



**Vietnam National Textile and Garment Group**

Consolidated Financial Statements for the year  
ended 31 December 2024

**Vietnam National Textile and Garment Group**  
**Consolidated balance sheet as at 31 December 2024**

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

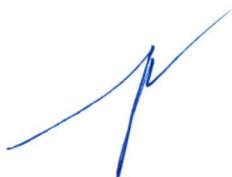
ASSETS		Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A</b>	<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>9.355.325.355.572</b>	<b>9.011.900.252.286</b>
<b>I.</b>	<b>Cash and cash equivalents</b>	<b>110</b>	<b>1</b>	<b>992.335.757.015</b>	<b>668.657.670.914</b>
1	Cash	111		396.252.516.493	288.504.356.537
2	Cash equivalents	112		596.083.240.522	380.153.314.377
<b>II.</b>	<b>Short-term financial investments</b>	<b>120</b>		<b>2.506.461.179.586</b>	<b>2.186.376.596.809</b>
1	Held-to-maturity investments	123		2.506.461.179.586	2.186.376.596.809
<b>III.</b>	<b>Accounts receivable – short-term</b>	<b>130</b>		<b>2.706.154.691.782</b>	<b>2.777.087.805.014</b>
1	Accounts receivable from customers	131	2	2.285.105.640.693	2.419.776.222.141
2	Prepayments to suppliers – short-term	132		310.212.457.588	159.928.122.085
3	Loans receivable – short-term	135	3	4.342.860.000	28.707.530.808
4	Other receivables – short-term	136	4	437.306.142.147	502.203.453.844
5	Allowance for doubtful debts	137		(331.632.613.794)	(335.257.228.993)
6	Shortage of assets awaiting resolution	139		820.205.148	1.729.705.129
<b>IV.</b>	<b>Inventories</b>	<b>140</b>	<b>5</b>	<b>2.904.018.973.922</b>	<b>3.116.488.111.528</b>
1	Inventories	141		2.976.012.558.845	3.218.969.665.585
2	Allowance for inventories	149		(71.993.584.923)	(102.481.554.057)
<b>V.</b>	<b>Other current assets</b>	<b>150</b>		<b>246.354.753.267</b>	<b>263.290.068.021</b>
1	Short-term prepaid expenses	151		33.544.288.597	29.974.282.311
2	Deductible value added tax	152		199.170.760.472	217.852.479.237
3	Taxes and others receivable from State Treasury	153		12.458.027.248	15.086.728.144
4	Other current assets	155		1.181.676.950	376.578.329
<b>B.</b>	<b>Long-term assets</b> (200 = 210 + 220 + 230 + 240 + 250 + 260)	<b>200</b>		<b>9.781.761.116.017</b>	<b>10.064.370.417.603</b>
<b>I.</b>	<b>Accounts receivable – long-term</b>	<b>210</b>		<b>44.100.159.929</b>	<b>47.424.641.529</b>
1	Prepayments to suppliers – long-term	212		-	-
2	Loans receivable – long-term	215	3	2.342.860.000	4.685.720.000
3	Other long-term receivables	216	4	147.867.224.725	148.848.846.325
4	Allowance for doubtful long-term debts	219		(106.109.924.796)	(106.109.924.796)
<b>II.</b>	<b>Fixed assets</b>	<b>220</b>		<b>5.565.956.064.894</b>	<b>5.871.927.505.393</b>
1	Tangible fixed assets	221	6	<b>5.319.617.510.168</b>	<b>5.631.367.708.397</b>
	Cost	222		14.203.085.822.176	14.066.042.299.637
	Accumulated depreciation	223		(8.883.468.312.008)	(8.434.674.591.240)
2	Finance lease tangible fixed assets	224		<b>154.704.015.688</b>	<b>146.632.497.134</b>
	Cost	225		176.072.027.534	168.730.898.213
	Accumulated depreciation	226		(21.368.011.846)	(22.098.401.079)

