



# ANNUAL REPORT YEAR 2024

**GARMENT 10 CORPORATION – JSC**

*Hanoi, April 2025*

## CONTENTS

<b>1. Introduction</b>	4
1.1. Foreword	4
1.2. Message from the Chairman of the Board of Directors	4
1.3. Message from the General Director	5
<b>2. About us</b>	6
2.1. Overview of the Corporation	6
2.1.1 General information	6
2.1.2 Industries and business locations	6
2.1.3 Subsidiaries, member units	7
2.2. Mission, Vision, Core values	7
2.3. Development path	7
2.4. Typical imprints of 2024	8
2.5. Organization chart, management model and management apparatus	9
<b>3. Business operation model</b>	12
3.1 Main business operation model	12
3.2 Value creation factors with stakeholders	12
3.3 Key topics	13
3.3.1 Process for determining key topics	13
3.3.2 List of key topics for 2024	13
3.4 Engaging stakeholders	15
3.5 Phase strategy	16
3.5.1 Opportunities and challenges	16
3.5.2 Development Orientation of the Corporation	17
<b>4. Results for 2024</b>	18
4.1 Operational situation during the year	18
4.1.1 Financial situation and key financial indicators	18
4.1.2 Investment situation, implementation of projects	18
4.1.3 Financial support from the Government	20
4.1.4 Ensuring customer rights	20
4.1.5 Organization and personnel	21
4.2 Shareholder structure, changes in owner's investment capital	21
4.3 Management Board's evaluation report	22
4.3.1 Business situation in 2024	22
4.3.2 Development plan for 2025	23
<b>5. Corporate governance</b>	24
5.1 Activities of the Board of Directors	24
5.2 Activities of the Supervisory Board and Internal Audit	26
5.3. Risk management activities	29

5.4.	Data infrastructure.....	32
5.5.	Conflict of interest management .....	32
5.6.	Salaries, remuneration, and benefits for the Board of Directors and the Supervisory Board.....	32
5.7.	Insider trading: There were no transactions in 2024. ....	32
5.8.	Ensuring benefits and fair treatment for shareholders.....	32
5.9.	Complaint and violation reporting process.....	33
<b>6.</b>	<b>Message on Sustainable Development .....</b>	<b>34</b>
6.1.	Message on Sustainable Development .....	34
6.2.	Commitment to Sustainable Development.....	35
6.3.	Sustainable development risk management.....	36
6.4.	Human resource development.....	38
6.4.1.	Occupational safety and health.....	38
6.4.2.	Equality, respect, and diversity .....	38
6.4.3.	Training and career development .....	39
6.4.4.	Employee benefits policy .....	40
6.5.	Community and social responsibility .....	40
6.5.1.	Safety and health of stakeholders.....	40
6.5.2.	Garment 10 Polyclinic.....	40
6.5.3.	Garment 10 Kindergarten .....	41
6.5.4.	Long Bien Vocational College .....	41
6.5.5.	Social and community activities.....	41
6.6.	Responsibility for environmental protection .....	42
6.6.1.	Green production transformation .....	42
6.6.2.	Water and Wastewater Management.....	43
6.6.3.	Waste Management .....	43
6.6.4.	Energy management.....	44
6.6.5.	Environmental regulation compliance.....	45
6.7.	Sustainable supply chain .....	45
<b>7.</b>	<b>Financial statements.....</b>	<b>46</b>
<b>8.</b>	<b>Information about the report .....</b>	<b>52</b>
<b>9.</b>	<b>Confirmation of the Company's Legal Representative.....</b>	<b>52</b>
<b>10.</b>	<b>GRI index .....</b>	<b>53</b>

No.	Abbreviation	Interpretation
1	Corporation/Garment Corporation/ May 10	Garment 10 Corporation – Joint Stock Company
2	GMS	General Meeting of Shareholders
3	BOD	Board of Directors
4	BOC	Board of Supervisors
5	BOM	Board of Management
6	CEO	General Director
7	D. CEO	Deputy General Director

## **1. Introduction**

### ***1.1. Foreword***

The year 2024 was a promising year for the market, along with the efforts of all officials and employees, the Corporation has exceeded the set plan, contributing to the development of Garment 10 in particular and the Vietnam textile and garment industry in general.

### ***1.2. Message from the Chairman of the Board of Directors***

Dear Esteemed Shareholders, Valued Customers, and Respected Partners,

The year 2024 is a year of interwoven opportunities and challenges. Amidst the volatile global economy and changing consumer demands, we have continuously strived to maintain and grow, while affirming our position in the garment manufacturing industry.

The Corporation's revenue and profit continue to grow steadily, and Garment 10 products are increasingly trusted and favored by customers. These results are thanks to the continuous dedication of all members of the Garment 10 family, along with the trust and cooperation from shareholders and partners.

In 2024, the Corporation invested in modern production technology, improved product quality, strengthened quality management processes, and expanded export markets, bringing its products to many new countries, contributing to enhancing the Corporation's stature in the international market.

Stepping into 2025 and the following years, Garment 10 Corporation continues to innovate and create, focusing on market research, developing new products, and meeting the increasing demands of customers. At the same time, striving to build a friendly, professional, and efficient working environment.

We believe that, with the spirit of solidarity, creativity, and unceasing efforts of all employees, the trust of customers, partners, suppliers, and esteemed shareholders, Garment 10 Corporation will continue to conquer new heights, bringing long-term value to shareholders, partners, and all employees.

We sincerely thank you for your companionship throughout the past journey. We wish Garment 10 Corporation continued sustainable development and prosperity in 2025 and the following years.

Chairman of the Board of Directors

Vu Duc Giang

### ***1.3. Message from the General Director***

Dear: Shareholders, Customers, Partners, and Collective of Employees of Garment 10 Corporation,

In the challenging context of 2024, with the continuous efforts and spirit of solidarity, promoting the intelligence, internal strength, and speed of all employees, Garment 10 Corporation has exceeded the set targets: revenue increased by 12%, profit increased by 14%, and the average income of employees increased by 8.11%. These are encouraging figures and a testament to the sustainable development and strong potential of the Corporation. These achievements come not only from the dedication of employees but also thanks to the trust and companionship of shareholders and partners.

The efforts of the collective of employees of the Corporation have been recognized and awarded many noble prizes: Top 100 sustainable enterprises; the Enternity GrusZ and Garment 10 Series brands were selected as National Brands in 2024, and the Garment 10 Series brand was voted as Vietnamese Goods favored by consumers in 2024. In particular, Garment 10 Corporation continues to be honored for the 10th consecutive time as a "Business for Employees" at the National level and for the 6th consecutive year as a "Business for Employees" at the Industry level.

The role and activities of mass organizations in the enterprise are regularly consolidated and strengthened to raise employees' awareness in labor production emulation, contributing to the stability and sustainable development of the enterprise. The growth of mass organizations has been recognized through many noble awards: Garment 10 Corporation's Trade Union was honored to receive the First-class Labor Medal and was awarded the Certificate of Excellent Unit in the movement of civil servants, employees and trade union activities in 2024 by the Vietnam General Confederation of Labor. The Corporation's Youth Union was honored to receive the Excellent Emulation Flag from the Vietnam Youth Federation.

From the lessons learned in 2024 and the forecast for 2025, the Corporation continues to focus on improving production efficiency, researching and developing new products, meeting the increasing demands of the market. At the same time, it focuses on building a friendly, professional and sustainable working environment, where each individual has the opportunity to maximize their capabilities.

With a firm belief in the power of Garment 10 culture, we believe that the achievements in overcoming the challenges of 2024 will be the foundation and opportunity to cultivate will and determination, aiming towards 2025 with outstanding success.

Sincerely thank the efforts of the collective of employees, the companionship and cooperation of shareholders and partners.

Wishing you good health, happiness, and success!


General Director

Than Duc Viet

## 2. About us

### 2.1. Overview of the Corporation

#### 2.1.1 General information

Trading name	Garment 10 Corporation – Joint Stock Company
English name	Garment 10 Corporation – Joint Stock Company
Business registration certificate number	0100101308 issued by the Hanoi Department of Planning and Investment for the first time on 15 <sup>th</sup> December 2004, 17 <sup>th</sup> amendment on 17 <sup>th</sup> January 2025
Securities code	M10
Charter capital	VND 317,510,000,000
Head office	Phuc Loi Ward, Long Bien District, Hanoi City
Phone number	(024) 3 8276 923
Fax number	(024) 3 8276 925
Website:	www.garco10.com.vn
Logo	

#### 2.1.2 Industries and business locations

##### Main business lines:

- Producing, trading, importing and exporting fashion garments.
- Trading in supermarkets, hotels, restaurants
- Vocational training, preschool education, and healthcare services.

##### Business locations:

The Corporation has built a production system including 12 factories in the provinces and cities: Hanoi, Thai Binh, Nam Dinh, Thanh Hoa, Ha Tinh, Quang Binh.

##### Export market:

- The Corporation has built and maintained a customer network in more than 40 countries and territories. In which, the United States, Europe, and Japan are the 03 largest markets.
- Main export products: shirts, vests, jackets, pants.

##### Domestic market:

- Retailing and wholesaling fashion products and accessories with 08 Garment 10 Centurion Group fashion centers in Hanoi - Hai Phong – Thai Binh - Ho Chi Minh City, a system of 26 retail stores, 79 distribution agents stretching across 03 regions.

### 2.1.3 Subsidiaries, member units

#### **Subsidiary: May 10 Trading Service and Fashion Company Limited**

Full name	May 10 Trading Service and Fashion Company Limited
English name	May 10 Trading Service and Fashion Company Limited
Address	765A Nguyen Van Linh, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam
Business license	0109484006
Main business lines	Wholesale of fabric, garments, and footwear
Owner's contributed capital	3,403,230,255 VND
Ownership ratio	100%
Operating results	Total revenue + income in 2024: 21.190.767.933 VND Profit before tax in 2024: (1.210.982.380) VND

**The Corporation has no affiliates**

## **2.2. Mission, Vision, Core values**

### *2.2.1. Mission*

- Bringing value to high-quality fashion products that are environmentally friendly.
- Inheriting, promoting, and spreading good cultural values to the community and society.

### *2.2.2. Vision*

- Becoming a multinational economic group, with a production, business and service model; in which the design, production and trading of garments is the core business area.
- Develop the Garment 10 brand into a global brand.
- Build the Corporation into a model of corporate culture.

### *2.2.3. Core values*

- Multi-generational inheritance
- Commitment to customers and partners
- Discipline is strength
- Enterprise for Laborers
- Being responsible to the community and society

## **2.3. Development path**

- 1946: Military uniform workshops were established in the Viet Bac war zone.
- 1956: Moved to Hanoi, merged 03 sewing workshops and took the common name Garment 10 Workshop.
- 1959: On January 8th, Garment 10 Workshop was honored to welcome Uncle Ho to visit and sew clothes as gifts for him. On February 24th, he sent a letter praising Garment 10 Workshop.
- 1961: Garment 10 Workshop was transferred from the General Department of Logistics to the Ministry of Light Industry for management and renamed Garment 10 Enterprise.
- 1992: The Ministry of Light Industry issued decision No. 1018/CNn-TCLĐ on November 2nd to transform the organization and operation of Garment 10 Enterprise into Garment 10 Company.
- 2005: Transformed the operating model into a joint stock company model under the name Garment 10 Joint Stock Company.
- 2010: Transformed the operating organization according to the parent-subsidary company model under the name Garment 10 Corporation - Joint Stock Company.
- 2018: On January 10th, Garment 10 shares were officially traded on the Upcom market with stock code M10.



- 2024: Revenue reached 4.769 billion VND, exceeding 12% compared to the Resolution of the 2024 Annual General Meeting of Shareholders.

## ***2.4. Typical imprints of 2024***

### **Financial highlights**

- Total revenue reached 4.769 billion VND, an increase of 12% of the plan.
- Pre-tax profit reached 141 billion VND, an increase of 22,6% of the plan.
- Average income of employees reached 10.000.000 VND/person/month, an increase of 5,2%/plan.

### **Non-financial highlights**

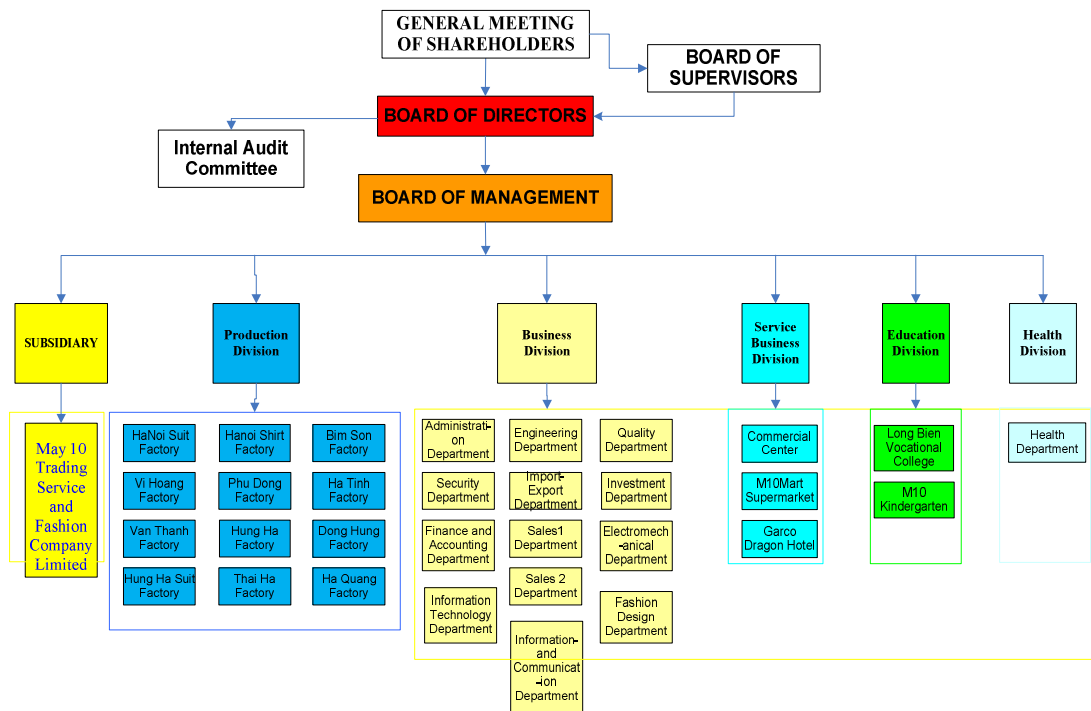
- Converting the boiler system from using coal to using biomass fuel with a total capacity of 8 tons of steam/hour at Hung Ha Suit Factory and at the Headquarters of Garment 10 Corporation.
- Installing a 999 Kwp solar power system at Hung Ha Suit Factory and 631 Kwp at Ha Quang Garment Factory.

