



HUNG YEN GARMENT CORPORATION - JOINT STOCK COMPANY

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**



March 2025

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STATEMENT OF MANAGEMENT

Management of Hung Yen Garment Corporation - Joint Stock Company ("the Corporation") presents this report together with the Corporation's audited financial statements for the year ended December 31, 2024.

Board of Management and Board of Directors

Members of the Board of Management and the Board of Directors of the Corporation who held office during the year and to the date of this report are as follows:

Board of Management

Mr. Nguyen Xuan Duong	Chairman
Mrs. Pham Thi Phuong Hoa	Member
Mr. Nguyen Van Trung	Member
Mrs. Bui Thi Ly	Member
Mr. Vuong Duc Anh	Member

Board of Directors

Ms. Pham Thi Phuong Hoa	General Director
Mr. Nguyen Van Trung	Deputy General Director
Mr. Chu Huu Nghi	Deputy General Director
Ms. Bui Thi Ly	Deputy General Director

Management's responsibility

Management is responsible for preparing the financial statements for the year ended December 31, 2024, which give a true and fair view of the financial position of the Corporation and of its results and cash flows for the year. In preparing these financial statements, management is required to:

- Comply with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and the relevant statutory requirements applicable to financial reporting;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Design and implement an effective internal control system for the purpose of properly preparing the financial statements so as to minimise errors and frauds; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue its business.

Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Corporation and to ensure that the financial statements comply with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and the relevant statutory requirements. Management is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF MANAGEMENT (CONTINUED)

Management confirms that the Corporation has complied with the above requirements in preparing these financial statements.

For and on behalf of management,



Phạm Thị Phương Hoa
General Director
Hung Yen, March 25, 2025

11/2/21 11:00 am 2 1/11

No.: 61/2025/KT-AV3-TC

INDEPENDENT AUDITORS' REPORT

**To: Shareholders, the Boards of Directors and Management
Hung Yen Garment Corporation - Joint Stock Company**

We have audited the accompanying financial statements of Hung Yen Garment Corporation - Joint Stock Company ("the Corporation"), which were prepared as at March 25, 2025, from pages 06 to 30, comprising the balance sheet as at December 31, 2024, the income statement, the cash flows statement for the year then ended and the notes thereto.

Board of Management's responsibility

Board of Management is responsible for the preparation and fair presentation of the Corporation's financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Systems and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and standards of professional conduct, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the Board of Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditors' opinion

In our opinion, the financial statements give a true and fair view of, in all material respects, the financial position of Hung Yen Garment Corporation - Joint Stock Company as at December 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Systems and the relevant statutory requirements applicable to the preparation and presentation of the financial statements.

BALANCE SHEET
As at December 31, 2024

Form B01 - DN

Unit: VND

ITEMS	Codes	Notes	31/12/2024	01/01/2024
A. CURRENT ASSETS	100		407,025,079,356	397,047,551,511
I. Cash and cash equivalents	110		61,915,758,986	28,899,694,275
1. Cash	111	5	61,915,758,986	28,899,694,275
II. Short-term financial investments	120		198,247,235,969	204,468,300,790
1. Held-to-maturity investments	123	9.1	198,247,235,969	204,468,300,790
III. Short-term receivables	130		89,504,669,174	103,065,848,640
1. Short-term trade receivables	131	6	61,974,734,496	63,315,485,904
2. Short-term advances to suppliers	132		15,242,059,173	6,444,958,330
3. Short-term loan receivables	135	9.3	8,500,000,000	22,000,000,000
4. Other short-term receivables	136	7	7,947,914,828	15,185,404,406
5. Provision for short-term doubtful debts	137	8	(4,160,039,323)	(3,880,000,000)
IV. Inventories	140		52,777,518,032	56,686,036,199
1. Inventories	141	11	52,777,518,032	56,686,036,199
V. Other current assets	150		4,579,897,195	3,927,671,607
1. Short-term prepayments	151	12.1	-	263,202,899
2. Valued added tax deductibles	152		4,579,897,195	3,439,232,788
3. Taxes and other receivables from the State budget	153	16.2	-	225,235,920
B. NON-CURRENT ASSETS	200		200,882,553,037	202,503,529,911
I. Fixed assets	220		84,760,437,873	82,710,204,699
1. Tangible fixed assets	221	14	84,760,437,873	82,710,204,699
- Cost	222		269,233,934,801	250,785,789,757
- Accumulated depreciation	223		(184,473,496,928)	(168,075,585,058)
II. Long-term assets in progress	240		4,128,664,820	4,128,664,820
1. Long-term construction in progress	242	13	4,128,664,820	4,128,664,820
III. Long-term investments	250		103,655,155,490	106,570,155,490
1. Investments in joint-ventures, associates	252	9.4	63,501,155,490	63,501,155,490
2. Investments in other entities	253	9.4	9,730,994,000	9,730,994,000
3. Provision for impairment of long-term financial investments	254	9.4	(2,476,994,000)	(2,476,994,000)
4. Held-to-maturity investments	255	9.2	32,900,000,000	35,815,000,000
IV. Other long-term assets	260		8,338,294,854	9,094,504,902
1. Long-term prepayments	261	12.2	8,338,294,854	9,094,504,902
TOTAL ASSETS (270=100+200)	270		607,907,632,393	599,551,081,422

The notes set out on pages 10 to 30 are an integral part of these financial statements

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BALANCE SHEET (CONTINUED)
As at December 31, 2024

Form B01 - DN
Unit: VND
01/01/2024

ITEMS	Codes	Notes	31/12/2024	01/01/2024
C. LIABILITIES	300		330,561,063,299	329,172,913,128
I. Current liabilities	310		330,561,063,299	329,172,913,128
1. Short-term trade payable	311	15	32,544,276,069	20,753,666,164
2. Short-term advances from customers	312		6,092,571,707	-
3. Taxes and other payables to the State budget	313	16.1	4,573,582,013	4,331,873,684
4. Payable to employees	314		117,277,554,766	114,028,958,675
5. Short-term accrued expenses	315	17	1,548,714,977	771,055,000
6. Other current payables	319	18	10,656,663,791	30,558,223,564
7. Bonus and welfare funds	322		157,867,699,976	158,729,136,041
D. EQUITY	400		277,346,569,094	270,378,168,294
I. Owners' equity	410	19	277,346,569,094	270,378,168,294
1. Owners' contributed capital	411	19	195,113,890,000	195,113,890,000
- Ordinary shares with voting rights	411a		195,113,890,000	195,113,890,000
2. Investment and development fund	418	19	11,497,035,955	3,837,611,122
3. Undistributed profit after tax	421	19	70,735,643,139	71,426,667,172
- Undistributed profit after tax brought forward	421a		35,772,698,172	24,099,502,345
- Undistributed profit after tax for the current period	421b		34,962,944,967	47,327,164,827
TOTAL RESOURCES (440=300+400)	440		607,907,632,393	599,551,081,422