ASSETS		Code	Note	31/12/2024 VND	01/01/2024 VND
3	Intangible fixed assets	227	7	<b>91.634.539.038</b>	<b>93.927.299.862</b>
	<i>Cost</i>	228		148.519.634.214	146.689.808.395
	<i>Accumulated amortisation</i>	229		(56.885.095.176)	(52.762.508.533)
<b>III.</b>	<b>Investment property</b>	<b>230</b>	<b>8</b>	<b>264.642.339.386</b>	<b>275.630.323.034</b>
	<i>Cost</i>	231		366.591.995.891	369.186.255.985
	<i>Accumulated depreciation</i>	232		(101.949.656.505)	(93.555.932.951)
<b>IV.</b>	<b>Long-term work in progress</b>	<b>240</b>		<b>451.201.877.417</b>	<b>448.831.940.444</b>
	Long-term work in progress	241		-	-
	Construction in progress	242	9	451.201.877.417	448.831.940.444
<b>V.</b>	<b>Long-term financial investments</b>	<b>250</b>		<b>3.155.200.744.428</b>	<b>3.098.825.758.060</b>
1	Investments in associates	252		2.966.371.251.292	2.904.444.477.366
2	Equity investments in other entities	253		183.478.443.353	182.643.001.466
3	Allowance for diminution in the value of long-term financial investments	254		(143.229.599.553)	(147.947.320.772)
4	Held-to-maturity investments	255		148.580.649.336	159.685.600.000
<b>VI.</b>	<b>Other long-term assets</b>	<b>260</b>		<b>300.659.929.963</b>	<b>321.730.249.143</b>
1	Long-term prepaid expenses	261		284.724.501.393	307.068.866.879
2	Deferred tax assets	262		15.354.069.637	14.080.023.331
3	Other long-term assets	268		581.358.933	581.358.933
<b>TOTAL ASSETS (270 = 100 + 200)</b>		<b>270</b>		<b>19.137.086.471.589</b>	<b>19.076.270.669.889</b>
<b>C</b>	<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>9.845.366.058.868</b>	<b>10.007.426.677.086</b>
<b>I.</b>	<b>Current liabilities</b>	<b>310</b>		<b>6.936.655.122.515</b>	<b>6.967.069.926.304</b>
1	Accounts payable to suppliers –short-term	311	10	1.116.747.745.637	1.182.952.139.583
2	Advances from customers – short-term	312		98.291.055.719	75.532.036.141
3	Taxes and others payable to State Treasury	313		99.399.574.160	289.417.574.787
4	Payables to employees	314		710.939.794.252	624.352.705.250
5	Accrued expenses–short-term	315		54.012.437.182	68.511.969.277
6	Unearned revenue – short-term	318		22.085.702.797	18.563.614.433
7	Other payables – short-term	319	11	549.420.479.735	529.410.745.830
8	Short-term borrowings and finance lease liabilities	320	12	4.015.679.180.610	3.901.104.879.367
9	Provisions – short-term	321		61.915.086.666	62.473.188.366
10	Bonus and welfare funds	322		208.164.065.757	214.751.073.270
<b>II.</b>	<b>Long-term liabilities</b>	<b>330</b>		<b>2.908.710.936.353</b>	<b>3.040.356.750.782</b>
1	Long-term accounts payable to suppliers	331		17.600.000	17.600.000
2	Long-term advances from customers	332		-	1.998.966.784
3	Long-term accrued expenses	333		9.296.985.600	9.761.834.880
4	Long-term unearned revenue	336		300.286.621.997	308.089.739.186
5	Other payables – long-term	337	11	75.743.127.952	70.211.376.973
6	Long-term borrowings and finance lease liabilities	338	12	2.385.451.832.936	2.544.059.889.073
7	Deferred tax liabilities	341		137.914.767.868	106.217.343.886
8	Provisions – long-term	342		-	-

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>D. EQUITY (400 = 410 + 430)</b>	<b>400</b>	<b>13</b>	<b>9.291.720.412.721</b>	<b>9.068.843.992.803</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>9.272.406.189.734</b>	<b>9.048.671.102.901</b>
1 Share capital	411		5.000.000.000.000	5.000.000.000.000
- Ordinary shares with voting rights	411a		5.000.000.000.000	5.000.000.000.000
2 Share premium	412		30.361.932.352	30.361.932.352
3 Other capital	414		216.823.916.584	214.733.466.584
4 Differences upon asset revaluation	416		(747.830.122.185)	(747.830.122.185)
5 Investment and development fund	418		855.708.007.084	777.414.063.148
6 Retained profits	421		809.092.027.319	838.287.018.136
- Retained profits brought forward	421a		436.833.221.998	672.760.085.238
- Retained profit for the current period/year	421b		372.258.805.321	165.526.932.898
7 Capital expenditure fund	422		543.092.845.095	543.092.845.095
8 Non-controlling interest	429		2.565.157.583.485	2.392.611.899.771
<b>II. Non-business expenditure fund</b>	<b>430</b>		<b>19.314.222.987</b>	<b>20.172.889.902</b>
Non-business expenditure fund invested in fixed assets	432		19.314.222.987	20.172.889.902
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>19.137.086.471.589</b>	<b>19.076.270.669.889</b>

Hà Nội, 24 January 2025

PREPARED BY



Nguyen Thi Nga

CHIEF ACCOUNTANT



Nguyen Ngoc Cach

GENERAL DIRECTOR



Cao Hữu Hiếu

Vietnam National Textile and Garment Group  
Consolidated statement of income  
4<sup>th</sup> Quarter - 2024

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

	Code	Note	This year		Last year	
			4 <sup>th</sup> Quarter VND	Cummulative VND	4 <sup>th</sup> Quarter VND	Cummulative VND
1	1	Revenue from sales of goods and provision of services	4.831.919.413.578	17.391.518.689.138	4.283.748.600.797	16.490.720.404.195
2	2	Revenue deductions	12.629.051.720	29.913.829.942	4.701.238.801	24.790.201.865
3	10 14	Net revenue (10 = 01 - 02)	4.819.290.361.858	17.361.604.859.196	4.279.047.361.996	16.465.930.202.330
4	11 15	Cost of sales and provision of services	4.232.416.290.988	15.450.283.080.894	3.980.239.098.703	15.237.810.341.260
5	20	Gross profit (20 = 10 - 11)	586.874.070.870	1.911.321.778.302	298.808.263.293	1.228.119.861.070
6	21 16	Financial income	80.106.334.485	333.006.194.707	133.771.189.181	371.823.186.831
7	22 17	Financial expenses	133.658.478.617	516.595.305.418	87.722.493.442	535.280.688.102
	23	<i>In which: Interest expense</i>	56.199.675.172	279.194.709.698	62.864.808.630	347.746.865.398
8	24	Share of profit in associates	179.541.558.708	533.004.184.034	149.400.710.790	564.025.195.885
9	25	Selling expenses	143.154.336.388	508.735.320.943	108.608.371.387	444.585.396.813
10	26	General and administration expenses	264.534.686.004	948.999.019.772	222.882.498.699	801.613.210.510
11	30	Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	305.174.463.054	803.002.510.910	162.766.799.736	382.488.948.361
12	31	Other income	38.071.469.978	82.651.222.071	107.373.842.873	211.198.203.347
13	32	Other expenses	13.338.157.020	50.122.366.733	20.006.277.355	55.156.773.240
14	40	Results of other activities (40 = 31 - 32)	24.733.312.958	32.528.855.338	87.367.565.518	156.041.430.107
15	50	Accounting profit before tax (50 = 30 + 40)	329.907.776.012	835.531.366.248	250.134.365.254	538.530.378.468
16	51	Income tax expense – current	43.380.695.593	119.864.901.534	45.331.135.167	100.370.733.824
17	52	Income tax expenses – deferred	7.874.634.813	30.445.003.942	6.745.601.608	42.275.897.319
18	60	Net profit after tax (60 = 50 - 51 - 52)	278.652.445.606	685.221.460.772	198.057.628.479	395.883.747.325
20	61	Parent company's shareholders	200.452.563.114	372.258.805.321	128.790.622.628	165.526.932.898
21	62	Non-controlling interest	78.199.882.492	312.962.655.451	69.267.005.851	230.356.814.427

