

No: 144/CBTT-HT

*Da Nang City, March 27, 2025*

**PERIODIC INFORMATION DISCLOSURE**

**To: - The State Securities Commission  
- Ho Chi Minh Stock Exchange**

1. Name of company: **Hoa Tho Textile - Garment Joint Stock Corporation**
  - Stock symbol: HTG
  - Address : 36 Ong Ich Duong Street, Hoa Tho Dong Ward, Cam Le District, Da Nang City
  - Telephone: 0236.3673215
  - Fax: 0236.3846290
  - Information Discloser: Mr. Nguyen Van Cuong
  - Position: Chief Executive Officer – Person authorized to disclose information
2. Content of information disclosure:
  - Hoa Tho Textile and Garment Joint Stock Corporation (HTG) hereby discloses the 2024 Annual Report.
3. This information was published on the Company's website on March 27, 2025 at the link: <https://hoatho.com.vn/quan-he-co-dong/thong-tin-co-dong/2025>

We hereby commit that the information published above is true and take full responsibility before the law for the content of the published information.

**Attachments:**

- 2024 Annual Report

**Representative of the Organization**

**PERSON AUTHORIZED TO  
DISCLOSE INFORMATION**



*Nguyen Van Cuong*

# 2024



# ANNUAL REPORT



# MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

*"Dear shareholders, investors, and partners of Hoa Tho Textile - Garment Joint Stock Corporation"*

First of all, on behalf of the Board of Directors of Hoa Tho Textile - Garment Joint Stock Corporation (HTG), I would like to extend my best wishes for good health and sincere thanks to our shareholders, partners, and investors for your trust in the leadership team and staff of the Company.

Looking back at the past year of 2024, we take pride in the achievements that the Corporation has attained, despite the numerous challenges and intense competition in the textile and garment industry market. We have successfully completed all the tasks and goals set by the Vietnam National Textile and Garment Group and the General Meeting of Shareholders of the Corporation. Additionally, in 2024, the Corporation was honored to receive the "Exemplary Enterprise for Workers" award, the "National Brand" award, and many other prestigious awards and certificates, ...

The year 2025 is expected to continue to be full of challenges. The Vietnamese textile industry will face a combination of various influencing factors, including the Regional Comprehensive Economic Partnership (RCEP) agreement and U.S. tariff policies. While the RCEP agreement offers great opportunities to expand our export markets, especially to countries like China, Japan, South Korea, and ASEAN, the challenges from U.S. tariff policies remain a concern. This policy could reduce the competitiveness of Vietnamese textile products, requiring us to continuously improve product quality, increase productivity, and apply new technologies to maintain and increase market share.

In addition, the Government's policy on streamlining the administrative apparatus, especially the merging and restructuring of state agencies, including the State Securities Commission (SSC), will create changes in legal and management processes. This may impact the legal procedures related to stock issuance, securities trading, and corporate governance. However, I believe these changes will create significant opportunities for businesses, especially listed companies, to improve their governance systems, enhance transparency, and reduce compliance costs, thus enabling us to access capital more easily and develop more sustainably in the future.

With the solidarity and efforts of the entire leadership team and staff, I am confident

that Hoa Tho Textile - Garment Joint Stock Corporation will overcome all difficulties and continue to grow strongly in 2025. We will continue to solidify a strong foundation for a bright future, expanding the Hoa Tho brand on the map of the Vietnamese textile industry and contributing to the successful implementation of the country's socio-economic development mission.

On behalf of the leadership of Hoa Tho Textile - Garment Joint Stock Corporation, I would like to express my sincere gratitude to all our shareholders, partners, customers, and employees for their continued support. We look forward to continuing to receive your trust and partnership as we move forward with the Corporation's sustainable development journey.

Sincerely,

**Chairman of the Board of Directors**

**Nguyen Van Hai**



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## EXPLANATION OF TERMS AND LIST OF ABBREVIATIONS

BOD	Board of Directors
BOM	Board of Management
BOS	Board of Supervisors
GMS	General Meeting of Shareholders
IM.	Implementation
JSC	Joint Stock Company
ROA	Return on Assets
ROE	Return on Equity
ROS	Return on Sales
VND	Viet Nam Dong
FTA	Free Trade Agreement

An FTA is an agreement between two or more countries in which the countries agree on certain obligations affecting trade in goods and services as well as investor protections, intellectual property rights, and other areas. Under a free trade policy, goods and services can be bought and sold across international borders with very low or zero tariffs, quotas, subsidies, or government prohibitions that act as barriers to trade.



# 1

## GENERAL INFORMATION

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## HOA THO TEXTILE - GARMENT JOINT STOCK CORPORATION

Securities Code: HTG

Chartered Capital: VND 360,027,080,000

Owner's capital: VND 923,964,139,539 as of December 31, 2024

Address: No. 36 Ong Ich Duong Street, Hoa Tho Dong Ward, Cam Le District, Da Nang City

Telephone: (+84) 2363 846 290

Fax: (+84) 2363 846 216

Website: [www.hoatho.com.vn](http://www.hoatho.com.vn)

Email: [office@hoatho.com.vn](mailto:office@hoatho.com.vn)

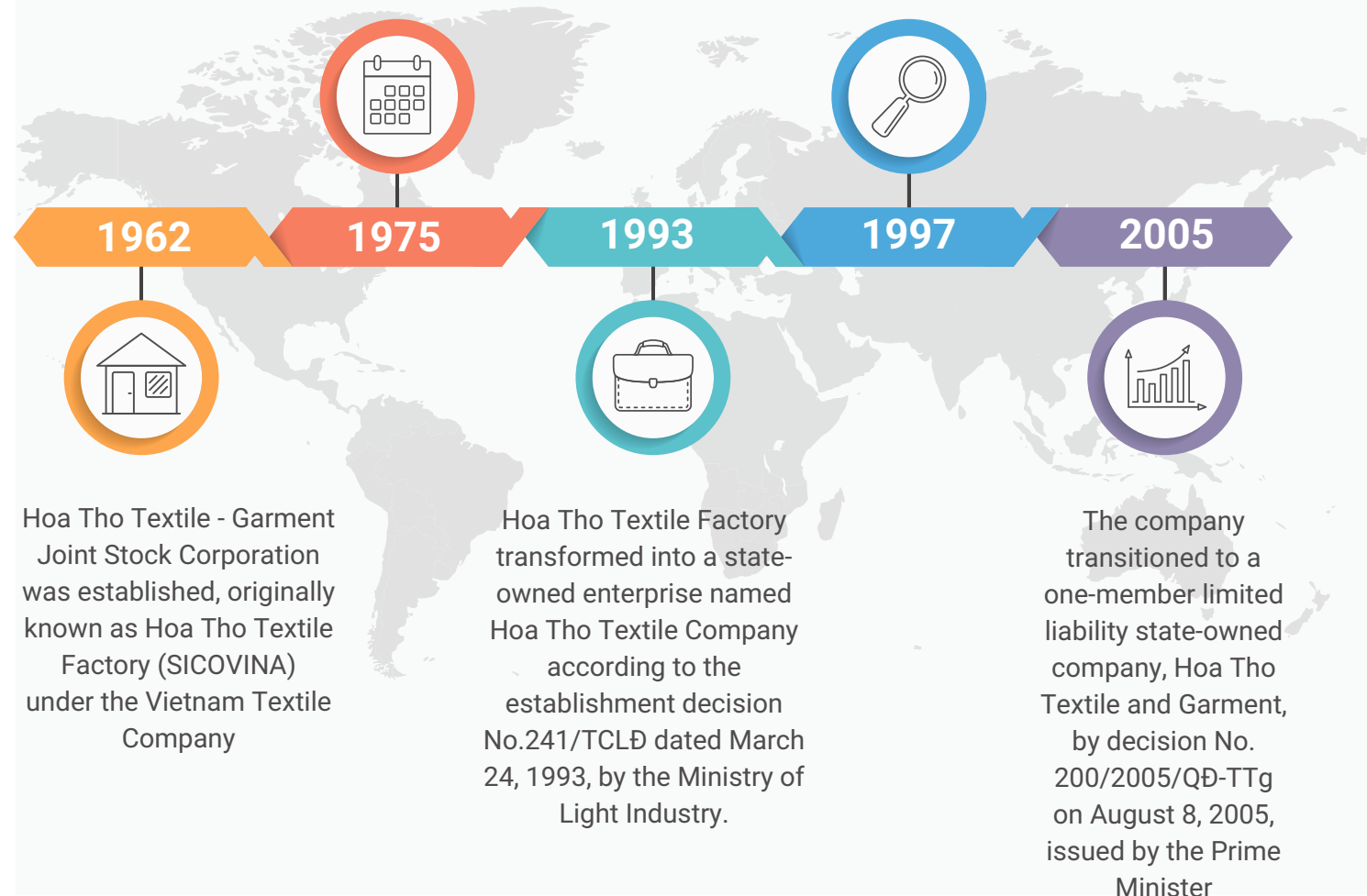
Business Registration Certificate No.: Number 0400101556 issued by the Department of Planning and Investment of Da Nang City, first issued on January 30, 2007, and registered for the 25th amendment on October 11, 2024.