Preparer



Cap Thi Chinh

Chief Accountant



Tran Thi Huong

Hung Yen, March 25, 2025
General Director



Phạm Thị Phương Thoa

INCOME STATEMENT
Year 2024

Form B02 - DN
Unit: VND

ITEMS	Codes	Notes	Year 2024	Year 2023
1. Revenue from goods sold and services rendered	01	21	678,363,642,180	690,525,695,082
2. Deductions	02	21	-	-
3. Net revenue from goods sold and services rendered (10=01-02)	10	21	678,363,642,180	690,525,695,082
4. Cost of sales	11	22	519,160,477,599	537,093,293,292
5. Gross profit from goods sold and services rendered (20=10-11)	20		159,203,164,581	153,432,401,790
6. Financial income	21	23	35,550,561,887	47,762,994,421
7. Financial expenses	22	24	2,743,332,355	2,464,740,622
- In which: Interest expenses	23		-	383,045,775
8. Selling expenses	25	25.1	66,669,007,916	71,602,375,671
9. General and administrative expenses	26	25.2	52,375,279,796	42,936,933,440
10. Operating profit/(loss) {30=20+(21-22)-(25+26)}	30		72,966,106,401	84,191,346,478
11. Other income	31	26	444,414,133	1,150,744,616
12. Other expenses	32	27	139,064,329	702,815,370
13. Profit/(loss) from other activities (40=31-32)	40		305,349,804	447,929,246
14. Accounting profit/(loss) before tax (50=30+40)	50		73,271,456,205	84,639,275,724
15. Current corporate income tax expense	51	29	9,041,427,738	8,045,027,397
16. Deferred tax expense/(income)	60		64,230,028,467	76,594,248,327
17. Net profit/(loss) after tax (60=50-51-52)	70	30	3,292	2,991

Preparer



Cap Thi Chinh

Chief Accountant



Tran Thi Huong

Hung Yen, March 25, 2025
General Director



Pham Thi Phuong Thoa

CASH FLOW STATEMENT
(Indirect method)
Year 2024

Form B03 - DN

Unit: VND

ITEMS	Codes	Notes	Year 2024	Year 2023
I. Cash flows from operating activities				
1. Profit before tax	01		73,271,456,205	84,639,275,724
2. Adjustments for				
- Depreciation and amortization of fixed assets and investment properties	02	14	22,301,441,694	23,404,251,256
- Provisions	03	8	280,039,323	(12,454,672,731)
- Foreign exchange differences upon revaluation of monetary items denominated in foreign currency	04		(576,129,426)	1,310,661,466
- (Profits)/losses from investing activities	05	23,26	(24,382,635,036)	(38,374,809,923)
- Interest expenses	06		-	383,045,775
3. Operating profit before changes in working capital	08		70,894,172,760	58,907,751,567
- (Increase)/decrease in receivables	09		1,077,530,210	6,539,300,393
- (Increase)/decrease in inventories	10		3,874,097,892	10,487,343,934
- Increase/(decrease) in payables	11		16,915,673,773	(38,400,491,530)
- (Increase)/decrease in prepayments	12		1,019,412,947	(364,563,998)
- Interest paid	14		-	(383,045,775)
- Corporate income tax paid	15	16	(9,032,707,397)	(12,627,088,238)
- Other cash inflows from operating activities	16		7,180,000	6,600,000
- Other cash outflows from operating activities	17		(18,848,221,017)	(17,156,156,164)
Net cash flows from operating activities	20		65,907,139,168	7,009,650,189
II. Cash flows from investing activities				
1. Payments for purchases and construction of fixed assets and other long-term assets	21		(28,819,507,177)	(29,143,416,246)
2. Proceeds from sales, disposals of fixed assets and other long-term assets	22	26	151,028,000	154,387,500
3. Payments for loans granted, purchases of debt instruments of other entities	23		(228,332,235,969)	(203,685,000,000)
4. Proceeds from collection of loans, sales of debt instruments of other entities	24		250,968,300,790	266,268,301,526
5. Payments for investments in other entities	25		-	(7,507,755,490)
6. Interest and dividends received	27		31,511,464,845	31,894,370,096
Net cash flows from investing activities	30		25,479,050,489	57,980,887,386
III. Cash flows from financing activities				
1. Proceeds from borrowings	33		-	77,123,700,000
2. Repayments of borrowings	34		-	(77,123,700,000)
2. Dividends paid	36		(58,534,167,000)	(58,534,167,000)
Net cash flows from financing activities	40		(58,534,167,000)	(58,534,167,000)
Net increase/(decrease) in cash and cash equivalents (50=20+30+40)	50		32,852,022,657	6,456,370,575
Cash and cash equivalents at the beginning of the year	60	5	28,899,694,275	22,458,127,181
Effect of foreign exchange differences	61		164,042,054	(14,803,481)
Cash and cash equivalents at the end of the year (70=50+60+61)	70	5	61,915,758,986	28,899,694,275

The notes are applied for the figures in the current year.

Preparer



Cap Thi Chinh

Chief Accountant



Tran Thi Huong

Hung Yen, March 25, 2025
General Director



Pham Thi Phuong Thoa

The notes set out on pages 10 to 30 are an integral part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS

FORM B09 - DN

*(The notes set out on pages 10 to 30 are an integral part of these financial statements)***1. GENERAL INFORMATION****1.1 Structure of ownership:**

Hung Yen Garment Corporation - Joint Stock Company, headquartered at No. 8 Bach Dang, Minh Khai Ward, Hung Yen City, Hung Yen Province, was converted according to Decision No. 204/QĐ-TĐĐMVN dated April 22, 2011 of the Board of Management of Vietnam National Textile and Garment Group on approving the Project to convert Hung Yen Garment Joint Stock Company into Hung Yen Garment Corporation - Joint Stock Company. The first business registration certificate of the joint stock company No. 0900108038 dated January 4, 2005 and the thirteenth amended business registration certificate dated May 24, 2023 were issued by the Department of Planning and Investment of Hung Yen Province.

The charter capital is VND 195,113,890,000, the par value of shares is VND 10,000.

The number of employees of the Corporation as of December 31, 2024 is 1,839 people (as of January 1, 2024 is 1,975 people).

1.2 Business field: production and trade.**1.3 Business lines:**

- Production and processing of garment products;
- Retail sale of garments, footwear, leather and imitation leather goods in specialized stores;
- Construction of houses for residential and non-residential purposes;
- Kindergarten education.