PREPARED BY



Nguyen Thi Nga

CHIEF ACCOUNTANT



Nguyen Ngoc Cach

Ha Noi, 24 January 2025

GENERAL DIRECTOR



Cao Huu Hieu

**Vietnam National Textile and Garment Group**  
**Consolidated statement of cash flows**  
(Indirect method)

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

	Code	Note	2024	2023
1	2	3	4	5
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	01		<b>835.531.366.248</b>	<b>538.530.378.468</b>
Adjustments for				
Depreciation and amortisation	02		751.973.825.949	758.126.091.055
Allowances and provisions	03		(39.388.407.252)	(221.829.724.815)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		83.145.204.150	58.843.341.358
Profits from investing activities	05		(629.526.234.814)	(846.687.924.724)
Interest expense	06		279.194.709.698	347.746.865.398
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>1.280.930.463.979</b>	<b>634.729.026.740</b>
Change in receivables	09		76.972.710.050	(138.009.609.508)
Change in inventories	10		242.957.106.740	1.176.411.741.631
Change in payables and other liabilities	11		47.438.822.534	53.223.324.734
Change in prepaid expenses	12		18.774.359.200	12.801.340.767
Interest paid	14		(265.841.210.145)	(383.904.018.232)
Income tax paid	15		(129.541.251.000)	(100.012.767.963)
Other payments for operating activities	17		(79.011.811.621)	(65.998.445.413)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>1.192.679.189.737</b>	<b>1.189.240.592.756</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(408.714.214.201)	(513.387.308.134)
Proceeds from disposals of fixed assets and other long-term assets	22		21.724.186.351	225.077.067.271
Payments for granting loans, placement of term deposits	23		(1.914.510.412.451)	(2.268.567.357.674)
Receipts from collecting loans, withdrawal of term deposits	24		1.785.624.124.120	2.165.979.620.101
Proceeds from investments in other entities	26		10.279.490.000	22.720.320.000
Receipts of interests and dividends	27		579.019.114.078	747.988.439.642
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>73.422.287.897</b>	<b>365.410.303.972</b>

	Code	Note	2024	2023
1	2	3	4	5
			2024	2023
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from share issuance and capital contributions from owners	31			3.969.720.000
Proceeds from borrowings	33		12.766.898.754.811	12.108.747.250.217
Payments to settle loan principals	34		(13.352.021.454.120)	(13.090.927.399.289)
Payments of dividends	36		(359.432.137.656)	(528.614.873.289)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(944.554.836.965)</b>	<b>(1.506.825.302.361)</b>
<b>Net cash flows during the period (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>321.546.640.669</b>	<b>47.825.594.367</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>		<b>668.657.670.914</b>	<b>615.868.535.508</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>		<b>2.131.445.432</b>	<b>4.963.541.039</b>
<b>Cash and cash equivalents at the end of the period (70 = 50 + 61)</b>	<b>70</b>		<b>992.335.757.015</b>	<b>668.657.670.914</b>

Ha Noi, 24 January 2025

PREPARED BY



Nguyen Thi Nga

CHIEF ACCOUNTANT



Nguyen Ngoc Cach

GENERAL DIRECTOR



Cao Huu Hieu

# Vietnam National Textile and Garment Group

## Notes to the consolidated financial statements

4<sup>th</sup> Quarter - 2024

Form B 09-DN/HN

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

### I. REPORTING ENTITY

#### 1. Ownership structure

Vietnam National Textile and Garment Group (“the Group”) was incorporated as a state-owned one-member limited liability company under Decision No. 974/QĐ-TTg dated 25 June 2010 of the Prime Minister.

Pursuant to Decision No. 646/QĐ-TTg dated 6 May 2014 of the Prime Minister approving the equitisation plan of Parent Company – Vietnam National Textile and Garment Group and Official Letter No. 4085/BTC-TC dated 15 May 2014 of the Ministry of Industry and Trade on initial public offering, Vietnam National Textile and Garment Group conducted an initial public offering by means of both selling a portion of the State-owned equity and issuing additional shares to increase the charter capital at Ho Chi Minh Stock Exchange on 22 September 2014. Accordingly, Vietnam National Textile and Garment Group’s post-equitisation charter capital is VND5,000 billion and the State holds a controlling interest. Vietnam National Textile and Garment Group was granted the initial Joint Stock Enterprise Registration Certificate dated 29 January 2015.