## ESTABLISHMENT AND DEVELOPMENT PROCESS

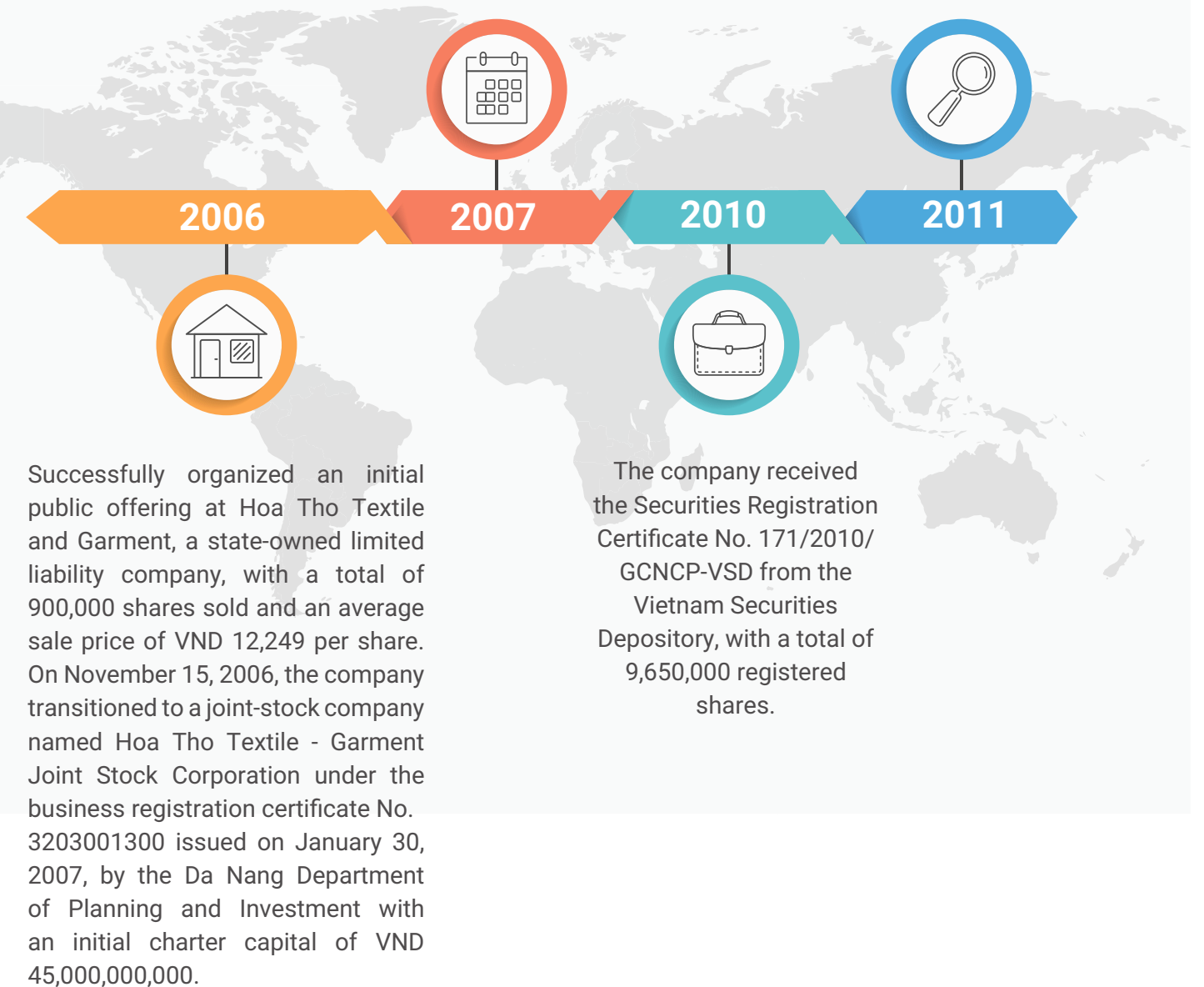
When Da Nang City was liberated, Hoa Tho Textile Factory was taken over by the government and resumed operations on April 21, 1975.

The company was renamed Hoa Tho Textile and Garment Company according to decision No. 433/QĐ-TCLĐ of the Vietnam Textile Corporation.



On July 2, 2007, Hoa Tho Textile - Garment Joint Stock Corporation was approved by the State Securities Commission of Vietnam (SSC) for public company registration.

The Chairman of the SSC issued Registration Certificate number 81/ UBCK-GCN for Hoa Tho Textile and Garment Joint Stock Company, approving the registration for public offering of shares, increasing the charter capital to VND 150,000,000,000.





