

**HANOI TEXTILE AND GARMENT JOINT STOCK CORPORATION**

**AUDITED FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2025**

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## STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Hanoi Textile and Garment Joint Stock Corporation (“the Corporation”) presents this report together with the Corporation’s audited financial statements for the year ended 31/12/2025.

### **The Boards of Management and Directors**

The members of the Boards of Management and Directors of the Corporation who held office during the year 2025 and at the date of this report are as follows:

#### **Board of Management**

Mr. Cao Huu Hieu	Chairman
Mr. Nguyen Tri Son	Member
Mr. Nguyen Ba Khanh Tung	Member (from 25/4/2025)
Mr. Ho Le Hung	Member (before 25/4/2025)
Mr. Nguyen Ngoc Cach	Member (before 25/4/2025)
Ms. Hoang Thuy Oanh	Member (before 25/4/2025)

#### **Board of Directors**

Mr. Nguyen Tri Son	General Director (from 01/05/2025)
Mr. Ho Le Hung	General Director (before 01/05/2025)
Mr. Nguyen Tri Son	Deputy General Director (before 01/05/2025)
Mr. Nguyen Ba Khanh Tung	Deputy General Director
Ms. Le Thi Thu Huong	Deputy General Director (from 01/01/2025)
Mr. Dang Ngoc Quan	Chief Executive Officer

### **Board of Directors’ statement of responsibility**

The Board of Directors of the Corporation is responsible for preparing the financial statements for the financial year ended 31/12/2025, which give a true and fair view of the financial position of the Corporation, its results and cash flows for the year. In preparing these financial statements, the Board of Directors is required to:

- Comply with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting Systems and related prevailing laws and regulations relating to preparation and presentation of the financial statements;
- 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 minimize errors and frauds; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

**STATEMENT OF THE BOARD OF DIRECTORS (CONT'D)**

The Board of Directors 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 is prepared and presented in accordance with prevailing Vietnamese accounting standards, Vietnamese Enterprise Accounting Systems and related legal regulations. It 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.

The Board of Directors confirms that the Corporation has complied with the above requirements in preparing the financial statements.

For and on behalf of the Board of Directors,



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**Nguyen Tri Son**  
**General Director**  
*Hanoi, 25 March 2026*

No.: 40/2026/KT-AV3-TC

## INDEPENDENT AUDITORS' REPORT

**To: Share holders, Boards of Management and Directors  
Hanoi Textile and Garment Joint Stock Corporation**

We have audited the accompanying financial statements of Hanoi Textile and Garment Joint Stock Corporation ("the Corporation"), which were prepared as at 25/3/2026, from pages 06 to 40, comprising the balance sheet as at 31/12/2025, the income statement, the cash flows statement for the year then ended and the notes thereto.

### **Board of Directors' responsibility**

Board of Directors 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 Board of Directors 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 Board of Directors, 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 Hanoi Textile and Garment Joint Stock Corporation as at 31/12/2025 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.

**Matters of emphasis**

We draw readers' attention to Note 7.1 - Held-to-maturity investments, whereby, as at 31/12/2025, the Corporation had bond investments issued by TIZCO JSC, Bong Sen JSC, Nam Land Co., Ltd., and No Va Thao Dien Co., Ltd.. The repurchase commitments for these bond lots had expired, and the bond lots had also matured, but the Corporation had not yet been fully paid in accordance with the commitments. The Corporation is working with the relevant parties to resolve this matter. Our audit opinion is not modified in respect of this matter.

**Other matters**

The independent auditors' report is translated into English from Vietnamese version issued in Vietnam.



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**Vu Thi Huong Giang**  
**Deputy General Director**

Audit Practice Certificate No:  
0388-2023-055-1

**For and on behalf of**  
**AN VIET AUDITING COMPANY LIMITED**  
*Haiphong, 25 March 2026*

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**Bui Thi Ngoc Chi**  
**Auditor**

Audit Practice Certificate No:  
6034-2023-055-1

**BALANCE SHEET**  
As at 31/12/2025

Form B01 - DN

Unit: VND

ITEMS	Codes	Notes	31/12/2025	01/01/2025
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>350,922,409,616</b>	<b>344,126,779,734</b>
<b>I- Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>47,169,708,793</b>	<b>35,857,406,384</b>
1. Cash	111		21,630,667,697	1,857,406,384
2. Cash equivalents	112		25,539,041,096	34,000,000,000
<b>II- Short-term financial investments</b>	<b>120</b>		<b>143,207,822,003</b>	<b>131,991,647,850</b>
1. Held-to-maturity investments	123	7,1	143,207,822,003	131,991,647,850
<b>III- Short-term receivables</b>	<b>130</b>		<b>33,540,149,562</b>	<b>44,350,899,070</b>
1. Short-term trade receivables	131	6	111,657,115,441	109,787,215,837
2. Short-term advances to suppliers	132		6,933,067,456	7,326,347,329
3. Short-term loan receivables	135		-	2,000,000,000
4. Other short-term receivables	136	8.1	4,698,284,507	4,114,414,428
5. Provision for short-term doubtful debts	137	9	(89,748,317,842)	(78,877,078,524)
<b>IV- Inventories</b>	<b>140</b>		<b>120,255,364,787</b>	<b>126,470,094,585</b>
1. Inventories	141	11.1	121,648,969,721	126,470,094,585
2. Provision for devaluation inventories	149	11.2	(1,393,604,934)	-
<b>V- Other current assets</b>	<b>150</b>		<b>6,749,364,471</b>	<b>5,456,731,845</b>
1. Short-term prepayments	151	12.1	1,041,357,949	1,009,164,721
2. Valued added tax deductibles	152		1,548,822,638	282,519,480
3. Taxes and other receivables from the State budget	153	16.2	4,159,183,884	4,165,047,644
<b>B- NON-CURRENT ASSETS</b>	<b>200</b>		<b>589,370,930,290</b>	<b>639,494,122,529</b>
<b>I- Long-term receivables</b>	<b>210</b>		<b>13,217,091,921</b>	<b>13,811,739,921</b>
1. Other long-term receivables	216	8,2	13,217,091,921	13,811,739,921
<b>II- Fixed assets</b>	<b>220</b>		<b>462,928,214,183</b>	<b>511,972,869,376</b>
1. Tangible fixed assets	221	14	458,191,531,696	506,675,185,953
- Cost	222		1,103,607,986,945	1,109,913,782,928
- Accumulated depreciation	223		(645,416,455,249)	(603,238,596,975)
2. Finance lease assets	224	13	4,736,682,487	5,297,683,423
- Cost	225		6,014,517,953	6,014,517,953
- Accumulated depreciation	226		(1,277,835,466)	(716,834,530)
3. Intangible fixed assets	227		-	-
- Cost	228		161,564,443	161,564,443
- Accumulated amortization	229		(161,564,443)	(161,564,443)
<b>III- Long term work in progress</b>	<b>240</b>		<b>5,676,760,256</b>	-
1. Construction in progress	242		5,676,760,256	-
<b>IV- Long-term investments</b>	<b>250</b>		<b>40,161,571,587</b>	<b>40,183,812,772</b>
1. Investments in subsidiaries	251	7.2	44,746,554,966	44,746,554,966
2. Investments in joint-ventures, associates	252	7.2	585,750,000	585,750,000
3. Other long-term investments	253	7.2	24,000,000,000	24,000,000,000
4. Provision for impairment of long-term financial investments	254	7.3	(29,170,733,379)	(29,148,492,194)
<b>V- Other long-term assets</b>	<b>260</b>		<b>67,387,292,343</b>	<b>73,525,700,460</b>
1. Long-term prepayments	261	12.2	67,387,292,343	73,525,700,460
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>940,293,339,906</b>	<b>983,620,902,263</b>

BALANCE SHEET (CONT'D)  
As at 31/12/2025

Form B01 - DN  
Unit: VND  
01/01/2025

ITEMS	Codes	Notes	31/12/2025	01/01/2025
<b>C- LIABILITIES</b>	<b>300</b>		<b>663,236,395,120</b>	<b>710,920,281,901</b>
<b>I- Current liabilities</b>	<b>310</b>		<b>355,378,017,241</b>	<b>406,103,156,927</b>
1. Short-term trade payable	311	15	43,896,006,584	90,967,655,048
2. Short-term advances from customers	312		1,860,039,264	2,235,278,068
3. Taxes and other payables to the State budget	313	16.1	962,421,356	2,096,739,948
4. Payable to employees	314		30,588,290,522	11,072,042,111
5. Short-term accrued expenses	315	17	3,665,868,851	3,118,050,993
6. Short-term unearned revenue	318	18	2,110,328,854	1,694,766,069
7. Other current payables	319	19.1	4,354,363,678	15,887,043,923
8. Short-term loans and obligations under finance leases	320	21.1	261,076,934,166	267,362,533,435
9. Short term provisions	321	20	4,253,000,000	-
10. Bonus and welfare funds	322		2,610,763,966	11,669,047,332
<b>II- Long-term liabilities</b>	<b>330</b>		<b>307,858,377,879</b>	<b>304,817,124,974</b>
1. Long-term payables	337	19.2	500,000,000	500,000,000
2. Long-term loans and obligations under finance leases	338	21.2	307,358,377,879	304,317,124,974
<b>D- EQUITY</b>	<b>400</b>		<b>277,056,944,786</b>	<b>272,700,620,362</b>
<b>I- Owners' equity</b>	<b>410</b>	<b>22</b>	<b>277,056,944,786</b>	<b>272,700,620,362</b>
1. Owners' contributed capital	411	22	205,000,000,000	205,000,000,000
- Ordinary shares with voting rights	411a		205,000,000,000	205,000,000,000
2. Investment and development fund	418	22	87,858,258,370	87,858,258,370
3. Owners' other funds	420	22	2,537,523,184	2,537,523,184
4. Undistributed earnings	421	22	(155,270,836,768)	(159,627,161,192)
- Undistributed earnings accumulated to the prior year end	421a		(159,627,161,192)	(85,955,321,904)
- Undistributed earnings of the current year	421b		4,356,324,424	(73,671,839,288)
5. Construction investment fund	422	22	136,932,000,000	136,932,000,000
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>940,293,339,906</b>	<b>983,620,902,263</b>