The consolidated financial statements of Vietnam National Textile and Garment Group for the year ended 31 December 2024 comprise Vietnam National Textile and Garment Group and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

#### 2. Principal activities

- Textile industry: produce materials, equipment, spare parts, sub-materials, chemicals, dyes, and final products of the textile industry including fabric, wool thread, cloth, garments, knitting, sewing thread, cotton towels, wool, carpets, jutes, silk, silk cloth, technical fabric, non-weaving cloth, cloth for internal decoration;
- Process and produce agricultural, silviculture, aqua and sea products (preliminary processing); packaging of fresh food, processed food, dry food, and confectionary;
- Produce cotton and fabric materials, materials and accessories, packaging for cotton production and processing; provide technical assistance for and trade planting breeds, fertilisers and other farming materials; process agricultural and silviculture products; provide testing of cotton breeds, plant breeds, and cotton and fabric quality;
- Retail textile and garment products and other consumer goods, including: invest in construction of supermarkets; lease building space for business purposes (kiosks, trade centres); lease warehouses, car parks, and provide car parking service; trade of textile and garment products, industrial materials, and other consumer goods; alcoholic drinks and tobacco; distribute products stipulated in the business certificate;
- Provide services of constructing and installing of civil and industrial electric and refrigeration systems; provide consultancy and designing of technology processes, provide machinery and equipment for the civil industry; consultancy, designing and preparation of textile investment project and environment projects; design and manufacture equipment and accessories, and install industrial electrical systems, craning systems, escalators and elevators; produce, trade, repair, and install mechanical products and industrial machinery and equipment, provide commercial services and industrial services; conduct inspection and testing of the quality of materials, sub-materials, chemicals, dyes and weaving and garment products; provide services relating to training, scientific research and technology transfer; training in weaving, industrial garment production and mechanical work; Vietnamese labour export, authorise fuel sales, trade in logistics and operate bonded warehouses, construct and design industrial and civil construction; trade in scientific and technological services, tourism, hotels, office space, transportation, and domestic travelling; provide consultancy and design, investment services and infrastructure business; daily meal services; entertainment and amusement, and sport services; act as agents of air ticket booking, and post and telecommunication;
- Provide financial services including financial operations, securities and other financial services;
- Invest in infrastructure, industrial and urban zones; real estates, develop residential buildings, industrial and urban zones; lease factories and residential houses, office buildings; invest in post and telecommunication services;
- Organise trade fairs and exhibitions; domestic and international fashion shows; offer publication and printing services; and
- Invest overseas; act as representatives for foreign businesses in Vietnam.

### 3 Normal operating cycle

The normal operating cycle of Vietnam National Textile and Garment Group and its subsidiaries is generally within 12 months ( starting from January 1 to December 31)

### 4. Vietnam National Textile Garment Group's structure

As at 31 December 2024, Vietnam National Textile and Garment Group had 33 tier 1, tier 2 and tier 3 subsidiaries and 30 associates (31/12/2023: 34 tier 1, tier 2 and tier 3 subsidiaries and 31 associates).

## II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of consolidation

#### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are consolidated in the consolidated financial statements from the date that control commences until the date that control ceases.

#### *Non-controlling interests*

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

#### *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated income statement. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the consolidated financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

#### *Associates*

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of the associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

#### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the associates.

#### *Business combination*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

## **2. Cash and cash equivalents**

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

## **3. Investments**

Trading securities are those held by the Group for trading purposes, meaning they are bought and sold to generate short-term profits. These securities are initially recorded at cost, which includes the purchase price and any directly attributable costs. After initial recognition, trading securities are measured at cost less any impairment loss allowance. An impairment loss allowance is recognized when the market value of the securities falls below their carrying amount. After the allowance is recognized, if the market value of the securities increases, the allowance may be reversed. However, the reversal is limited to the extent that the carrying amount of the trading securities does not exceed the carrying amount that would have been determined if no impairment loss allowance had been recognized.

Held-to-maturity investments are those that the Group's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank and bonds. These investments are stated at costs less allowance for doubtful debts.

Subsidiaries' investments in other entities are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in investment value.

An allowance is made for diminution in investment value if the investee has suffered a loss which may cause the Vietnam National Textile and Garment Group to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made.

An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

## **4. Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts

## **5. Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

Vietnam National Textile and Garment Group and its subsidiaries apply the perpetual method of accounting for inventories.

## 6. Tangible fixed assets

### *Cost*

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use.

### *Depreciation*

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

- buildings and structures	5 – 51 years
- machineries and equipment	3 – 20 years
- motor vehicles	3– 15 years
- office equipment	3 – 30 years
- others	2 – 25 years

## 7. Investment property held to earn rental

Investment property held to earn rental in the form of land use rights acquired in a legitimate transfer is stated at cost without amortisation due to their indefinite term. Investment property held to earn rental in form of buildings is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by management of respective subsidiaries. Expenditure incurred after investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the year in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of investment property held to earn rental.

## 8. Intangible fixed assets

### *Software*

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised as an intangible asset. Software cost is amortised on a straight-line basis over a period ranging from 3 to 10 years.

## 9. Construction in progress

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

## 10. Revenue and other income

### *Goods sold*

Revenue from the sales of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts

### *Services rendered*

Revenue from services rendered is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

### *Processing services*

Revenue from processing services is recognised in the consolidated statement of income when the goods have been processed and accepted by the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

### *Sale of property*

Revenue from the sale of property is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. The transfer of significant risks and rewards is determined to be at the time of sale or completion of hand over of the property, whichever is later.

### *Rental income*

Rental income from other leased property is recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

### *Interest income*

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

### *Dividend income*

Dividend income is recognised when the rights to receive dividend is established.