## ESTABLISHMENT AND DEVELOPMENT PROCESS (Next)

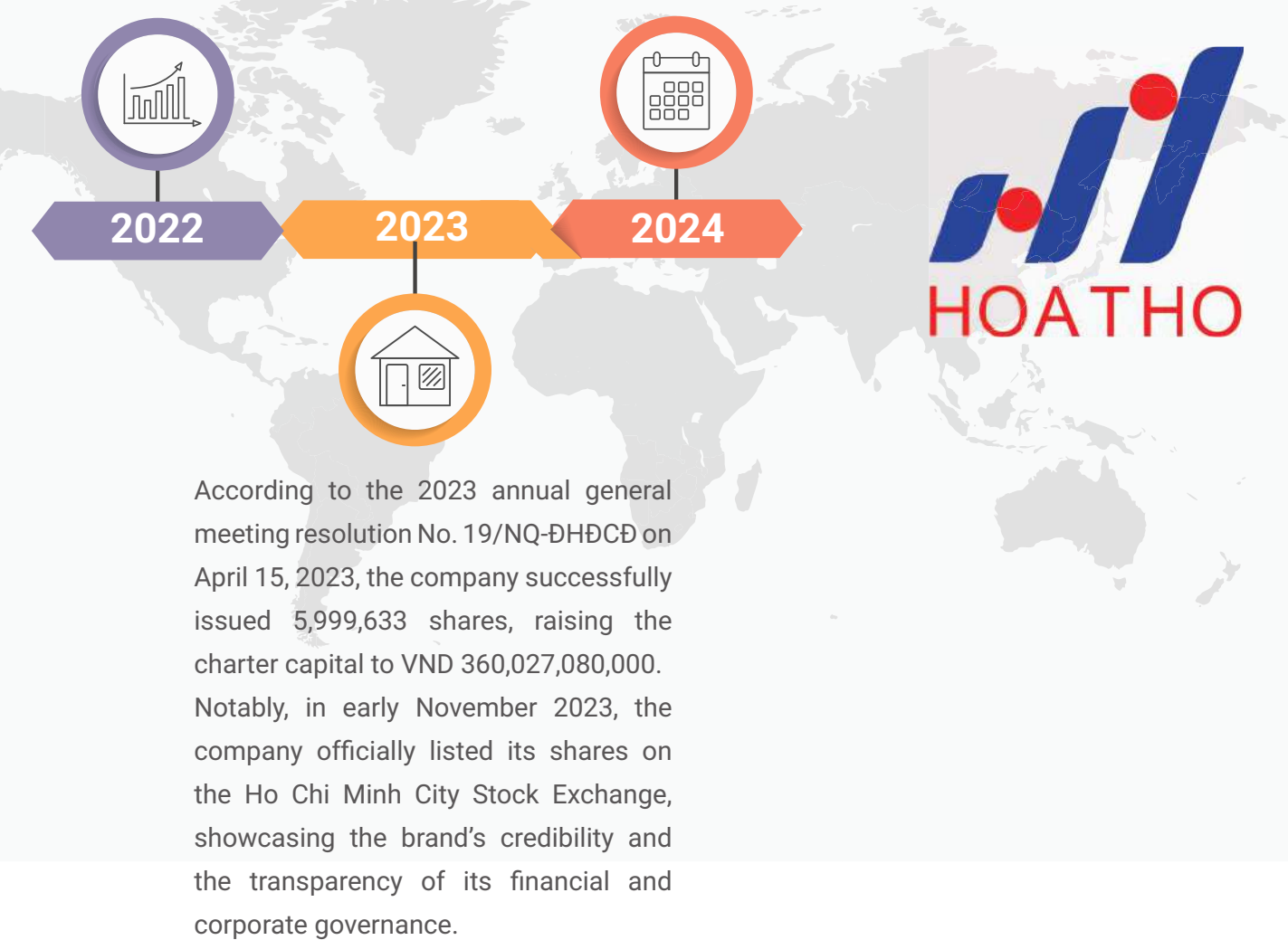
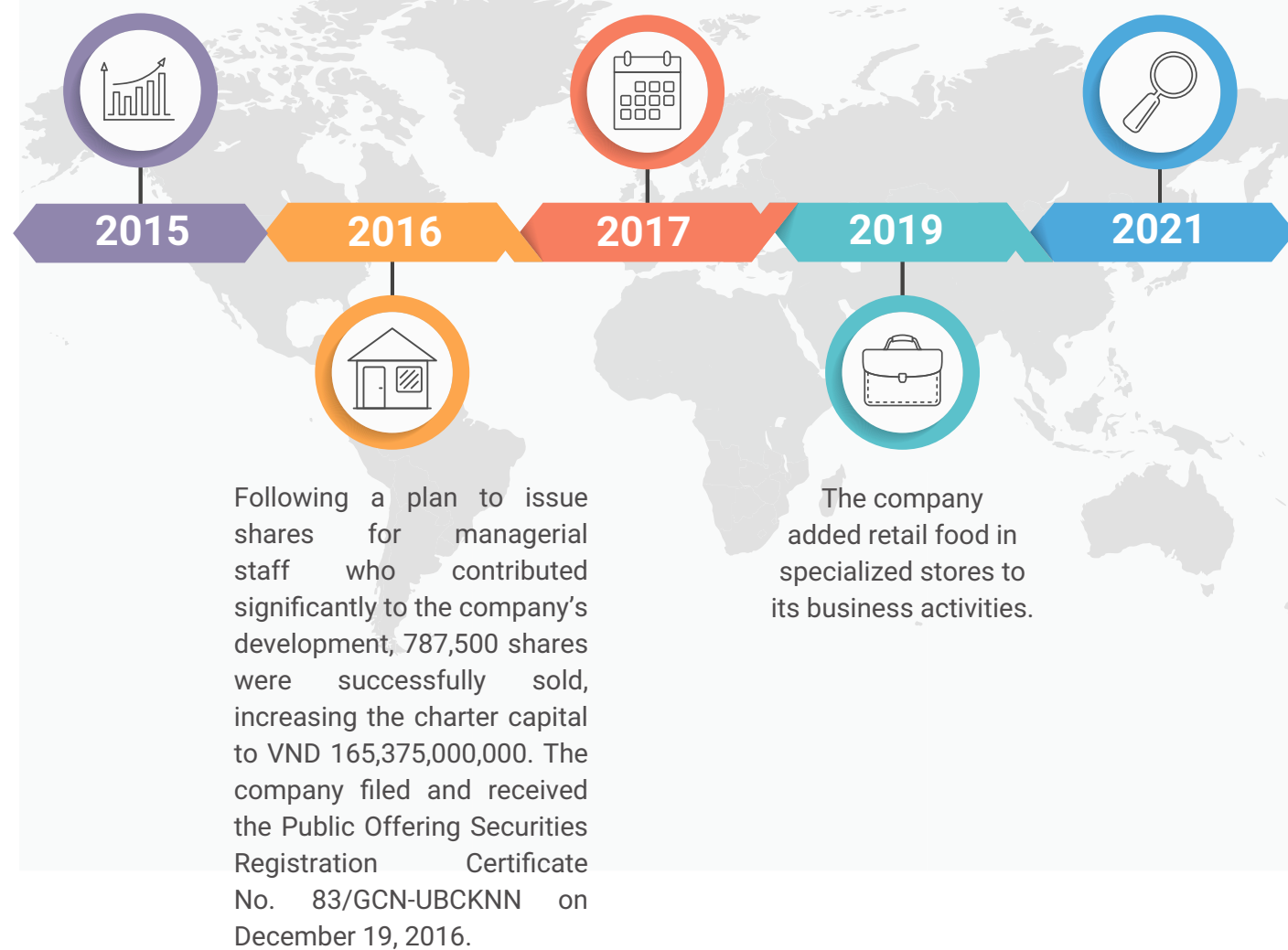
Based on the resolution of the annual general shareholders' meeting, a plan was approved to issue shares for the management and employees who have significantly contributed to the development of Hoa Tho Textile and Garment Joint Stock Company. The company successfully sold 750,000 shares, increasing the charter capital to VND 157,500,000,000.

On February 23, 2017, the company completed a capital increase to VND 225,000,000,000. In June 2017, the company officially registered to trade on the UPCOM exchange under the trading name HTG. Hoa Tho Textile and Garment Joint Stock Company is a member unit of the Vietnam National Textile & Garment Group (Vinatex) and the Vietnam Textile and Apparel Association (Vitas), which is part of the Ministry of Industry and Trade.

According to the resolution of the annual general shareholders' meeting, which approved the issuance plan for managerial staff who have made significant contributions to the development of Hoa Tho Textile and Garment Joint Stock Company, the company successfully sold 1,125,000 shares, increasing its charter capital to VND 236,250,000,000.

According to the 2022 annual general meeting resolution regarding dividend payment through stock issuance, the company successfully issued 6,378,750 shares, increasing the charter capital to VND 300,030,750,000.

According to Resolution No. 21/NQ-HĐQT dated September 10, 2024, the Board of Directors of the Corporation has agreed on the policy to divest all shares in Central Cotton and General Trading Joint Stock Company, with the number of shares to be transferred for divestment being 6,500 shares





## ACHIEVEMENTS AND AWARDS IN 2024

November 4, 2024

Merriman

## PRODUCTS ACHIEVING THE VIETNAM NATIONAL BRAND FOR THE PERIOD 2024 – 2026

According to Decision No. 2776/QĐ-BCT dated October 21, 2024, by the Minister of Industry and Trade, Hoa Tho Textile - Garment Joint Stock Corporation was awarded the Vietnam National Brand title for the period 2024 – 2026 for its Merriman fashion products.