Hanoi, 25 March 2026

Preparer

Chief Accountant

General Director



Nguyen Thi Phuong

Nguyen Thi Thu Thao

Nguyen Tri Son

**INCOME STATEMENT**  
Year 2025

Form B02 - DN  
Unit: VND  
Year 2024

ITEMS	Codes	Notes	Year 2025	Year 2024
<b>1. Gross sales of merchandise and services</b>	<b>01</b>	<b>24</b>	<b>958,112,239,163</b>	<b>825,019,847,622</b>
2. Less deductions	02	24	569,083,359	-
<b>3. Net sales of merchandise and services (10=01-02)</b>	<b>10</b>	<b>24</b>	<b>957,543,155,804</b>	<b>825,019,847,622</b>
4. Cost of goods sold	11	25	869,021,407,110	804,971,364,732
<b>5. Gross profit from sales of merchandise and services (20=10-11)</b>	<b>20</b>		<b>88,521,748,694</b>	<b>20,048,482,890</b>
6. Financial income	21	26	13,528,218,153	32,664,691,069
7. Financial expenses	22	27	41,019,348,399	74,610,633,788
<i>In which: interest expense</i>	23		26,871,618,507	31,140,555,154
8. Selling expenses	25	28.1	16,889,965,457	13,071,370,556
9. General and administration expenses	26	28.2	41,513,282,889	45,875,861,612
<b>10. Operating profit {30 = 20+(21-22)-(25+26)}</b>	<b>30</b>		<b>2,627,370,102</b>	<b>(80,844,691,997)</b>
11. Other income	31	29	2,662,278,814	8,709,622,539
12. Other expenses	32	30	927,460,732	1,229,258,126
<b>13. Profit from other activities (40=31-32)</b>	<b>40</b>		<b>1,734,818,082</b>	<b>7,480,364,413</b>
<b>14. Accounting profit before tax (50=30+40)</b>	<b>50</b>		<b>4,362,188,184</b>	<b>(73,364,327,584)</b>
15. Current tax expense	51	32	5,863,760	307,511,704
16. Deferred tax expense	52		-	-
<b>17. Net profit after tax (60=50-51-52)</b>	<b>60</b>		<b>4,356,324,424</b>	<b>(73,671,839,288)</b>

The Corporation prepares both the separate financial statements and the consolidated financial statements, so the information about the earnings per share is presented in the consolidated financial statements in accordance with Vietnamese Accounting Standard No. 30 - Earnings per share.

Hanoi, 25 March 2026

Preparer

Chief Accountant

General Director





Nguyen Thi Phuong

Nguyen Thi Thu Thao

Nguyen Tri Son

**CASH FLOWS STATEMENT**  
(Indirect method)  
Year 2025

Form B03 - DN  
Unit: VND  
Year 2024

ITEMS	Codes	Notes	Year 2025	Year 2024
<b>I. Cash flows from operating activities</b>				
<b>1. Profit before tax</b>	<b>01</b>		<b>4,362,188,184</b>	<b>(73,364,327,584)</b>
<b>2. Adjustments for</b>				
- Depreciation and amortization of fixed assets and investment properties	02	13,14	54,191,661,169	54,388,240,635
- Provisions	03		16,540,085,437	(10,468,257,379)
- Foreign exchange differences upon revaluation of monetary items denominated in foreign currency	04		11,804,597,255	9,597,828,033
- (Profits)/losses from investing activities	05		(7,782,361,706)	80,120,166,271
- Interest expenses	06	27	26,871,618,507	31,140,555,154
<b>3. Operating profit before changes in working capital</b>	<b>08</b>		<b>105,987,788,846</b>	<b>91,414,205,130</b>
- (Increase)/decrease in receivables	09		(2,298,504,391)	(25,098,022,271)
- (Increase)/decrease in inventories	10		4,821,124,864	26,654,113,835
- Increase/(decrease) in payables	11		(40,441,189,366)	(38,956,296,547)
- (Increase)/decrease in prepayments	12		6,106,214,889	7,435,372,942
- Interest paid	14		(26,897,386,265)	(31,032,773,138)
- Other cash inflows from operating activities	16		100,000,000	284,348,368
- Other cash outflows from operating activities	17		(9,158,283,366)	(4,959,973,890)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>38,219,765,211</b>	<b>25,740,974,429</b>
<b>II. Cash flows from investing activities</b>				
1. Payments for purchases and construction of fixed assets and other long term assets	21		(9,999,722,392)	(2,414,139,929)
2. Proceeds from sales, disposals of fixed assets	22	29	963,518,548	2,070,153,671
3. Payments for loans granted, purchases of debt instruments of other entities	23		(44,000,000,000)	(8,931,447,350)
4. Proceeds from collection of loans, sales of debt instruments of other entities	24		34,810,000,000	35,390,000,000
5. Proceeds from sales of investments in other entities	26		-	6,952,453,370
6. Interest and dividends received	27		6,451,247,978	17,785,127,693
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(11,774,955,866)</b>	<b>50,852,147,455</b>
<b>III. Cash flows from financing activities</b>				
1. Proceeds from borrowings	33		587,166,030,936	523,333,948,151
2. Repayments of borrowings	34		(600,996,357,196)	(610,160,953,944)
3. Finance lease principal repayments	35		(1,385,744,940)	(2,043,848,578)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(15,216,071,200)</b>	<b>(88,870,854,371)</b>
<b>Net increase/(decrease) in cash and cash equivalents (50=20+30+40)</b>	<b>50</b>		<b>11,228,738,145</b>	<b>(12,277,732,487)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>5</b>	<b>35,857,406,384</b>	<b>48,133,357,064</b>
Effect of foreign exchange differences	61		83,564,264	1,781,807
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>5</b>	<b>47,169,708,793</b>	<b>35,857,406,384</b>

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

Preparer



Nguyen Thi Phuong

Chief Accountant



Nguyen Thi Thu Thao

Hanoi, 25 March 2026

General Director



Nguyen Tri Son

NOTES TO FINANCIAL STATEMENTS

FORM B09 - DN

(The notes set out on pages 10 to 40 are an integral part of these financial statements)

1. GENERAL INFORMATION

1.1 Structure of ownership:

Hanoi Textile & Garment Joint Stock Corporation ("the Corporation" in short) has head office at No.25, Lane 13, Linh Nam Street, Vinh Tuy Ward, Hanoi (transaction office is located at 8th floor, Nam Hai Lake View Building, Vinh Hoang urban area, Hoang Mai Ward, Hanoi). The Corporation's precursor is Hanoi Textile & Garment Company under Vietnam Textile & Garment Group, which is equitized under Decision No.2636/QD-BCN dated 30/7/2007 of the Ministry of Industry (currently Ministry of Industry and Trade) and Decision No.2318/QD-BCT dated 24/12/2007 of the Ministry of Industry and Trade. Business registration certificate No.0100100826 dated 22/01/2008, and 12th amended certificate on 24/11/2025 granted by Hanoi Finance Department.

Charter capital VND 205,000,000,000, par value per share is VND 10,000/share.

Number of employees as of 31/12/2025 is 1,447 people (as of 01/01/2025 is 1,441 people).

1.2 Business field: producing, trading and service.

1.3 Business activities:

- Doing business in raw cotton, fibers, accessories, chemicals (except for banned chemical products); dyes; equipment and industrial machinery, electric materials, electronic, plastic, rubber, consumer goods. Trading in products of textile and garment, raw materials, accessories, spare parts, garment packaging;
- Export and import raw cotton, fibers, accessories, chemicals (except for banned chemical products); dyes; equipment and industrial machinery; electric materials, electronic, plastic, rubber, consumer goods. Export and import products of textile and garment, raw materials, accessories, equipment, spare parts and garment packaging;
- Manufacturing in raw cotton, fibers, accessories, chemicals (except for banned chemical products); dyes; equipment and industrial machinery, electric materials, electronic, plastic, rubber, consumer goods. Manufacturing in products of textile and garment, raw materials, accessories, equipment, spare parts and garment packaging;
- Warehouse and office leasing.

1.4 Normal production and business cycle: 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 Corporation's structure:

Entity	Address	Main business activities
<b>A Subordinate entities</b>		
1 Hanoi Textile & Garment Joint Stock Corporation's Branch - Show room in Vinh City	No.33 Nguyen Van Troi, Truong Vinh Ward, Nghean	Stop operation
2 Hanoi Textile & Garment Joint Stock Corporation's Branch	Km 12, highway 18, Que Vo Ward, Bacninh province	Textile
3 Hanoi Textile & Garment Joint Stock Corporation's Branch	Nam Giang Industrial Zone, Kim Lien Commune, Nghean province	Textile
4 Hanoi Textile & Garment Joint Stock Corporation's Branch	Dong Van 2 Industrial Zone, Duy Ha Ward, Ninhbinh Province	Textile

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FORM B09 - DN

(The notes set out on pages 10 to 40 are an integral part of these financial statements)

Entity	Address	Main business activities
<b>B Subsidiaries</b>		
1 Hanosimex - Haiphong Trade JSC	No.508 Le Thanh Tong, Ngo Quyen Ward, Haiphong	Service
2 Hanosimex Fashion JSC	1st floor, Nam Hai Lakeview building, Lot 1-9A, Vinh Hoang urban area, Hoang Mai Ward, Hanoi	Textile
3 Hanosimex Ha Dong Textile JSC	Land plots 2, 3, 4, Dong Van II Industrial Zone, Dong Van Ward, Ninhbinh Province	Textile
4 Hanosimex Knitting JSC	Pho Noi B Textile Industrial Zone, Nguyen Van Textile Linh Commune, Hungyen	Textile
5 Haiphong - Hanosimex Garment JSC	No.226 Le Lai, Ngo Quyen Ward, Haiphong	Stop operation
<b>C Joint ventures, associates</b>		
1 Coffee Indochine JSC	No.20 Linh Nam, Vinh Tuy Ward, Hanoi	Stop operation

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).