1.4 Normal production and business cycle: within 12 months.**1.5 Characteristics of the Corporation's business activities in the financial year that affect the financial statements:** there is not any activity which have material effect on the financial statements of the Corporation.**1.6 Company's structure:**

	<u>The Corporation</u>	<u>Address</u>	<u>Main business activities</u>
A	Affiliated units with dependent accounting (centralized accounting at the Corporation)		
1	Branch of Hung Yen Garment Corporation - Joint Stock Company	No. 594 Le Thanh Tong, Dong Hai 1 Ward, Hai An District, Hai Phong City	Transport, import and export services
B	Associated companies		
1	Ninh Binh Garment Export Joint Stock Company	No. 490 Nguyen Cong Tru, Ninh Binh City, Ninh Binh Province	Textile and garment manufacturing
2	Tien Hung Joint Stock Company	Vuong Town, Tien Lu District, Hung Yen Province	Textile and garment manufacturing
3	Phu Hung Joint Stock Company	Dinh Cao Commune, Phu Cu District, Hung Yen Province	Manufacturing, import and export of garment products

1.7 Disclosure of information comparability in the financial statements: comparable.**2. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY**

The Corporation's financial year begins on 1 January and ends on 31 December.

The currency unit used in accounting period is Vietnamese Dong (VND).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FORM B09 - DN

*(The notes set out on pages 10 to 30 are an integral part of these financial statements)***3. ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM APPLIED**

The financial statements are expressed in Vietnamese Dong (VND) and prepared under the accounting principles in conformity with the Vietnamese Enterprise Accounting Systems issued in pursuance of Circular No. 200/2014/TT-BTC dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 of Ministry of Finance, Vietnamese Accounting Standards, and the relevant statutory requirements applicable to financial reporting.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**4.1 Basis of preparation of financial statements**

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

The financial statements of the Corporation have been translated into English from the financial statements issued in Vietnam in Vietnamese language.

4.2 Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting Systems and the relevant statutory requirements applicable to financial reporting requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Actual results could differ from those estimates.

4.3 Convention of foreign currency translation

During the year, transactions arising in foreign currencies are translated into VND at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in financial income (if gain) and financial expense (if loss). Monetary items denominated in foreign currencies are translated using exchange rate ruling at the balance sheet date. Foreign exchange differences arising from revaluation are reflected in the Foreign exchange rate differences account and the balance of this account is transferred to the financial revenue at the end of the year.

- Exchange rate for transactions denominated in foreign currency during the year:
 - Exchange rate when recording and collecting receivables is the buying rate of the commercial bank where the Corporation assigns the customers to pay at the time of transaction;
 - Exchange rate when recording payables is the selling rate of the commercial bank where the Corporation expects to exchange at the time of transactions.
- Actual transaction exchange rate when revaluating foreign currency items at the end of the accounting year: for foreign currency items classified as receivables, it is the buying exchange rate of the bank where the enterprise actually collects money from each customer, for foreign currency deposits at the bank, it is the buying exchange rate of the bank where the enterprise opens a foreign currency account.

4.4 Financial investments**4.4.1 Held-to-maturity investments**

Reflecting the investments that the Corporation has intention and ability to hold to maturity with remaining maturity not exceeding 12 months (short-term) and more than 12 months (long-term) from the reporting date, including time deposits and bonds.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FORM B09 - DN

(The notes set out on pages 10 to 30 are an integral part of these financial statements)

Held-to-maturity investments are initially recognized at cost. After initial recognition, these investments are recorded at recoverable value.

Interest incurred after the date of purchase of held-to-maturity investments are recorded in financial income.

The Corporation bases on the remaining term from the reporting date to classify held-to-maturity investments as long-term or short-term.

4.4.2 Loan receivables

Reflecting the loans by debentures, contracts, agreements between the two parties with remaining recoverable term not exceeding 12 months (short-term) at the reporting date. Loans are recorded at cost. Interest from loans is recorded in the financial income when incurred.

The Corporation bases on the remaining term from the reporting date to classify loan receivables as long-term or short-term.

Provision for loans is similar to receivables unlikely to recover, is made similarly to provision for bad debts according to note No. 4.5.

4.4.3 Investments in other entities***Investments in associates:***

Reflecting the investments which the Corporation directly or indirectly holds from 20% to under 50% voting shares of the investee (associated company) without any other agreement.

Associated company is the Corporation which the Corporation has significant influence but does not have right to control over the financial policies and activities. Significant influence represents the right to participate in making policy decisions about financial policies and business operations of the investee but not control those policies.

Investments in associates are initially recognised at cost at the time of capital contribution (with significant influence).

Dividends distributed for the period after the investment date are recognised in financial income at the date of entitlement. During the year, the Corporation recorded dividends received from Phu Hung Joint Stock Company of VND 1,219,934,000 and Tien Hung Joint Stock Company of VND 8,262,000,000.

Investment in other companies:

Is the investments in equity instruments but the Corporation does not have right to control, joint-control or significant influence on the investee.

Equity investments in other entities are initially recorded at cost, including the purchase price or capital contribution plus costs directly related to the investment (if any).

Dividends distributed for the period after the investment date are recorded in financial income at the date of entitlement. During the year, the Corporation recorded dividends received from Hung Long Garment and Service Joint Stock Company, Bao Hung Garment Joint Stock Company, Hung Viet Garment Joint Stock Company with the amounts of VND 331,158,000, VND 580,000,000 and VND 800,000,000, respectively.

Provisions for the investment in Textile - Garment Import - Export Production Joint Stock Corporation were made based on the financial statements of the investee showing a decrease in value compared

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FORM B09 - DN

(The notes set out on pages 10 to 30 are an integral part of these financial statements)

to the investment value. The Corporation has made maximum provisions with a value equal to the entire capital contribution to this entity.

4.5 Receivables and provision for doubtful debts

Receivables are monitored detailed under the original terms, remaining terms at the reporting date, the receivable objects, receivable foreign currencies and other factors for the Corporation's management purpose. The classification of receivables comprised of trade receivables and other receivables shall comply with the principles:

- Trade receivables include commercial receivables incurred from purchase-sale transactions;
- Other receivables include non-commercial or non-trading receivables.

The Corporation bases on the remaining term at the reporting date receivables to classify as long-term or short-term and the revaluation of monetary items denominated in foreign currencies according to the principles as presented in the note No. 4.3.

Receivables are recognized not exceeding the recoverable value. The provision for doubtful debts represents the portion of receivables that the Corporation expects to be unable to collect at the end of the accounting year.