## ENTERPRISE FOR WORKERS

June 25, 2024



Hoa Tho Textile - Garment Joint Stock Corporation received the "Typical Enterprise for Employees 2024" Award organized by the Vietnam General Confederation of Labor, Ministry Of Labour - Invalids And Social Affairs, the Vietnam Chamber of Commerce and Industry, and the Labor Newspaper.

September 30, 2024



According to Decision No. 232/QĐ-CĐDM dated September 30, 2024, Hoa Tho Textile - Garment Joint Stock Corporation was awarded the "Enterprise for Workers in the Vietnam Textile and Garment Industry 2024" award by the Vietnam Textile - Garment Union, the Vietnam National Textile and Garment Group, and the Vietnam Textile & Apparel Association.



Hoa Tho Textile - Garment Joint Stock Corporation was also presented with the "Second Prize for Outstanding Creative Labor Collective" medal at the 4th Creative Labor Festival – 2024, organized by the Vietnam Textile and Garment Union in collaboration with the Vietnam National Textile and Garment Group.



Hoa Tho Textile - Garment Joint Stock Corporation received a Certificate of Merit for being a "Enterprise for Workers 2024" at the 4th Creative Labor Festival – 2024, organized by the Vietnam Textile and Garment Union in collaboration with the Vietnam National Textile and Garment Group.



## ACHIEVEMENTS AND AWARDS IN 2024 (Next)

May 23, 2024

The Director General of the General Department of Vietnam Customs signed and issued Decision No. 1230/QĐ-TCHQ, extending the application of the Priority Enterprise regime to Hoa Tho Textile - Garment Joint Stock Corporation for the period 2024 - 2026

May 13, 2024

According to Decision No. 2171/QĐ-UBND dated May 13, 2024, the Chairman of the People's Committee of Cam Le District awarded a Certificate of Merit to the Party Committee of Hoa Tho Textile - Garment Joint Stock Corporation for being an exemplary collective in studying and following the thoughts, ethics, and style of Ho Chi Minh for the 2021-2024 period.

May 25, 2024

Hoa Tho Textile - Garment Joint Stock Corporation was awarded the Second Prize for the Practical First Aid Competition for Occupational Accidents at the 10th Safety and Hygiene Skills Contest in Da Nang City in 2024.

November 20, 2024

According to Reward Decision No. 64/QĐKT-ĐTN dated November 20, 2024, the Executive Committee of the Ho Chi Minh Communist Youth Union of Cam Le District awarded a Certificate of Merit to the company for being an outstanding unit leading in the field of Union work and Youth Movements in 2024.

November 25, 2024

According to Decision No. 5465/QĐ-UBND dated November 25, 2024, Hoa Tho Textile - Garment Joint Stock Corporation was awarded a Certificate of Merit by the Chairman of the People's Committee of Cam Le District for outstanding achievements in the work of "Youth Associations and Youth Movements" in 2024.

December 24, 2024

According to Decision No. 5924/QĐ-UBND dated December 24, 2024, the Chairman of the People's Committee of Cam Le District awarded a Certificate of Merit to Hoa Tho Textile - Garment Joint Stock Corporation for its excellent achievements in the "People's Movement, Fire Prevention, Firefighting, and Rescue" in 2024.

December 25, 2024

The Party Committee of Hoa Tho Textile - Garment Joint Stock Corporation received a Certificate of Merit for achieving the "Excellent Completion of Tasks" standard for 2024, awarded by the Executive Committee of the Party Committee of Cam Le District.

December 28, 2024

Hoa Tho Textile - Garment Joint Stock Corporation was awarded a Flag of Merit by the Vietnam General Confederation of Labor as an "Outstanding Unit" in the Workers' and Civil Servants' Movements and Trade Union Activities in 2024.





## BUSINESS LINES AND LOCATIONS OF THE BUSINESS

### LOCATIONS OF BUSINESS



## BUSINESS LINES AND LOCATIONS OF THE BUSINESS



### BUSINESS LINES

#### DOMESTIC MARKET

Hoa Tho has a primary distribution network concentrated in major cities such as Hanoi, Da Nang, and Ho Chi Minh City

#### INTERNATIONAL MARKET

The company offers a diverse range of products like suits, trousers, jackets, and protective clothing that meet high standards and are well-received in stringent markets like the USA, Europe, Japan, and South Korea.

#### EXPORT MARKET

- » US market 48%.
- » European market 13%.
- » Asian market 22% (of which Japan 16%).
- » Other markets 17%.

#### HEADQUARTERS

01

36 Ong Ich Duong, Cam Le District, Da Nang City

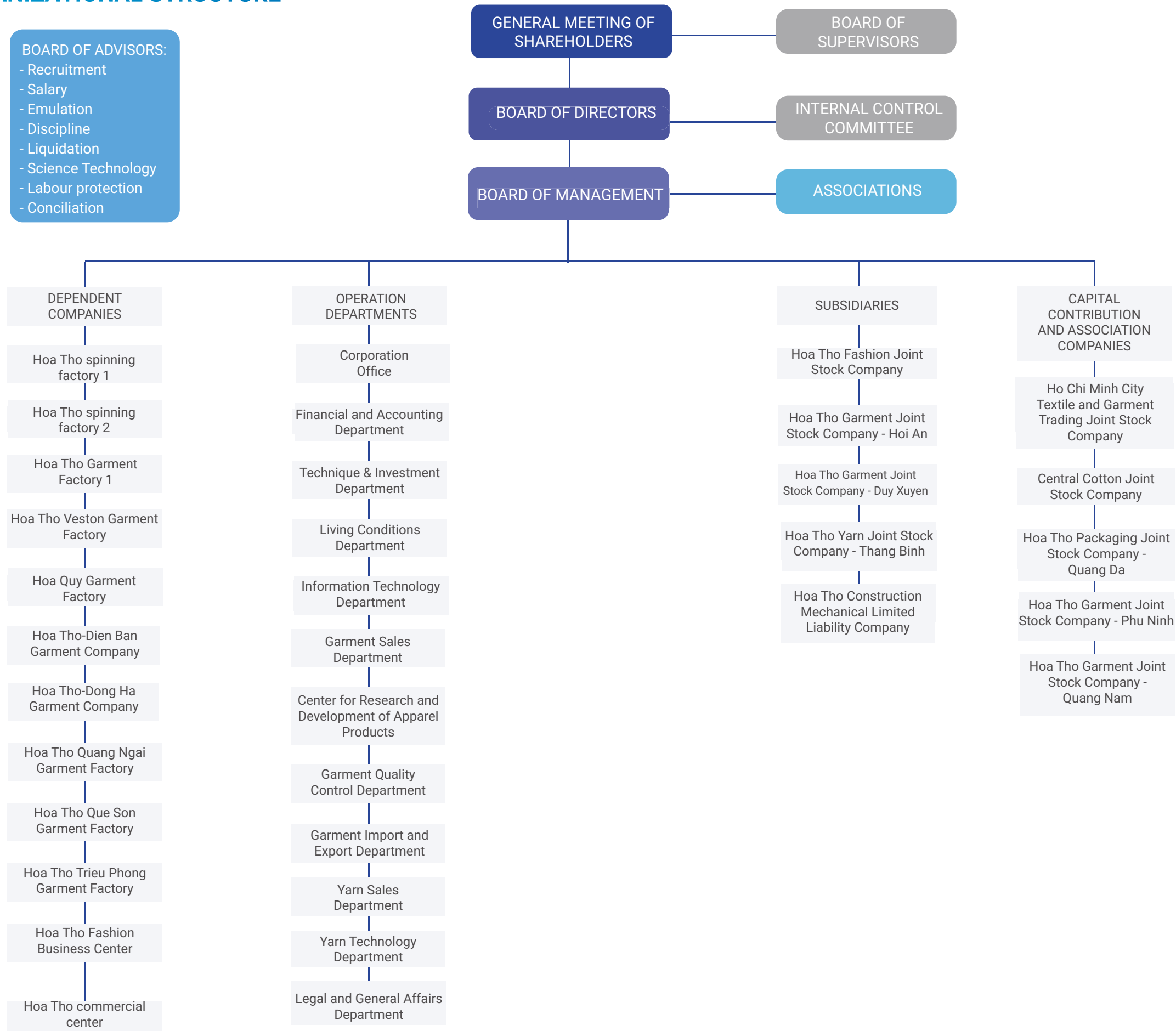
#### SUBSIDIARY

05

#### AFFILIATED COMPANY

02

## ORGANIZATIONAL STRUCTURE



## GOVERNANCE MODEL

The governance model at the Corporation includes: the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the General Director