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 are prepared on the basis of combining the financial statements of the Corporation's office and Corporation's branches after eliminating the balances of inter - Corporation liabilities revenue and expenses.

The Corporation's financial statements have been translated into English from the financial statements issued in Vietnam in the 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 Board of Directors 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.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

FORM B09 - DN

*(The notes set out on pages 10 to 40 are an integral part of these financial statements)***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 recognized 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 expenses at the end of the year.

Exchange rate for transactions denominated in foreign currency during the year:

- Exchange rate when recording receivables is the buying rate of the commercial bank where the enterprise 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 enterprise expects to have transactions at the time of transactions;
- For purchases of assets or expenses paid in foreign currency (not through payables): The exchange rate is the buying rate of the commercial bank where the enterprise makes payments.

The exchange rate when revaluation of monetary items denominated in foreign currencies at the balance sheet date:

- The exchange rate when revaluation of monetary items denominated in foreign currencies classified as assets is the buying rate of the BIDV at the balance sheet date (VND 26,203/USD). For the bank deposits denominated in foreign currency is the buying rate of the bank where the enterprise opens foreign currency account;
- The exchange rate when revaluation of monetary items denominated in foreign currencies classified as liabilities is the selling rate of BIDV at the balance sheet date (VND 26,377/USD). For the bank borrowings denominated in foreign currency is the selling rate of such bank. Particularly, the loan of Vietnam National Textile and Garment Group (re-borrowing from ADB) is assessed at the foreign currency selling rate of BIDV at the time of the financial statements (VND 26,377/USD).

**4.4 Cash and cash equivalents**

Cash comprise cash on hand and demand deposits of the Corporation as at the year end.

Cash equivalents comprise short-term investments with maturity less than 3 months since the date of investment can be converted easily into a certain amount of cash and there is no risk in conversion into cash at the reporting date and recorded in accordance with Vietnamese Accounting Standard No. 24 - Cash flow statement.

**4.5 Financial investments****4.5.1 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) from the reporting date, are time deposits and Bonds of TIZCO JSC, Bong Sen Corporation, Nam Land Co., Ltd., and No Va Thao Dien Co., Ltd..

Held-to-maturity investments are initially recognized at cost. Where there is reliable evidence that part or all of an investment may not be recoverable, the Corporation makes a provision for impairment loss in accordance with current regulations. Interest arising from deposits is recognized as financial income.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

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

Provision for held-to-maturity investments is similar to receivables unlikely to recover, is made similarly to bad debts according to note No. 4.6.

**4.5.2 Investments in other entities*****Investments in subsidiaries:***

Reflecting the investments which the Corporation holds more than 50% voting rights and the right to control, to govern the financial and operating policies of the investee (subsidiary) in order to gain economic benefits from the operation of such enterprises or companies.

Investments in subsidiaries are recorded initially at purchasing date (having right to control, to govern) under cost. Value of investments in subsidiaries as at 31/12/2025 is cost plus (+) added value due to revaluating when equalization.

Haiphong - Hanosimex Garment JSC (subsidiary) is on dissolution procedures based on the resolution of the Shareholders dated 18/5/2013.

Dividends, profits distributed in cash or non-cash assets for the period after the date of acquisition is accounted as revenue from financial activities in accordance with the fair value at the date of receipt. During the year, the Corporation has recorded distributed dividends from Hanosimex Ha Dong Textile JSC and Hanosimex Fashion JSC in the amounts of VND 2,076,090,000 and VND 292,500,000, respectively.

***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 enterprise 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.

Investment in an associate is initially recognized at the date of capital contribution (with significant influence) at cost.

***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.

The investment in other entities shall be recorded at cost.

Provision for impairment of investments in subsidiaries, associates and other capital contribution is the excess of cost over the ownership of the Corporation based on the accounting book of the investee.

**4.6 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 is trade receivables, other receivables shall comply with the principles:

- Trade receivables include commercial receivables incurred from purchase-sale transactions;

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

- Other receivables include non-commercial or non-trading receivables.

The Corporation bases on the remaining term or expected recovery time 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. Provision for doubtful debts is made for receivables that are overdue for a year or more, or receivables that the debtor has difficulty in paying due to dissolution, bankruptcy or other difficulties.

**4.7 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 to completion and costs to be incurred in marketing and selling.

Inventories are calculated using the monthly weighted average method.

Inventories are recorded by perpetual method.

Work in progress is estimated with major raw material cost in manufacturing stage.

Cost of finished goods is determined by the simple method.

Provision for inventories is made for the estimated loss in value due to decline in price, deterioration, loss of quality or obsolescence that may occur in respect of inventories owned by the Corporation, based on reasonable evidence of impairment as at the end of the annual accounting period.

**4.8 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 enterprise value for equitisation.

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, depreciation is calculated by dividing the cost by the estimated useful life. The estimated useful lives are as follows:

	<u>Number of years</u>
Buildings and structures	07 - 45
Machinery and equipment	04 - 15
Motor vehicles and transmission equipment	07 - 10
Office equipment	03 - 08

**4.9 Finance leased assets**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. The ownership of assets can be transferred at the end of lease term.

Assets held under finance leases are recognized as assets of the Corporation at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments plus all initial expenses directly related to finance leases. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

Finance leased assets are depreciated over their estimated useful lives similar to those applied to the Corporation's owned assets, including machinery and equipment with depreciation periods ranging from 09 to 15 years.

**4.10 Intangible fixed assets and amortization**

Intangible fixed assets are stated at cost less accumulated amortization. Tangible fixed assets are recognized under the historical cost.

Intangible fixed assets represent computer software, which is Sewan management software is initially recognized at its handover-value from Hanosimex Hanam One member Company limited under the Decision No. 01-18 dated 01/02/2018 of such the Company's Director. Computer software is fully amortized but is in usage.

**4.11 Prepayments**

Prepayments are recorded at actual incurred, including:

- Office rental expenses, insurance expenses, infrastructure and machinery and equipment rental expenses, and land sublease expenses are allocated to operating results using the straight-line method from the date incurred, based on the lease term stipulated in the contract. Specifically: rental expenses for infrastructure and machinery and equipment at Km12, National Highway 18, Que Vo Ward, Bac Ninh Province under Contract No. 0311DHSD/HDMB dated 23/02/2011 and Contract Appendix No. 01/2012 dated 26/4/2012 for the lease term from 15/3/2011 to 14/3/2026; rental expenses for infrastructure and land sublease at Dong Van II Industrial Park under Contract No. 0112/2015/HDTLD-HN dated 01/12/2015 for the lease term from 01/12/2015 to 18/10/2056;
- Site clearance costs to obtain land use rights include:
  - + Actual costs incurred (compensation for site clearance and land leveling costs) to obtain the right to use 68,540 m<sup>2</sup> of land at Nam Giang Industrial Park, Nam Giang Commune, Nam Dan District (now Kim Lien Commune), Nghe An Province, for the lease term from 01/8/2012 to 12/11/2060;
  - + Actual costs incurred (compensation for site clearance and land leveling costs) to obtain the right to use 48,055.6 m<sup>2</sup> of land in Nghi Lam Commune, Nghi Loc District (now Phuc Loc Commune), Nghe An Province, for the lease term from 10/6/2019 to 13/6/2068;
- Tools, instruments, returnable packaging issued for use, and other expenses are allocated to operating results using the straight-line method over a maximum period of 36 months from the date incurred;
- One-off repair costs and brokerage fees for subleasing the factory in Bac Ninh Province, which are of significant value and for which the Corporation does not accrue major repair expenses for fixed assets, are allocated to operating results using the straight-line method from the date incurred until the end of the lease term;
- Repair and renovation costs of Nghi Loc Factory, Nam Dan Factory, and other expenses are allocated to operating results using the straight-line method over a period of 12 to 86 months from the date incurred;
- One-off fixed asset repair costs of significant value, for which the Corporation does not accrue major repair expenses for fixed assets, are allocated to operating results using the straight-line method over a maximum period of 36 months from the date incurred.

The Corporation based on prepayment term for contract or allocation time of each type of costs to classify short-term or long-term prepayments and not make the reclassifications at the reporting date.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)***4.12 Payables**

The payables are monitored detailedly under the original terms, the remaining terms at the reporting date, the payable objects, type of payables denominated in foreign currency 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 term or expected payment time at the reporting time of the liabilities to classify them as long-term or short-term and re-evaluate monetary items denominated in foreign currencies according to principles as described in Note 4.3.

The payables are recorded not less than the payment obligations. In case there is evidence that a loss is likely occurred, the Corporation recognizes immediately a payable under the precautionary principle.

**4.13 Loans and finance lease liabilities**

The loans and finance lease liabilities are loans and finance lease liabilities, monitored detailed for each loan object, loan agreement, and loan asset; for the term of loan and finance lease liabilities and type of foreign currency. The loans with the remaining term more than 12 months from the reporting date are presented as long-term loans and finance lease liabilities. The due loans within the next 12 months from the reporting date are presented as short-term loans and finance lease liabilities. The loans denominated in foreign currency are revalued according to the principles as mentioned in the note No. 4.3.

