- The local entity will:
    - Bring Thien Long closer to local consumers,
    - Establish a more direct, flexible, and efficient distribution channel,
    - Enhance market control, optimize logistics costs, and respond faster to local demand.
- In the initial phase, the focus will be on key products under FlexOffice and Colokit, targeting large-volume, stable-demand customer segments.
- Simultaneously, the Company will develop a multi-channel sales ecosystem (GT, MT, e-commerce) to build a solid base for sustainable growth and contribute meaningfully to international revenue in the coming years.

Summary of Financial Statements

I. Business Results

Figures (VND bn)	Q3 2025	Q3 2024	Change	9M 2025	9M 2024	Change
Net Revenue	**1,184.5**	**896.0**	**32.2%**	**3,224.8**	**2,911.8**	**10.7%**
- Domestic Revenue	893.5	663.5	*34.7%*	*2,336.4*	*2,105.1*	11.0%
- International Revenue	291.0	232.5	*25.1%*	*888.5*	*806.7*	*10.1%*
Gross Profit	**588.1**	**384.6**	**52.9%**	**1,598.6**	**1,314.0**	**21.7%**
Financial Revenue	13.9	6.5	112.5%	42.1	36.0	16.9%
Financial Expenses	9.2	10.4	-11.0%	27.5	20.8	31.9%
Selling Expenses	415.2	190.9	117.5%	904.8	553.5	63.5%
General & Administrative Exp.	81.3	77.8	4.4%	242.6	251.0	-3.4%
NPAT - MI	**76.1**	**91.6**	**-16.9%**	**377.7**	**422.5**	**-10.6%**
EPS (VND)				3,874	4,383	**-11.6%**
Gross Margin	49.6%	42.9%		49.6%	45.1%	
Net Margin	6.4%	10.2%		11.7%	14.5%	

II. Assets & Capital Structure

Figures (VND bn)		End of Period	Beginning of Period	Change
Total Assets		**3,792.8**	**3,359.6**	**12.9%**
- Cash & Cash Equivalents		*389.5*	*700.1*	*-44.4%*
- Short-term Investments		*740.6*	*360.9*	*105.2%*
Total Liabilities		**1,242.4**	**1,012.3**	**22.7%**
Equity		**2,550.3**	**2,347.2**	**8.7%**

III. Cash Flow

Figures (VND bn)		9M 2025	9M 2024	Change
Operating Cash Flow		239.3	361.0	-33.7%
Investing Cash Flow		-566.2	-289.6	95.5%
Financing Cash Flow		5.6	83.5	-93.3%
Net Change in Cash		**389.5**	**399.2**	**-2.4%**

About Thien Long Group:

Founded in 1981, Thien Long is Vietnam's leading stationery company, offering over 1,000 products under the brands **Thien Long, Flexio, Colokit, and FlexOffice**. The company exports to more than 74 countries worldwide. Thien Long focuses on innovation and sustainable manufacturing, aiming to strengthen its global presence while remaining committed to environmental protection.

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