### **Typical awards in 2024**

- Sustainable Development Enterprise Award - Top 100 sustainable enterprises certified by the Vietnam Business Council for Sustainable Development and the Vietnam Chamber of Commerce and Industry
- "Enterprise for Laborers" at the National level for the 10th consecutive time and at the Industry level for the 6th consecutive time
- National brand in 2024 certified by the Ministry of Industry and Trade
- Vietnamese goods favored by consumers in 2024 certified by the Hanoi Department of Industry and Trade

## 2.5. Organization chart, management model and management apparatus

The corporation is organized and operates according to the management model specified in point a, clause 1, article 137 of the Enterprise Law No. 59/2020/QH14 promulgated on June 17th, 2020. Accordingly, the organizational structure of the Corporation's management: according to the model of the General Meeting of Shareholders, the Board of Directors, the Supervisory Board and the General Director. In which the General Director is the legal representative, as stipulated in the company's charter.



**General Meeting of Shareholders:** Includes shareholders with voting rights, is the highest decision-making body of the Corporation.

**Board of Directors:** is the management body of the Corporation, elected by the GMS, and accountable to the GMS for the performance of assigned tasks and powers. The BOD performs the management tasks of the Corporation in accordance with the provisions of law, the Charter, the Internal Governance Regulations, and relevant internal regulations of the Corporation, as well as advanced management practices. The BOD decides on issues, except for those under the authority of the GMS.

**Supervisory Board:** Performs the task of representing shareholders in supervising all business activities, management activities, and operations of the Corporation.

**Executive Board:** Is the body that manages the daily operations of the Corporation in accordance with the provisions of law and the Corporation's Charter, and is responsible to the BOD for the performance of assigned rights and duties.

### Introduction to the Members of the Board of Directors

No.	Full name	Professional qualifications	Title	Independent /Executive/ Non-executive	Rate Ownership Shares (%)
1	Vu Duc Giang	Bachelor of Economics	Chairman of the Board of Directors	Non-executive	4,75
2	Dang Vu Hung	Doctor of Textile Engineering	Vice Chairman of the Board of Directors	Non-executive	0,00
3	Than Duc Viet	Master of Business Administration	Member of the Board of Directors	Executive	2,12
4	Bach Thang Long	Electrical Engineering Economist	Member of the Board of Directors	Executive	1,19
5	Nguyen Thi Bich Thuy	Bachelor of Garment Technology	Member of the Board of Directors	Executive	0,51

### Introduction to the Members of the Executive Board

No.	Full name	Professional qualifications	Position	Share ownership ratio (%)
1	Than Duc Viet	Master's degree	General Director	2,12
2	Bach Thang Long	University	Deputy General Director	1,19
3	Nguyen Thi Bich Thuy	University	Deputy General Director	0,51
4	Nguyen Anh Duong	University	Deputy General Director	0,67
5	Hoang The Nhu	University	Deputy General Director	0,58
6	Pham Bich Hong	University	Deputy General Director	2,87
7	Ha Manh	University	Managing Director	0,28
8	Nguyen Thi Phuong Thao	University	Managing Director	0,21
9	Tran Thanh Binh	Master's degree	Chief Accountant	0,16

**Summary of changes in the Executive Board: No changes in 2024****Introduction to the Members of the Supervisory Board**

No.	Full name	Education level	Title	Share ownership ratio (%)
1	Thach Thi Phong Huyen	University	Head of Department	0
2	Ta Thu Ha	University	Member	0,13
3	Nguyen Thi Nga	Master's Degree	Member	0

**Summary of changes in the Supervisory Board:**

Full Name	Position at the Corporation (before change)	Position at the Corporation (after change)	Reason for change	Effective Date	Note
Dang Thanh Huyen	Member of the Supervisory Board		Dismissal	20 April 2024	According to Resolution No. 383/NQ-ĐHĐCĐ of the
Nguyen Thi Nga		Member of the Supervisory Board	Appointment	20 April 2024	Annual General Meeting of Shareholders dated 20 April 2024

### 3. Business operation model

#### 3.1 Main business operation model

Proud of:

- Professional design team, sales department that understands the needs of customers and the market, and is sensitive to business opportunities;
- Team of highly skilled workers and technicians, well-trained, qualified and experienced;
- System of factories, with advanced and modern machinery and technology;
- Quality management system that meets the requirements of demanding markets in Europe, Japan, and the United States.

The Corporation has been and is well meeting the orders of many customer segments from design to product completion.

The Corporation's main business production cycle is divided into 06 stages, with the following focuses and strengths:

1. R&D, design, offering	2. Production plan	3. Purchasing raw and auxiliary materials
Market research, anticipating fashion trends; constantly improving products.	Develop a production plan based on optimizing existing resources, flexibly meeting all customer needs and expectations.	A network of raw and auxiliary material suppliers that meets production requirements and environmental standards.

4. Production and quality system management	5. Inventory management and control	6. Sales and customer care
Modern equipment, advanced technology, skilled staff and employees, creating products that meet customer requirements.	Meeting the needs fully, promptly, and safely for the continuous production and circulation of goods.	With the policy of "Meeting the needs and expectations of customers," Garment 10 always "Dedicated to serving," "Ready to listen" with the motto "feedback is a gift."

#### 3.2 Value creation factors with stakeholders

##### Value building factors

##### **Financial resources**

Stable, ready to meet the needs of expanding production, business, innovation of technology and production lines.

##### **Human resources**

Team of skilled, experienced, creative employees who are continuously supplemented.

##### **Modern equipment and technology**

Constantly being improved, innovated, modernized, and automated. Factories and production lines are organized and arranged in a streamlined, productive, and efficient manner.

##### **Sustainable relationships with stakeholders**

Sustainable relationships with employees, customers, shareholders, suppliers, economic - political - social organizations from the Central to local levels - important links in the Corporation's value chain.

**Management system**

Built and guaranteed according to domestic and international standards, meeting customer requirements, ensuring compliance with legal regulations on environment and social responsibility.

**Corporate culture**

Culture of discipline, solidarity, responsibility, creativity, respect, and sharing.

**Through the above factors, the Corporation has created sustainable value for stakeholders, including:**

Value of social responsibility activities for the community and locality: VND 2,29 billion.

Decision on 2024 dividend advance for shareholders: VND 31,75 billion.

Expenditures for employees: VND 1.066,30 billion.

Contributions to the State Budget: VND 66,89 billion.

**3.3 Key topics****3.3.1 Process for determining key topics**

Garment 10 Corporation has engaged with stakeholders through various interaction channels and methods to understand their concerns and expectations in order to improve the efficiency of production and business operations.

We conducted a comprehensive analysis to confirm key Sustainable Development topics that have a significant impact on the Corporation's production and business operations, as well as an impact on the concerns of stakeholders. This process is based on an assessment of trends, legal requirements for information disclosure, as well as current sustainable development practices in the garment industry.

Then, a shortlist of key issues was compiled based on an assessment of the reasonableness and level of impact of environmental and social factors in the garment industry, as well as the likelihood of impacts from these factors.

Next, the Corporation selected and analyzed key issues. Developing a matrix of key issues, as a basis for disclosing information on Sustainable Development.

Review, evaluate, and approve key issues. Obtain feedback from stakeholders on the key issues included in the report.

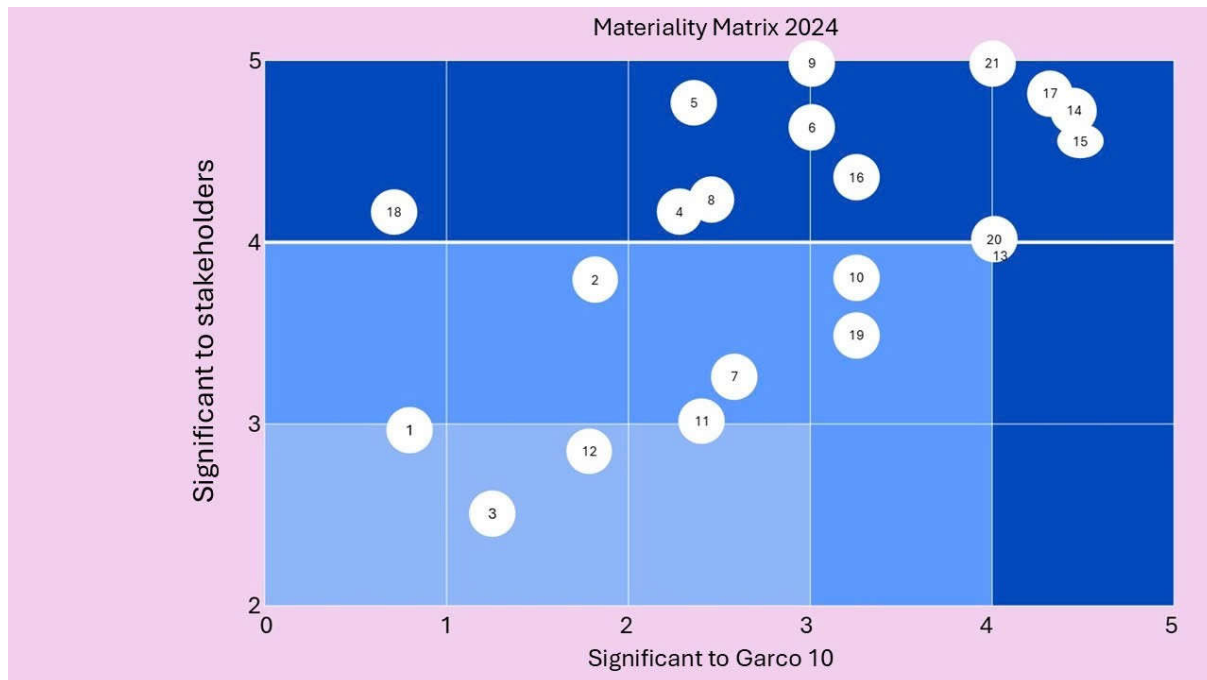
**3.3.2 List of key topics for 2024**

Through a comprehensive analysis process, Garment 10 has identified the following key topics:

- Internal governance: Continue to review and improve the system of regulations, rules, processes, guidelines, and risk management on a digital technology platform.
- Digital transformation: focus on investing in solutions, technology, and digital transformation in production, operation, and management activities to improve system governance.
- Green Production Transformation: aims to improve environmental performance in the production process, including measures to minimize waste and increase the use of renewable energy sources.
- Water & Wastewater Management: committed to ensuring sustainable water use and treatment, including minimizing water consumption and pollution.

- **Waste Management:** always research to save consumption norms, reduce waste, and reduce scrap.
- **Energy Management:** aims to optimize energy efficiency and switch to renewable energy sources to minimize the environmental impact of using energy from fossil fuels.
- **Greenhouse Gas Emissions:** committed to minimizing greenhouse gas emissions in the production and operation process, in order to contribute to the common efforts of the international community in mitigating the impact of climate change.
- **Environmental Regulation Compliance:** comply with all environmental regulations and standards related to production and business activities. (Environmental protection)
- **Sustainable Supply Chain:** building and maintaining a sustainable supply chain according to environmental and social standards.
- **Human resource development:** enhance capacity through welfare policies, professional skills training, and ensuring occupational safety and health.

These topics play an important role in shaping the Corporation's Sustainable Development strategy and practices.



Name	Numbering
Sustainable raw material sources	10
Water consumption management & wastewater treatment	11
Waste/Garbage management	12
Chemical use management	3
Energy efficiency/GHG emissions	16
Environmental impact in the supply chain	21
Transparent origin traceability	5

Name	Numbering
Product lifespan	7
Green production transformation	13
Climate change	9
Regulatory compliance	14
Occupational health and safety	17
Diversity and equality	8
Training and education	19
Employee welfare policy	15
Anti-discrimination	18
Labor conditions in the supply chain	4
Safety and health of other stakeholders	6
Social and community activities	1
Anti-corruption	2
Digital transformation	20

### 3.4 *Engaging stakeholders*

Garment 10 Corporation is committed to proactively and responsibly engaging with stakeholders to create positive and sustainable values. We believe that building strong relationships with stakeholders is key to promoting the sustainable development of the Corporation and the social community.

- Employees: We are committed to creating a safe, fair, and respectful working environment that protects the rights of employees, and implementing measures to protect occupational health and safety. Employees are empowered to exercise their democratic rights and contribute opinions through employee conferences and direct communication channels with the Trade Union and the Executive Board.
- Customers: We listen to customer opinions and feedback to collaborate, share, and improve product and service quality through communication channels such as hotlines, emails, and customer care centers; we also conduct regular customer surveys to gather contributions and feedback on product quality.
- Shareholders and investors: We maintain an open interaction environment with shareholders and investors through the General Meeting of Shareholders, receiving opinions and contributions from shareholders via email, and publicly disclosing information on financial reports, projects, and business strategies on the Corporation's website.
- Suppliers and partners: We build reliable and sustainable relationships with suppliers and customers based on the principles of cooperation, respect, sharing, transparency, and mutual development. We ensure compliance with standards and principles of business ethics and environmental protection from suppliers and customers.
- State management agencies: Garment 10 Corporation always fully complies with legal regulations and is ready to coordinate with management agencies when required.



- **Community:** We carry out social and charitable activities to support domestic and international communities, creating sustainable value for society. In addition, Garment 10 always welcomes feedback and support from the community in establishing and implementing social projects and programs that align with the Corporation's capabilities.

### **3.5 Phase strategy**

#### **3.5.1 Opportunities and challenges**

#### **ADVANTAGES**

Opportunities from Free Trade Agreements (FTAs): EVFTA, CPTPP, RCEP help garments enjoy preferential tax rates when exporting to major markets such as the EU, Canada, Japan, and South Korea.

The domestic political situation is stable, and the Government has drastic solutions in epidemic prevention and control, disaster recovery, support for workers, and tax reduction support for businesses. The government has made decisions to manage monetary policy and reduce interest rates, helping businesses promote production.

#### **RISKS AND CHALLENGES IN 2025**

##### **Risks and challenges for the international market**

- The tariff policies of major countries around the world are changing erratically.
- The export market is always volatile and unpredictable, and major fashion brands face business risks, which greatly affects manufacturers.
- Trend towards green and sustainable production: International markets are placing stricter requirements on sustainability and social responsibility, requiring the Corporation to continue investing in green technology and comprehensive quality management.
- Intense competition from rivals such as Bangladesh, India, Cambodia, and Indonesia is increasingly enhancing production capacity and benefiting from tariff preferences, requiring the Corporation to continuously improve, tighten production costs, and innovate to maintain its market position.