## 11. Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

### III. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET

#### 1. Cash and cash equivalents

	31/12/2024	01/01/2024
<b>Cash</b>	<b>396.252.516.493</b>	<b>288.504.356.537</b>
Cash on hand	21.265.344.194	16.796.555.966
Cash in banks	374.987.172.299	271.707.800.571
Cash in transit	-	-
<b>Cash equivalents</b>	<b>596.083.240.522</b>	<b>380.153.314.377</b>
Term deposits less than 3 months	596.083.240.522	380.153.314.377
<b>Total</b>	<b>992.335.757.015</b>	<b>668.657.670.914</b>

#### 2. Accounts receivable from customers – short-term

	31/12/2024	01/01/2024
Weaving JSC – Nam Dinh Textile Garment	65.349.099.041	84.918.702.921
Coats Phong Phu LLC	262.239.956.872	196.535.436.993
Phu Hoang Spinning JSC	92.761.853.545	71.663.650.506
Phong Phu Trading and Investment Promotion Corporation	12.930.807.340	12.930.807.340
Other companies	1.851.823.923.895	2.053.727.624.381
<b>Total</b>	<b>2.285.105.640.693</b>	<b>2.419.776.222.141</b>

#### 3. Loans receivable

	31/12/2024	01/01/2024
Hoa Tho Phu Ninh Garment JSC	4.685.720.000	7.028.580.000
Vinatex International JSC	-	26.364.670.808
Other companies	2.000.000.000	-
<b>Total</b>	<b>6.685.720.000</b>	<b>33.393.250.808</b>

#### 4. Other receivables

##### a. Other short-term receivables

	<u>31/12/2024</u>	<u>01/01/2024</u>
Dividends and share of profit receivable	22.649.847.000	105.555.999.212
Loans interest receivable	8.362.411.274	10.973.955.274
Short-term deposits	86.136.234.060	62.051.762.400
Receivables from employees	3.811.236.541	2.640.973.262
Capital contribution in business cooperation contract	43.532.895.759	43.532.895.759
Others	272.813.517.513	277.447.867.937
<b>Total</b>	<b>437.306.142.147</b>	<b>502.203.453.844</b>

##### b. Other long-term receivables

	<u>31/12/2024</u>	<u>01/01/2024</u>
Long-term deposits	13.245.505.144	14.721.681.796
Others	134.621.719.581	134.127.164.529
<b>Total</b>	<b>147.867.224.725</b>	<b>148.848.846.325</b>

#### 5. Inventories

	<u>31/12/2024</u>		<u>01/01/2024</u>	
	Cost	Allowance	Cost	Allowance
Goods in transit	322.754.511.665	(568.623.950)	555.582.920.788	(1.662.688.594)
Raw materials	1.116.257.850.217	(15.556.266.942)	921.530.102.295	(12.642.231.961)
Tools and supplies	7.862.692.110	-	9.686.652.724	-
Work in progress	769.365.363.836	(349.524.333)	801.469.293.896	(5.914.695.818)
Finished goods	579.854.689.475	(52.475.263.439)	777.214.020.528	(80.448.718.046)
Merchandise inventories	37.993.817.656	(3.043.906.259)	67.862.038.292	(1.813.219.638)
Goods on consignment	141.923.633.886	-	85.624.637.062	-
<b>Total</b>	<b>2.976.012.558.845</b>	<b>(71.993.584.923)</b>	<b>3.218.969.665.585</b>	<b>(102.481.554.057)</b>

6. **Tangible fixed assets**

	<b>Buildings and structures</b>	<b>Machinery and equipment</b>	<b>Motor vehicles</b>	<b>Office equipment</b>	<b>Others</b>	<b>Total</b>
<b>Cost</b>						
<b>Opening balance</b>	<b>3.942.162.496.857</b>	<b>9.436.446.674.582</b>	<b>379.264.435.234</b>	<b>118.907.938.119</b>	<b>189.260.754.845</b>	<b>14.066.042.299.637</b>
Additions	15.003.715.241	50.606.149.975	17.988.559.029	5.125.670.193	1.492.788.983	<b>90.216.883.421</b>
Transfer from long-term work in progress	122.535.093.170	126.767.906.256	56.480.701.382	-	5.608.775.755	<b>311.392.476.563</b>
Subsidiary Divestment	-	(21.625.452.407)	(8.920.712.819)	-	(347.120.188)	<b>(30.893.285.414)</b>
Disposal/Sale	(18.250.657.008)	(216.198.051.287)	(4.349.223.042)	(938.836.736)	(8.493.537.627)	<b>(248.230.305.700)</b>
	-	-	-	-	-	-
Transfer from Finance Lease Assets	-	19.142.952.454	-	-	-	<b>19.142.952.454</b>
Reclassification	(423.238.200)	2.521.714.829	-	(2.098.476.629)	-	-
Other changes	(4.920.530.785)	-	-	-	335.332.000	<b>(4.585.198.785)</b>
<b>Closing balance</b>	<b>4.056.106.879.275</b>	<b>9.397.661.894.402</b>	<b>440.463.759.784</b>	<b>120.996.294.947</b>	<b>187.856.993.768</b>	<b>14.203.085.822.176</b>
<b>Accumulated amortisation</b>						
<b>Opening balance</b>	<b>1.738.406.278.353</b>	<b>6.176.303.592.553</b>	<b>275.119.662.314</b>	<b>88.737.663.394</b>	<b>156.107.394.626</b>	<b>8.434.674.591.240</b>
Charge for the period	160.395.551.487	529.018.056.876	25.062.862.294	6.841.076.602	16.288.264.722	<b>737.605.811.981</b>
Subsidiary Divestment	-	(13.418.835.705)	(1.842.960.796)	-	(195.574.703)	<b>(15.457.371.204)</b>
Disposal/Sale	(15.362.468.922)	(215.510.753.263)	(4.341.555.396)	(826.120.090)	(8.493.537.627)	<b>(244.534.435.298)</b>
Reclassification	(423.238.200)	423.238.200	-	-	-	-
Transfer from Finance Lease Assets	-	7.347.120.267	-	-	-	<b>7.347.120.267</b>
Other changes	(28.898.538.166)	-	(6.796.384.980)	(666.606.350)	194.124.518	<b>(36.167.404.978)</b>
<b>Closing balance</b>	<b>1.854.117.584.552</b>	<b>6.484.162.418.928</b>	<b>287.201.623.436</b>	<b>94.086.013.556</b>	<b>163.900.671.536</b>	<b>8.883.468.312.008</b>
<b>Net book value</b>						
<b>Opening balance</b>	<b>2.203.756.218.504</b>	<b>3.260.143.082.029</b>	<b>104.144.772.920</b>	<b>30.170.274.725</b>	<b>33.153.360.219</b>	<b>5.631.367.708.397</b>
<b>Closing balance</b>	<b>2.201.989.294.723</b>	<b>2.913.499.475.474</b>	<b>153.262.136.348</b>	<b>26.910.281.391</b>	<b>23.956.322.232</b>	<b>5.319.617.510.168</b>