### GENERAL MEETING OF SHAREHOLDERS (GMS)

It includes all shareholders and is the highest decision-making body of the Corporation. The General Meeting of Shareholders meets annually to decide on matters within its authority as stipulated by law and the Corporation's Charter



### BOARD OF GENERAL DIRECTORS (BOGD)

The Board of Directors is the governing body of the Corporation, with full authority to act on behalf of the Corporation to decide all matters related to the Corporation's objectives and interests, except for matters within the authority of the General Meeting of Shareholders. The Chairman of the Board of Directors leads the Board. The functions, duties, powers, and responsibilities of the Chairman and members of the Board are carried out in accordance with the law, the Corporation's Charter, and the Board's organizational and operational regulations.



### BOARD OF SUPERVISORS (BOS)

The Supervisory Board, elected by the General Meeting of Shareholders, is the organization that represents the shareholders to monitor all business activities, management, and operations of the Corporation. The Head of the Supervisory Board leads the Board. The functions, duties, powers, and responsibilities of the Head and members of the Supervisory Board are carried out in accordance with the law, the Corporation's Charter, and the organizational and operational regulations of the Supervisory Board



### BOARD OF MANAGEMENT (BOM)

The General Director is responsible for managing all business activities of the Corporation. The General Director is assisted by the Executive Board, which includes Deputy General Directors, the Executive Director, and the Chief Accountant. The General Director is accountable to the law, the General Meeting of Shareholders, and the Board of Directors for the execution of assigned tasks. The functions, powers, and responsibilities of the General Director are in compliance with the Corporation's Charter and regulations



## SUBSIDIARIES, ASSOCIATED COMPANIES

NO.	Unit	Address	Main Production and Business Sector	Charter Capital (Billion VND)	Ownership Percentage
I	The subsidiaries				
1	Hoa Tho Fashion Joint Stock Company	31 Phan Chau Trinh, Hai Chau I Ward, Hai Chau District, Da Nang City	Wholesale of fabrics, ready-made garments, shoes	10.1	76.88%
2	Hoa Tho Garment Joint Stock Company - Hoi An	26 Nguyen Tat Thanh, Tan An Ward, Hoi An City, Quang Nam Province	Manufacturing of ready-made garments (excluding apparel)	10.0	54.18%
3	Hoa Tho Garment Joint Stock Company - Duy Xuyen	855 Hung Vuong Street, Duy Trung Commune, Duy Xuyen District, Quang Nam Province	Manufacturing of ready-made garments (excluding apparel) Details: Garment manufacturing.	10.0	81.73%
4	Hoa Tho Yarn Joint Stock Company - Thang Binh	Ngoc Son Village, Binh Phuc Commune, Thang Binh District, Quang Nam Province	Yarn Manufacturing	100.0	74.49%
5	Hoa Tho Mechanical Construction Single Member Limited Liability Company	36 Ong Ich Duong, Hoa Tho Dong Ward, Cam Le District, Da Nang City	Mechanical processing; metal treatment and coating. Details: Manufacturing of steel frame structures; processing and fabricating ventilation systems, pressure systems of all types.	2	100%
II	The associated companies				
1	Hoa Tho Garment Joint Stock Company - Quang Nam	National Highway 1A, Ha Lam Town, Thang Binh District, Quang Nam Province	Manufacture of ready-made textiles (excluding apparel)	21.0	30.61%
2	Hoa Tho Garment Joint Stock Company - Phu Ninh	Cho Lo Industrial Cluster, Tam Thai Commune, Phu Ninh District, Quang Nam Province	Manufacture of ready-made garments (excluding apparel)	20.0	20.00%



## DEVELOPMENT ORIENTATIONS

### THE COMPANY'S MAIN OBJECTIVES



Focus on transforming corporate governance, gradually applying digitalization in production and business activities to improve efficiency, competitiveness, and product value in the value chain.



Diversify and expand export markets, seek and exploit new markets as well as potential customer segments.



Enhance business efficiency and maximize shareholder profit by maintaining and developing core businesses in the textile and garment industry. Simultaneously, improve financial management to ensure sustainable development.



Continue investing in scientific and technical research and applying information technology to improve production processes; upgrade modern and automated machinery and equipment systems.



Strengthening the supervision of the Board of Directors, Board of Supervisors and Internal Audit Board to ensure transparency and financial efficiency to bring practical benefits to shareholders.



Implement social responsibility and environmental protection goals through green production and the application of international standards for environmental and labor management. This objective aims towards sustainable development and creating long-term value for the Corporation and the community.



### MEDIUM AND LONG-TERM DEVELOPMENT STRATEGY

» Continue to innovate and develop core products while diversifying the product portfolio to meet the increasing demands of customers. Promote research and development to create high-value and differentiated products, helping to maintain a competitive position in the market. Continue expanding export markets, especially in potential regions such as Europe and the US. Simultaneously, strengthen domestic market development, particularly in e-commerce channels and domestic fashion sectors.

» Set a target to promote the application of information technology and digital transformation in production, management, and business activities. Invest in automation technologies to optimize production and management processes, minimize costs, and increase productivity.

» Continue investing in green production technology, environmental protection, and the use of renewable energy. Factories will be upgraded to meet green and sustainable standards, minimizing negative environmental impacts and enhancing resource efficiency.

» Enhance production capacity in key areas, especially the Central region, to develop Yarn - Weaving - Dyeing - Sewing supply chains. The company will build and upgrade factories according to international standards, while standardizing production processes and quality management systems to improve productivity and product quality.

» Continue to focus on training and developing human resources, creating a team of highly qualified, creative personnel who can meet the company's requirements in the digital age. Promote training and career development programs to enhance employees' competitiveness and creativity.

» Expand and consolidate strategic partnerships domestically and internationally, thereby creating opportunities for cooperation and expanding distribution channels, improving access to international markets, and optimizing the supply chain.

» Improve financial management, optimize costs, and ensure financial stability to maintain sustainable growth. Apply modern financial management methods to maximize profits and bring real value to shareholders.

» Implement socially responsible and environmentally protective activities, focusing on community programs and social security.

» Optimize operational efficiency, focusing on environmental protection measures, using renewable energy, efficiently exploiting energy and water resources, and ensuring sustainable development criteria are met.

» Continue to effectively implement environmental protection, fire prevention and fighting, security and order, fire and explosion prevention, food safety and hygiene, and occupational safety to ensure the Corporation's production and business activities are safe and efficient.

## DEVELOPMENT ORIENTATIONS (Next)

## SUSTAINABLE DEVELOPMENT GOALS



» Hoa Tho Textile - Garment Joint Stock Corporation is committed to relentlessly striving to ensure benefits for shareholders, employees, and customers. We strive to maintain stable business operations, create job opportunities, and provide stable incomes for employees.

» Focusing on caring for the material and spiritual lives of employees, fully implementing welfare regimes, coordinating with đoàn thể organizations to promote emulation movements in production and labor, and maintaining practical welfare programs for employees.

» Committed to creating the safest working conditions, helping employees feel secure in their work and maximize their potential. The goal is to build a healthy, civilized, and advanced working environment, ensuring work efficiency and high labor productivity.