##### **Domestic Risks and Challenges:**

- The Corporation's production and business operations always face competition from domestic enterprises (regarding price, delivery time, product quality, etc.), requiring the Corporation to always have adaptive and innovative solutions, improve governance, product quality management, and effective cost management.
- Tax and Management Policies: Tax and management policies may change, affecting the Corporation's business operations. Monitoring and adapting to these changes is essential.
- Labor Shortage and Wage Increase Pressure: Vietnam faces a shortage of skilled labor, while wages and operating costs tend to increase. The Corporation uses solutions to improve the working environment, salary and bonus regimes, and social welfare activities to help employees feel secure and attract more labor.
- Technological Innovation: To maintain and develop sustainably, the Corporation needs to continue investing in new technology equipment and automation to improve production capacity; invest in digital transformation, improve governance, save costs, and improve business efficiency.

### **3.5.2 Development Orientation of the Corporation**

#### **❖ Development Strategy for the period 2025-2030**

- Continue to focus on core business lines.
- Effectively exploit service industries: Training, healthcare, hotels, supermarkets;
- Research and invest in new industries such as: Production of consumer products (excluding garments); High-tech agriculture; Industrial park and housing real estate, other service business... based on safe investment efficiency and capital growth.

#### **❖ Some key indicators:**

- Revenue: average increase of 5% - 10%/year
- Profit: average increase of 5% - 8% per year
- Average income of employees: average increase of 3% - 7% per year
- Annual dividend: 10% – 20%/year

#### **Goals in 2025**

*2025 is the first year of the 2025 – 2030 term. The Corporation sets out specific goals and plans as follows:*

##### ***Business***

- Diversify markets, reduce dependence on the US and EU, and expand export market share to Japan, Korea, the Middle East, Australia, and the CPTPP region.
- Increase the localization rate of raw materials to 60-65%, reduce dependence on supply from China, and maximize FTAs to reduce import taxes and increase competitiveness.
- Continue to diversify product types, focusing on developing high-value products
- Promote marketing on domestic and international e-commerce sites.
- Maintain and develop long-term, sustainable cooperative relationships with partners at home and abroad based on the principle of mutual benefit.

##### ***Investment***

- Continue to invest with a focus on technology, technical innovation, and digital and green transformation

##### ***Governance:***

- Improve the management capacity of the management team through training programs and courses.
- Build an internal management system oriented towards sustainable development.

##### ***Environment:***

- Continue to cooperate in investing in standard rooftop solar power systems at the Thai Ha Factory (Gia Le) and Hung Ha Factory.
- Renovate and upgrade factories with the goal of achieving green factory certification according to LEED standards.
- Renovate and upgrade the wastewater treatment system to ensure standards.

##### ***Society – Personnel***

- Continue to recruit additional labor for the factories.
- Foster and improve the quality and capacity of the staff, workers, and management personnel.

#### 4. Results for 2024

##### 4.1 Operational situation during the year

###### 4.1.1 Financial situation and key financial indicators

Target	Unit	Year 2023	Year 2024	% increase/(decrease) in 2024 compared to 2023
<b>Total asset value</b>	Billion VND	2.289,69	2,615,83	14,24%
<b>Net revenue</b>	Billion VND	4.139,12	4.646,64	12,26%
<b>Profit from business activities</b>	Billion VND	120,02	142,13	18,42%
<b>Other profit</b>	Billion VND	3,42	(1.12)	
<b>Profit before tax</b>	Billion VND	123,43	141,02	14,25%
<b>Profit after tax</b>	Billion VND	103,21	97,79	-5,25%
<b>Dividend payout ratio</b>	%	15,00	15,00*	

(\*) The dividend payout ratio for 2024 is a projected plan.

##### Financial indicators

Target	Unit of measure	Year 2023	Year 2024
<i>1. Solvency Ratios</i>			
Current Ratio	times	1,12	1,08
Quick Ratio	times	0,65	0,66
<i>2. Capital Structure Ratios</i>			
Debt/Total Assets Ratio	times	0,77	0,78
Debt/Equity Ratio	times	3,28	3,60
<i>3. Activity Ratios</i>			
Inventory Turnover	Times	4,72	5,30
Total Asset Turnover	Times	1,80	1,89
<i>4. Profitability Ratios</i>			
Net Profit Margin	%	2,49	2,10
Return on Equity	%	19,31	17,18
Return on Assets	%	4,51	3,74
Operating Profit Margin	%	2,90	3,06

###### 4.1.2 Investment situation, implementation of projects

In 2024, the estimated investment value is 114,47 billion VND, reaching 34,31% of the plan.

No.	Investment value	Unit	Year 2024		Comparison (%)	
			Target	Actual	Actual/Target 2024	Actual 2024/2023
<b>I</b>	<b>By item</b>	<b>Billion VND</b>	<b>333,63</b>	<b>114,47</b>	<b>34,31</b>	<b>128,34</b>

1	Construction investment	Billion VND	151,10	41,50	27,46	189,43
2	Machinery and equipment	Billion VND	123,39	67,95	55,07	107,49
3	Other	Billion VND	59,14	5,02	8,49	123,30
<b>II</b>	<b>By source of capital</b>	<b>Billion VND</b>	<b>333,63</b>	<b>114,47</b>	<b>34,31</b>	<b>128,34</b>
1	Equity	Billion VND	155,21	58,38	37,61	111,48
2	Commercial loans	Billion VND	178,42	56,09	31,44	152,32

- **Project 1 - New construction investment of Garment 10 Corporation - Thai Ha Factory:**

- Location: Gia Le Industrial Park, Thai Binh City, Thai Binh Province
- Land area: 1,2 ha
- Construction area: 23.000 m2
- Project scale: Investment for 22 shirt production lines, designed capacity of 8.8 million SMC/year
- Total investment according to the project: 240 billion VND
- Investment value already implemented: 52,05 billion VND
- Commencement date: July 2024
- Operation start date: April 2025

- **Project 2 – Project for Investment and Construction of Branch Headquarters and Product Introduction Store:**

- **Location: 95 Bach Dang Street – Thuong Ly Ward – Hong Bang District – Hai Phong City**
- Land area: 114,06 m2
- Construction area: 465,95m2
- Total estimate: 10,6 billion VND
- Commencement date: October 2024
- Completion time: March 2025
- Purpose of use: Building a Centurion fashion center with high-end product lines Detheia; G/Z; M10

- **Project 3 – Green transformation projects:**

- Implementing the signing of a consulting service contract for Green Factory (Leed) certification at Garment 10 Corporation and local enterprises.
- Investing in innovative technology equipment, towards greening, such as installing 02 Biomass wood pellet boilers with a capacity of 4 tons/hour to replace 04 coal-fired boilers, saving costs of 3.1 billion VND and also contributing to environmental protection, reducing greenhouse gas CO2 emissions, estimated at 4,500 tons/year.
- Completed the installation of a rooftop solar power system with a total capacity of 2.46 MWp, implemented in the form of cooperation with the Green Yellow Investment Fund, the cost of electricity purchased back at a discounted price of 8-28% depending on the consumption rate. The installation of the solar power system has reduced emissions by 1,000 tons of CO2/year and has been granted an IREC certificate (certificate of renewable energy use).
- Conducting greenhouse gas audits, preparing greenhouse gas emission reports for all units throughout the Corporation, the results have assessed the current CO2 emission situation, identified sources of emissions, thereby proposing measures to reduce greenhouse gas emissions, improve the working environment and ensure compliance with State regulations.

- **Project 4 – Annual Recurring Projects:**

- Investment in technology equipment and management software: Garment 10 Corporation allocates nearly 80 billion VND for purchasing machinery, technology equipment to serve production.
- Renovating and upgrading the store system, with an investment value of approximately 10 billion VND, to expand the distribution channel of stores, product introduction centers, and agents of the Corporation.

#### 4.1.3 Financial support from the Government

No.	Content	Value of benefit (VND)	Note
1	<b>Utilizing State policies:</b>	<b>10.072.498.200</b>	
	Savings on loan interest expenses from the State's tax deferral policy	408.000.000	Total tax amount extended for late payment is VND 16,64 billion
	Deduction of expenses for female employees	5.034.498.200	According to Decree No. 218/2013/ND-CP
	Land rent exempted/reduced	4.630.000.000	

#### 4.1.4 Ensuring customer rights

To ensure customer rights, the Corporation promulgates a complaint policy, a product traceability policy, and a product recall policy to uniformly regulate implementation methods; thoroughly eliminate products and goods that do not meet quality standards from the production and distribution chain, ensuring customer rights.

Channels for receiving customer feedback on product quality and service quality: Customers directly call the Corporation's hotline or write emails to provide product quality feedback. In addition to the above two methods, for customers who purchase domestic products, they can directly visit the store or agent where they purchased the product to provide feedback, send messages to fan pages, social networks (Facebook, Zalo), e-commerce platforms (Tiki, Lazada, Shopee,...), and SMS messages via the switchboard number.

- Corporation hotline: 0919636628/ 0888869638
- Email: cskh@garco10.com.vn
- Facebook: thoitrangmay10 (with a blue tick)
- Zalo: Thời Trang May 10 (0919636628)
- Tiki: May10 (<https://tiki.vn/cua-hang/may-10?t=store>)
- Lazada: Tổng công ty (<https://www.lazada.vn/shop/tong-cong-ty-may-10>)
- Shopee: Thời Trang May 10 (<https://shopee.vn/thoitrangm10>)
- Tiktok: Thời Trang May 10 (<https://www.tiktok.com/@thoitrangmay10>)
- Contact switchboard: 1900636628

The Corporation has a process for receiving and processing customer complaints/feedback: Information is provided in writing, using common written language, and sent by electronic means/text message. In special cases, telephone may be used.

The Corporation has developed a policy on protecting customer/partner information with specific criteria that are agreed upon and signed for confirmation by the parties in the "Commitment to Customer Information Security" document.

Information provided to customers, partners, related parties, etc., must be prompt, timely (within twenty-four (24) hours), and to the correct recipient (target).

Activities to protect the customer's brand as well as protect and develop the Corporation's brand are carried out according to the "Guidelines for Building, Controlling, and Protecting Brands."

Quality policy: Compliance with current legal regulations and the requirements of ISO9001:2015 standards, meeting all requirements agreed upon with customers.

Risk management, complaint handling, and customer satisfaction measurement: "Risk and Opportunity Management Process"

Any non-conformities detected in the processes, including before the contract is executed, or requiring product traceability, recall, and handling, etc., are carried out according to the "Non-Conformity Control Process."

Customer complaints and grievances are handled according to the "Corrective and Preventive Action and Improvement Process."

Customer satisfaction assessment and measurement activities are carried out according to the "Monitoring and Measurement Process."

**In 2024, no serious customer complaints arose.**

#### *4.1.5 Organization and personnel*

<u>General indicators</u>	Unit of measure	Year 2022	Year 2023	Year 2024	% increase/decrease in 2024 compared to 2023
Number of staff	Person	7.143	7.261	7.130	98%

#### **4.2 Shareholder structure, changes in owner's investment capital**

##### **Shares as at 31 December 2024**

No.	Content	Value	Unit of measure
1	Charter capital	317.510.000.000	VND
2	Number of shares issued	31.751.000	Shares
3	Face value	10.000	VND
4	Number of treasury shares	244	Shares
5	Number of outstanding shares	31.750.756	Shares
6	Number of shares restricted from transfer	1.511.000	Shares

## Shareholder structure according to data as at 31 December 2024

No.	Object	Number of shareholders	Number of shares held	Holding ratio (%)
1	State shareholders			
2	Domestic shareholders	1.628	31.751.000	100
	- Organization	4	10.290.642	32,41
	- Individual	1.624	21.460.358	67,59
3	Foreign shareholders			
	- Organization			
	- Individual			
4	Total	1.628	31.751.000	100

### List of major shareholders

No.	Shareholder name	Number of shares	Ownership ratio/Charter capital (%)
1	Vietnam National Textile and Garment Group	10.227.398	32,21

Treasury share transactions: None

Other securities: None

## 4.3 Management Board's evaluation report

### 4.3.1 Business situation in 2024

Specific production and business results in 2024 are as follows:

No.	Indicator	Unit of measure	Actual in 2023	Plan in 2024	Actual in 2024	% of actual in 2024 compared to	
						Actual in 2023	Plan in 2024
1	Total revenue + Income	Billion VND	4.257	4.250	4.769	112%	112%
2	Profit before tax	Billion VND	123	115	141	115%	123%
3	Average income	1.000 VND /person/month	9,3	9,5	10,0	108%	105%

In 2024, the world situation continued to be complex, geopolitical conflicts remained tense, threatening economic recovery and supply chains, the global economy recovered slowly and unstably; prices fluctuated sharply...

The Corporation has developed a business plan for 2024 that is appropriate to the actual situation. The collective of officials and employees of the Corporation strive to complete the set plan.

- Total revenue + income in 2024 increased by 12% compared to the plan, increased by 12% compared to 2023. Of which, export revenue increased by 14%.
- The Corporation recorded a profit before tax increase of 23% compared to the plan, an increase of 15% compared to 2023.

The above results were achieved because the Corporation has always closely followed market developments, flexibly implemented solutions based on the consistent orientation of developing core

occupations and applying the brand strength and garment technology of the Corporation; Developing and exploiting existing resources, focusing on recruiting workers, training, and improving the lives of workers to provide sufficient labor for factories...

#### 4.3.2 Development plan for 2025

##### 2025 plan targets

In 2025, various challenges are anticipated, such as global geopolitical conflicts and the risk of trade wars. Therefore, the Corporation has consolidated the business plan targets as follows:

No.	Indicator	Unit of measure	Actual in 2024	Plan in 2025	Comparison with 2024 (%)
1	Total revenue	Billion VND	4.769,42	4.800,00	101%
2	Profit before tax	Billion VND	141,02	118,00	84%
3	Average labor	Person	7.130,00	7.350,00	103%
4	Average income	1.000 VND	10.000,00	10.300,00	103%

Towards completing the above business targets, the Corporation has proposed the following solutions:

- Focus on and proactively seek and exploit domestic and international markets
- Focus on management to improve production and business efficiency.
- Prioritize recruiting workers at enterprises
- Focus on internal training activities or hire professional training organizations to improve qualifications, quality and work efficiency.