**4.14 Borrowing costs**

Borrowing cost is charged to operation expenses during the period when incurred.

**4.15 Accrued expenses**

Accrued expenses are recognized on the basis of the proper estimated cost of goods and services used during the period due to without or insufficient documents, accounting records, including: Interest expenses, brokerage commissions and other expenses incurred in the year.

**4.16 Unearned revenue**

Unearned revenue is recognized on the basis of the amount of customers paying in advance for one or more of the accounting periods on rental properties; the difference with the selling price of the asset higher than the net book value of fixed assets in the sale and leaseback transaction of finance lease.

Unearned revenue is allocated to income based on the amount collected and the number of collection periods received in advance, or recorded as a reduction of expenses over the leaseback term in respect of sale and leaseback transactions where the leaseback is a finance lease.

**4.17 Provisions**

Short-term provisions represent amounts set aside to supplement the payroll fund of the immediately following year. The annual provision is determined by the Corporation but must not exceed 17% of the actual payroll fund.

**4.18 Owners' equity**

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

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

**4.19 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 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.

***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.

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

- Deposit and lending interest is recognized reliably on the balances of deposits, loans and periodic actual interest.
- Dividends are recorded in accordance with the announcement.
- Exchange differences reflect actual exchange rate differences arising during the period of transactions denominated in foreign currencies.

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

**4.20 Cost of sales**

Cost of sales is the cost value of products, goods and services sold during the year are recorded at the actual incurred matching revenue and the reversal for inventory devaluation.

**4.21 Financial expenses**

Financial expenses comprise interest expenses, losses from exchange differences and provision for decrease in value of investments. Details are as follows:

- Interest expense is based on actual loans and periodic interest expense.
- Foreign exchange differences: reflect losses from the actual exchange differences of arising transactions denominated in foreign currencies during the period and losses from the exchange differences due to the revaluation of monetary items denominated in foreign currencies at the reporting date.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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- Provision for decrease in value of investments is made under the regulations in the note No 4.5.2.

**4.22 Selling expenses, general and administrative expenses**

Selling expenses represent the actual expenses incurred in the process of selling products, goods and service rendered of the accounting period, including: brokerage commission expenses, warranty costs; costs of packaging, shipping, etc.

General and administrative expenses represent the general management expenses of the Corporation incurred in the accounting period, including the salary expenses of management staff; social insurance, health insurance, trade union fees, unemployment insurance of management staff; expenses of office materials, work tools; depreciation of fixed assets for management; allowance for doubtful receivables; land rentals and license tax; outsourcing services (electricity, water, telephone ...); other cash expenses (guests, customer conferences, etc.)

**4.23 Taxation**

Current income tax expense reflects the amount of additional corporate tax payables due to immaterial errors in last year.

Taxable income may differ from the total accounting profit before tax presented in the statement of profit or loss because taxable income does not include taxable income or deductible expenses in other years (including loss carry forwards, if any), and also excludes non-taxable items or non-deductible items.

The determination of the tax currently payable 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.

**4.24 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 and balances with related parties do not have to be presented in the financial statements since these financial statements are prepared and issued in the same time with the consolidated financial statements of the Corporation.

**5. CASH AND CASH EQUIVALENTS**

	<b>31/12/2025</b>	<b>01/01/2025</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	318,034,456	342,743,242
Demand deposits	21,312,633,241	1,514,663,142
Cash equivalents	25,539,041,096	34,000,000,000
<b>Total</b>	<b>47,169,708,793</b>	<b>35,857,406,384</b>

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

6. TRADE RECEIVABLES

	31/12/2025 VND	01/01/2025 VND
<b>Short term</b>	<b>111,657,115,441</b>	<b>109,787,215,837</b>
Fujian Fynex Textile Science and Technology Co., Ltd.	33,975,456,752	-
Trade receivables from other customers	77,681,658,689	109,787,215,837

7. FINANCIAL INVESTMENTS

7.1 Held-to-maturity investments	31/12/2025 VND		01/01/2025 VND	
	Cost	Carrying amount	Cost	Carrying amount
<b>Short term</b>	<b>143,207,822,003</b>	<b>143,207,822,003</b>	<b>131,991,647,850</b>	<b>131,991,647,850</b>
Time deposits at OCB - Ha Noi Branch - Trang An Transaction Office	30,000,000,000	30,000,000,000	-	-
Time deposits at BIDV - Nghe An Branch	6,000,000,000	6,000,000,000	-	-
Time deposits at BIDV - Transaction office No.1 Branch	607,822,003	607,822,003	581,647,850	581,647,850
Bonds of TIZCO JSC (*)	52,600,000,000	52,600,000,000	52,600,000,000	52,600,000,000
Bonds of Bong Sen Corporation (*)	23,000,000,000	23,000,000,000	23,000,000,000	23,000,000,000
Bonds of Nam Land JSC (*)	16,000,000,000	16,000,000,000	16,000,000,000	16,000,000,000
Bonds of No Va Thao Dien JSC (*)	15,000,000,000	15,000,000,000	15,000,000,000	15,000,000,000
Bonds of Saigon Glory Co., Ltd. (*)	-	-	24,810,000,000	24,810,000,000

(\*) The bonds of TIZCO JSC, Bong Sen JSC, Nam Land Co., Ltd., and No Va Thao Dien Co., Ltd., were purchased by the Corporation through Tan Viet Securities JSC as a depository registration agent, payment agent, representative of the bonds' owner. Tan Viet Securities JSC has committed to buy back the above bonds within 6 months from the date the Corporation owns the bonds. The repurchase commitments are due from 10/10/2022 to 06/4/2023, however, Tan Viet SJC has not completed as committed. At the same time, as of 31/12/2025, all of the aforementioned bond tranches had matured; however, the Corporation had not yet received full payment as committed. The Corporation has issued an official working document to Tan Viet Securities JSC regarding this matter and is currently awaiting agreement on a resolution plan.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

## 7.2 Investment in other entities

	31/12/2025 VND			01/01/2025 VND		
	Historical cost	Provision	Fair value	Historical cost	Provision	Fair value
Investment in subsidiaries	44,746,554,966	(16,062,346,683)		44,746,554,966	(16,344,846,979)	
Investment in joint ventures and associates	585,750,000	(585,750,000)		585,750,000	(585,750,000)	
Investment in other entities	24,000,000,000	(12,522,636,696)		24,000,000,000	(12,217,895,215)	

Detailed information on investment in subsidiaries of the Corporation at the end of accounting year:

Name of subsidiary	Proportion of ownership (%)	Proportion of voting right (%)	Beneficial rate (%)	Charter capital (VND)	Historical cost (VND)	Provision (VND)	Fair value (VND)
Hanosimex - Haiphong Trade JSC	51.07	51.07	51.07	10,000,000,000	5,107,360,406	-	
Hanosimex Fashion JSC	65.00	65.00	65.00	9,000,000,000	5,850,000,000	-	
Hanosimex Ha Dong Textile JSC	53.23	53.23	53.23	19,500,000,000	13,039,194,560	-	
Hanosimex Knitting JSC	51.32	51.32	51.32	38,000,000,000	19,500,000,000	(14,812,346,683)	
Haiphong - Hanosimex Garment JSC	60.21	60.21	60.21	2,500,000,000	1,250,000,000	(1,250,000,000)	
<b>Total</b>				<b>79,000,000,000</b>	<b>44,746,554,966</b>	<b>(16,062,346,683)</b>	

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

Detailed information on investment in associates of the Corporation at the end of accounting year:

Company name	Proportion of ownership (%)	Proportion of voting right (%)	Beneficial rate (%)	Charter capital (VND)	Historical cost (VND)	Provision (VND)	Fair value (VND)
Coffee Indochina JSC	33.40	33.40	33.40	1,544,010,000	585,750,000	(585,750,000)	
<b>Total</b>				<b>1,544,010,000</b>	<b>585,750,000</b>	<b>(585,750,000)</b>	

Detailed information on investment in other entities of the Corporation at the end of accounting year as follows:

Company name	Historical cost (VND)	Provision (VND)	Fair value (VND)
Lien Phuong Textile and Garment JCS	18,000,000,000	(8,040,999,858)	
Vietnam Textile and Garment Materials Producing and Trading JSC	6,000,000,000	(4,481,636,838)	
<b>Total</b>	<b>24,000,000,000</b>	<b>(12,522,636,696)</b>	

*The Corporation has not determined the fair value of these investments because there has been no specific guidance on the fair value determination.*

## 7.3 Provision for impairment of long-term investments

	Year 2025 VND	Year 2024 VND
<b>Opening balance</b>	<b>(29,148,492,194)</b>	<b>(54,911,784,430)</b>
Additional provision	(1,514,642,638)	(14,481,545,579)
Reverted provision	1,492,401,453	5,940,962,005
Utilized provision	-	34,303,875,810
<b>Closing balance</b>	<b>(29,170,733,379)</b>	<b>(29,148,492,194)</b>

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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8. OTHER RECEIVABLES

	31/12/2025		01/01/2025	
	Amount	VND Provision	Amount	VND Provision
<b>8.1. Short term</b>	<b>4,698,284,507</b>	<b>(3,017,184,175)</b>	<b>4,114,414,428</b>	<b>(3,017,184,175)</b>
Interest on term deposits	497,945,698	-	156,524,671	-
Advance	160,358,182	-	195,037,694	-
Haiphong - Hanosimex Garment JSC	3,017,184,175	(3,017,184,175)	3,017,184,175	(3,017,184,175)
Chailease International Leasing Company - Hanoi Branch	145,417,681	-	248,065,453	-
Others	877,378,771	-	497,602,435	-
<b>8.2 Long term</b>	<b>13,217,091,921</b>	<b>-</b>	<b>13,811,739,921</b>	<b>-</b>
Deposit	3,660,619,197	-	3,660,619,197	-
Compensation and support for paid land, deducted from annual payable land rent at Nghe An	9,556,472,724	-	10,151,120,724	-