4.6 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises purchase price, processing cost and other direct attributable expenses that have been incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing and selling.

Inventories are calculated using the monthly mobile weighted average method.

Inventories are recorded by perpetual method.

The cost of imported products is calculated using the simple method.

4.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Tangible fixed assets are recognized under the historical cost, except for some revalued tangible fixed assets when determining the Corporation value for equitization.

The costs of tangible fixed assets arising from purchases and self-constructions comprise all costs of bringing the tangible fixed assets to their working condition for their intended use.

Tangible fixed assets are depreciated using the straight-line method, the depreciation amount is calculated by dividing the original cost (:) by the estimated useful life. The specific depreciation periods for each type of asset are as follows:

	<u>Years</u>
Buildings and structures	05 - 25
Machinery and equipment	05 - 07
Motor vehicles (Means of transportation)	03 - 08
Office equipment and tools	03 - 05
Other tangible fixed assets	05

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FORM B09 - DN

(The notes set out on pages 10 to 30 are an integral part of these financial statements)

For tangible fixed assets invested from the welfare fund, the original cost is recorded as a one-time decrease in the welfare fund, and at the same time, an increase in the welfare fund that has formed the fixed asset is recorded. Depreciation is recorded as a decrease in the welfare fund that has formed the fixed asset.

4.8 Prepayments

Prepayments are recorded according to actual occurrence, including consumable tools, supplies and fixed asset repair costs allocated to the business results using the straight-line method from 24 to 36 months from the date of occurrence.

The Corporation bases on the allocation time of each type of expense to classify short-term or long-term prepayments and does not reclassify at the time of reporting.

4.9 Construction in progress

Construction in progress is recorded at cost, reflecting costs directly related to the construction of the warehouse and show room according to Resolution of the Annual General Meeting of Shareholders No. 01/NQDHDCD-MHY dated April 25, 2023 with an expected total investment of VND 33 billion and put into use in the second quarter of 2025. Depreciation of these assets is applied in the same way as other assets, starting when the assets are ready for use.

4.10 Payables

The payables are monitored detailed under the original terms, the remaining terms at the reporting date, the payable objects and other factors according to the Corporation's management purpose. The classification of payables such as trade payables, other payables must be implemented the following principles:

- Trade payables include commercial payables incurred from purchase-sale transactions;
- Other payables include non-commercial or non-trading payables.

The Corporation bases on the remaining terms of payables at the reporting date to classify as long-term or short-term.

The payables are recorded not less than the payment obligations.

4.11 Accrued expenses

Accrued expenses are recorded based on reasonable estimates of the amount payable for goods and services used during the year due to lack of invoices or insufficient accounting records and documents, including outsourcing costs and electricity bills.

4.12 Owners' equity

Owners' capital at the year-end includes shareholders' equity inside and outside of the Corporation and are recorded according to paid in capital of shareholders with the par value of the issued shares.

2023 profit after tax is distributed according to Resolution No. 01/NQDHDCD-MHY of the Annual General Meeting of Shareholders dated April 29, 2024.

The Corporation temporarily distributes 2024 dividends according to Resolution No. 02/NQHDQT/2024 dated July 4, 2024 and Resolution No. 05/NQHDQT/2024 dated December 3, 2024 of the Board of Management.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FORM B09 - DN

*(The notes set out on pages 10 to 30 are an integral part of these financial statements)***4.13 Revenue and other income*****Revenue recognition from goods sold if simultaneously satisfying the following conditions:***

- The Corporation transferred most of risks and benefits associated with ownership of goods to the customers;
- The Corporation did not hold the right to manage goods as the owners or the right to control goods;
- The revenue is measured reliably;
- The Corporation received or will receive economic benefits from the sale transactions;
- The costs related to the sale transactions may be determined.

Revenue from processing:

Revenue from processing activities of materials and goods is the actual processing amount earned, not including the value of supplies and goods being processed.

Revenue recognition from services rendered if simultaneously satisfying the following conditions:

- Revenue is measured reliably;
- The Corporation received or will receive economic benefits from the sale transactions;
- The completed work is determined at the reporting date;
- Incurred costs for the transaction and the costs to complete the transaction of providing such services is determined.

Financial income comprises deposit and loans interest, dividends paid and gains from foreign exchange differences. Detailed as follows:

- Interest income is recognized reliably on the balances of deposits, loans, and periodic actual interest;
- Distributed dividends are recorded under the announcement;
- Foreign exchange differences reflect profit from the actual exchange differences of arising transactions denominated in foreign currencies during the year and profit from the exchange differences due to the translation of monetary items denominated in foreign currencies at the reporting date.

Other income reflects income arising from the events or separate transactions with normal business operations of the Corporation, besides the above revenue.

4.14 Cost of sales

Cost of sales includes the cost of finished products, goods and services sold and provided during the year and is recorded according to actual occurrence, matching with revenue.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 30 are an integral part of these financial statements)***4.15 Financial expenses**

Financial expenses comprise exchange rate loss and others, details are as follows:

- Exchange rate differences reflect actual exchange rate loss arising during the year from transactions originating in foreign currencies;
- Other financial expenses are the difference between the purchase price and the selling price along with the transaction costs of the bond.

4.16 Selling expenses, general and administrative expenses

Selling expenses reflect actual costs incurred in the process of selling finished products and goods during the accounting period, including: costs of sales department staff salaries, material costs, document costs, transportation costs...

Administrative expenses represent the general management expenses incurred during the year, including: costs for salaries of business management staff (salaries, wages, allowances, etc.); union fees, social insurance, health insurance, unemployment insurance for business management staff; costs of office materials, labor tools; depreciation of fixed assets used for business management; land rent, business license fees; outside services (electricity, water, telephone, etc.); other cash expenses (reception, etc.).

4.17 Taxation

The current tax expense represents corporate tax payables incurred for the current year.

Taxable profit might differ from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

The determination of the taxes borne by the Corporation is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

4.18 Related parties

Parties are considered to be related parties of the Corporation if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating policy decisions, or when the Corporation and the other party are under common control or common significant influence. Related party may be organizations or individuals, including close family members of individuals considered to be related.