#### INVESTMENT PLAN FOR 2025:

##### Main projects:

- **Continue to complete the Project of New Construction Investment of Garment 10 Corporation - Thai Ha Factory in Gia Le Industrial Park, Thai Binh:**
- **Continue to complete the Project of Investment in the construction of a branch office and product introduction store at 95 Bach Dang Street - Garment 10 Corporation - Joint Stock Company:**
- **Complete the procedures for approving the investment project and approving the planning of the projects:**
  - Investment in the construction of Van Thanh commercial production center (Nam Dinh);
  - Investment in expanding Dong Hung Factory (Thai Binh);
  - Investment in expanding the production capacity of Garment 10 Corporation - Bim Son Factory (Phase 2) (Quang Trung Commune - Bim Son Town - Thanh Hoa Province) (adjusting the investment certificate - extending the schedule, extending the implementation time);
  - Investment in the construction of a sample development center and commercial center of Garment 10 Corporation - Bim Son Factory (Ngoc Trao Ward - Bim Son Town - Thanh Hoa Province);
  - Investment in Planning the Headquarters of Garment 10 Corporation until 2023 with a vision to 2050 (Hanoi);
  - Investment in New Construction of Garment 10 Kindergarten (Hanoi)
  - Investment in expanding the production capacity of Garment 10 Corporation - Ha Quang Factory.
- **Completing the dossier for green factory (LEED) certification at Garment 10 Corporation, Hung Ha Factory, Hung Ha Suit Factory, Thai Ha Factory, Ha Quang Factory, Bim Son Garment Factory.**



## ● Deep investment projects

Including projects to invest in technology equipment, green transformation, management software, and management digitalization:

- Investing in the installation of 03 intelligent production lines at the Thai Ha Project - Intelligent management from the input material warehouse to the output finished product warehouse.;
- Investing in 01 robot-operated shirt production line at Ha Quang Factory;
- Investing in 01 robot-operated pants production line at Hung Ha Factory;
- Investing in technology applications in warehouse management, production management, and quality management
- Investing in digital transformation applications, building a working environment in a digital environment, and building control checkpoints.

## 5. Corporate governance

### 5.1 Activities of the Board of Directors

#### 5.1.1. Activities of the Board of Directors in 2024

- As the 5th year in the 05-year term (2020 – 2024), the Board of Directors continued to implement activities within the framework of Vietnamese law, the Enterprise Law, relevant specialized laws, and the Corporation's Charter, Corporation Governance Regulations, and the Board of Directors' Operating Regulations in a compliant, appropriate, and effective manner.

- The Board of Directors has 05 members, including 02 non-executive Board members. All members of the Board of Directors have the professional qualifications, skills, and capabilities to meet the requirements of the job, and regularly participate in training programs to improve their professional competence in corporate governance.

- The members of the Board of Directors fully participate in regular or specialized meetings with a high sense of responsibility, promoting leadership skills and professional knowledge, making professional contributions to the joint decisions of the Board of Directors, putting sustainable development, the interests of the Corporation, and the interests of the Shareholders first.

- The Board of Directors has directed the Executive Board to develop the production and business plan for 2024 and other contents to be submitted to the GMS for approval, and directed the successful organization of the 2024 Annual GMS.

- The Board of Directors has implemented the 2024 GMS resolution, organized 16 meetings and issued 24 resolutions/decisions to direct and decide on important contents within the powers and responsibilities of the Board of Directors. The Board of Directors also shared information on developments in the world and domestic markets, international & Vietnamese legal policies affecting the Textile and Garment industry, as well as industry development trends, and at the same time, đưa ra những định hướng chiến lược thị trường phù hợp với hoạt động của Tổng công ty trong thời gian tiếp theo. All important issues are discussed openly and democratically, thoroughly, carefully, and unanimously before a resolution is issued.

No.	Board members	Position	Number of Board meetings attended	Meeting attendance rate	Reason for not attending the meeting
1	Mr. Vu Duc Giang	Chairman of the Board, Non-executive BOD member	16/16	100%	

No.	Board members	Position	Number of Board meetings attended	Meeting attendance rate	Reason for not attending the meeting
2	Mr. Dang Vu Hung	Vice Chairman of the Board, Non-executive BOD member	16/16	100%	
3	Mr. Than Duc Viet	Board member, General Director	16/16	100%	
4	Mr. Bach Thang Long	Board member, Deputy General Director	16/16	100%	
5	Mrs. Nguyen Thi Bich Thuy	Board member, Deputy General Director	15/16	93,75%	

- The Board of Directors also actively participates in meetings of the Executive Board, seminars, conferences, and important meetings with government agencies, industry, and partners, when important decisions are discussed.

- The Board of Directors has supervised and directed the operations of the General Director and members of the Executive Board in operating production and business and implementing the resolutions of the GMS and the Board of Directors. At the periodic meetings, the Board of Directors reviews reports on the implementation of resolutions, governance, production and business, finance, and implementation of investment projects of the General Director, and the Board of Directors has discussed and approved resolutions/decisions for the Executive Board to implement. Any unusual events in the Corporation's operations are immediately notified to the Board of Directors by the Executive Board to ensure that the Board of Directors has sufficient information and can make appropriate responses. In addition, members of the Board of Directors regularly exchange information with members of the Executive Board on issues of concern for supervision. The Board of Directors has provided appropriate orientations and strategies for the Executive Board in management, administration, implementation of investment projects, and efficient production and business operations.

- All information related to the corporation's governance situation is disclosed on time in accordance with the law, ensuring fairness and transparency in information disclosure to all stakeholders.

- The Board of Directors meets to evaluate the performance of the Board of Directors regularly at quarterly periodic meetings. At the meeting, the performance results are evaluated against the plan and tasks stated in the previous meeting and the direction of tasks for the next quarter.

- Annually, the Board of Directors evaluates the performance results of the entire Board of Directors during the year. It acknowledges the Board members who have well completed their tasks, proactively and actively in the implementation of assigned responsibilities, contributing to the completion of the Board of Directors' common tasks. The evaluation of each member's performance will be considered by the Board of Directors for application in due course after the approval of the process with evaluation criteria according to the ACGS governance scorecard clearly defined and carefully reviewed in order to accurately, fully and objectively determine the work efficiency and contributions of each Board of Directors member.

### *5.1.2. Activities of Sub-Committees under the Board of Directors*

- The Board of Directors has established an Internal Audit Committee, as the third line of defense with the necessary position and authority, to evaluate and improve the effectiveness of risk management and governance processes, ensuring objectivity and independent advice to increase value and improve the corporation's operating processes.

### *5.1.3. Orientation of the Board of Directors' activities in 2025*

- In 2025, despite the positive signals from the market, there are still many uncertainties and challenges, the Board of Directors continues to build and adhere to the strategic mission orientation of the corporation's development, the General Meeting of Shareholders' resolution, directing the Executive Board and all employees to be determined, resilient, courageous, creative, united, and take advantage of all opportunities and resources to bring the corporation to sustainable development.

- Deploying work, deciding on projects and other contents under the authority of the Board of Directors in the process of implementing the production and business plan.

- Periodically organize Board of Directors meetings to listen to reports and recommendations from the Executive Board, reports from the Supervisory Board, discuss and approve reports, projects, plans, policies, etc. in the corporation's production and business activities.

- Organize unscheduled meetings to resolve arising tasks under the authority of the Board of Directors as stipulated in the corporation's operating charter.

## **5.2 Activities of the Supervisory Board and Internal Audit**

### *5.2.1. Supervisory Board*

#### *5.2.1.1. Activities of the Supervisory Board:*

**Based on the Supervisory Board's operating regulations and annual operating plan, the Supervisory Board has implemented:**

- Supervising and evaluating the activities of the Board of Directors, the Executive Board and management personnel in complying with the corporation's Charter and Operating Regulations, the implementation of the General Meeting of Shareholders' Resolutions and the Board of Directors' Resolutions.

- Controlling the compliance with regulations on information disclosure.

- Appraising the documents and reports in 2023 on the production and business situation of the General Director, the annual financial statements (after auditing), the report evaluating the management work of the Board of Directors. Preparing a report on the verification of production and business results and the 2023 financial statements that have been audited to the Board of Directors and submitting it to the 2024 Annual General Meeting of Shareholders;

- Collecting reports on production and business results, verifying periodic quarterly financial statements in 2024 to assess the truthfulness and reasonableness of financial data, in accordance with current standards, accounting regimes and financial policies; Analyzing, evaluating, warning risks and proposing recommendations; Preparing quarterly reports to the Board of Directors and the Executive Board;

- Monitor and review activities such as inventory, debt recovery, customs finalization, etc.

- Supervise and support the activities of the Internal Audit Department in performing tasks according to plan;

- Represent the Supervisory Board to fully attend meetings of the Board of Directors and monthly preliminary review meetings of the General Director, promptly grasp the situation of production, business - investment and finance, participate in giving opinions and making recommendations to the Board of Directors and the Executive Board within the assigned responsibilities and powers.

- Propose and recommend that the General Meeting of Shareholders approve the list of auditing organizations approved to audit the 2024 financial statements of the Corporation.

- In the process of implementing inspection and supervision activities, the Supervisory Board ensures honesty and caution, professional ethics, and does not obstruct the production and business activities of the Corporation.

#### **Summary of meetings and decisions of the Supervisory Board:**

<b>No.</b>	<b>Full name</b>	<b>Number of attendances</b>	<b>Attendance rate</b>	<b>Voting rate</b>
1	Thach Thi Phong Huyen	4/4	100%	100%
2	Ta Thu Ha	4/4	100%	100%
3	Dang Thanh Huyen	1/4	25%	25%
4	Nguyen Thi Nga	3/4	75%	75%

The Supervisory Board held 04 direct meetings to decide on the following issues:

- Appraisal and no objections to the figures shown on the consolidated financial statements and parent company financial statements for 2023 audited by KPMG Vietnam Company Limited;
- Unanimously approve the Supervisory Board's report on the verification of 2023 production and business results and audited financial statements submitted to the Board of Directors and presented to the 2024 General Meeting of Shareholders;
- Evaluate the quarterly production, business, and financial reports of 2024 from the Executive Board, and unanimously approve the Supervisory Board's quarterly reports to be submitted to the Board of Directors and the Executive Board;

#### *5.2.1.2. Assessment of the Supervisory Board on production and business results and financial situation*

- In 2024, market demand has not improved stably, the world situation continues to be complicated and unpredictable, production costs continue to increase, the pressure to "green" the industry, OECD's supply chain due diligence directives, the EU, and Germany's Supply Chain Due Diligence Act, the shift from fast fashion to sustainable fashion requires businesses to shift strongly, increasing investment costs to meet requirements.

- Through the results of production and business activities in 2024, through monitoring activities and evaluating and appraising the financial statements of the Corporation. It shows that the Corporation's business capacity, revenue and profit are good, completing the General Meeting of Shareholders' resolution, the financial situation is maintained stably and healthily, the financial autonomy ratio increases, cash flow is guaranteed and solvency is at a safe level, which can guarantee the payment of short-term debts. The Supervisory Board highly appreciates the production and business results of the Corporation.

#### *5.2.1.3. Assessment of the Supervisory Board on the activities of the Board of Directors and the Executive Board*

- In 2024, the Board of Directors held meetings and issued 24 resolutions and decisions. All resolutions and decisions are issued in the correct order and authority, in compliance with the Corporation's Charter, the Enterprise Law and other legal regulations. The Board of Directors has provided sound orientation, close direction, supervision and support to the Executive Board in managing production, business and investment activities as well as the implementation of the General Meeting of Shareholders' Resolution and the Board of Directors' Resolution that have been approved, so the Corporation's production and business results have comprehensively completed the planned contents.

- The Executive Board, with a spirit of solidarity and high consensus, has proposed many solutions suitable to the actual production and business conditions of the Corporation, always closely

following and strictly implementing the resolutions and decisions issued by the General Meeting of Shareholders and the Board of Directors, proactively and flexibly in managing production and business activities; has reassigned functions and tasks and strengthened corporate governance; focused on, proactively developed export markets, restructured the domestic business division, domestic market distribution channels were further reviewed and expanded, ensuring sufficient jobs for employees in the strategy of diversifying markets, items, and customers; focused on promoting technical work, researching and converting products, researching and applying new technologies to production; production units have organized flexible production and strengthened management to meet the reality of small and l  orders with short production times and high quality requirements; focused on implementing digital transformation projects to increase work efficiency; financial management, cash flow, inventory and debt continue to be focused on; continue to review and reduce costs comprehensively; implement solutions on salary and bonus policies and ensure full benefits to maintain employee stability; strengthen training of in-depth knowledge and skills for employees.

- During the year, there were no conflicts of interest and no loans, guarantees, or lending to members of the Board of Directors, members of the Supervisory Board, and the General Director or their related parties; transactions between the Corporation, its subsidiaries, and members of the Board of Directors, members of the Supervisory Board, the General Director, and those related to those members, or between the Corporation and companies in which members of the Board of Directors or the General Director were founding members or managers within the 03 years prior to the transaction, have been presented in the audited financial statements.

- Through the process of monitoring management and operational activities, the Supervisory Board found nothing unusual in the operations of the Board of Directors, the Executive Board, and the Corporation's management personnel.

- The Supervisory Board assesses that the management and operation of the Corporation by the Board of Directors, the General Director, and the Executive Board have been carried out carefully, reasonably, effectively, and in accordance with current legal regulations; they have effectively utilized the resources of capital, assets, and labor of the Corporation, ensuring employment, maintaining and stabilizing production, sustaining the workforce, and stabilizing income for employees.

#### *5.2.1.4. Assessment of the coordination of activities between the Supervisory Board and the Board of Directors, the Executive Board, and shareholders.*

- The Board of Directors and the Executive Board have strictly implemented the provision of information and created conditions for the Supervisory Board to access documents to verify the accuracy of the information.

- Every quarter and year, the Supervisory Board participates in meetings of the Board of Directors and the Executive Board, reporting on the assessment of the Corporation's production and business activities, identifying risks, and issuing recommendations to the Board of Directors and the Executive Board. The recommendations are all noted and implemented.

- The Supervisory Board, the Board of Directors, the Executive Board, and management personnel have maintained a working relationship, closely coordinating on the principle of benefiting the Corporation and its shareholders, and in accordance with the provisions of law, the Corporation's Charter, and internal regulations.

- During the year, the Supervisory Board did not receive any requests for inspection or complaints from shareholders.

#### *5.2.1.5. Operating plan for the year 2025:*

- Supervise the activities of the Board of Directors, the Executive Board, and management personnel in implementing the resolutions of the General Meeting of Shareholders and the resolutions of the Board of Directors.

- Evaluate documents and annual reports on the General Director's production and business performance, annual financial statements (after auditing), and reports assessing the management performance of the Board of Directors. Prepare a report on the verification of production and business

results and the 2024 annual financial statements that have been audited, to be submitted to the Board of Directors and presented at the Annual General Meeting of Shareholders in 2025.

- Collect and evaluate documents and reports on the production and business situation, and periodic financial reports for the quarters and year of 2025. Continue to warn about risks in production, business, investment, and financial activities.
- Supervise and support the activities of the Internal Audit Department.
- Attend and participate in discussions and recommendations at the General Meeting of Shareholders, the Board of Directors meetings, and other meetings of the Corporation. Review and evaluate the implementation of the Supervisory Board's recommendations to the Board of Directors and the Executive Board.
- Collect requests from shareholders (if any).
- Perform other tasks as required by the Board of Directors and the shareholders (if any).