» The Corporation always facilitates the activities of đoàn thể, political, and social organizations at the company, such as the Party, Trade Union, and Youth Union, helping to create a united and cohesive working environment.

» The Corporation focuses on the labor community and social security, upholding human values as the core value of the company culture. The company shares with and supports employees in difficult circumstances, while contributing to charitable activities and community support, especially in remote and disadvantaged areas.

» The Corporation always resolutely complies with and acts in accordance with legal regulations, especially in matters related to the environment. All of the company's production activities must comply with regulations and legal standards, ensuring sustainable development and environmental protection.

## HARMONIZING WITH THE ERA

## ENDURING WITH HUMANITY

VISION,  
MISSION

To be a pioneering and sustainable enterprise in the textile and garment industry, a trusted partner in the global supply chain, using digital technology as a platform for connection and operational excellence.

BUSINESS  
PHILOSOPHY

» The right people are the most valuable asset of the corporation.  
» Real value is created for customers.  
» Contributing to the development of the country, the living environment, and meeting the expectations of shareholders.

DEVELOPMENT  
ORIENTATION

Pioneering in business solutions, continuously improving to accompany leading customers and partners in the global textile and garment industry.

## RISKS



Risk management plays an important role in the development strategy of Hoa Tho Textile - Garment Joint Stock Corporation, helping the company maintain stability and sustainable development in a volatile business environment. The Board of Directors of Hoa Tho Textile - Garment Joint Stock Corporation has built and implemented a risk management process system to



ensure that the business can effectively cope with unforeseen fluctuations and maintain stability in business operations. This process helps Hoa Tho identify, assess, and control risks from internal and external factors, thereby maximizing opportunities and minimizing losses.



## ECONOMIC RISKS

The world economy in 2024 continues to face many major challenges, complex developments, and many unfavorable factors. Unfavorable factors are increasing, especially escalating military conflicts in some countries, with unpredictable developments and the risk of spreading. These tensions not only cause loss of life and property but also negatively impact the business environment. Conflicts and international tensions exacerbate security issues, destabilize global supply chains, and reduce the flexibility of economies in adapting to change.

Strategic competition between major powers like the US, China, and other nations has intensified, increasing instability in international trade. Protectionist trade policies and trade barriers are increasingly established, impacting free trade between countries. Consequently, the global economy is fragmenting, leading to dispersion in global supply chains and directly affecting export activities, investment, and economic development of nations, including Vietnam.

According to data from the General Statistics Office of Vietnam, in 2024, despite numerous risks

and instabilities in the global economy, Vietnam maintained stable growth. Vietnam's export turnover reached 37 billion USD, an 11.2% increase compared to the previous year, placing Vietnam second globally in total textile and garment export turnover, only behind China. The industrial production index increased by 8.4% compared to the same period last year, higher than the 1.3% increase in 2023 and 7.4% in 2022. Apparel and textile production indices both experienced strong growth, increasing by 11.7% and 12.1% respectively, demonstrating recovery and positive production growth.

However, the textile and garment industry still faces significant challenges. Competition from other textile and garment-producing countries like China, India, and Bangladesh is intensifying, and fluctuations in raw material prices can significantly impact production costs. Despite this, free trade agreements are opening up significant opportunities for Vietnam, especially in accessing new markets like Europe and the US.

To address these challenges and capitalize on these opportunities, Hoa Tho Textile - Garment Joint Stock Corporation needs to focus on diversifying export markets, exploring new potential markets, and leveraging the benefits of free trade agreements. The corporation also needs to increase investment in product research and development, while applying new technologies to enhance product quality and optimize production efficiency. Improving risk management capabilities and developing scenarios to respond to market fluctuations are key factors for Hoa Tho to maintain stability and achieve sustainable development in 2025.







## INTEREST RATE RISK

In 2024, the Vietnamese textile and garment industry continued to face impacts from bank interest rate policies, especially with changes in interest rates in major economies. After 11 consecutive interest rate hikes from March 2022 and maintaining a record high of 5.25-5.5% from July 2023, the US Federal Reserve System (Fed) cut interest rates three times in 2024 to 4.25%-4.5%. This created opportunities for central banks worldwide, including the State Bank of Vietnam (SBV), to maintain lower interest rates, thereby stimulating economic growth.

In Vietnam, lending rates remained low in 2024 to support businesses, including the textile and garment industry. However, exchange rate pressure persists, making it difficult for the SBV to further reduce interest rates. If interest rates decrease too sharply, the exchange rate could increase, affecting market sentiment and causing foreign investors to withdraw capital. For the textile and garment industry, this is a crucial factor to monitor, as borrowing costs constitute a significant portion of product costs.

To respond to this situation, the Corporation needs to proactively monitor and adjust its financial strategy, particularly regarding cash flow management and selecting appropriate loan sources, minimizing interest expenses, diversifying capital sources, and proactively negotiating preferential loan terms to maintain efficient production and business operations.



## EXCHANGE RATE RISK

The VND/USD exchange rate remains a crucial factor influencing the textile and garment industry, especially for major export-oriented enterprises like Hoa Tho Textile - Garment Joint Stock Corporation (HTG), with 90% of its revenue derived from exports. Exchange rate fluctuations directly impact HTG's cost structure, as raw materials are primarily imported from countries like China and India, while finished products are exported to markets such as the US, Europe, Japan, and Canada.

In 2024, the VND/USD exchange rate continued to fluctuate, influenced by both domestic and international economic factors. The State Bank of Vietnam (SBV) implemented measures to stabilize the exchange rate and prevent excessive fluctuations despite global economic uncertainties. At the end of 2024, the USD/VND exchange rate hovered around 24,500 VND/USD, lower than the highs recorded in previous years.

Exchange rate fluctuations directly affect HTG's profits. A weaker VND against the USD can increase the cost of imported raw materials, especially those from China and India, potentially

pressing the company's profit margins. However, a favorable exchange rate can enhance HTG's export competitiveness, making its products more attractive to international customers, thereby boosting export revenue growth. Conversely, prolonged exchange rate instability can create uncertainty in financial planning and affect investor confidence.

To mitigate exchange rate risks, HTG has implemented specific financial strategies such as forward contracts and hedging measures, ensuring stable import costs and minimizing the impact of sudden exchange rate fluctuations. The company also constantly monitors global exchange rate trends to adjust pricing strategies and financial management, maintaining competitiveness in the global textile market.

In the context of post-pandemic economic recovery and the development of trade relations, the exchange rate remains a critical factor in HTG's strategy for maintaining and achieving sustainable growth in the textile and garment industry.





## HUMAN RESOURCE RISKS

In the current context, wages in Vietnam's textile and garment industry have increased continuously over the years, now second only to China, and higher than other major textile and garment exporting countries such as India, Indonesia, Cambodia, and Bangladesh. This is reducing the competitiveness of Vietnam's textile and garment industry, as competing businesses can maintain lower labor costs, thereby increasing their competitiveness in exports.

Particularly, in the textile and garment industry, labor costs account for a large proportion of the total production costs of the Corporation. To train a skilled worker, the business must spend 3-6 months, during which time HTG will have to bear training costs and costs incurred due to damaged products. Personnel fluctuations, such as high turnover rates or a shortage of skilled labor, will also create difficulties in maintaining productivity and product quality.

Despite facing human resource challenges, HTG has made efforts to maintain stable jobs and income for all employees, while applying reasonable compensation, salary, bonus, and benefit policies to attract and retain employees. However, to ensure sustainable development, the Corporation needs to continue to improve labor management, promote training, develop professional skills for workers, and optimize labor costs in the context of a competitive labor market.

## LEGAL RISK

Legal risk is a significant factor affecting the stability and development capacity of the textile and garment industry in general and Hoa Tho Textile - Garment Joint Stock Corporation (HTG) in particular. Operating in Vietnam, HTG is subject to and governed by the domestic legal system, including fundamental laws such as the Enterprise Law, Accounting Law, Labor Law, along with policies, circulars, and decrees related to taxation, customs, import-export activities, and environmental protection.