The transactions with related parties are presented in Notes 9, 19 and 33.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

5. CASH

	31/12/2024 VND	01/01/2024 VND
Cash on hand	524,002,465	905,970,599
Demand deposits	61,391,756,521	27,993,723,676
Total	<u>61,915,758,986</u>	<u>28,899,694,275</u>

6. TRADE RECEIVABLES

	31/12/2024 VND	01/01/2024 VND
Short-term	61,974,734,496	63,315,485,904
Details of trade receivables from customers accounted for 10% or more of the total short-term trade receivables	46,479,671,433	28,857,489,955
<i>Punto Fa S.L</i>	37,232,989,880	24,912,677,490
<i>Fu Yuan International Holdings Pte. Limited</i>	9,246,681,553	3,944,812,465
Trade receivables from other customers	15,495,063,063	34,457,995,949

7. OTHER RECEIVABLES

	31/12/2024 VND		01/01/2024 VND	
	Amount	Provision	Amount	Provision
Short-term	7,947,914,828	(380,000,000)	15,185,404,406	(380,000,000)
Advances	222,000,000	-	222,000,000	-
Interest on deposits	7,183,998,467	-	13,887,390,522	-
Interest on loans to Viet Y - Hung Yen Garment Joint Stock Company	-	-	576,465,754	-
Interest on loans to Textile - Garment Import - Export Production Joint Stock Corporation	380,000,000	(380,000,000)	380,000,000	(380,000,000)
Receivables from insurance agencies	161,916,361	-	119,548,130	-

8. PROVISION FOR DOUBTFUL DEBTS

	Year 2024 VND	Year 2023 VND
Short-term		
Opening balance	(3,880,000,000)	(9,487,800,000)
Additional provision	(280,039,323)	-
Written back	-	-
Utilized provision	-	5,607,800,000
Closing balance	<u>(4,160,039,323)</u>	<u>(3,880,000,000)</u>
<i>In which:</i>		
- Loan receivables	(3,500,000,000)	(3,500,000,000)
- Other receivables	(380,000,000)	(380,000,000)
- Trade receivables	(280,039,323)	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

9. FINANCIAL INVESTMENTS

Held-to-maturity investments	31/12/2024		01/01/2024	
	Cost	Carrying amount	Cost	Carrying amount
9.1 Short-term	198,247,235,969	198,247,235,969	204,468,300,790	204,468,300,790
Time deposit at Vietcombank - Pho Hien Branch	13,000,000,000	13,000,000,000	23,310,000,000	23,310,000,000
Time deposit at BIDV - Hung Yen Branch	19,000,000,000	19,000,000,000	22,300,000,000	22,300,000,000
Time deposit at Saigon-Hanoi Commercial Joint Stock Bank - Hung Yen Branch	48,630,000,000	48,630,000,000	72,760,000,000	72,760,000,000
Time deposit at Vietinbank - Hung Yen Branch	38,000,000,000	38,000,000,000	32,000,000,000	32,000,000,000
Time deposit at An Binh Commercial Joint Stock Bank - Hung Yen Branch	-	-	33,000,000,000	33,000,000,000
Time deposit at Ho Chi Minh city Development Joint Stock Commercial Bank - Hung Yen Branch	43,842,301,370	43,842,301,370	18,000,000,000	18,000,000,000
Time deposit at BAC A Commercial Joint Stock Bank - Hung Yen Branch	30,815,000,000	30,815,000,000	-	-
Vin Group Bonds - JSC	4,959,934,599	4,959,934,599	3,098,300,790	3,098,300,790
9.2 Long-term	32,900,000,000	32,900,000,000	35,815,000,000	35,815,000,000
Time deposit at BAC A Commercial Joint Stock Bank - Hung Yen Branch	-	-	30,815,000,000	30,815,000,000
Time deposit at Saigon-Hanoi Commercial Joint Stock Bank - Hung Yen Branch	32,900,000,000	32,900,000,000	5,000,000,000	5,000,000,000
Loan receivables			31/12/2024	01/01/2024
			VND	VND
9.3 Short-term			8,500,000,000	22,000,000,000
Textile - Garment Import - Export Production Joint Stock Corporation			3,500,000,000	3,500,000,000
Viet Y - Hung Yen Garment Joint Stock Company			5,000,000,000	18,500,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(The notes set out on pages 10 to 30 are an integral part of these financial statements)

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9.4 Investment in other entities

	31/12/2024 VND		01/01/2024 VND			
	Historical cost	Provision	Fair value	Historical cost	Provision	Fair value
Investment in joint ventures and associates	63,501,155,490	-	-	63,501,155,490	-	-
Investment in other entities	9,730,994,000	(2,476,994,000)	-	9,730,994,000	(2,476,994,000)	-

Detailed information on investment in associates of the Corporation at 31/12/2024:

Company name	Proportion of ownership (%)	Proportion of Beneficial voting right (%)	Charter capital (VND)	Historical cost (VND)	Provision (VND)	Fair value (VND)
Ninh Binh Garment Export JSC	49.79%	49.79%	62,000,000,000	34,706,155,490	-	-
Tien Hung Joint Stock Company	22.90%	22.90%	120,283,540,000	10,965,000,000	-	-
Phu Hung Joint Stock Company	44.69%	44.69%	54,600,000,000	17,830,000,000	-	-
Total			236,883,540,000	63,501,155,490	-	-

Detailed information on investment in other entities of the Corporation as follows:

	31/12/2024 VND		01/01/2024 VND			
	Historical cost	Provision	Fair value	Historical cost	Provision	Fair value
Other investments	9,730,994,000	(2,476,994,000)	-	9,730,994,000	(2,476,994,000)	-
Bao Hung Joint Stock Company	5,800,000,000	-	-	5,800,000,000	-	-
Hung Long Garment and Service JSC	204,000,000	-	-	204,000,000	-	-
Hung Viet Garment Export JSC	1,250,000,000	-	-	1,250,000,000	-	-
Textile - Garment Import - Export Production Joint Stock Corporation (*)	2,476,994,000	(2,476,994,000)	-	2,476,994,000	(2,476,994,000)	-

(*) Provisions for the investment in Textile - Garment Import - Export Production Joint Stock Corporation were made based on the financial statements of the investee showing a decrease in value compared to the investment value. The Corporation has made maximum provisions with a value equal to the entire capital contribution to this entity.