#### *5.2.2. Internal audit:*

The Corporation's internal audit is organized as the third line of defense, reporting directly to the Board of Directors. In 2024, the Corporation implemented the following internal control and risk management activities:

- Continue to organize training programs related to internal control and risk management. Focus on managing the system of internal regulatory documents, methods for developing operating procedures, and the enterprise risk management framework to equip all Company employees with the necessary knowledge in internal control and risk management. phòng ngừa Tổng
- Deploy risk self-identification activities at units, self-assess and rank risks, propose solutions, and plan actions to respond to risks throughout the system on a monthly/quarterly basis; Compile and create a risk profile for the Corporation in 2024.
- Conduct a comprehensive assessment of the fundamental factors of potential risks in the enterprise's operations, based on the risk assessment questionnaire issued by Vietnam National Textile and Garment Group in 2024. Through this, the Corporation has assessed the level of risk in each activity and developed plans for remediation and prevention.
- Develop a financial risk management system through analytical indicators, thereby implementing financial solutions such as controlling the operational efficiency of each department; controlling inventory; managing cash flow by customer, especially promoting solutions to recover bad debts; managing interest rate and exchange rate risks, forecasting fluctuations, etc.; proposing safe and effective financial management solutions.
- Analyze financial indicators, compare them with the same period and with other units in the industry, thereby finding measures to improve financial management.

### **5.3. Risk management activities**

#### **Joint statement on risk management strategy**

"All risks that may arise in all aspects of operations, all areas, locations; internally and externally; present and extending within the scope of or related to member units and the Corporation must be identified, assessed, and handled with appropriate resources, ensuring the highest efficiency."

#### **Risk management objectives**

Identify potential risks, learn from risks that have occurred, consider risk appetite to seek opportunities, based on harmonizing the interests of employees, shareholders, the social environment, and the sustainable development of the enterprise.

## **Risk Management Model**

The Corporation applies the "3 Lines" of defense model to prevent, detect, and correct risks that have occurred, are occurring, and will occur in production and business activities. This enhances the effectiveness of management and control.

Line 1: At units and departments, control according to assigned functions and tasks

Line 2: Manage and control vertically according to specialized topics

Line 3: Internal audit

## **List of key risks and response actions**

### **a. Legal risk**

The legal system in Vietnam is relatively complex, with a large number of legal documents that are frequently changed, posing potential risks of legal violations, leading to administrative penalties.

To respond to this risk, in 2024, the Corporation promptly implemented the following response solutions:

- Regularly update policies and regulations, and research their appropriate application to production and business activities.
- Establish a strict internal control system.
- Conduct internal audits to assess compliance with the provisions of law and the regulations of the Corporation.

### **b. Financial risk**

As an enterprise with a large proportion of export activities, the Corporation faces financial risks such as: The risk when customers encounter financial difficulties and cannot pay debts on time, affecting the company's cash flow. In 2024, the Corporation strengthened control activities and forecasting to respond to the above risks, specifically as follows:

- Assess the financial situation and solvency of customers to minimize financial risks.
- Strengthen debt control and collection for each customer.

### **c. Environmental risk.**

Climate change and natural disasters: The increase in storms and floods affects production, supply chains, and the lives of workers.

The risk that waste generated by the unit's processes (wastewater, emissions, solid waste) is not treated in accordance with the provisions of the Law on Environmental Protection.

To respond to this risk, in 2024, the Corporation implemented the following solutions:

- Purchase risk insurance.
- Training and practicing escape skills, responding to emergencies when natural disasters and floods occur.
- Integrate sustainable development strategy: incorporate ESG into the business model to implement a long-term development strategy.
- Prioritize the use of renewable energy.
- Invest in modern treatment technology to meet environmental standards and regulations.

### **d. Health and safety risks.**

During the production operation, there may be dangerous factors that pose a risk of labor accidents or occupational diseases for workers. High risk of fire and explosion due to flammable materials, causing unsafety for people and property, disrupting production, and causing financial losses.

Faced with these risks, the Corporation has synchronously implemented:

- Develop internal regulations and working procedures to ensure safety and occupational hygiene, and organize training and inspection of compliance with labor procedures regularly, periodically, or unexpectedly.

- Invest in installing a fire protection system to ensure compliance with the regulations and standards of the fire protection law that has been appraised. At the same time, strengthen communication and dissemination of legal knowledge about fire protection and escape skills for employees.

- Organize periodic health checks for employees.

- Conduct labor environment monitoring according to regulations.

**e. Outsourcing (third-party) risks.**

Risk of customers canceling orders because partners hired to process for the unit do not ensure quality and progress as required by the contract.

Risk mitigation/response measures:

- Comply with the process of selecting and evaluating the capacity of processing contractors to ensure they meet customer evaluation requirements.

- Assign personnel to regularly monitor progress and quality at processing contractors.

**f. Risks of over-reliance.**

The textile and garment industry in Vietnam in general and the Corporation in particular may be at risk due to delays in the supply of raw materials, causing production disruptions. Raw materials that do not meet quality requirements affect the quality of finished products that meet standards.

Faced with these difficulties, the Corporation has developed a process for assessing the capacity of suppliers; assessing the financial and market capacity of customers; and diversifying suppliers and export markets.

**g. Information technology system risks.**

The development of technology and information networks poses risks to businesses regarding information security, information system safety, disruption of production and business operations, and risks regarding the processing speed and data accuracy of the unit.

Faced with these risks, the Corporation has increased training on information security policies, regularly warned and disseminated information about fraud on the internet; authorized users; and installed protection software on all workstations.

**h. Human resource risks**

In 2024, the Corporation continues to face fluctuations and labor shortages due to competition between industries, and competition in attracting and retaining high-quality human resources.

Faced with these difficulties, the Corporation has implemented the following solutions:

- Supplementing compensation, salary, and bonus policies to be competitive with the market.

- Organizing training programs on soft skills and professional skills to improve the capacity of the staff.

- Expanding the source of recruitment human resources while implementing training programs for successor human resources.

- Maintaining and developing corporate culture, creating a working environment that connects employees.

- Investing in modern technology equipment and automation to reduce labor pressure.

**Roadmap and commitments to implement risk management activities in 2025.**

- Continue to review the risk lessons of 2024.

- Improving the system of regulations, processes, and guidelines on risk management on a digital technology platform.



- Promoting training activities to raise awareness and compliance among staff and employees.
- Strengthening the activities of the second line of defense in checking compliance, evaluating implementation effectiveness, and completing the reporting system to the Executive Board.

#### **5.4. *Data infrastructure***

##### **Principles of Information Disclosure:**

The Corporation's Information Disclosure activities are carried out on the basis of compliance with current legal regulations, especially regarding the following contents: information to be disclosed, time of disclosure, preservation, storage of disclosed information, and reports on the implementation of information disclosure.

##### **The data governance operation system includes:**

- Collecting data from various sources and storing it
- Analyzing and extracting important and valuable data
- Processing data corresponding to the purpose

The data operation system ensures that it is centralized, exploited, used, and stored in a scientific, focused, and controlled manner. The Corporation also promotes the application of technology in data governance (applying software), especially data governance throughout from the Corporation to its member units to ensure the provision of data, data synthesis, reporting, and information disclosure work is accurate, complete, and timely.

#### **5.5. *Conflict of interest management***

To ensure that conflicts of interest are managed reasonably and to protect the interests of the Corporation and shareholders, the Corporation's Charter stipulates in Article 41 regarding members of the Board of Directors, General Director, and executives. The Corporation must be responsible for being careful, honest, and avoiding conflicts of interest and for the supreme interests of shareholders and the Corporation. At the same time, members of the Board of Directors and the General Director, executives of the Corporation must perform their rights and obligations in accordance with the provisions of the Enterprise Law, the Corporation's Charter, the Corporation's Governance Regulations, and other internal regulations.

**In 2024, Garment 10 Corporation had no cases of violating regulations on related conflicts of interest.**

#### **5.6. *Salaries, remuneration, and benefits for the Board of Directors and the Supervisory Board***

Refer to Section 38 (page 44) in the Corporation's 2024 consolidated financial statements.

#### **5.7. *Insider trading: There were no transactions in 2024.***

#### **5.8. *Ensuring benefits and fair treatment for shareholders***

The Corporation is committed to treating all shareholders, including minority shareholders, fairly and with respect, ensuring their rights. At the same time, the Corporation ensures transparency and openness in all business operations and continues to maintain and build sustainable business operations.

The Corporation is committed to creating value and ensuring benefits for shareholders, partners, and customers.

In 2024, the Corporation fully complied with the obligations to disclose information in accordance with legal regulations, ensuring that shareholders promptly grasped all information.

## Information about dividends

	Transaction date without entitlement	Last registration date	Payment date	Dividend (VND /Share)
Remaining dividend for 2023	29 May 2024	30 May 2024	10 June 2024	500
Dividend payment phase 1 of 2024	30 December 2024	31 December 2024	23 January 2025	1.000

- Activities during the year to enhance transparency and credibility with investors

+ On 20 April 2024, the 2024 Annual General Meeting of Shareholders of the Corporation was held at the main office (Sai Dong Ward, Long Bien District, Hanoi City) with the participation of shareholders representing 28.106.954 shares, corresponding to 28.106.954 voting rights, accounting for 88,52% of the total voting rights of the Corporation.

+ The meeting invitation notice was sent to all shareholders with full information about the time, location, agenda, and basic information about registration for participation.

+ All notices, AGM documents, and authorization letters were sent directly to shareholders via the registered shareholder address and publicly posted on the Company's website on 2024-03-28 (21 days before the AGM).

+ Participating in the 2024 Annual General Meeting of Shareholders, shareholders exercised their voting rights in person in accordance with the Regulations on the Organization and Operation of the 2024 Annual General Meeting of Shareholders and the Corporation's Charter, and relevant legal regulations.

+ The Resolution and Minutes of the AGM were posted on the Corporation's website immediately after the meeting ended (ensuring within 24 hours as required) with full information in the correct chronological order, which accurately and fully recorded the number of votes and the voting ratio of shareholders on the meeting content.

## Approval of transactions with related parties

Transactions arising with related parties are regulated in Article 42 of the Corporation's Charter, according to which these transactions must be approved by the Board of Directors or the General Meeting of Shareholders depending on the transaction value, to ensure the prevention of conflicts of interest, as well as transparency.

## Transactions with related parties

Refer to item 38 on page 43 of the Corporation's 2024 consolidated financial statements.

## 5.9. Complaint and violation reporting process

### Description of the complaint mechanism:

The Corporation is committed to complying with the law in the management and resolution of complaints and violation reports. This process aims to promote democracy and protect the interests of shareholders, the Corporation, employees, and related parties. The Corporation has developed specific procedures and guidelines, and communicated them to employees to clearly understand the complaint and violation reporting process; ensuring that complaints and violation reports are fully, promptly, and reasonably recorded and processed.

## **Mechanism for protecting and ensuring the confidentiality of the whistleblower's identity, anti-retaliation**

To ensure that complaints and violations are reflected promptly and fully, the Corporation has established a mechanism to protect and ensure the confidentiality of the whistleblower's identity, along with anti-retaliation measures. Accordingly, complainants and whistleblowers are guaranteed their job positions, and are not discriminated against in employment in any form; they are protected to ensure they are not threatened, suppressed, retaliated against, or have their legitimate rights and interests affected. At the same time, if a complainant or whistleblower has reasonable grounds to believe that their manager has engaged in threatening, suppressing, or retaliatory behavior, leading to reduced income or damage to their legitimate rights and interests, they have the right to request in writing to senior management for resolution in accordance with regulations.

### **Channels for reporting violations:**

- Reporting mailbox.
- Publicizing the phone numbers of the Corporation's Executive Board members.
- Corporation's hotline.

### **Communication and training:**

The Corporation communicates policies and procedures for complaints and denunciations of violations through the internal communication system (broadcasting, bulletin boards, website, fanpage) at all units. Training on policies and procedures for complaints and denunciations of violations is a key component of the new employee training program.

## **6. Message on Sustainable Development**

### **6.1. Message on Sustainable Development**

The trend of greening in the garment industry is increasingly popular and strongly developing, with the use of organic, recycled materials and the application of environmentally friendly technology. The focus on sustainable production not only reduces negative impacts on the environment but also creates long-term development opportunities for businesses. At the same time, sustainable production also creates opportunities for consumers to join hands in building a green environment.

With the goal of catching up with the greening trend and becoming an important link in the global green supply chain, the Corporation identifies this as an urgent task and plans to implement it as follows:

### **Short-term goals:**

- Continue to expand the model of cooperation in investing in rooftop solar power equipment and energy-saving equipment, and convert to using environmentally friendly fuels.
- Renovate and upgrade wastewater treatment systems to ensure output standards.
- Hire consulting services for the renovation and construction of green factories according to LEED standards.
- Apply the energy management system according to ISO 50001 standards, conduct energy audits, establish an energy management board according to regulations, and use energy economically and efficiently.
- Conduct a greenhouse gas inventory for all units throughout the Corporation, thereby assessing the current CO<sub>2</sub> emission situation, identifying sources of emissions to propose measures to reduce greenhouse gas emissions, improve the working environment, and ensure compliance with State regulations.

- Continue to reduce 1,900 tons of CO2 emissions thanks to the conversion to rooftop solar power.

#### **Medium and long-term goals:**

- Within the next 3 years:
  - + Factories are installed with rooftop solar power systems using at least 25% renewable electricity.
  - + All factories reduce greenhouse gas emissions by 50%.
- Apply green factory standards right from the design stage for new factory construction projects.
- Continue to invest in and exploit renewable energy systems for production and business activities.
- Proactively seek supply sources as well as cooperate in the production of sustainable, environmentally friendly raw and auxiliary materials.
- Rationally utilize raw and auxiliary materials, and use energy efficiently in the production process through process and technical improvements.
- Train and develop human resources to meet the task requirements of successfully implementing the Corporation's sustainable development strategy.
- Invest in upgrading and gradually converting wastewater treatment at operating factories to a higher level so that treated water can be reused.

#### **6.2. *Commitment to Sustainable Development***

The Corporation is committed to conducting responsible business, not only towards customers and shareholders but also towards the community, society, and the environment. We not only aim for profit but also place sustainability and social responsibility at the center of every business decision. By taking advantage of opportunities to contribute positively to the community, protect the environment, and respect stakeholders, we define ourselves as a reliable and responsible partner.

The corporation always aims for sustainable development policies and commitments and fully, actively, and responsibly participates in perfecting relevant policies, standards, and laws.