9. PROVISION FOR DOUBTFUL DEBTS

	Year 2025	Year 2024
	VND	VND
<b>Short term</b>		
<b>Opening balance</b>	<b>(78,877,078,524)</b>	<b>(62,373,655,959)</b>
Additional provision	(10,871,239,318)	(16,735,739,318)
Written back	-	112,316,753
Utilized provision	-	120,000,000
<b>Closing balance</b>	<b>(89,748,317,842)</b>	<b>(78,877,078,524)</b>
<i>In which:</i>		
- Trade receivables	(5,211,133,667)	(4,714,894,349)
- Other receivables	(3,017,184,175)	(3,017,184,175)
- Held-to-maturity investments	(81,520,000,000)	(71,145,000,000)

10. DOUBTFUL DEBTS

	31/12/2025		01/01/2025	
	Historical cost	VND Recoverable amount	Historical cost	VND Recoverable amount
<b>Total amount of receivables past due</b>	<b>115,572,676,819</b>	<b>25,824,358,977</b>	<b>135,722,676,819</b>	<b>56,845,598,295</b>
<b>Trade receivables and other receivables</b>	<b>8,972,676,819</b>	<b>744,358,977</b>	<b>8,972,676,819</b>	<b>1,240,598,295</b>
- Haiphong - Hanosimex Garment JSC	3,116,827,733	-	3,116,827,733	-
<i>Overdue time: over 3 years</i>				
<i>Value of overdue receivables</i>	3,116,827,733	-	3,116,827,733	-
- Dong Phu Spinning Joint Stock Company	2,284,143,806	-	2,284,143,806	-
<i>Overdue time: over 3 years</i>				

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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	31/12/2025 VND		01/01/2025 VND	
	Historical cost	Recoverable amount	Historical cost	Recoverable amount
Value of overdue receivables	2,284,143,806	-	2,284,143,806	-
- Hung Thanh Spinning Joint Stock Company	1,090,508,690	-	1,090,508,690	-
Overdue time: over 3 years				
Value of overdue receivables	1,090,508,690	-	1,090,508,690	-
- BLS Garment Co., Ltd.	2,481,196,590	744,358,977	2,481,196,590	1,240,598,295
Overdue time: from 02 years to less than 03 years				
Value of overdue receivables	2,481,196,590	744,358,977	-	-
Overdue time: from 01 year to less than 02 years				
Value of overdue receivables	-	-	2,481,196,590	1,240,598,295
<b>Held-to-maturity investments (Bonds purchased by the Corporation through Tan Viet Securities JSC)</b>	<b>106,600,000,000</b>	<b>25,080,000,000</b>	<b>126,750,000,000</b>	<b>55,605,000,000</b>
- Bonds of Bong Sen Corporation	23,000,000,000	-	23,000,000,000	6,900,000,000
Overdue time: over 03 years				
Value of held-to-maturity investments	23,000,000,000	-	-	-
Overdue time: from 02 years to less than 03 years				
Value of held-to-maturity investments	-	-	23,000,000,000	6,900,000,000
- Bonds of TIZCO JSC	52,600,000,000	15,780,000,000	52,600,000,000	26,300,000,000
Overdue time: from 02 years to less than 03 years				
Value of held-to-maturity investments	52,600,000,000	15,780,000,000	-	-
Overdue time: from a year to less than 02 years				
Value of held-to-maturity investments	-	-	52,600,000,000	26,300,000,000
- Bonds of Nam Land Co., Ltd.	16,000,000,000	4,800,000,000	16,000,000,000	8,000,000,000
Overdue time: from 02 years to less than 03 years				
Value of held-to-maturity investments	16,000,000,000	4,800,000,000	-	-
Overdue time: from a year to less than 02 years				
Value of held-to-maturity investments	-	-	16,000,000,000	8,000,000,000
- Bonds of No Va Thao Dien Co., Ltd.	15,000,000,000	4,500,000,000	15,000,000,000	7,500,000,000
Overdue time: from 02 years to less than 03 years				
Value of held-to-maturity investments	15,000,000,000	4,500,000,000	-	-
Overdue time: from a year to less than 02 years				
Value of held-to-maturity investments	-	-	15,000,000,000	7,500,000,000
- Bonds of Saigon Glory Co.,	-	-	20,150,000,000	6,905,000,000

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

	31/12/2025		01/01/2025	
	Historical cost	Recoverable amount	Historical cost	Recoverable amount
ltd.				
Overdue time: from 02 years to less than 03 years				
Value of held-to-maturity investments	-	-	15,850,000,000	4,755,000,000
Overdue time: from a year to less than 02 years				
Value of held-to-maturity investments	-	-	4,300,000,000	2,150,000,000

11. INVENTORIES

11.1 Inventories	31/12/2025		01/01/2025	
	Historical cost	Provision	Historical cost	Provision
Goods in transit	3,818,895,317	-	26,673,365,054	-
Raw materials	73,371,547,157	(1,393,604,934)	42,565,130,480	-
Tools and supplies	96,181,210	-	101,019,100	-
Work in process	8,745,657,619	-	8,543,209,193	-
Finished goods	35,616,495,255	-	48,587,370,758	-
Merchandise	193,163	-	-	-
<b>Total</b>	<b>121,648,969,721</b>	<b>(1,393,604,934)</b>	<b>126,470,094,585</b>	<b>-</b>

11.2 Provision for decline in value of inventories	Year 2025	Year 2024
	VND	VND
Opening balance	-	(1,208,387,708)
Additional provision	(1,393,604,934)	-
Reverted provision	-	1,208,387,708
<b>Closing balance</b>	<b>(1,393,604,934)</b>	<b>-</b>

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

12. PREPAYMENTS

	31/12/2025 VND	01/01/2025 VND
<b>12.1 Short term</b>	<b>1,041,357,949</b>	<b>1,009,164,721</b>
Office rental	118,800,000	118,800,000
Insurance expense	658,601,904	709,082,640
Repair and renovation costs	220,364,659	174,982,081
Others	43,591,386	6,300,000
<b>12.2 Long term</b>	<b>67,387,292,343</b>	<b>73,525,700,460</b>
Renting infrastructure and machinery under Contract No.0311DHSD/HDMB dated 23/02/2011	1,087,500,000	6,307,500,000
Renting infrastructure and re-renting land under Contract No.0112/2015/HDTLD-HN dated 01/12/2015	55,053,040,141	56,840,960,257
Repair costs and brokerage fees for subleasing the factory in Bac Ninh	120,421,448	842,950,136
Repair costs at Nam Dan 1 Factory	940,266,164	-
Consuming tools and equipment	1,915,001,670	848,487,596
Site clearance costs for Nghi Loc Garment Factory project	2,930,169,553	2,998,711,525
Compensation and site clearance costs for Nam Dan 2 Garment Factory project	4,788,704,709	4,927,173,273
Others	552,188,658	759,917,673

13. FINANCE LEASE ASSETS

	Machinery and equipment	Unit: VND Total
<b>COST</b>		
At 01/01/2025	6,014,517,953	6,014,517,953
Additions	-	-
Decreases	-	-
At 31/12/2025	<u>6,014,517,953</u>	<u>6,014,517,953</u>
<b>ACCUMULATED DEPRECIATION</b>		
At 01/01/2025	716,834,530	716,834,530
Additions	561,000,936	561,000,936
Charge for the year	561,000,936	561,000,936
Decreases	-	-
At 31/12/2025	<u>1,277,835,466</u>	<u>1,277,835,466</u>
<b>NET BOOK VALUE</b>		
At 01/01/2025	5,297,683,423	5,297,683,423
At 31/12/2025	<u>4,736,682,487</u>	<u>4,736,682,487</u>

Finance lease assets are detailed at Note 21 - Loans and financial lease liabilities.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

## 14. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles and transmission equipment	Office equipment	Unit: VND Total
<b>COST</b>					
At 01/01/2025	476,536,865,465	614,599,802,735	16,352,306,998	2,424,807,730	1,109,913,782,928
Additions	649,629,630	4,186,291,561	-	407,084,785	5,243,005,976
Construction	649,629,630	-	-	-	649,629,630
Procurement	-	4,090,291,561	-	407,084,785	4,497,376,346
Others	-	96,000,000	-	-	96,000,000
Decreases	-	11,452,801,959	96,000,000	-	11,548,801,959
Liquidation, disposal	-	11,452,801,959	-	-	11,452,801,959
Others	-	-	96,000,000	-	96,000,000
At 31/12/2025	477,186,495,095	607,333,292,337	16,256,306,998	2,831,892,515	1,103,607,986,945
<b>ACCUMULATED DEPRECIATION</b>					
At 01/01/2025	167,282,143,252	419,607,545,427	14,234,804,994	2,114,103,302	603,238,596,975
Additions	16,437,468,765	36,284,086,194	850,248,204	154,857,070	53,726,660,233
Charge for the year	16,437,468,765	36,188,086,194	850,248,204	154,857,070	53,630,660,233
Others	-	96,000,000	-	-	96,000,000
Decreases	-	11,452,801,959	96,000,000	-	11,548,801,959
Liquidation, disposal	-	11,452,801,959	-	-	11,452,801,959
Others	-	-	96,000,000	-	96,000,000
At 31/12/2025	183,719,612,017	444,438,829,662	14,989,053,198	2,268,960,372	645,416,455,249
<b>NET BOOK VALUE</b>					
At 01/01/2025	309,254,722,213	194,992,257,308	2,117,502,004	310,704,428	506,675,185,953
At 31/12/2025	293,466,883,078	162,894,462,675	1,267,253,800	562,932,143	458,191,531,696

Original cost of tangible fixed assets which is fully depreciated and being in use in 31/12/2025 is VND 117,299,773,061 (at 01/01/2025 is VND 128,484,319,007).