The Corporation has not determined the fair value of the above investments because there is no specific guidance on determining fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

10. DOUBTFUL DEBTS

	31/12/2024 VND		01/01/2024 VND	
	Historical cost	Recoverable amount	Historical cost	Recoverable amount
Total amount of receivables and loans past due	4,160,039,323	-	3,880,000,000	-
Textile - Garment Import - Export Production Joint Stock Corporation	3,880,000,000	-	3,880,000,000	-
<i>Overdue time: over 03 years</i>				
<i>Value of overdue receivables</i>	<i>3,880,000,000</i>	-	<i>3,880,000,000</i>	-
Sgwicus Corporation	280,039,323	-	-	-
<i>Overdue time: 02 - 03 years</i>				
<i>Value of overdue receivables</i>	<i>280,039,323</i>	-	-	-

11. INVENTORIES

	31/12/2024 VND		01/01/2024 VND	
	Historical cost	Provision	Historical cost	Provision
Raw materials	2,956,357,928	-	3,606,692,084	-
Tools and supplies	550,878,686	-	1,253,178,479	-
Finished goods	49,172,488,201	-	51,763,956,927	-
Merchandises	97,793,217	-	62,208,709	-
Total	52,777,518,032	-	56,686,036,199	-

12. PREPAYMENTS

	31/12/2024 VND	01/01/2024 VND
12.1 Short-term	-	263,202,899
Compulsory fire insurance	-	104,769,026
Fixed asset repair costs	-	158,433,873
12.2 Long-term	8,338,294,854	9,094,504,902
Consumable tools, supplies	3,961,971,062	3,662,790,252
Fixed asset repair costs	4,376,323,792	5,431,714,650

13. CONSTRUCTION IN PROGRESS

	Year 2024 VND	Year 2023 VND
As at 01 January	4,128,664,820	308,333,333
Additions	-	4,408,486,096
Construction	-	4,408,486,096
Decreases	-	588,154,609
Transfer to fixed assets	-	588,154,609
As at 31 December (refer Note. 4.9)	4,128,664,820	4,128,664,820

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

(The notes set out on pages 10 to 30 are an integral part of these financial statements)

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14. TANGIBLE FIXED ASSETS

COST	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
						Unit: VND
At 01/01/2024	60,237,366,489	182,697,707,932	6,784,981,875	698,930,161	366,803,300	250,785,789,757
Additions	427,614,168	23,732,885,139	416,000,000	-	-	24,576,499,307
Procurement	427,614,168	23,732,885,139	416,000,000	-	-	24,576,499,307
Decreases	-	6,128,354,263	-	-	-	6,128,354,263
Liquidation, disposal	-	6,128,354,263	-	-	-	6,128,354,263
At 31/12/2024	60,664,980,657	200,302,238,808	7,200,981,875	698,930,161	366,803,300	269,233,934,801
ACCUMULATED DEPRECIATION						
At 01/01/2024	32,185,077,523	131,564,279,757	3,495,922,439	602,878,610	227,426,729	168,075,585,058
Additions	2,661,465,322	18,801,711,795	982,027,890	44,782,737	36,278,390	22,526,266,134
Charge for the year	2,436,640,882	18,801,711,795	982,027,890	44,782,737	36,278,390	22,301,441,694
Wear-out for assets from welfare funds	224,824,440	-	-	-	-	224,824,440
Decreases	-	6,128,354,263	-	-	-	6,128,354,263
Liquidation, disposal	-	6,128,354,263	-	-	-	6,128,354,263
At 31/12/2024	34,846,542,845	144,237,637,288	4,477,950,329	647,661,347	263,705,119	184,473,496,928
NET BOOK VALUE						
At 01/01/2024	28,052,288,966	51,133,428,175	3,289,059,436	96,051,551	139,376,571	82,710,204,699
At 31/12/2024	25,818,437,812	56,064,601,520	2,723,031,546	51,268,814	103,098,181	84,760,437,873

Cost of tangible fixed assets fully depreciated but still in use as at 31/12/2024 is VND 107,077,322,665 (as at 01/01/2024 is VND 88,919,865,029).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

15. TRADE PAYABLES

	31/12/2024		01/01/2024	
	Amount	Repayment capability amount	Amount	Repayment capability amount
Short-term	32,544,276,069	32,544,276,069	20,753,666,164	20,753,666,164
Details by suppliers accounted for 10% or more of total current trade payables	11,712,640,301	11,712,640,301	-	-
<i>Viet Giang Garment JSC</i>	8,021,633,129	8,021,633,129	-	-
<i>Maika Services and Production Trading Co., Ltd.</i>	3,691,007,172	3,691,007,172	-	-
Others	20,831,635,768	20,831,635,768	20,753,666,164	20,753,666,164

16. TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	01/01/2024	Payable amount	Paid amount	31/12/2024
	VND	VND	VND	VND
Value added tax	-	81,161,711	81,161,711	-
Corporate income tax	4,245,027,397	9,041,427,738	9,032,707,397	4,253,747,738
Personal income tax	86,846,287	8,805,554,763	8,572,566,775	319,834,275
Land tax, land rental	(225,235,920)	766,935,160	541,699,240	-
Others	-	3,000,000	3,000,000	-
Total	4,106,637,764	18,698,079,372	18,231,135,123	4,573,582,013
<i>Include:</i>				
16.1 Payables	4,331,873,684			4,573,582,013
16.2 Receivables	225,235,920			-

17. ACCRUED EXPENSES

	31/12/2024	01/01/2024
	VND	VND
Short-term	1,548,714,977	771,055,000
Customer conference costs	-	668,660,000
Transportation costs	-	102,395,000
Outsourcing costs	1,278,313,538	-
Electricity bills	270,401,439	-

18. OTHER SHORT-TERM PAYABLES

	31/12/2024	01/01/2024
	VND	VND
Short-term	10,656,663,791	30,558,223,564
Union funds	712,193,477	1,048,137,491
Dividends payable	9,755,694,500	29,267,083,500
Other payables	188,775,814	243,002,573

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

19. OWNER'S EQUITY

MOVEMENTS IN OWNER'S EQUITY

Unit: VND

Description	Owner' equity	Investment and development funds	Undistributed earnings	Total
Opening balance of the previous year	195,113,890,000	3,837,611,122	109,876,695,991	308,828,197,113
Increase in the previous year	-	-	76,594,248,327	76,594,248,327
Profit during the year	-	-	76,594,248,327	76,594,248,327
Decrease in the previous year	-	-	115,044,277,146	115,044,277,146
Profit distribution	-	-	115,044,277,146	115,044,277,146
Opening balance of the current year	195,113,890,000	3,837,611,122	71,426,667,172	270,378,168,294
Increase during the year	-	7,659,424,833	64,230,028,467	71,889,453,300
Capital increase	-	-	64,230,028,467	64,230,028,467
Profit distribution	-	7,659,424,833	-	7,659,424,833
Decrease during the year	-	-	64,921,052,500	64,921,052,500
Profit distribution	-	-	64,921,052,500	64,921,052,500
Closing balance of the current year	195,113,890,000	11,497,035,955	70,735,643,139	277,346,569,094