#### **Commitment to Responsible Business Conduct**

The corporation has established and issued Internal Labor Regulations and Collective Labor Agreements based on the requirements of Vietnamese law; and at the same time, demonstrates strong compliance and commitment to responsible business conduct through certifications on Social Responsibility: SA8000:2014, Wrap, BSCI, Sedex Smeta, GRS, GOTS, RCS, Higg. Not only complying with legal regulations and international standards, the corporation also meets the specific standards of major customers such as: Nordstrom, Abercrombie & Fitch, Calvin Klein, DKNY, Tommy Hilfiger, Brooks Brothers, Next, M&S, Inditex (Zara), Aoyama, Aoki, Shimamura.

The corporation's Code of Conduct clearly states issues regarding Social Responsibility, environmental protection, security, and quality management systems, which are applied to all employees and business partners. The code of conduct is disseminated to all employees through the broadcasting system, internal bulletin boards, and in regular meetings.

Supplementing technical and technological solutions, and production organization towards energy saving and environmental protection.

Suppliers, in addition to undergoing assessments in the field of responsible business in the first cooperation and periodically, must sign a commitment to comply with the terms in the corporation's Code of Conduct.

## **Commitment to Human Rights and Labor Rights**

The corporation is committed to ensuring that all employees have rights and are able to work in a good environment and conditions.

Human rights and labor rights in the Code of Conduct, approved by the General Director, and related processes and guidelines, are specifically expressed in the following contents: Child labor, forced labor, harassment and abuse, freedom of association and collective bargaining, discrimination, salary and benefits, working hours and overtime, safety and health.

These contents are communicated to employees through the internal broadcasting system, bulletin boards and meetings.

## **Commitment to comply with environmental protection laws**

The corporation is committed to complying with environmental protection laws and always participates in responsible environmental protection programs; regularly communicates/trains employees to understand in order to act correctly and fully in accordance with environmental protection laws. The corporation has invested in and changed technology, machinery systems and energy in an environmentally friendly direction to minimize negative impacts on the environment.

The corporation requires suppliers (partners) to jointly commit to and act in compliance with the code of conduct, which includes requirements for environmental protection.

## **Commitment to the policy of protecting customer interests and information security**

The corporation is committed to ensuring that cooperative relationships with customers are established and maintained in a spirit of respect, sharing, transparency, and mutual benefit.

The confidentiality of customer and partner information is one of the corporation's top priorities. Through regulations, processes, and guidelines, the corporation establishes an appropriate control system to ensure the safety and security of information provided by customers and partners.

### ***6.3. Sustainable development risk management***

Based on the analyses following the risk management process (mentioned in section 5.3), the Corporation understands that sustainable development risks have a significant impact on the Corporation's production and business operations. Therefore, in 2024, the Corporation conducted sustainable development risk assessments and corresponding remediation actions.

#### ***6.3.1. Market Risks***

Sustainable development is a new trend, especially in the textile and garment industry, with a series of regulations and mechanisms in major markets such as CBAM (in the European market), LEED green factory standards (in the US market), posing challenges for the Corporation regarding import taxes as well as the ability to maintain market share and orders.

Understanding the impact of these risks, in 2024, the Corporation implemented a production shift by gradually replacing coal boilers with biomass pellet boilers; gradually using solar power systems at some factories. According to the plan, in the following years, the Corporation will continue to expand the above models, and at the same time, implement new investment shifts for factories in the direction of meeting LEED standards.

#### ***6.3.2. Environmental Risks***

Waste, emissions, and discharges from production and business operations potentially have negative impacts on the environment such as: soil pollution, water sources pollution, and climate

change. In order to limit the impacts of production on the environment and vice versa, the Corporation has applied the following measures to minimize the impact of this risk:

- Building a system for collecting and classifying waste, especially hazardous waste, hiring units with sufficient capacity and authority to collect and treat waste in accordance with legal regulations.
- Building and upgrading wastewater treatment systems suitable for the production scale of each factory, ensuring that the output water reaches column A, meeting the standards for watering plants.
- Investing in and expanding the scale of using friendly energy sources, minimizing greenhouse gas emissions (rooftop electricity, biomass pellet boilers) in production and business operations.
- Monitoring and measuring the environment in accordance with regulations to assess the impact and take timely countermeasures when necessary.

#### *6.3.3. Human Resource Risks*

Faced with the attraction of labor from other industries as well as the labor export market, the labor force for the textile and garment industry is facing major challenges in recruiting labor to meet production and business operations.

In order to cope with the labor shortage, the Corporation advocates taking "people as both the goal and the motivation for the development of the enterprise", through the following specific solutions:

- Ensuring full employment and paying wages on time for employees; fully implementing social insurance regimes. Other salary, bonus, and welfare regimes are also concerned by the Corporation such as the 13th-month salary, additional salary on the occasion of bringing children to school, and annual vacation programs for all officials and employees.
- Accompanying employees through tuition fee incentives for employees' children at the Garment 10 kindergarten - the Corporation's headquarters, supporting a portion of the cost of sending children to kindergarten for employees' children at local factories.
- Providing health consulting and medical examination and treatment services at the Garment 10 Polyclinic and organizing in-depth health check-ups (in addition to periodic health check-ups).
- Invest in human resources by providing scholarships to students at certain colleges, universities, and ethnic boarding schools to improve labor quality.
- Attract labor with support policies for new workers, free dormitory, housing cost support, and organized shuttle buses, contributing to improving the lives and engagement of workers.

#### *6.3.4. Occupational safety and health risks*

The garment industry has specific occupational safety and health risks such as:

- Working environment exposed to fabric dust, noise, and occupational diseases.
- Food safety and hygiene, fire and explosion.
- Impact on workers' health due to extreme weather phenomena (storms, floods, heat waves).

Solutions to prevent these risks:

- Fully equip workers with personal protective equipment.
- Invest in technologies and solutions to reduce noise; air conditioning systems for cooling.
- Organize collective kitchens for all staff and employees, ensuring compliance with food safety and hygiene regulations.
- Purchase 24/24 personal accident insurance for staff and employees.
- Organize training, drills, periodic and unscheduled inspections of fire prevention and fighting and flood prevention.

#### **6.4. Human resource development**

##### **6.4.1. Occupational safety and health**

###### **Workplace safety**

Occupational safety and hygiene are issues of particular concern, investment, and management by the Corporation; in addition to the provisions of Vietnamese law, the enterprise also fulfills its commitment to social responsibility and humanism in the labor culture.

The internal document system, including procedures and guidelines on occupational safety and hygiene, is developed by the Corporation for management based on national regulations, standards, and Vietnamese law. In addition, issues related to occupational safety and hygiene are always being improved.

100% of workers are trained in occupational safety and hygiene according to regulations. In addition, the Occupational Safety and Health Council regularly develops plans, organizes periodic and unscheduled inspections of occupational safety and hygiene, and promptly proposes to the Executive Board to remedy incidents in production, regularly maintains the inspection and scoring of the implementation of occupational safety and hygiene in the departments, thereby contributing to ensuring safety in the enterprise and limiting labor accidents. The Corporation also regularly organizes propaganda sessions, sharing the risks of occupational safety outside the factory for staff and employees.

###### **Healthcare**

The Corporation has Garment 10 Polyclinic with a scale of 12 doctors to take care of the health of workers. The model of on-site health care for workers with polyclinics has been with the business since 1956. The organization of medical examination and treatment like a small-scale hospital is a characteristic that not many businesses have; here, the health sector allows it to be a facility for initial medical examination and treatment.

In addition to periodic health check-ups twice a year in accordance with the regulations of the health sector and labor law, the Clinic also coordinates with specialized and in-depth medical facilities and organizations to carry out preventive medicine for workers such as:

- Reproductive health check-ups and cancer screening for female workers, pregnancy monitoring and prenatal screening for female workers during pregnancy;

- Based on the results of periodic health check-ups or during medical examinations and treatments, when employees are found to have chronic or social diseases, the Clinic supports patients in transferring to higher-level facilities for in-depth treatment. All employees with chronic diseases are included in the records for treatment and monitoring.

##### **6.4.2. Equality, respect, and diversity**

###### **Classification of employees by gender, age, ethnicity, health:**

<b>Age group</b>	<b>Number of Males</b>	<b>Number of Females</b>	<b>% Male</b>	<b>% Female</b>	<b>Total labor</b>
18-25	309	613	4.3%	8.6%	922
26-35	673	1625	9.4%	22.8%	2298
36-45	503	2189	7.1%	30.7%	2692
46-60	325	893	4.6%	12.5%	1218
<b>Total</b>	<b>1810</b>	<b>5320</b>	<b>25.4%</b>	<b>74.6%</b>	<b>7130</b>

- Total number of ethnic minority people: 405 people
- Number of ethnic minority people recruited in 2024: 113 people
- Percentage of female employees holding management positions, specifically:
  - + Percentage of women holding positions in the Executive Board/Total number of staff in the Executive Board: 37,5%
  - + Percentage of women holding leadership positions at the head and deputy head of units/Total number of management staff at the head and deputy head of units: 51,5%

**Gender ratio for staff and employees appointed to management positions over the years:**

Gender	Year 2022	Year 2023	Year 2024
Male	12	11	4
Female	7	10	3
<b>Total</b>	<b>19</b>	<b>21</b>	<b>7</b>

The Corporation always focuses on treating employees equally and with respect to create a professional and diverse working environment, building a united and close-knit workforce. Accordingly, the Corporation always commits to:

- Non-discrimination based on gender, ethnicity, region, social background, marital status, belief, religion, health status, etc.;
- Paying fair wages to employees;
- Respecting and listening to employees' opinions. All employees have the right to contribute opinions to the construction and development of the Corporation;
- All employees have equal opportunities in training, development, and promotion activities.

To ensure that employee evaluation activities are carried out fairly, the Corporation's Employee Classification Regulations clearly stipulate 04 standards for evaluating employees according to the principles of fairness and transparency.

In 2024, the Corporation had no complaints or cases related to discriminatory actions.

**6.4.3. Training and career development**

Training activities are organized and encouraged by the Corporation, including both internal and external training courses to improve qualifications, increase work efficiency, and develop careers for employees.

No.	Target	2023 Results	2024 Results	2024/2023 Comparison
1	Number of advanced professional training sessions	1.972	2.284	116%
2	Number of occupational safety, fire prevention, security training sessions	7.085	6.803	96%
3	Number of management participants in training	840	1.456	173%
4	Total number of training sessions	9.897	10.543	107%
5	Total training hours	39.588	42.359	107%
6	Total training costs (billion VND)	1,16	1,24	107%



In the context of a constantly changing labor market, skills development and continuous learning become important factors to help employees maintain employment and develop their careers. The skills development and continuous learning program is designed to provide training opportunities, improve qualifications and adapt to new career trends.

In 2024, the Corporation organized skills development and continuous learning programs to support employees in ensuring employment and career development, such as: training on sustainable development knowledge, risk management knowledge; training courses on thinking and capacity to become happy managers; production of supporting industrial products; training courses on improving management knowledge; professional PDCA program; retail skills for sales staff; Livestream on social platforms and training courses on digital transformation programs.

#### *6.4.4. Employee benefits policy*

##### **Labor contracts and job security**

The implementation of the collective labor agreement is carried out by the Corporation according to the contents signed with the employee representative organization (Corporation's Trade Union). Evaluation after one year of implementing the Corporation's collective labor agreement is as follows:

- All employees who come to work at the Corporation are signed probationary agreements and full labor contracts.

##### **Working hours and rest periods:**

- Working hours are applied flexibly according to each unit, according to the delivery progress at each time of the year, in compliance with the collective labor agreement and legal regulations.

##### **Income, salary and use of welfare fund:**

- Maintain a competitive salary level compared to the general salary level of enterprises in the industry and a practical remuneration regime for officials and employees, while continuing to optimize the salary and bonus system based on capacity, work results and the level of contribution of each employee,

The Corporation's main welfare policies:

- Giving gifts on important events of each individual;
- Organizing festivals and collective activities for employees and their relatives;
- Rewarding employees who achieve high results in study, sports, and arts;
- Maintaining cultural activity points for workers, with full facilities to serve sports activities, health training, and cultural and artistic activities for employees.

In 2024, the Corporation spent 5,53 billion VND on employee benefits.

#### *6.5. Community and social responsibility*

##### *6.5.1. Safety and health of stakeholders*

The Corporation records no cases of employees or customers being affected in health or safety when using the Corporation's products and services.

##### *6.5.2. Garment 10 Polyclinic*

In 2024, the Medical Department provided medical examination and treatment for 5,601 visits, safely handled 114 emergency accident and illness cases. Organized periodic health check-ups for more than 21,000 visits, detected and treated early chronic diseases and occupational diseases, with more than 72 specially managed cases transferred to ensure safety. Promoted preventive health

activities and screening, early detection of cancer, contributing to protecting the long-term health of employees. Most notably, the number of hospital transfer cases under the specialty of Traditional Medicine decreased significantly, down 40% compared to 2024, thanks to efforts to implement many new techniques in the treatment of musculoskeletal diseases.

In 2024, the medical department in coordination with the Corporation's Trade Union invited central-level doctors to examine and provide free medicine to 849 female workers on Vietnamese Women's Day. Through the examination, some cases of tumors and early-stage cancer were detected promptly, and support was provided to help employees receive safe early treatment.

#### *6.5.3. Garment 10 Kindergarten*

2024 marks a period with many changes in the education program. The school not only focuses on knowledge but also pays attention to developing soft skills for children, organizing many extracurricular activities to help children develop comprehensively. Outdoor lessons and practical experiences have truly become beautiful memories in childhood.

With the efforts of each individual and collective, in 2024 the school was honored to receive many noble titles and awards such as: The collective received the City's Excellent Emulation Flag; The collective was awarded the title of Excellent Labor Collective at the District level; The school was recognized as a safe school with prevention of accidents and injuries at the District level; won the second prize in the district-level "Nutrition Day" contest; won the second prize in the district-level "Healthy and Happy Grandchildren" contest. 02 individuals won third prize as good teachers at the district level; 01 individual won second prize in the district-level "Good Nurturing" contest.

#### *6.5.4. Long Bien Vocational College*

Long Bien Vocational College (LBC) is a high-quality vocational education institution, which has been a reliable address in the field of training and fostering techniques and nghiệp vụ to serve the production needs, supplying high-quality labor resources for Garment 10 Corporation and society. In 2024, the school continues to implement the goal of restructuring, expanding industries, strengthening international cooperation, and business cooperation to continuously improve the quality of training. It is expected that the enrollment target for 2025 for intermediate and college systems is 800 students, increasing the training scale to nearly 2,000 students. In particular, towards core occupations such as Fashion Garment, Fashion Design; developing language industry blocks (Chinese, Korean), bringing languages into vocational programs to increase the competitiveness of learners after graduation. Besides, maintaining and sustaining the training scale of advantageous industries: Hotel Management, Tour Guide; expected to open a new Information Technology profession to meet the needs of society. With the close guidance of the School Council, the Board of Directors, the solidarity, and creativity of the collective of officials and teachers, Long Bien Vocational College will continue to develop and complete the set goals.