The Corporation has mortgaged fixed assets with original cost and net book value as at 31/12/2025 of VND 882,043,979,458 and VND 406,772,946,407 respectively in order to secure the loans (at 01/01/2025 are VND 874,796,755,354 and VND 422,211,541,847).

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

15. TRADE PAYABLES

	31/12/2025		01/01/2025	
	Amount	Repayment capability amount	Amount	Repayment capability amount
<b>Short term</b>	<b>43,896,006,584</b>	<b>43,896,006,584</b>	<b>90,967,655,048</b>	<b>90,967,655,048</b>
Details by supplier account for 10% or more of total trade payables	21,202,896,889	21,202,896,889	72,114,027,112	72,114,027,112
<i>Vietnam Textile &amp; Garment Group</i>	21,202,896,889	21,202,896,889	72,114,027,112	72,114,027,112
Others	22,693,109,695	22,693,109,695	18,853,627,936	18,853,627,936

16. TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	01/01/2025 VND	Payable amount VND	Paid amount VND	31/12/2025 VND
Value added tax	2,093,748,874	23,051,939,501	24,219,288,872	926,399,503
Import and export duties	-	94,925,744	94,925,744	-
Corporate income tax	(4,164,916,677)	5,863,760	-	(4,159,052,917)
Personal income tax	2,860,107	833,091,347	800,060,568	35,890,886
Nature tax	-	7,008,720	7,008,720	-
Land tax, land rental	-	2,014,603,491	2,014,603,491	-
Contractor tax	-	291,657,267	291,657,267	-
Fees, charge and other payables	-	23,687,440	23,687,440	-
<b>Total</b>	<b>(2,068,307,696)</b>	<b>26,322,777,270</b>	<b>27,451,232,102</b>	<b>(3,196,762,528)</b>

Include:

16.1 Payables	2,096,739,948			962,421,356
16.2 Receivables	4,165,047,644			4,159,183,884

17. ACCRUED EXPENSES

	31/12/2025 VND	01/01/2025 VND
<b>Short term</b>	<b>3,665,868,851</b>	<b>3,118,050,993</b>
Accrued interest	322,372,326	292,036,778
Payables fees for brokerage commissions	1,438,051,514	1,090,755,070
Others	1,905,445,011	1,735,259,145

18. UNEARNED REVENUE

	31/12/2025 VND	01/01/2025 VND
<b>Short term</b>	<b>2,110,328,854</b>	<b>1,694,766,069</b>
Revenue received in advance	2,110,328,854	1,694,766,069

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

19. OTHER PAYABLES

	31/12/2025 VND	01/01/2025 VND
<b>19.1 Short term</b>	<b>4,354,363,678</b>	<b>15,887,043,923</b>
Trade union fees	978,541,003	10,976,083,357
Health insurance	-	928
Collaterals and deposits received	-	1,411,613,973
Dividends payables	3,080,309,010	3,080,309,010
Others	295,513,665	419,036,655
<b>19.2 Long term</b>	<b>500,000,000</b>	<b>500,000,000</b>
Collaterals and deposits received	500,000,000	500,000,000

20. PROVISIONS

	31/12/2025 VND	01/01/2025 VND
<b>Short term</b>	<b>4,253,000,000</b>	-
Provision for payroll fund	4,253,000,000	-

21. LOANS AND FINANCE LEASE LIABILITIES

	31/12/2025 VND	01/01/2025 VND
<b>21.1 Short term</b>	<b>261,076,934,166</b>	<b>267,362,533,435</b>
Loans	259,691,189,226	265,976,788,495
Financial lease debts	1,385,744,940	1,385,744,940
<b>21.2 Long term</b>	<b>307,358,377,879</b>	<b>304,317,124,974</b>
Loans	306,780,984,168	302,353,986,323
Financial lease debts	577,393,711	1,963,138,651

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

a. Loans	01/01/2025		During the year		31/12/2025	
	Amount	Repayment capability amount	Increase	Decrease	Amount	Repayment capability amount
<b>Short-term loans</b>	<b>267,362,533,435</b>	<b>267,362,533,435</b>	<b>625,442,813,692</b>	<b>631,728,412,961</b>	<b>261,076,934,166</b>	<b>261,076,934,166</b>
<i>Short-term loans (USD)</i>						
BIDV - Transaction office	113,377,452,300	113,377,452,300	389,718,055,468	351,891,149,959	151,204,357,809	151,204,357,809
TP Bank - Vinh Tuy Branch	-	-	298,839,800	298,839,800	-	-
<i>Short-term loans (VND)</i>						
BIDV - Transaction office	85,268,532,408	85,268,532,408	181,712,779,244	210,394,882,082	56,586,429,570	56,586,429,570
OCB - Hanoi Branch - Trang An Transaction Office	-	-	13,964,051,283	-	13,964,051,283	13,964,051,283
<i>Due long-term loans (USD)</i>						
Vietnam Textile & Garment Group (lending from The Asian Development Bank) [1]	6,716,123,787	6,716,123,787	7,728,341,632	6,800,566,180	7,643,899,239	7,643,899,239
BIDV - Nghean Branch [2]	17,374,680,000	17,374,680,000	18,278,910,000	17,717,230,000	17,936,360,000	17,936,360,000
<i>Due long-term loans (VND)</i>						
BIDV - Nghean Branch [2]	13,240,000,000	13,240,000,000	12,356,091,325	13,240,000,000	12,356,091,325	12,356,091,325
Vinatex Textile and Garment Northern Corporation Limited Liability Company [3]	30,000,000,000	30,000,000,000	-	30,000,000,000	-	-
<i>Financial lease debts</i>						
Chailease International Leasing Company - Hanoi Branch [4]	1,385,744,940	1,385,744,940	1,385,744,940	1,385,744,940	1,385,744,940	1,385,744,940
<b>Long-term loans</b>	<b>304,317,124,974</b>	<b>304,317,124,974</b>	<b>42,888,011,746</b>	<b>39,846,758,841</b>	<b>307,358,377,879</b>	<b>307,358,377,879</b>
<i>Long-term loans (USD)</i>						
Vietnam Textile & Garment Group (lending from The Asian Development Bank) [1]	210,948,092,983	210,948,092,983	7,364,206,383	8,188,680,755	210,123,618,611	210,123,618,611
BIDV - Nghe An Branch [2]	47,758,826,163	47,758,826,163	1,523,805,363	17,916,241,821	31,366,389,705	31,366,389,705
<i>Long-term loans (VND)</i>						
BIDV - Nghe An Branch [2]	43,647,067,177	43,647,067,177	-	12,356,091,325	31,290,975,852	31,290,975,852

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

a. Loans	01/01/2025		During the year		31/12/2025	
	Amount	Repayment capability amount	Increase	Decrease	Amount	Repayment capability amount
Vinatex Textile and Garment Northern Corporation Limited Liability Company [3]	-	-	34,000,000,000	-	34,000,000,000	34,000,000,000
<b>Financial lease debts</b>						
Chailease International Leasing Company - Hanoi Branch [4]	1,963,138,651	1,963,138,651	-	1,385,744,940	577,393,711	577,393,711
<b>Total</b>	<b>571,679,658,409</b>	<b>571,679,658,409</b>	<b>668,330,825,438</b>	<b>671,575,171,802</b>	<b>568,435,312,045</b>	<b>568,435,312,045</b>

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

**Details of the long-term loan contracts with balance as at 31/12/2025:**

**[1] ADB On-lending agreement No. 07/2016/VINATEX-HANOSIMEX dated 25/02/2016**

Balance including the original borrowing	: USD 9,527,221.80.
Loan purpose	: Financial restructuring, repayment of long-term debt at credit institutions.
Interest rate	: According to the interest rates re-borrowed from the Ministry of Finance, details include: According to 6-month USD LIBOR rate announced by ADB once every 6 months. <i>The interest rate range is 0.6% minus 0.1% deduction; Insurance fee, term of 0.2%/year; Other charges receivable by ADB (if any) as reported by ADB; Interest and fees charged by ADB (if applicable) by origin during the grace period.</i>
Term	: 20 years.
Grace term	: 04 years.
Balance as at 31/12/2025	: USD 8,255,962.31 or VND 217,767,517,850.
Payables in 2026	: USD 289,794.11 or VND 7,643,899,239.

**[2] Including:**

**[2.1] Credit Contract No.01/2015/215/HDTD dated 28/9/2015**

Credit limit	: VND 251,558,000,000 including VND and USD converted.
Loan purpose	: Invest in spinning factory in Dong Van II Industrial Zone - Duy Tien - Hanam.
Interest rate	: Floating interest rate in the first year since disbursement date: USD: 3.5%/year; VND: 8.0%/year. Interest rates applied for the following years: floating rate adjusted every 3 months; Adjusted interest rate is equal 12-month deposit postpaid interest rate plus (+) margin 3.0% (USD) and 2.0% year (VND).
Overdue interest rate	: 130% of normal interest rate.
Term	: 144 months.
Collateral	: All assets formed from BIDV loan and own capital of the project of spinning factory in Dong Van II Industrial Zone - Duy Tien - Hanam of Hanoi Textile Garment Joint Stock Corporation and other forms of guarantee in accordance with BIDV regulations.