7. Intangible fixed assets

	Land use rights	Software	Others	Total
<b>Cost</b>				
Opening balance	121.125.604.239	23.805.468.442	1.758.735.714	146.689.808.395
Additions	-	1.829.825.819	-	1.829.825.819
Others	-	-	-	-
<b>Closing balance</b>	<b>121.125.604.239</b>	<b>25.635.294.261</b>	<b>1.758.735.714</b>	<b>148.519.634.214</b>
<b>Accumulated amortisation</b>				
Opening balance	32.096.811.256	19.235.498.597	1.430.198.680	52.762.508.533
Charge for the year	2.334.822.360	1.661.504.139	126.260.144	4.122.586.643
Others	-	-	-	-
<b>Closing balance</b>	<b>34.431.633.616</b>	<b>20.897.002.736</b>	<b>1.556.458.824</b>	<b>56.885.095.176</b>
<b>Net book value</b>				
Opening balance	89.028.792.983	4.569.969.845	328.537.034	93.927.299.862
Closing balance	86.693.970.623	4.738.291.525	202.276.890	91.634.539.038

8. Investment property held to earn rental

	Infrastructures in industrial zone	Buildings and structures	Land use rights	Total
<b>Cost</b>				
Opening balance	211.082.890.880	152.240.902.443	5.862.462.662	369.186.255.985
Additions	-	-	-	-
Disposals	-	(742.556.318)	-	(742.556.318)
Others	1.360.828.567	(1.360.828.571)	(1.851.703.772)	(1.851.703.776)
<b>Closing balance</b>	<b>212.443.719.447</b>	<b>150.137.517.554</b>	<b>4.010.758.890</b>	<b>366.591.995.891</b>
<b>Accumulated amortisation</b>				
Opening balance	36.360.501.679	52.953.671.602	4.241.759.670	93.555.932.951
Charge for the year	5.817.091.923	4.330.512.012	97.823.390	10.245.427.325
Others	7.774.963.628	(7.774.963.628)	(1.851.703.771)	(1.851.703.771)
<b>Closing balance</b>	<b>49.952.557.230</b>	<b>49.509.219.986</b>	<b>2.487.879.289</b>	<b>101.949.656.505</b>
<b>Net book value</b>				
Opening balance	174.722.389.201	99.287.230.841	1.620.702.992	275.630.323.034
Closing balance	162.491.162.217	100.628.297.568	1.522.879.601	264.642.339.386

**9. Construction in progress**

	<u>31/12/2024</u>	<u>01/01/2024</u>
<b>Major constructions in progress were as follows:</b>		
<i>Vietnam National Textile and Garment Group – the parent company</i>		
Nam Dinh Fiber Factory	18.973.452.363	18.973.452.363
39-41 Vo Van Kiet Project	266.976.773.659	226.745.302.865
<i>Nam Dinh Textile and Garment Joint Stock Corporation</i>	-	-
Hoa Xa Industrial Park Project	12.840.234.566	12.840.234.566
<b>Others</b>	152.411.416.829	190.272.950.650
<b>Total</b>	<b>451.201.877.417</b>	<b>448.831.940.444</b>

**10. Accounts payable to suppliers**

	<u>31/12/2024</u>	<u>01/01/2024</u>
<b>a. Short-term</b>	<b>1.116.747.745.637</b>	<b>1.182.952.139.583</b>
Duc Giang Garment Corporation – JSC	27.692.517.297	16.977.031.930
Coats Phong Phu LLC	160.984.769.508	113.662.912.043
Nha Trang Textile and Garment JSC	1.465.953.176	14.628.788.818
Other companies	926.604.505.656	1.037.683.406.792
<b>b. Long-term</b>	<b>17.600.000</b>	<b>17.600.000</b>
<b>Total</b>	<b>1.116.765.345.637</b>	<b>1.182.969.739.583</b>

**11. Other payables**

	<b>31/12/2024</b>	<b>01/01/2024</b>
<b>a. Other payables – short-term</b>	<b>549.420.479.735</b>	<b>529.410.745.830</b>
Trade union fees, social insurance and health insurance	41.221.459.366	46.757.602.409
Short-term deposits and collaterals received	1.793.413.973	1.761.613.973
Loan interests payables	9.145.731.777	24.451.508.615
Dividend payables	118.438.955.416	84.537.983.326
Charity fund	2.845.248.287	3.145.248.287
Others	375.975.670.916	368.756.789.220
<b>b. Other payables – long-term</b>	<b>75.743.127.952</b>	<b>70.211.376.973</b>
Amounts received as capital contribution in jointly controlled operations	45.037.427.000	45.037.427.000
Others	30.705.700.952	25.173.949.973
<b>Total</b>	<b>625.163.607.687</b>	<b>599.622.122.803</b>