OWNER'S EQUITY IN DETAILS

Unit: VND

	31/12/2024		01/01/2024	
	Total	Common shares	Total	Common shares
Vietnam National Textile and Garment Group	68,305,620,000	68,305,620,000	68,305,620,000	68,305,620,000
Mr. Pham Tuan Anh	15,605,210,000	15,605,210,000	-	-
Mr. Nguyen Xuan Duong	6,154,660,000	6,154,660,000	6,154,660,000	6,154,660,000
Ms. Pham Thi Phuong Hoa	1,885,920,000	1,885,920,000	1,885,920,000	1,885,920,000
Mr. Nguyen Van Trung	2,248,930,000	2,248,930,000	2,248,930,000	2,248,930,000
Mr. Chu Huu Nghi	474,440,000	474,440,000	474,440,000	474,440,000
Ms. Bui Thi Ly	831,540,000	831,540,000	831,540,000	831,540,000
Other shareholders	99,607,570,000	99,607,570,000	115,212,780,000	115,212,780,000
Total	195,113,890,000	195,113,890,000	195,113,890,000	195,113,890,000

SHARE

	31/12/2024 Share	01/01/2024 Share
Authorized shares	19,511,389	19,511,389
Issued shares	19,511,389	19,511,389
Common shares	19,511,389	19,511,389
Outstanding shares in circulation	19,511,389	19,511,389
Common shares	19,511,389	19,511,389
Par value of an outstanding share (VND per share)	10,000	10,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 30 are an integral part of these financial statements)*UNDISTRIBUTED EARNINGS

	Year 2024 VND	Year 2023 VND
At 01/01	71,426,667,172	109,876,695,991
Increase during the year	64,230,028,467	76,594,248,327
Profit for the year	64,230,028,467	76,594,248,327
Decrease during the year	64,921,052,500	115,044,277,146
Distributed earnings in the previous year	35,653,969,000	85,777,193,646
<i>Dividend distribution</i>	<i>9,755,694,500</i>	<i>58,534,167,000</i>
<i>Bonus and welfare fund deduction</i>	<i>15,318,849,667</i>	<i>19,843,026,646</i>
<i>Plan completion bonus</i>	<i>2,920,000,000</i>	<i>7,400,000,000</i>
<i>Development investment fund deduction</i>	<i>7,659,424,833</i>	-
Provisionally distributed earnings of current year	29,267,083,500	29,267,083,500
<i>Dividend distribution</i>	<i>29,267,083,500</i>	<i>29,267,083,500</i>
At 31/12	70,735,643,139	71,426,667,172

20. OFF-BALANCE SHEET ITEMS

<u>Assets held under trust</u>	31/12/2024 VND	01/01/2024 VND
Materials, goods held under trust, processed	369,789,430,938	307,126,280,106
<u>Foreign currencies</u>	31/12/2024	01/01/2024
US Dollar (USD)	2,030,594.14	1,023,992.92
<u>Bad debts written off</u>	31/12/2024 VND	01/01/2024 VND
Viet Giang Garment JSC	5,607,800,000	5,607,800,000

21. REVENUE

	Year 2024 VND	Year 2023 VND
Revenue from goods sold and services rendered	678,363,642,180	690,525,695,082
Sales, processing revenue	673,227,049,610	685,708,887,633
Service and other revenue	5,136,592,570	4,816,807,449
Deductions	-	-
Net revenue from goods sold and services rendered	678,363,642,180	690,525,695,082

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 30 are an integral part of these financial statements)***22. COST OF GOODS SOLD**

	Year 2024 VND	Year 2023 VND
Cost of goods sold, processing, services	519,160,477,599	537,093,293,292
Total	<u>519,160,477,599</u>	<u>537,093,293,292</u>

23. FINANCIAL INCOME

	Year 2024 VND	Year 2023 VND
Interest on deposits and loans	13,038,515,036	21,664,995,074
Dividends	11,193,092,000	16,884,695,000
Exchange rate gains	11,318,954,851	9,213,304,347
Total	<u>35,550,561,887</u>	<u>47,762,994,421</u>

24. FINANCIAL EXPENSES

	Year 2024 VND	Year 2023 VND
Loan interest	-	383,045,775
Exchange rate losses	2,674,996,821	2,081,694,847
Other financial expenses	68,335,534	-
Total	<u>2,743,332,355</u>	<u>2,464,740,622</u>

25. SELLING AND ADMINISTRATIVE EXPENSES

	Year 2024 VND	Year 2023 VND
25.1 Selling expenses	66,669,007,916	71,602,375,671
Employee costs	15,880,586,739	16,382,105,223
Materials costs	3,138,386,460	24,538,483,120
Other selling expenses	47,650,034,717	30,681,787,328
25.2 Administrative expenses	52,375,279,796	42,936,933,440
Employee costs	31,761,173,475	33,471,713,185
Other administrative expenses	20,614,106,321	9,465,220,255

26. OTHER INCOME

	Year 2024 VND	Year 2023 VND
Recovery from liquidation of fixed assets	151,028,000	154,387,500
Employee medical expenses	81,373,877	112,637,993
Debt settlement	22,590,977	782,305,201
Other items	189,421,279	101,413,922
Total	<u>444,414,133</u>	<u>1,150,744,616</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 30 are an integral part of these financial statements)***27. OTHER EXPENSES**

	Year 2024 VND	Year 2023 VND
Residual value of liquidated fixed assets	-	329,267,651
Penalties	39,000,000	373,337,288
Others	100,064,329	210,431
Total	139,064,329	702,815,370

28. PRODUCTION COST BY NATURE

	Year 2024 VND	Year 2023 VND
Raw materials and consumables	55,500,624,386	50,767,160,914
Labor costs	333,446,266,139	329,099,401,610
Depreciation and amortization	22,301,441,694	23,404,251,256
Others	222,592,538,309	235,785,032,863
Total	633,840,870,528	639,055,846,643

29. CURRENT CORPORATE INCOME TAX EXPENSE

	Year 2024 VND	Year 2023 VND
Total accounting profit (1)	73,271,456,205	84,639,275,724
Increase (Decrease) in accounting profit		
Increase (2)	11,499,691,438	9,462,577,649
Remuneration of non-executive BOM	1,146,444,444	1,248,444,444
Loss in revaluation of cash and receivables this year	-	1,310,661,466
Depreciation of office building at Hai Phong	96,533,333	96,533,333
Current year's taxable profits recognised last year	5,261,688,251	5,621,913,450
Other non-deductible expenses	4,995,025,410	1,185,024,956
Decrease (3)	18,701,796,342	35,466,152,394
Dividends distributed	11,193,092,000	16,884,695,000
Loss in revaluation of cash and receivables current year	1,310,661,466	2,219,117,966
Previous year's taxable profits recognised in this year	5,621,913,450	16,362,339,428
Gain in revaluation of cash and receivables this year	576,129,426	-
Total taxable profit (4)=(1)+(2)-(3)	66,069,351,301	58,635,700,979
Corporate income tax rate (5)	20%	20%
Tax expense of current taxable income (6)=(4)*(5)	13,213,870,260	11,727,140,196
Actual expenditure for female workers (7)	4,172,442,522	3,682,112,799
Total current corporate income tax expenses	9,041,427,738	8,045,027,397
(8)=(6)-(7)		