**[2.2] Credit Contract No. 01/2019/215/HDTD dated 05/10/2019**

Credit limit	: VND 104,000,000,000
Loan purpose	: Investing in building Nghi Loc garment factory.
Interest rate	: Interest rate from the first disbursement date to the end of 30/9/2020, fixed VND: 10%/year, USD: 3%/year. Interest rate from 30/9/2020 until the end of the loan term: VND equals the 24-month savings deferred interest rate plus (+) margin 3.6%/year; USD: equal to 6M LIBOR plus (+) margin 5.5%/year.
Overdue interest	: 150% of normal interest.
Term	: 120 months.
Collateral	: All assets formed in the future of Nghi Loc garment factory construction investment project.
Balances as at 31/12/2025 of the 02 contracts	: USD 1,869,156,83 or VND 49,302,749,705 and VND 43,647,067,177.
Payables in 2026 of the 02 contracts	: USD 680,000,00 or VND 17,936,360,000 and VND 12,356,091,325.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)***[3] Including:****[3.1] Loan Agreement No. 02/HD/VNC-HANOSIMEX dated 18/12/2023, Appendix 02 - Loan Asset Agreement extended from 08/4/2025 to 08/7/2026, and Decision No. 45/VNC-TCKT dated 31/12/2025**

Credit limit	:	VND 30,000,000,000.
Loan purpose	:	For production and business operations.
Term	:	15 months from the disbursement date.
Interest rate	:	6.5%/year.
Overdue interest rate	:	150% of the applicable interest rate.
Late payment interest rate	:	5%/year/on the overdue interest amount corresponding to the late payment period; overdue principal: 150% of the applicable lending interest rate.
Interest payment term	:	Payable quarterly, on the last business day of each quarter.
Principal repayment term	:	The last day of the loan term.
Balances as at 31/12/2025	:	VND 30,000,000,000.
Extension of the loan term under Decision No. 45/VNC-TCKT dated 31/12/2025	:	Extension of Loan Agreement No. 02/HD/VNC-HANOSIMEX dated 18/12/2023 and the attached appendices for a minimum of 12 months, or provision of a long-term loan in the event the agreement is settled upon maturity.

**[3.2] Loan Agreement No. 01.2025/HDVV/VNC-HSM dated 09/12/2025**

Credit limit	:	VND 4,000,000,000.
Loan purpose	:	Investment in the "Spindle monitoring system integrated with synchronized automatic coarse yarn cutting and mobile electric trolley".
Term	:	42 months from the disbursement date.
Loan interest	:	Interest shall be calculated as the outstanding principal multiplied by (x) the actual number of borrowing days multiplied by (x) the lending interest rate divided by (:) 365 days.
Interest rate	:	Interest rate during the term: - 12 months from the disbursement date: 7.00%/year; - From the 13th month onward, the interest rate shall be adjusted once every 3 months and shall be equal to the 12-month deposit interest rate for individual customers at Vietinbank plus (+) 2%.
Overdue interest rate	:	150% of the interest rate during the term.
Late payment interest rate	:	5%/year/on the overdue interest amount corresponding to the late payment period; overdue principal: 150% of the lending interest rate during the term.
Interest payment term	:	Payable quarterly, on the last business day of each quarter.
Principal repayment term	:	On 15/01/2027: VND 1,250,000,000; On 15/12/2027: VND 1,250,000,000; On 15/12/2028: VND 1,250,000,000; On 15/6/2029: VND 250,000,000.
Balances as at 31/12/2025	:	VND 4,000,000,000.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

**[4] Financial leasing contracts No. C230913312 dated 21/9/2023**

Total value of leased assets	: VND 6,495,679,389.
Prepayment	: VND 1,299,135,878.
Lease value	: VND 5,196,543,511.
Lease interest	: 9.18%/year.
Lease term	: 45 months.
Payment methods	: Prepaid monthly
Payment date	: On 25th monthly
Deposit	: VND 324,783,969.
Price of resold assets at the end of the contract	: VND 64,956,794.

**b. Finance lease liabilities:**

Term	Year 2025 VND			Year 2024 VND		
	Total finance lease payments	Lease interest repayment	Principal repayment	Total finance lease payments	Lease interest Repayment	Principal Repayment
Within one year	1,518,279,895	132,534,955	1,385,744,940	1,656,577,240	270,832,300	1,385,744,940
From the second to fifth year inclusive	591,799,684	14,405,973	577,393,711	2,110,079,579	146,940,928	1,963,138,651

**c. Repayment period long-term loans:**

	Total liabilities	Unit: VND		
		Up to one year	Over one year to five years	Over five years
<b>Closing balance</b>				
Loans	344,717,334,732	37,936,350,564	135,913,044,744	170,867,939,424
Long-term bank and other institutional loans	344,717,334,732	37,936,350,564	135,913,044,744	170,867,939,424
Finance lease liabilities	1,963,138,651	1,385,744,940	577,393,711	-
<b>Total</b>	<b>346,680,473,383</b>	<b>39,322,095,504</b>	<b>136,490,438,455</b>	<b>170,867,939,424</b>
<b>Opening balance</b>				
Loans	369,684,790,110	67,330,803,787	125,896,941,417	176,457,044,906
Long-term bank and other institutional loans	369,684,790,110	67,330,803,787	125,896,941,417	176,457,044,906
Finance lease liabilities	3,348,883,591	1,385,744,940	1,963,138,651	-
<b>Total</b>	<b>373,033,673,701</b>	<b>68,716,548,727</b>	<b>127,860,080,068</b>	<b>176,457,044,906</b>

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

## 22. OWNER'S EQUITY

## MOVEMENTS IN OWNER'S EQUITY

Unit: VND

Description	Owner' equity	Investment and development fund	Other owner' fund	Undistributed earnings	Capital construction investment fund (*)	Total
Opening balance	205,000,000,000	87,858,258,370	2,537,523,184	(85,955,321,904)	136,932,000,000	346,372,459,650
Increase	-	-	-	-	-	-
Decrease	-	-	-	73,671,839,288	-	73,671,839,288
Loss in the year	-	-	-	73,671,839,288	-	73,671,839,288
Opening balance of the current year	205,000,000,000	87,858,258,370	2,537,523,184	(159,627,161,192)	136,932,000,000	272,700,620,362
Increase during the year	-	-	-	4,356,324,424	-	4,356,324,424
Gain in the year	-	-	-	4,356,324,424	-	4,356,324,424
Decrease during the year	-	-	-	-	-	-
Closing balance of the current year	205,000,000,000	87,858,258,370	2,537,523,184	(155,270,836,768)	136,932,000,000	277,056,944,786

(\*) Capital construction investment is transferred from long-term loans and debts according to the Ministry of Finance's Official Letter No.15938/BTC-TCDN dated 24/11/2017 "accounting for the increase of State capital from the source of change of purpose land use of Vinatex when implementing capital construction investment projects". The General Meeting of Shareholders has approved the issue of "increasing charter capital from the source of transferring land use purpose of Vinatex when implementing investment projects for capital construction" according to the Resolution of 04/5/2018.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

OWNER'S EQUITY IN DETAILS

Unit: VND

	Common shares	
	31/12/2025	01/01/2025
Vinatex Textile and Garment Northern Corporation limited liability Company	118,026,000,000	118,026,000,000
Other shareholders	86,974,000,000	86,974,000,000
<b>Total</b>	<b>205,000,000,000</b>	<b>205,000,000,000</b>

UNDISTRIBUTED EARNINGS

	Year 2025 VND	Year 2024 VND
<b>At 01/01</b>	<b>(159,627,161,192)</b>	<b>(85,955,321,904)</b>
<b>Increase during the year</b>	<b>4,356,324,424</b>	-
Gain in the year	4,356,324,424	-
<b>Decrease during the year</b>	-	<b>73,671,839,288</b>
Loss in the year	-	73,671,839,288
<b>At 31/12</b>	<b>(155,270,836,768)</b>	<b>(159,627,161,192)</b>

SHARES

	31/12/2025 Shares	01/01/2025 Shares
Authorized shares	20,500,000	20,500,000
Issued shares	20,500,000	20,500,000
Common shares	20,500,000	20,500,000
Outstanding shares in circulation	20,500,000	20,500,000
Common shares	20,500,000	20,500,000
Par value of an outstanding share (VND per share)	10,000	10,000

**23. OFF-BALANCE SHEET ITEMS**

Assets held under trust

	31/12/2025 VND	01/01/2025 VND
Materials, goods held under trust, processed	54,531,571,448	37,700,891,712

Foreign currencies

	31/12/2025	01/01/2025
Euro (EUR)	-	238.80
US Dollar (USD)	586,391.76	7,161.83

Bad debts written off

	31/12/2025 VND	01/01/2025 VND
Thai Duong GAREXIM., JSC	102,351,582	102,351,582
Minh Khai Textile Company	120,000,000	120,000,000
<b>Total</b>	<b>222,351,582</b>	<b>222,351,582</b>

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

24. REVENUE

	Year 2025 VND	Year 2024 VND
<b>Revenue from goods sold and services rendered</b>	<b>958,112,239,163</b>	<b>825,019,847,622</b>
Sales of finished goods, merchandises	913,349,846,490	785,748,696,683
Rendering of services, other revenues	44,762,392,673	39,271,150,939
<b>Deductions</b>	<b>569,083,359</b>	<b>-</b>
<b>Net revenue from goods sold and services rendered</b>	<b>957,543,155,804</b>	<b>825,019,847,622</b>

