**HSM: Explanation on Financial Statements 2023**

On March 29, 2024, Hanoi Textile and Garment Joint Stock Corporation announced Official Dispatch No. 26/CV - TCT on the explanation according to Article 4 of Circular 96/2020/TT-BTC as follows:

The Consolidated Financial Statements of Hanoi Textile and Garment Joint Stock Corporation includes:

The production and business results in 2023 are as follows:

* Profit after tax 2022: VND 18,474,661,061
* Profit after tax 2023: VND (121,520,355,978)

The profit in 2023 fluctuated by more than 10% compared to that in2022 and resulted in a loss, transitioning from a profit in the same period of the previous year to a loss this year. Hanoi Textile and Garment Joint Stock Corporation hereby gives explanations as follows:

2023 was an exceptionally difficult year without precedent, and the company faced many challenges in production due to weak market demand. Textile industry: There were few small orders, low productivity, and low revenue. For fiber industry: Market demand was low, and at the beginning of 2023, fiber prices decreased significantly, not following the same trend as cotton raw material prices. This led to a decrease in revenue and affected the efficiency of production and business. Fabric industry: The industry faced general market difficulties, which affected the search for new orders and customers. The dismal number of orders resulted in low productivity, impacting the efficiency of production and business.