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

30. EARNINGS PER SHARE

<u>Basic earnings per share</u>	Year 2024	Year 2023
	VND	VND
Net profit after corporate income tax (1)	64,230,028,467	76,594,248,327
Increases (2a)	-	-
Decreases (2b)	-	18,238,849,667
Profit (loss) allocated to common shareholders (3=1+2a-2b)	64,230,028,467	58,355,398,660
Weighted average number of common shares during the year (4)	19,511,389	19,511,389
Earnings per share (5=3/4)	3,292	2,991

The reduction adjustment (2b) in the 2023 comparative data column is the deduction of the bonus fund, welfare fund, and plan completion bonus from the profit after tax in 2023 according to Resolution of the Annual General Meeting of Shareholders No. 01/NQDHDCCD-MHY dated April 29, 2024.

Basic earnings per share of 2024 may change after the 2025 Annual General Meeting of Shareholders approves the plan to distribute 2024 profit after tax.

Without the impact of future instruments that can be converted into shares and dilute the value of shares, there is no indication that the diluted earnings per share will be less than the basic earnings per share.

31. ADDITIONAL INFORMATION ON THE ITEMS OF CASH FLOWS STATEMENT

Code 21 - Payments for purchases and construction of fixed assets and other long-term assets including payment for purchase of fixed assets last year of VND 438,782,037 and advance payment to seller of VND 9,079,588,991, excluding unpaid this year purchase of fixed assets of VND 5,275,363,159.

32. SUBSEQUENT EVENTS

Board of Directors confirm that, in accordance to Board of Directors' judgment, in material aspect, there is no unusual event affecting the financial statements occurred after financial year ended as at December 31, 2024 which have influence on the Corporation's financial position, its results and cash flows for the financial year then ended.

33. RELATED PARTY INFORMATION

Transactions with related parties	Relationship	Year 2024	Year 2023
		VND	VND
Tien Hung Joint Stock Company	Associate		
Sales		-	15,075,000
Output VAT		-	1,507,500
Collecting money		-	16,582,500
Paying for goods		-	4,485,363,523
Phu Hung Joint Stock Company	Associate		
Lending		1,500,000,000	-
Recovering loan principal		1,500,000,000	14,510,000,000
Interest on loan		9,415,068	322,692,740

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

Transactions with related parties	Relationship	Year 2024	Year 2023
		VND	VND
Receiving loan interest		9,415,068	-
Purchase of goods and services		1,498,669,374	778,942,883
Payment		1,618,562,923	56,324,134
Offset of accounts payable and loan interest		-	778,942,883
Collection of money		-	5,447,767,123
Sales of goods and services		-	2,679,620,304
Output VAT		-	252,963,798
Insurance collection for and on behalf of		90,170,880	90,170,880
Insurance payment for and on behalf of		90,170,880	90,170,880
Ninh Binh Garment Export Joint Stock Company	Associate		
Purchase of goods		127,379,441	-
Payment		127,379,441	-
Vietnam National Textile and Garment Group	Shareholder with significant influence		
Purchase goods and services		112,142,857	100,000,000
Payment		112,142,857	100,000,000
Income of Board of Directors, Management Board, Board of Supervisors			
General Director's income		3,246,457,673	3,186,526,875
Other managers' income		7,865,399,873	7,533,483,240
Board of Supervisors' income		576,200,000	543,800,000

34. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Corporation's organizational structure is divided into two operating divisions: the garment manufacturing and processing division and the service provision division. The Corporation prepares segment reports according to these two business divisions. The main activities of the two business divisions are as follows:

- Garment manufacturing and processing division: manufacturing, processing and distribution of garment products;
- Service provision division: providing house rental services and some other services.

The information of the departments on the Corporation's business activities is as follows:

Balance Sheet as at 31/12/2024

	Unit: VND		Total
	Garment manufacturing	Service provision	
Assets			
Segment assets	604,741,354,979	3,166,277,414	607,907,632,393
Total			607,907,632,393
Liabilities			
Segment liabilities	330,042,722,014	-	330,042,722,014
Total			330,042,722,014

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 30 are an integral part of these financial statements)***Income Statement of 2024**

	Garment manufacturing	Service provision	Unit: VND Total
Revenue	673,227,049,610	5,136,592,570	678,363,642,180
Cost of goods sold	518,935,653,159	224,824,440	519,160,477,599
Unallocated expenses			119,044,287,712
Financial income			35,550,561,887
Financial expenses			2,743,332,355
Operating profits			72,966,106,401
Other gains or losses			305,349,804
Profit before tax			73,271,456,205
Corporate income tax			9,041,427,738
Profit after tax			<u>64,230,028,467</u>

Balance Sheet as at 31/12/2023

	Garment manufacturing	Service provision	Unit: VND Total
Assets			
Segment assets	597,059,126,338	3,391,101,854	600,450,228,192
Unallocated assets			(899,146,770)
Total			<u>599,551,081,422</u>
Liabilities			
Segment liabilities	328,947,677,208	-	328,947,677,208
Unallocated liabilities			225,235,920
Total			<u>329,172,913,128</u>

Income Statement of 2023

	Garment manufacturing	Service provision	Unit: VND Total
Revenue	685,708,887,633	4,816,807,449	690,525,695,082
Cost of goods sold	536,868,468,852	224,824,440	537,093,293,292
Unallocated expenses			114,539,309,111
Financial income			47,762,994,421
Financial expenses			2,464,740,622
Operating profits			84,191,346,478
Other gains or losses			447,929,246
Profit before tax			84,639,275,724
Corporate income tax			8,045,027,397
Profit after tax			<u>76,594,248,327</u>

Costs and profits are not aggregated by business segment.

Geographical segments

The Board of Directors believes that the Corporation has only one geographical segment, Vietnam, and therefore does not present segment reporting by geographical area.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 30 are an integral part of these financial statements)

35. COMPARATIVE FIGURES

Comparative figures are 2023 financial statements audited by An Viet Auditing Company Limited and certain reclassifications have been made to conform with the current year's presentation.

Preparer



Cap Thi Chinh

Chief Accountant



Tran Thi Huong

Hung Yen, March 25, 2025
General Director


Pham Thi Phuong Thoa