25. COST OF SALES

	Year 2025 VND	Year 2024 VND
Cost of finished goods, merchandises sold	833,343,240,535	771,721,271,950
Cost of services rendered and other cost	34,284,561,641	34,458,480,490
Provision for decline in value of inventories	1,393,604,934	(1,208,387,708)
<b>Total</b>	<b>869,021,407,110</b>	<b>804,971,364,732</b>

26. FINANCIAL INCOME

	Year 2025 VND	Year 2024 VND
Bank and loan interest	4,450,253,158	5,440,775,928
Profit from sale of investment	-	10,522,086,630
Dividend received	2,368,590,000	1,846,817,500
Foreign exchange gain	6,709,374,995	14,855,011,011
<b>Total</b>	<b>13,528,218,153</b>	<b>32,664,691,069</b>

27. FINANCIAL EXPENSES

	Year 2025 VND	Year 2024 VND
Interest expense	26,871,618,507	31,140,555,154
Foreign exchange loss	14,125,488,707	28,424,109,788
Provision for diminution in value of investments	22,241,185	8,540,583,574
Others	-	6,505,385,272
<b>Total</b>	<b>41,019,348,399</b>	<b>74,610,633,788</b>

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)***28. SELLING AND ADMINISTRATIVE EXPENSES**

	Year 2025 VND	Year 2024 VND
<b>28.1 Selling expenses</b>	<b>16,889,965,457</b>	<b>13,071,370,556</b>
Brokerage commission fees	3,255,267,811	3,428,076,006
Others	13,634,697,646	9,643,294,550
<b>28.2 Administrative expenses</b>	<b>41,513,282,889</b>	<b>45,875,861,612</b>
Employees	15,794,871,755	13,929,438,551
Provision	11,283,239,318	16,623,422,565
Others	14,435,171,816	15,323,000,496

**29. OTHER INCOME**

	Year 2025 VND	Year 2024 VND
Sales or disposals of fixed assets	963,518,548	2,070,153,671
Penalty income for breach of Factory Lease Agreement No. 01/2025/HDTNX	1,510,000,000	-
Receivables settlement	9,781,537	1,965,503,158
Compensation received	57,055,193	2,663,220,608
Bonus received	-	175,324,674
Late payment interest on factory lease	-	918,000,000
Refunded import tax	-	805,972,996
Others	121,923,536	111,447,432
<b>Total</b>	<b>2,662,278,814</b>	<b>8,709,622,539</b>

**30. OTHER EXPENSES**

	Year 2025 VND	Year 2024 VND
Administrative penalties and tax penalties	72,892,473	171,751,049
Non-deductible input VAT	2,345,504	1,782,835
Debts treatment	343,420,940	164,377,206
Fine for contract violation	504,523,303	509,500,000
Goods exported for destruction	-	14,632,359
Others	4,278,512	367,214,677
<b>Total</b>	<b>927,460,732</b>	<b>1,229,258,126</b>

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)*

## 31. PRODUCTION COST BY NATURE

	Year 2025 VND	Year 2024 VND
Raw materials and consumables	457,296,783,225	490,735,078,437
Labour	199,113,556,954	176,323,783,324
Depreciation and amortization	54,191,661,169	54,388,240,635
Others	130,220,622,257	108,266,471,970
<b>Total</b>	<b>840,822,623,605</b>	<b>829,713,574,366</b>

## 32. CURRENT CORPORATE INCOME TAX EXPENSE

	Year 2025 VND	Year 2024 VND
<b>Total accounting profit (1)</b>	<b>4,362,188,184</b>	<b>(73,364,327,584)</b>
<b>Increase (Decrease) in accounting profit</b>		
<b>Increase (2)</b>	<b>580,628,985</b>	<b>26,683,906,681</b>
Remuneration of the Board of Management's members do not participate in management	225,000,000	225,000,000
Administrative and tax fines	171,751,049	171,751,049
Borrowing costs exceeding the limit prescribed under Decree No. 132/2020/ND-CP dated 05/11/2020	-	25,699,779,226
Other non-deductible expenses	347,736,512	587,376,406
<b>Decrease (3)</b>	<b>3,719,343,637</b>	<b>1,846,817,500</b>
Dividends paid	2,368,590,000	1,846,817,500
Borrowing costs carried forward under Decree No. 132/2020/ND-CP dated 05/11/2020	1,350,753,637	-
<b>Accumulated losses carried forward from the previous year (4)</b>	<b>(1,223,473,532)</b>	<b>-</b>
<b>Total taxable profit (5)=(1)+(2)-(3)+(4)</b>	<b>-</b>	<b>(48,527,238,403)</b>
Corporate income tax rate (6)	20%	20%
Tax expense of current taxable income (7)	-	-
Adjustment of income tax of prior years in current year (8)	5,863,760	307,511,704
<b>Total current corporate income tax expenses (9)=(7)+(8)</b>	<b>5,863,760</b>	<b>307,511,704</b>

## 33. ADDITIONAL INFORMATION ON THE ITEMS OF CASH FLOW STATEMENT

Code No. 14 - Interest paid includes the balance as at 01/01/2025 paid in 2025 amounting to VND 1,450,503,608 and excludes the unpaid amount as at 31/12/2025 of VND 1,424,735,850.

Code No. 21 - Acquisition of fixed assets and other long-term assets includes amounts incurred in the previous year but paid in the current year of VND 719,299,721 and advance payments to suppliers of VND 634,879,089; excludes amounts unpaid in the current year of VND 1,424,568,400 and amounts paid to suppliers in the previous year of VND 753,654,250.

Code No. 27 - Interest and dividends received include the balance as at 01/01/2025 collected in 2025 amounting to VND 156,524,671; exclude the uncollected amount as at 31/12/2025 of VND 497,945,698 and capitalized interest on investments of VND 26,174,153.

Code No. 33 - Proceeds from borrowings exclude the reclassified amount of VND 69,193,069,666 and the foreign exchange loss on revaluation as at 31/12/2025 of VND 11,971,724,836.

Code No. 34 - Repayments of borrowings excludes the reclassified amount of VND 67,807,324,726.

Code No. 35 - Finance lease principal repayments exclude the reclassified amount of VND 1,385,744,940.

## NOTES TO FINANCIAL STATEMENTS (CONT'D)

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*(The notes set out on pages 10 to 40 are an integral part of these financial statements)***34. SUBSEQUENT EVENTS**

Board of Directors confirm that, in accordance to Board of Directors' judgment, in material aspects, there is no unusual events affecting the financial statements occurred after financial year ended as at 31/12/2025 which have influence on the Corporation's financial position, its results and cash flow for the financial year then ended.

**35. SEGMENT REPORTS****BUSINESS SEGMENTS**

For management purposes, the Corporation is currently organized into two operating divisions - producing division and other division. These divisions are the basis on which the Corporation reports its primary segment information.

Principal activities are as follows:

- Producing division: production and sale of fiber, garments and raw materials, spare parts included;
- Other division: assets leasing, selling waste materials,..

Segment information about the Corporation's operations is presented below:

**Balance sheet as at 31/12/2025**

	<u>Producing</u>	<u>Other</u>	Unit: VND <u>Total</u>
<b>Assets</b>			
Segment assets	860,526,050,208	52,428,615,479	912,954,665,687
Unallocated assets			27,338,674,219
<b>Total</b>			<b><u>940,293,339,906</u></b>
<b>Liabilities</b>			
Segment liabilities	626,998,014,463	2,110,328,854	629,108,343,317
Unallocated liabilities			34,128,051,803
<b>Total</b>			<b><u>663,236,395,120</u></b>

**Income Statement in 2025**

	<u>Producing</u>	<u>Other</u>	Unit: VND <u>Total</u>
Net revenue from goods selling	912,780,763,131	44,762,392,673	957,543,155,804
Cost of goods sold	834,736,845,469	34,284,561,641	869,021,407,110
Unallocated expenses			58,403,248,346
Financial income			13,528,218,153
Financial expense			41,019,348,399
Operating profits			2,627,370,102
Other gains or losses			1,734,818,082
Profit before tax			4,362,188,184
Corporate income tax			5,863,760
<b>Profit after tax</b>			<b><u>4,356,324,424</u></b>

NOTES TO FINANCIAL STATEMENTS (CONT'D)

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(The notes set out on pages 10 to 40 are an integral part of these financial statements)

Balance sheet as at 01/01/2025

			Unit: VND
	Producing	Other	Total
<b>Assets</b>			
Segment assets	939,202,578,178	44,418,324,085	983,620,902,263
Unallocated assets			-
<b>Total</b>			<b>983,620,902,263</b>
<b>Liabilities</b>			
Segment liabilities	709,061,900,881	1,858,381,020	710,920,281,901
Unallocated liabilities			-
<b>Total</b>			<b>710,920,281,901</b>

Income Statement in 2024

			Unit: VND
	Producing	Other	Total
Net revenue from goods selling	785,748,696,683	39,271,150,939	825,019,847,622
Cost of goods sold	770,512,884,242	34,458,480,490	804,971,364,732
Unallocated expenses			58,947,232,168
Financial income			32,664,691,069
Financial expense			74,610,633,788
Operating profits			(80,844,691,997)
Other gains or losses			7,480,364,413
Profit before tax			(73,364,327,584)
Corporate income tax			307,511,704
<b>Profit after tax</b>			<b>(73,671,839,288)</b>

**GEOGRAPHICAL SEGMENTS**

The Board of Directors believes that the Corporation has only one geographic segment: Vietnam, therefore no geographic segment report is required.

**36. COMPARATIVE FIGURES**

Comparative figure is financial statements for the year 2024 audited by An Viet Auditing Company limited and certain reclassifications have been made to conform with the current year's presentation.

Hanoi, 25 March 2026

Preparer

Chief Accountant

General Director





Nguyen Thi Phuong

Nguyen Thi Thu Thao

Nguyen Tri Son