Furthermore, as HTG is listed on the Ho Chi Minh City Stock Exchange (HOSE), the company must also comply with the regulations of the Vietnamese stock market, including those related to information disclosure and corporate governance.

In 2024, the Vietnam Securities Law underwent significant revisions, as stipulated in Law No. 56/2024/QH15, effective from January 1, 2025. These changes will directly impact HTG in updating and complying with requirements for information disclosure, shareholder obligations, and corporate governance. Additionally, the Ministry of Finance is drafting amendments and supplements to Decree 155/2020/ND-CP guiding the Securities Law to enhance the effectiveness of stock market management and supervision.



These adjustments may create new requirements that HTG must meet to ensure its operations are fully and accurately compliant.

Therefore, HTG needs to proactively update new legal regulations, train personnel, and adjust internal processes to minimize legal risks while capitalizing on the opportunities these legal changes bring. The corporate governance system also needs to be improved to meet new standards, helping the business maintain stability and development.

## COMPETITIVE RISKS

Vietnam's textile and garment industry always faces competition in raw materials and prices from major exporting countries such as China, India, Indonesia, and Cambodia, which supply raw materials at cheaper prices, thereby creating a great competitive advantage. Bangladesh is one of Vietnam's main competitors in textile and garment exports. In 2020, Bangladesh ranked 3rd in the world in textile and garment exports, after Vietnam and China, with a turnover of 29.8 billion USD. However, since 2022, Bangladesh has surpassed Vietnam to become the world's second-largest textile and garment exporter, with a turnover of 49 billion USD, a sharp increase of 64% compared to 2020. Meanwhile, Vietnam's textile and garment exports only increased from 35.3 billion USD in 2020 to 44.6 billion USD in 2022 and decreased by more than 10% in 2023, to 39.6 billion USD. Even China, the leading country in the textile and garment industry, only recorded a growth rate of 3.7% in 2023 compared to 2020.

This competition mainly stems from Bangladesh's cost advantage, with a minimum wage of only 75 USD/month, much lower than Vietnam (199 USD/month) and China (300 USD/month). This helps Bangladesh maintain low production costs, thereby attracting low-priced orders, especially during a period of weak global consumer demand, reducing the competitiveness of Vietnam's textile and garment industry.

However, in 2024, Bangladesh faced a serious political crisis, leading to economic decline and social instability. This crisis has caused disruptions in the country's textile and garment production and exports. Protests and political conflicts have significantly reduced production and business activities in Bangladesh, creating opportunities for other countries to strengthen their position in the global textile market.

In this context, Vietnam has the opportunity to leverage its position in the global textile and garment market. Participation in Free Trade Agreements (FTA) such as CPTPP, EVFTA, and RCEP has created significant opportunities for the textile and garment industry to expand markets and enhance competitiveness.

To capitalize on these opportunities and maintain competitiveness, textile and garment enterprises, especially Hoa Tho Textile - Garment Joint Stock Corporation (HTG), need to continuously improve labor productivity, apply advanced technology to production, and strengthen human resource management and sustainable market development to minimize production costs and enhance competitiveness in the international market.



## RAW MATERIAL RISKS

The textile and garment industry relies heavily on imported raw materials, especially fabrics and fibers from countries like China. Therefore, fluctuations in price, supply, and quality of these raw materials pose a significant challenge for the company.

In the context of the increasingly complex international situation, such as the war between Russia and Ukraine, the sharp increase in the prices of raw materials like cotton, crude oil, gasoline, and transportation costs has directly affected the product cost of Vietnam's textile and garment industry. These factors increase input material costs, especially when raw materials are mainly imported from countries like China, which is also facing political and economic influences.

In addition to rising prices, another risk factor for the textile and garment industry is the requirement to trace the origin of cotton, fabric, and yarn from Free Trade Agreements (FTAs) such as EVFTA and CPTPP. The requirements for "greening" textile products, ensuring that products meet sustainable and environmentally friendly standards, are creating significant challenges for businesses. This not only adds costs to the production process but also requires businesses to have long-term strategies to control the quality of raw materials and seek alternative sources.

To address these risks, HTG needs to continue to strengthen the control of the quality and price of input materials. At the same time, the company also needs to optimize the supply chain, reduce dependence on certain supply sources, and develop sustainable relationships with domestic and foreign suppliers. This will help HTG maintain production stability and protect profits in volatile market conditions.

## ENVIRONMENTAL RISKS

Environmental protection is not only an obligation but also an essential factor for maintaining the sustainable development of the enterprise. Despite significant efforts in implementing environmental protection measures, HTG still faces many potential risks related to production activities.

One of the major threats is environmental pollution caused by wastewater, emissions, and waste generated during the production process. Dyeing, weaving, and fabric finishing processes can generate harmful waste, affecting the surrounding environment and threatening public health. In addition, wastewater management in textile factories is also a major challenge, especially as the requirements for water treatment and reuse are becoming increasingly stringent by the authorities.

Despite this, HTG always focuses on fulfilling its environmental protection responsibilities. The Corporation has invested in using solar power

systems, and applying renewable energy sources in production to minimize dependence on fossil fuels and limit negative impacts on the environment. HTG has also developed and implemented environmental incident prevention and response measures such as wastewater treatment, waste control, and remediation of potential incidents. However, with increasingly stringent legal requirements for environmental protection and the constant change of environmental protection policies, environmental risks remain a factor that needs to be carefully managed.

Therefore, to ensure sustainable production and meet environmental protection requirements, HTG needs to continue investing in green production technology, improving waste control and treatment systems, and fully complying with environmental regulations. At the same time, the company also needs to develop contingency strategies to promptly handle environmental incidents, protecting not only the company's interests but also the health of the community and the surrounding environment.

## OTHER RISKS

Besides risks related to the market, raw materials, and the environment, Hoa Tho Textile - Garment Joint Stock Corporation (HTG) also faces uncontrollable risks, such as epidemics, natural disasters, fires, explosions, and other unexpected incidents. These factors can cause significant disruptions to production activities, affecting business performance, employee safety, and company assets.

In this context, HTG proactively monitors and gathers timely information about the surrounding environment, including natural factors and epidemics that may affect the company's operations. The Corporation has developed contingency scenarios to respond flexibly to all emergencies, from natural disasters to incidents caused by fires, epidemics, or other force majeure events. These scenarios help ensure the smooth operation of business activities while minimizing damage to the company.





# 2

## ORGANIZATION AND HUMAN RESOURCE

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## LIST OF THE BOARD OF DIRECTORS, SUPERVISORY BOARD, AND BOARD OF MANAGEMENT

As of December 31, 2024

No.	Member	Position
<b>BOARD OF DIRECTORS</b>		
1	Mr. Nguyen Van Hai	Chairman of the Board of Directors
2	Mr. Nguyen Ngoc Binh	Member of the Board of Directors cum General Director
3	Mr. Nguyen Duc Tri	Member of the Board of Directors
4	Ms. Tran Tuong Anh	Member of the Board of Directors
5	Mr. Le Quoc An	Independent Member of the Board of Directors
<b>SUPERVISORY BOARD</b>		
1	Ms. Nguyen Thi Kim Khanh	Head of the Supervisory Board
2	Mr. Nguyen Thanh Son	Member of the Supervisory Board
3	Mr. Hoang Duy Khanh	Member of the Supervisory Board
<b>BOARD OF MANAGEMENT</b>		
1	Mr. Nguyen Ngoc Binh	General Director cum Member of the Board of Directors
2	Ms. Hoang Thuy Oanh	Deputy General Director
3	Ms. Tran Thi Hoa Chau	Deputy General Director
4	Mr. Pham Ngoc Trung	Chief Executive Officer
5	Mr. Phan Quang Long	Chief Executive Officer
6	Mr. Nguyen Phuoc Hoang	Chief Executive Officer
7	Mr. Nguyen Van Cuong	Chief Executive Officer
8	Ms. Nguyen Thi Thu Trang	Chief Executive Officer
9	Ms. Nguyen Thi Minh Hang	Chief Executive Officer
10	Ms. Nguyen Thi Tuong Long	Chief Accountant