**12. Borrowings and finance lease liabilities**

	<b>31/12/2024</b>		<b>01/01/2024</b>	
	<b>Giá trị</b>	<b>Số có khả năng trả nợ</b>	<b>Giá trị</b>	<b>Số có khả năng trả nợ</b>
a. Short-term borrowings and finance lease liabilities	4.015.679.180.610	4.015.679.180.610	3.901.104.879.367	3.901.104.879.367
b. Long-term borrowings and financial lease liabilities	2.385.451.832.936	2.385.451.832.936	2.544.059.889.073	2.544.059.889.073
Long-term borrowings	2.308.316.698.186	2.308.316.698.186	2.462.008.636.126	2.462.008.636.126
Finance lease liabilities	77.135.134.750	77.135.134.750	82.051.252.947	82.051.252.947
<b>Total</b>	<b>6.401.131.013.546</b>	<b>6.401.131.013.546</b>	<b>6.445.164.768.440</b>	<b>6.445.164.768.440</b>

### 13. Owners' equity

#### a. Changes in owners' equity

	Share capital	Share premium	Other capital	Investment and development fund	Retained profits	Differences upon asset revaluation	Capital expenditure fund	Non-controlling interest	Non-business expenditure fund and other funds	Total
<b>Balance as at 01/01/2023 - Restated</b>	<b>5.000.000.000.000</b>	<b>30.361.932.352</b>	<b>141.681.258.484</b>	<b>729.561.831.692</b>	<b>1.191.010.429.125</b>	<b>(747.830.122.185)</b>	<b>543.092.845.095</b>	<b>2.419.348.781.262</b>	<b>22.214.516.922</b>	<b>9.329.441.472.747</b>
<i>(Balance as at 1/1/2023 – as previously stated)</i>	<i>5.000.000.000.000</i>	<i>30.361.932.352</i>	<i>141.681.258.484</i>	<i>729.561.831.692</i>	<i>1.227.618.429.680</i>	<i>(747.830.122.185)</i>	<i>543.092.845.095</i>	<i>2.455.810.642.094</i>	<i>22.214.516.922</i>	<i>9.402.511.334.134</i>
<i>(Restatement)</i>	-	-	-	-	<i>(36.608.000.555)</i>	-	-	<i>(36.461.860.832)</i>	-	<i>(73.069.861.387)</i>
Contributed capital/share capital	-	-	73.051.750.000	-	(119.824.150.000)	-	-	46.772.400.000	-	-
Net profit for the period	-	-	-	-	165.526.932.898	-	-	230.356.814.427	-	<b>395.883.747.325</b>
Capital increase	-	-	-	-	-	-	-	3.969.720.000	-	<b>3.969.720.000</b>
Appropriation to investment and development f	-	-	-	47.852.231.456	(47.852.231.456)	-	-	-	-	-
Appropriation to bonus and welfare fund	-	-	-	-	(47.363.811.410)	-	-	(30.019.288.024)	-	<b>(77.383.099.434)</b>
Utilisation of funds	-	-	-	-	-	-	-	-	(2.041.627.020)	<b>(2.041.627.020)</b>
Dividends	-	-	-	-	(300.000.000.000)	-	-	(276.387.848.439)	-	<b>(576.387.848.439)</b>
Other movements	-	-	458.100	-	(3.210.151.021)	-	-	(1.428.679.455)	-	<b>(4.638.372.376)</b>
<b>Balance at 31/12/2023</b>	<b>5.000.000.000.000</b>	<b>30.361.932.352</b>	<b>214.733.466.584</b>	<b>777.414.063.148</b>	<b>838.287.018.136</b>	<b>(747.830.122.185)</b>	<b>543.092.845.095</b>	<b>2.392.611.899.771</b>	<b>20.172.889.902</b>	<b>9.068.843.992.803</b>
<b>Balance at 1/1/2024 – restated</b>	<b>5.000.000.000.000</b>	<b>30.361.932.352</b>	<b>214.733.466.584</b>	<b>777.414.063.148</b>	<b>838.287.018.136</b>	<b>(747.830.122.185)</b>	<b>543.092.845.095</b>	<b>2.392.611.899.771</b>	<b>20.172.889.902</b>	<b>9.068.843.992.803</b>
<i>(Balance as at 1/1/2024 – as previously stated)</i>	<i>5.000.000.000.000</i>	<i>30.361.932.352</i>	<i>214.733.466.584</i>	<i>777.414.063.148</i>	<i>874.895.018.691</i>	<i>(747.830.122.185)</i>	<i>543.092.845.095</i>	<i>2.429.073.760.603</i>	<i>20.172.889.902</i>	<i>9.141.913.854.190</i>
<i>(Restatement)</i>	-	-	-	-	<i>(36.608.000.555)</i>	-	-	<i>(36.461.860.832)</i>	-	<i>(73.069.861.387)</i>
Contributed capital/share capital	-	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	372.258.805.321	-	-	312.962.655.451	-	<b>685.221.460.772</b>
Share dividends in subsidiaries	-	-	1.790.450.000	-	-	-	-	-	-	<b>1.790.450.000</b>
Appropriation to investment and development f	-	-	300.000.000	89.651.850.822	(89.651.850.822)	-	-	-	-	<b>300.000.000</b>
Appropriation to bonus and welfare fund	-	-	-	-	(99.931.669.929)	-	-	(63.336.912.571)	-	<b>(163.268.582.500)</b>
Utilisation of funds	-	-	-	-	-	-	-	-	(858.666.915)	<b>(858.666.915)</b>
Dividends	-	-	-	-	(150.000.000.000)	-	-	(82.715.290.305)	-	<b>(232.715.290.305)</b>
Decrease due to divestment in subsidiary	-	-	-	(11.357.906.886)	11.357.906.886	-	-	5.830.910.253	-	<b>5.830.910.253</b>
Other movements	-	-	-	-	(73.228.182.273)	-	-	(195.679.114)	-	<b>(73.423.861.387)</b>
<b>Balance at 31/12/2024</b>	<b>5.000.000.000.000</b>	<b>30.361.932.352</b>	<b>216.823.916.584</b>	<b>855.708.007.084</b>	<b>809.092.027.319</b>	<b>(747.830.122.185)</b>	<b>543.092.845.095</b>	<b>2.565.157.583.485</b>	<b>19.314.222.987</b>	<b>9.291.720.412.721</b>