#### *6.5.5. Social and community activities*

In 2024, the Corporation spent 2,29 billion VND on charitable activities such as: Providing allowances and gifts to employees, families in difficult circumstances, people with disabilities, children in difficult circumstances, Vietnamese Heroic Mothers; Giving gifts, shirts, blankets and warm coats to people in Lao Cai, Cao Bang, Yen Bai provinces affected by the YAGI storm; Providing sponsorships to remote and isolated areas to contribute to supporting social security for the community.

## **6.6. Responsibility for environmental protection**

### **6.6.1. Green production transformation**

In 2024, the Corporation has focused on green production transformation solutions as follows:

- Strengthening coordination with reputable suppliers to provide recycled or natural ingredients such as nano fabrics, fabrics from bamboo fibers, corn fibers, lotus fibers... focusing on tracing the origin of raw materials.
- Conducting product testing to meet standards before supplying to the market through the Laboratory accredited by the Ministry of Science and Technology, Vilas Quality Management Office as well as partners.
- Continuing to invest in infrastructure to reduce greenhouse gas emissions and ensure discharge meets Vietnamese standards by converting boilers to use biomass pellets, renovating and upgrading wastewater treatment systems; investing in additional modern machinery to reduce waste and dust emissions into the environment.

**Some typical results achieved in 2024 are as follows:**

- Completed the installation of boilers using biomass wood pellets at Hung Ha Suit Factory and at the Headquarters of Garment 10 Corporation.
- Completed the installation of solar power systems at Hung Ha Suit Factory and Ha Quang Factory, which were put into operation from July 2024 and November 2024 respectively.
- Maintaining the implementation of Energy Management according to ISO 50001 standards.

### **Development orientation**

The Corporation is oriented to build a "Green Factory" chain, using renewable energy, minimizing and moving towards eliminating the use of fossil energy, reducing carbon emissions; focusing on researching and applying initiatives on the circular economy, towards a comprehensive transition to a circular production model at the Corporation's factories with a closed supply chain model, implementing an ecosystem towards sustainable development goals.

### **Garment 10 Corporation commits to:**

- Applying green transformation solutions according to a roadmap suitable for the enterprise in operation, production, and product distribution;
- Implementing economical and efficient energy use; conserving water; seeking additional clean energy sources such as solar power and other renewable energy sources by cooperating in investment or purchasing electricity through the government's new mechanism; managing and treating waste in accordance with regulations;
- Striving to research, test, and innovate to create product lines that excel in quality and are environmentally friendly;
- Developing measures to contribute to raising consumer awareness in recognizing and using sustainable, environmentally friendly products.

By adjusting production processes, investing in new technology, and practicing sustainable development standards to get ahead of the green transformation wave and shift towards a circular economy, Garment 10 Corporation expects to reap many economic benefits along with businesses in the textile and garment industry, through reducing production costs, energy consumption, and resources, increasing competitiveness in quality and technology, ensuring current legal regulations as

well as customer assessment standards, and having green certifications to enhance competitive advantages in the export market.

#### 6.6.2. Water and Wastewater Management

##### **Water Resource Management**

Currently, the Corporation is using water purchased from clean water supply companies for two main purposes: production and daily activities, in which:

- ❖ Water source for production: Directly supplying to washing machines; to boilers providing steam for ironing and pressing equipment; to cooling systems using water panels; to central air conditioning systems using water cooling towers; to direct drinking water filtration systems and supplementing to fire protection water tanks.
- ❖ Water source for daily activities: Supplying to the cafeteria for cooking; to the system for watering plants and beautifying the landscape; to water taps serving public purposes outdoors and to the system of toilets at the units.

##### - **Statistics Table of Water Consumption, Discharge, and Reuse in 2024:**

Water supply (m3)	Wastewater (m3)	Reused water	
Purchased from Company		m <sup>3</sup>	% Ratio
166.713	126.981	2.048	1,23%

To ensure sustainable water management, with a long-term perspective, and to minimize negative impacts on the water environment and incidents that may arise affecting production and business activities, the Corporation has developed an analysis table of risks and remedial measures for possible situations.

##### **Wastewater Management**

- All units under the Corporation have their wastewater quality monitored according to discharge permits and current regulations.
- Two units with laundry factories have invested in industrial wastewater treatment systems, located at the Corporation's headquarters and Hung Ha Factory.
- Data:
  - At the Corporation's headquarters: The total amount of water supplied for daily activities and industrial laundry is 33.52 m3, the total amount of domestic wastewater is 25.514 m3, the total amount of industrial wastewater is 4,440 m3, and the remaining volume is used for fire drill exercises, plant irrigation, evaporation, and cooling workshops 3.898 m3.
  - For local enterprises: The total amount of water supplied for daily activities and industrial purposes is 132.861 m3.

#### 6.6.3. Waste Management

The Corporation promulgates a Waste Control Procedure that stipulates and guides the treatment methods for each type of waste.

The Corporation has established a document system, including tracking sheets, statistics, survey forms, contracts, and working documents with fully functional transportation units for waste treatment in accordance with legal regulations.

#### 6.6.4. Energy management

**The energy used by the Corporation is mainly electricity, coal, firewood, wood pellets, diesel oil, and solar energy.**

- Electricity is used directly for production and business activities, including lighting, operation of production equipment, office equipment, and comfort equipment such as air conditioners, ventilation, cooking, etc.
- Coal, firewood, and wood pellets are used as raw materials for operating boilers to supply hot steam for garment production.
- Diesel oil is mainly used for transportation vehicles and forklifts to reduce human labor.
- Rooftop solar power systems are applied to generate grid electricity for the production of some factories.

Data on energy source consumption of the Corporation (converted to tons of oil equivalent - TOE):

No.	Target	Consumption data (TOE)	Consumption proportion (%)	Cost proportion (%)
1	Electricity	2.832,93	64	76,18
2	Coal	399,69	9	5,87
3	Firewood	20,01	1	0,19
4	Wood pellets	1.122,25	25	20,58
5	Diesel oil	47,42	1	4,13
Total		4.422,30	100	100

- Annually, the Corporation issues announcements about electricity saving plans, uses 100% LED lights for new projects; performs periodic maintenance and cleaning of air conditioning systems, factory cooling systems, and high-capacity equipment such as air compressors, electric boilers, etc.
- Applying the energy management system according to ISO 50001:2018 standard and energy management processes to production, focusing on identifying units and equipment that consume a lot of energy in order to propose effective energy-saving solutions.
- Deploying the installation of solar power systems at factories. The Corporation has installed solar power systems with a total capacity of 2.468Wp at Bim Son Factory, Hung Ha Suit Factory, and Ha Quang Factory. The profit value is 220 million VND.
- In 2024, at the Corporation's headquarters, the 04-ton steam/hour coal-fired boiler was replaced with a biomass boiler and put into safe and stable steam supply operation for production from June 2024. After 6 months of use, energy consumption has been reduced by 113 TOE, reducing costs compared to using coal by 3,1 billion VND.

#### **Greenhouse gas emissions**

In the development strategy for green production transformation, the Corporation has focused on implementing the following solutions:

- Continuing to invest in energy-saving lighting equipment such as LED bulbs, standardization in lighting design.
- Investing in electronic and automation equipment using inverters, servo motors/motors using inverters to save energy and reduce waste during use.

- Investing in converting central boiler equipment using coal to installing electric boilers and Biomass boilers using wood pellets to reduce greenhouse gas emissions.

- Investing in rooftop solar power systems according to calculations to reduce greenhouse gas emissions significantly. In 2024, 02 systems with a capacity of 1.630 kwp were put into operation;

- Maintaining the ISO 50001:2018 energy management system in 2024, thereby identifying key energy consumption locations to have solutions applied in technology, changing working hours to save energy.

- Strengthening propaganda, education, and raising the awareness of employees through internal media such as fan pages, zalo... At May 10, employees always comply with turning off the electricity when leaving the workplace; before leaving, turn off all power sources. The employees' awareness of saving is built not only at work but also implemented at home.

- The emission activities of fuel-burning boilers into the surrounding environment are strictly controlled, and third-party measurements ensure the quality of emissions in accordance with current State regulations.

- In 2024, greenhouse gas inventories were conducted at units throughout the Corporation.

- Maintain the existing amount of green trees at factories throughout the Corporation with 216 trees inventoried in 2023 and plant additional timber trees in vacant land. This helps to absorb a large amount of greenhouse gases during photosynthesis, estimated at nearly 70 tons of CO<sub>2</sub>/year.

In 2024, the Corporation reduced greenhouse gas emissions by approximately 5,500 tons of CO<sub>2</sub> by converting the boiler system to use biomass pellets and rooftop solar power.

#### *6.6.5. Environmental regulation compliance*

Environmental regulation compliance is inspected and supervised by the Corporation for branches and legal entities by issuing documents assigning responsibilities, regulations, guidance procedures, and internal supervision mechanisms to ensure compliance with environmental laws and environmental management and supervision.

The Corporation strictly complies with environmental laws.

### **6.7. Sustainable supply chain**

#### **Supplier selection policy**

The Corporation has established criteria for selecting supply partners, ensuring suitability not only in terms of product quality but also in terms of compliance with social responsibility, security, and the environment. Each field has its own set of evaluation criteria, designed to suit the specific characteristics of each type of goods and service.

The supplier evaluation process is carried out through a checklist system of criteria, quantified into scores. The Corporation is aiming to build a professional, transparent, and sustainable supply ecosystem.

#### **Supplier monitoring**

Cooperating with a supplier does not mean long-term assurance. Even approved units may still have potential risks in terms of quality, environment, security, or social responsibility. Therefore, the Corporation always monitors, evaluates, and requires suppliers to improve their limitations.

Data on product quality, compliance level, and cooperation history will be used as a basis for making decisions to continue cooperation, request remediation, or even terminate the contract if the supplier does not meet the set standards.

By maintaining a strict monitoring mechanism, constantly raising standards, and supporting supplier improvements, the Corporation wishes to build a green, responsible, and sustainable production ecosystem according to international standards.

### **Green supply chain development orientation**

Towards the goal of sustainable development, the Corporation aims to select suppliers that apply green standards, minimize environmental impacts, and use environmentally friendly materials. In addition, requirements for using renewable energy and reducing carbon emissions are increasingly being raised. This not only contributes to environmental protection but also creates a competitive advantage for the Corporation in the international market.

## **7. Financial statements**

### **Auditor's opinion**

#### **Auditor's Opinion**

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Garment 10 Corporation – Joint Stock Company as at 31 December 2024 and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited  
Vietnam  
Audit Report No. 24-02-00238-25-2



Phan My Linh  
Practicing Auditor Registration  
Certificate No. 3064-2024-007-1  
Deputy General Director  
Hanoi, 29 March 2025



Trương Tuyết Mai  
Practicing Auditor Registration  
Certificate No. 2594-2024-007-1

# CONSOLIDATED BALANCE SHEET

Garment 10 Corporation – Joint Stock Company  
Consolidated balance sheet as at 31 December 2024

Form B 01 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>2,054,803,490,754</b>	<b>1,781,338,762,540</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>231,856,066,687</b>	<b>152,062,411,416</b>
Cash	111		153,051,010,225	101,187,490,510
Cash equivalents	112		78,805,056,462	50,874,920,906
<b>Short-term financial investments</b>	<b>120</b>		<b>408,391,753,426</b>	<b>302,163,000,000</b>
Held-to-maturity investments	123	6	408,391,753,426	302,163,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>538,181,967,723</b>	<b>530,464,134,762</b>
Accounts receivable from customers	131	7	603,852,955,408	505,378,641,038
Prepayments to suppliers	132		30,571,211,987	5,625,389,013
Other receivables	136	8(a)	12,769,511,997	19,460,104,711
Allowance for doubtful debts	137	9	(109,011,711,669)	-
<b>Inventories</b>	<b>140</b>	<b>10</b>	<b>797,655,790,886</b>	<b>746,547,872,094</b>
Inventories	141		801,653,718,890	753,751,027,815
Allowance for inventories	149		(3,997,928,004)	(7,203,155,721)
<b>Other current assets</b>	<b>150</b>		<b>78,717,912,032</b>	<b>50,101,344,268</b>
Short-term prepayments	151		4,946,104,313	5,788,484,665
Deductible value added tax	152		71,268,657,088	41,817,760,541
Taxes and others receivable from State Treasury	153	17	2,503,150,631	2,495,099,062

Garment 10 Corporation – Joint Stock Company  
Consolidated balance sheet as at 31 December 2024 (continued)

Form B 01 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>Long-term assets</b> (200 = 210 + 220 + 240 + 260)	<b>200</b>		<b>561,029,711,581</b>	<b>508,347,256,987</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>9,640,991,997</b>	<b>15,394,680,697</b>
Other long-term receivables	216	8(b)	9,640,991,997	15,394,680,697
<b>Fixed assets</b>	<b>220</b>		<b>434,081,062,335</b>	<b>450,384,759,806</b>
Tangible fixed assets	221	11	433,015,812,558	448,167,855,298
Cost	222		1,733,706,886,842	1,712,803,962,267
Accumulated depreciation	223		(1,300,691,074,284)	(1,264,636,106,969)
Intangible fixed assets	227	12	1,065,249,777	2,216,904,508
Cost	228		16,291,763,483	15,941,763,483
Accumulated amortisation	229		(15,226,513,706)	(13,724,858,975)
<b>Long-term work in progress</b>	<b>240</b>		<b>76,485,875,449</b>	<b>1,368,470,076</b>
Construction in progress	242	13	76,485,875,449	1,368,470,076
<b>Other long-term assets</b>	<b>260</b>		<b>40,821,781,800</b>	<b>41,199,346,408</b>
Long-term prepaid expenses	261	14	40,821,781,800	41,199,346,408
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>2,615,833,202,335</b>	<b>2,289,686,019,527</b>