#### b. The Group's share capital issued to shareholders are:

	%	31/12/2024	01/01/2024
State Capital Investment Corporation	53,49%	2.674.381.000.000	2.674.381.000.000
Other shareholders	46,51%	2.325.619.000.000	2.325.619.000.000
<i>In which:</i>	<i>0,00%</i>	-	-
Itochu Corporation	13,00%	650.000.000.000	650.000.000.000
	<i>0,00%</i>	-	-
<b>Total</b>	<b>100%</b>	<b>5.000.000.000.000</b>	<b>5.000.000.000.000</b>

IV. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE SEPARATE STATEMENT OF INCOME

14. Revenue from sales of goods and provision of services

	2024	2023
<b>Total revenue</b>		
Sales	16.799.046.217.166	15.813.162.787.845
Services and processing	539.636.365.375	562.281.765.241
Sales and lease of property	52.836.106.597	115.275.851.109
<b>Total</b>	<b>17.391.518.689.138</b>	<b>16.490.720.404.195</b>
<b>Less revenue deductions</b>		
Sales discounts	(18.910.091.643)	(18.603.355.231)
Sales allowances	(196.429.969)	(266.789.419)
Sales returns	(10.807.308.330)	(5.920.057.215)
<b>Total</b>	<b>(29.913.829.942)</b>	<b>(24.790.201.865)</b>
<b>Net revenue</b>	<b>17.361.604.859.196</b>	<b>16.465.930.202.330</b>

15. Cost of sales

	2024	2023
Finished goods and merchandise goods sold	15.176.884.613.544	15.011.086.868.974
Inventories damaged due to fire	-	6.145.113.303
Services provided	281.205.139.709	348.220.444.202
Lease of property	22.681.296.775	87.156.123.056
Allowance for inventories	(30.487.969.134)	(214.798.208.275)
<b>Total</b>	<b>15.450.283.080.894</b>	<b>15.237.810.341.260</b>

**16. Financial income**

	<b>2024</b>	<b>2023</b>
Interest income from deposits and loans	75.789.028.238	146.944.034.403
Gain from disposals of associates and other entities	4.950.697.094	12.577.320.000
Interest income from late payments	-	6.319.508.438
Dividends	12.521.326.000	15.809.109.430
Foreign exchange gains	225.414.064.020	185.682.249.927
Other financial income	14.331.079.355	4.490.964.633
<b>Total</b>	<b>333.006.194.707</b>	<b>371.823.186.831</b>

**17. Financial expenses**

	<b>2024</b>	<b>2023</b>
Interest expense	279.194.709.698	347.746.865.398
Provision of allowance for diminution in value of long-term financial investments	11.179.760.164	3.301.008.590
Foreign exchange losses	213.525.572.849	182.825.221.853
Other financial expenses	12.695.262.707	1.407.592.261
<b>Total</b>	<b>516.595.305.418</b>	<b>535.280.688.102</b>

*Hà Nội, 24 January 2025*

**PREPARED BY**



**Nguyen Thi Nga**

**CHIEF ACCOUNTANT**



**Nguyen Ngoc Cach**

**GENERAL DIRECTOR**



**Cao Huu Hieu**

**VIETNAM NATIONAL TEXTILE  
AND GARMENT GROUP**

No. 56/VGT-FAD

Re: Explanation of After-Tax Profit  
Fluctuations in the Q4<sup>th</sup> 2024 Financial  
Statements compared to Q4<sup>th</sup> 2023

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

*Hanoi, January 24, 2024*

To: - State Securities Commission of Vietnam  
- Hanoi Stock Exchange

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, which provides guidelines on the disclosure of information in the stock market, and in compliance with the requirement to explain fluctuations of 10% or more in after-tax profit or a loss in the reporting period compared to the same period of the previous year.

On this matter, Vietnam National Textile and Garment Group (“the Group”) (Stock Code: VGT) hereby provides an explanation of the fluctuations in after-tax profit for the Fourth Quarter of 2024 compared to Fourth Quarter of 2023 as follows:

Separate Financial Statements for the Fourth quarter of 2024:

- After-tax profit for the Fourth Quarter/2024: VND 136.632.048.592
- After-tax profit for the Fourth Quarter/2023: VND 97.878.208.613

Increase by: VND 38.753.839.979 equivalent to a 39.6% increase compared to the same period last year.

Consolidated Financial Statements for Fourth Quarter of 2024:

- After-tax profit for Fourth Quarter/2024: VND 278.652.445.606
- After-tax profit for Fourth Quarter/2023: VND 198.057.628.479

Increase by: VND 80.594.817.127, equivalent to a 40,7% increase compared to the same period last year.

Main Reasons:

The increase in after-tax profit of the separate and consolidated financial statements for the Fourth Quarter of 2024 compared to the same period is primarily due to a strong recovery in the garment market. The garment sector experienced improvements in both pricing and order volumes, benefiting from the shift in demand from other markets such as China, Bangladesh, and Myanmar. Although the fiber industry still faces challenges, the entities within the Group have closely monitored market trends, responded swiftly with accurate forecasts, and secured favorable prices for cotton and fiber at various times. Additionally,

the flexible selection of product structure and stringent production management have significantly improved the efficiency compared to the same period last year.

Vietnam National Textile and Garment Group affirms that the content of this explanation is truthful and accurate.

Sincerely,

*Recipient:*

- As above;
- Archives: CD, FAD.

**GENERAL DIRECTOR**



**Cao Huu Hieu**