## Consolidated balance sheet as at 31 December 2024 (continued)

Form B 01 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>2,046,653,729,535</b>	<b>1,755,212,538,493</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,901,088,267,605</b>	<b>1,599,371,245,032</b>
Accounts payable to suppliers	311	15	807,888,212,380	569,466,284,949
Advances from customers	312	16(a)	18,460,563,382	13,684,079,894
Taxes and others payable to State Treasury	313	17	43,126,733,478	9,646,189,280
Payables to employees	314		342,989,478,914	349,832,833,214
Accrued expenses	315		447,246,105	101,571,690
Unearned revenue – short-term	318		-	15,277,776
Other payables – short-term	319	18(a)	34,583,802,448	19,925,689,437
Short-term borrowings	320	19(a)	567,374,482,239	566,937,830,343
Bonus and welfare fund	322	20	86,217,748,659	69,761,488,449
<b>Long-term liabilities</b>	<b>330</b>		<b>145,565,461,930</b>	<b>155,841,293,461</b>
Long-term advances from customers	332	16(b)	-	9,284,980,506
Other payables – long-term	337	18(b)	2,260,604,850	12,315,104,850
Long-term borrowings	338	19(b)	131,391,513,746	129,021,179,560
Science and technology development fund	343	21	11,913,343,334	5,220,028,545
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>569,179,472,800</b>	<b>534,473,481,034</b>
<b>Owners' equity</b>	<b>410</b>	<b>22</b>	<b>569,179,472,800</b>	<b>534,473,481,034</b>
Share capital	411	23	317,510,000,000	317,510,000,000
- Ordinary shares with voting rights	411a		317,510,000,000	317,510,000,000
Share premium	412		5,382,400,000	5,382,400,000
Treasury shares	415		(2,440,000)	(2,440,000)
Investment and development fund	418	25	146,281,319,147	105,097,319,147
Retained profits	421		99,305,834,123	105,783,842,357
- Retained profits brought forward	421a		1,514,396,137	2,569,755,081
- Profit for the current year	421b		97,791,437,986	103,214,087,276
Non-controlling interest	429		702,359,530	702,359,530
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>2,615,833,202,335</b>	<b>2,289,686,019,527</b>

26 March 2025

Prepared by:



Nguyen Thi Thu Ha  
General Accountant

Approved by:



Tran Thanh Binh  
Chief Accountant




Than Duc Viet  
General Director

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Form B 02 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
Revenue from sales of goods and provision of services	01	27	4,660,199,353,022	4,139,737,619,391
Revenue deductions	02	27	13,560,954,454	619,598,756
<b>Net revenue (10 = 01 - 02)</b>	<b>10</b>	<b>27</b>	<b>4,646,638,398,568</b>	<b>4,139,118,020,635</b>
Cost of sales	11	28	4,092,283,087,667	3,702,490,728,689
<b>Gross profit (20 = 10 - 11)</b>	<b>20</b>		<b>554,355,310,901</b>	<b>436,627,291,946</b>
Financial income	21	29	120,824,962,897	114,051,452,578
Financial expenses	22	30	87,048,229,832	93,624,432,622
<i>In which: Interest expense</i>	23		28,264,629,140	32,387,670,887
Selling expenses	25	31	193,353,160,973	159,143,994,120
General and administration expenses	26	32	252,646,178,013	177,892,829,166
<b>Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}</b>	<b>30</b>		<b>142,132,704,980</b>	<b>120,017,488,616</b>
Other income	31	33	1,952,867,234	4,152,984,048
Other expenses	32	34	3,069,784,357	737,149,887
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>(1,116,917,123)</b>	<b>3,415,834,161</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>141,015,787,857</b>	<b>123,433,322,777</b>
Income tax expense – current	51	36	43,224,349,871	20,219,235,501
<b>Net profit after tax (60 = 50 - 51)</b>	<b>60</b>		<b>97,791,437,986</b>	<b>103,214,087,276</b>
<b>Attributable to:</b>				
Shareholders of the Corporation	61		97,791,437,986	103,214,087,276
Non-controlling interest	62		-	-
<b>Earnings per share</b>				<b>Restated</b>
Basic earnings per share	70	37	2,612	2,861

26 March 2025

Prepared by:

Nguyen Thi Thu Ha  
General Accountant

Approved by:

Tran Thanh Binh  
Chief Accountant

Than Duc Viet  
General Director



## CONSOLIDATED STATEMENT OF CASH FLOWS

Garment 10 Corporation – Joint Stock Company  
Consolidated statement of cash flows for the year ended 31 December 2024  
(Indirect method)

Form B 03 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	01		141,015,787,857	123,433,322,777
Adjustments for				
Depreciation and amortisation	02		84,371,665,967	91,369,011,936
Allowances and provisions	03		105,806,483,952	626,816,392
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		5,831,684,595	7,511,865,468
Profits from investing activities	05		(21,151,752,247)	(23,191,819,074)
Interest expense	06		28,264,629,140	32,387,670,887
Other movements	07		6,966,386,921	-
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>351,104,886,185</b>	<b>232,136,868,386</b>
Change in receivables	09		(110,669,818,947)	(60,243,381,293)
Change in inventories	10		(47,902,691,075)	75,731,399,364
Change in payables and other liabilities	11		180,669,189,559	(17,819,284,850)
Change in prepayments	12		1,772,438,284	10,252,157,102
			<b>374,974,004,006</b>	<b>240,057,758,709</b>
Interest paid	14		(28,255,161,956)	(32,488,917,482)
Corporate income tax paid	15		(13,085,259,191)	(25,639,242,871)
Other payments for operating activities	17		(9,003,052,010)	(5,878,400,913)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>324,630,530,849</b>	<b>176,051,197,443</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(106,538,667,524)	(84,511,485,778)
Proceeds from disposals of fixed assets	22		190,842,406	720,976,182
Payments for granting loans and placement of term deposits	23		(659,783,509,326)	(576,248,000,000)
Receipts from collecting loans, withdrawal of term deposits	24		553,554,755,900	376,085,000,000
Receipts of interests	27		19,100,156,204	18,066,208,358
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(193,476,422,340)</b>	<b>(265,887,301,238)</b>

**Garment 10 Corporation – Joint Stock Company**  
**Consolidated statement of cash flows for the year ended 31 December 2024**  
**(Indirect method - continued)**

**Form B 03 – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2024 VND	2023 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from equity issued	31		-	20,492,400,000
Proceeds from borrowings	33		1,244,826,882,186	1,062,845,248,400
Payments to settle loan principals	34		(1,249,376,066,849)	(1,072,310,272,527)
Payments of dividends	36		(47,589,721,260)	(54,366,471,360)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(52,138,905,923)</b>	<b>(43,339,095,487)</b>
<b>Net cash flows during the year</b> (50 = 20 + 30 + 40)	<b>50</b>		<b>79,015,202,586</b>	<b>(133,175,199,282)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>152,062,411,416</b>	<b>285,029,490,479</b>
<b>Effect of exchange rate fluctuations</b>	<b>61</b>		<b>778,452,685</b>	<b>208,120,219</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>5</b>	<b>231,856,066,687</b>	<b>152,062,411,416</b>

26 March 2025

Prepared by:



Nguyen Thi Thu Ha  
General Accountant

Approved by:



Tran Thanh Binh  
Chief Accountant



Thao Duc Viet  
General Director

## **8. Information about the report**

### **8.1. Reporting period, frequency, contact information**

- The report is prepared and published no later than 20 days from the date of publication of the audited annual financial statements, prepared once a year and prepared according to the accounting year ending on 2024-12-31.

- The purpose of the annual report is to convey information about management, finance and many other aspects of the business to promote the brand.

- The annual report, wishes and messages of the Corporation conveyed in the Annual Report to stakeholders: investors, customers, partners, other stakeholders.

### **8.2. Restated information**

In the 2024 Annual Report, some information is restated:

- 2.3. Development journey
- 4.1.4. Ensuring customer rights
- 5.4. Data infrastructure
- 5.5. Conflict of interest management
- 5.9. Complaint and violation reporting process
- 8.1. Reporting period, frequency, contact information

### **8.3. Ensuring the independence of third parties**

In order to ensure the transparency of the company's financial information, the Corporation has hired an independent audit unit, KPMG Vietnam Company Limited, to audit the semi-annual and annual financial statements.

In the independent audit report, the auditors' opinions through the audit periods all stated: “In our opinion, the consolidated financial statements present fairly, in all material respects, the financial situation, business results and cash flows of the Corporation for the year ended on the same date, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations on the preparation and presentation of financial statements.”

## **9. Confirmation of the Company's Legal Representative**

 **TỔNG GIÁM ĐỐC**  
  
**Trần Đức Việt**

## 10. GRI index

Garment 10 Corporation has reported information cited in this GRI content index for the period 1<sup>st</sup> January 2024– 31 December 2024 with reference to the GRI Standards.

GRI STANDARD	DISCLOSURE CONTENT	LOCATION	Page number
GRI 2: General disclosures 2021	2-1 Information about the organization organization	2. About us	6
GRI 2: General disclosures 2021	2-2 Information about subsidiaries and member units	2.1.3 Subsidiaries, member units	7
GRI 2: General disclosures 2021	2-3 Reporting period, frequency, and contact information	8.1 Reporting period, frequency, contact information	52
GRI 2: General disclosures 2021	2-4 Restatement of information reported	8.2 Restatement information	52
GRI 2: General disclosures 2021	2-5 Independent assurance of third party	8.3 Independent assurance of third party	52
GRI 2: General disclosures 2021	2-6 Activities, value chain and other business relationships	3.1 Main business operation model	12
		3.2 Value creation factors with stakeholders	12
GRI 2: General disclosures 2021	2-7 Employees and workers	6.4 Human resource development	38
GRI 2: General disclosures 2021	2-9 Governance structure and composition	2.5 Organization chart, management model and management apparatus	9
GRI 2: General disclosures 2021	2-10 Nomination and selection of the highest governance body	2.5 Organizational chart, governance model, and management apparatus	9
GRI 2: General disclosures 2021	2-11 Chair of the highest governance body	2.5 Organizational chart, governance model, and management apparatus	9
GRI 2: General disclosures 2021	2-15 Conflicts of interest	5.5 Management of conflicts of interest	32
GRI 2: General disclosures 2021	2-17 Collective knowledge of senior management	5.1 Activities of the Board of Directors	24
GRI 2: General disclosures 2021	2-18 Evaluation of the performance of senior management	5.1 Activities of the Board of Directors	24
GRI 2: General disclosures 2021	2-21 Ratio of total annual compensation	5.6 Salaries, remuneration, and benefits for the Board of Directors and Supervisory Board	32
GRI 2: General disclosures 2021	2-22 Statement on sustainable development strategy	1.2 Message from the Chairman of the Board of Directors	4
		1.3 Message from the General Director	5
		6.1 Message on Sustainable Development	34



GRI STANDARD	DISCLOSURE CONTENT	LOCATION	Page number
GRI 2: General disclosures 2021	2-23 Policy commitments	6.2 Commitments to Sustainable Development	35
GRI 2: General disclosures 2021	2-27 Compliance with laws and regulations	5: Corporate governance 6: Message on Sustainable Development 6.5.5. Compliance with environmental regulations	24 34 41
GRI 2: General disclosures 2021	2-29 Approach to stakeholder engagement	3.4 Engaging stakeholders	15
GRI 2: General disclosures 2021	2-30 Collective bargaining agreements	6.2 Commitments to sustainable development 6.4 Human resource development	35 38
GRI 3: Topic-specific disclosures 2021	3-1 Process to determine material topics	3.3.1 Process to determine material topics	13
GRI 3: Topic-specific disclosures 2021	3-2 List of material topics	3.3.2 List of material topics	13
GRI 3: Topic-specific disclosures 2021	3-3 Management of material topics	6.3 Sustainable Development risk management	36
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	3.2 Value creation factors with stakeholders 4.1.1 Financial situation and key financial indicators 4.3.1 Business situation in 2024	12 18 22
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	6.4 Human resource development	38
GRI 201: Economic Performance 2016	201-4 Financial assistance received from government	4.1.3 Financial support from the Government	20
GRI 201: Economic Performance 2016	203-2 Significant indirect economic impacts	3.3 Key topics	13
GRI 302: Energy 2016	302-1 Energy consumption within the organization	6.6.4 Energy management	44
GRI 302: Energy 2016	302-3 Energy intensity	6.6.4 Energy management	44
GRI 302: Energy 2016	302-4 Reduction of energy consumption	6.6.4 Energy management	44
GRI 302: Energy 2016	303-3 Water sources	6.6.2. Water and wastewater management	43
GRI 302: Energy 2016	303-4 Water discharge	6.6.2. Water and wastewater management	43
GRI 302: Energy 2016	303-5 Water consumption	6.6.2. Water and wastewater management	43
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity	The Corporation's headquarters and factories are located in densely populated areas, not in or adjacent to protected areas and	

GRI STANDARD	DISCLOSURE CONTENT	LOCATION	Page number
	value outside protected areas	areas of high biodiversity value outside protected areas.	
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	The Corporation's headquarters and factories are located in densely populated areas, not in or adjacent to protected areas and areas of high biodiversity value outside protected areas.	
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	The Corporation's headquarters and factories are located in densely populated areas, not in or adjacent to protected areas and areas of high biodiversity value outside protected areas.	
GRI 304: Biodiversity 2016	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	The Corporation's headquarters and factories are located in densely populated areas, not in or adjacent to protected areas and areas of high biodiversity value outside protected areas.	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	6.6.4 Energy management - Greenhouse gas emissions	44
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	6.6.4 Energy management - Greenhouse gas emissions	44
GRI 305: Emissions 2016	305-4 GHG emission intensity	6.6.4 Energy management - Greenhouse gas emissions	44
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	6.6.4 Energy management - Greenhouse gas emissions	44
GRI 305: Emissions 2016	306-3 Waste generated	6.6.3 Waste management	44
GRI 305: Emissions 2016	306-5 Waste directed to disposal	6.6.3 Waste management	44
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	6.2 Commitment to sustainable development 6.7 Sustainable supply chain	35 45
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	6.4.2 Equality, respect and diversity	38
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.4.4 Employee benefit policy	40
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	6.4.1 Occupational health and safety	38



<b>GRI STANDARD</b>	<b>DISCLOSURE CONTENT</b>	<b>LOCATION</b>	<b>Page number</b>
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	6.4.1 Occupational health and safety	38
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	6.4.1 Occupational health and safety	38
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	6.4.1 Occupational health and safety	38
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	6.4.1 Occupational health and safety	38
GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	6.4.1 Occupational health and safety	38
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	6.4.1 Occupational health and safety	38
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	6.4.1 Occupational health and safety	38
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill-health	6.4.1 Occupational health and safety	38
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	6.4.3 Training and career development	39
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	6.4.3 Training and career development	39
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	6.4.2 Equality, respect and diversity	38
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	6.4.2 Equality, respect, and diversity	38
GRI 408: Child Labor 2016	408-1 Operations at significant risk for incidents of child labor	6.2 Commitment to sustainable development	35
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations at significant risk for	6.2 Commitment to sustainable development	35

GRI STANDARD	DISCLOSURE CONTENT	LOCATION	Page number
	incidents of forced or compulsory labor		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	6.2 Commitment to sustainable development 6.7 Sustainable supply chain	35 45
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	6.5.1 Stakeholder safety and health	40
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.1.4 Ensuring customer rights 5.9 Complaint and whistleblowing process	20 33