## BOARD OF DIRECTORS RESUME

# 01

**Nguyen Van Hai**  
Chairman of the Board of Directors

### Current Position

Chairman of the Board of Directors

### Work Experience

1992 – 2000	Head of the Automatic Embroidery Workshop at Vintex Company, Da Nang
2001 – 2005	Director of Garment Factory 1 – Hoa Tho Textile Company
2006 – 02/2007	Board Member and Director of Hoa Tho Garment Factory 1 – Hoa Tho Textile - Garment Joint Stock Corporation
03/2007 – 04/2009	Chief Executive Officer of the Corporation and Director of Hoa Tho Garment Company - Dong Ha
05/2009 – 2013	Chief Executive Officer of the Corporation and Director of Garment Factory 1, Veston Research and Improvement Department at Hoa Tho Textile - Garment Joint Stock Corporation
2014 – 08/2020	Deputy Permanent General Director, Member of the Party Committee Executive Board of Hoa Tho Textile - Garment Joint Stock Corporation
06/2020 - 10/10/2024	Board Member of Hoa Tho Textile - Garment Joint Stock Corporation
08/2020 - 10/10/2024	Board Member and General Director of Hoa Tho Textile - Garment Joint Stock Corporation
11/10/ 2024 to present	Chairman of the Board of Directors of Hoa Tho Textile - Garment Joint Stock Corporation
03/12/2024 to present	Party Secretary of Hoa Tho Textile - Garment Joint Stock Corporation

### Number of shares owned:

- **Personal:** 142,056 shares, accounting for 0.39%

- **Representative:** owns 25% of total outstanding shares



## BOARD OF DIRECTORS RESUME (Next)

02

**Nguyen Ngoc Binh**  
Board Member and General Director

**Current Position**

Board Member and General Director

**Work Experience**

1999 - 2000	Import-Export Officer at Garment Factory 1 - Hoa Tho Textile Company
2001 - 2002	Import-Export Officer at the Textile Export-Import Business Department - Hoa Tho Textile Company
2003 - 2004	Deputy Head of Textile Export-Import Business Department at Hoa Tho Textile Company
2005 - 2007	Deputy Head of Import-Export Yarn Business Department at Hoa Tho Textile Company
2008 - 2011	Deputy Director of Hoa Tho Yarn Company at Hoa Tho Textile - Garment Joint Stock Corporation
2012 - 2013	Head of Yarn Business Department at Hoa Tho Textile - Garment Joint Stock Corporation
2013 - 2014	Chief Executive Officer and Head of Yarn Business Department at Hoa Tho Textile - Garment Joint Stock Corporation
07/2014 - 10/10/2024	Deputy General Director of Hoa Tho Textile - Garment Joint Stock Corporation
06/2017 to present	Board Member and Deputy General Director of Hoa Tho Textile - Garment Joint Stock Corporation
03/2015 to present	Chairman of the Board of Directors of Hoa Tho Thang Binh Yarn Joint Stock Company
11/2015 to present	Chairman of the Members' Council of Hoa Tho Mechanical Construction Single Member Limited Liability Company
06/2022 to present	Board Member of Viet Thang Corporation - Joint Stock Company
04/2023 to present	Board Member of Hue Textile Garment Joint Stock Company
11/10/2024 to present	Board Member and General Director

**Number of shares owned:**- **Personal:** 273,171 shares, accounting for 0.76%- **Representative:** owns 25% of total outstanding shares

03

**Nguyen Duc Tri**  
Member of the Board of Directors

**Current Position**

Member of the Board of Directors

**Work Experience**

03/1990 - 04/1994	Specialist at Tam Ky General Trading Company, Quang Nam - Da Nang
05/1994 - 03/1997	Deputy Manager of Import-Export Department, Vinatex Danang Branch.
04/1997 - 05/2001	Manager of Import-Export Department, Vinatex Danang Branch
05/2001 - 07/2001	Assistant to the General Director, Hoa Tho Textile Company
08/2001 - 12/2005	Chief Executive Officer, Hoa Tho Textile Company
01/2006 - 12/2010	Deputy General Director, Hoa Tho Textile Company, now known as Hoa Tho Textile - Garment Joint Stock Corporation
04/2010	Deputy Secretary of the Party Committee, Hoa Tho Textile - Garment Joint Stock Corporation
03/2010 to present	Chairman of the Board, Hoa Tho Garment Joint Stock Company - Quang Nam.
01/2011 - 07/2020	General Director, Hoa Tho Textile - Garment Joint Stock Corporation
04/2015 - 10/10/2024	Secretary of the Party Committee, Hoa Tho Textile - Garment Joint Stock Corporation
06/2017 - 31/07/2020	Chairman and General Director, Hoa Tho Textile - Garment Joint Stock Corporation
01/01/2019 - 31/12/2019	Chief Executive Officer, Vietnam Textile Group
01/01/2020 to present	Deputy General Director, Vietnam Textile Group
28/05/2020 to present	Chairman of the Board, Hue Textile Garment Joint Stock Company
01/08/2020 - 10/10/2024	Chairman of the Board, Hoa Tho Textile - Garment Joint Stock Corporation.
11/10/2024 to present	Member of the Board of Directors, Hoa Tho Textile - Garment Joint Stock Corporation

**Number of shares owned:**- **Personal:** 1,123,185 cshares, accounting for 3.12%- **Representative:** owns 11.87% of total outstanding shares

## BOARD OF DIRECTORS RESUME (Next)

04

**Tran Tuong Anh**  
Member of the Board of Directors

**Current Position**

Member of the Board of Directors

**Work Experience**

07/1994 – 08/2017	Employee in the Administrative Organization Department, Deputy Head of Labor Organization, Deputy Head of Administrative Personnel, Chief of Office at Hoa Tho Textile - Garment Joint Stock Corporation.
01/2011 – 06/2014	Chief Executive Officer of Hoa Tho Textile - Garment Joint Stock Corporation
07/2014 – 08/2024	Deputy General Director of Hoa Tho Textile - Garment Joint Stock Corporation
05/2014 – 04/2022	Chairman of the Board of Directors at Hoa Tho Fashion Joint Stock Company
04/2015 – 08/2024	Member of the Standing Committee of the Party Committee of Hoa Tho Textile - Garment Joint Stock Corporation
04/2016 to present	Board Member and Deputy General Director of Hoa Tho Textile - Garment Joint Stock Corporation

**Number of shares owned:**

- **Personal:** 236,019 shares, accounting for 0.66%
- **Representative:** owns 0% of total outstanding shares

05

**Le Quoc An**  
Independent member of the Board of Directors

**Current Position**

Independent Member of the Board of Directors

**Work Experience**

1972 – 1975	Specialist at the National Economic Development Fund
1975 – 1998	General Director of Viet Thang Textile Company
1998 – 2010	Chairman of the Board of Members of Vietnam Textile and Garment Group
2010 to present	Retired under the pension scheme
06/2017 to present	Board Member of Hoa Tho Textile - Garment Joint Stock Corporation.

**Number of shares owned:**

- **Personal:** 30,480 shares, accounting for 0.08%
- **Representative:** owns 0% of total outstanding shares

## BOARD OF SUPERVISORS RESUME

01

**Nguyen Thi Kim Khanh**  
Head of the Board of Supervisors

**Current Position**

Head of the Board of Supervisors

**Work Experience**

2002 - 2007	Accountant at Thai Duong Private Enterprise
2007 - 2007	Accountant at Nhan Luat Steel Investment and Business Joint Stock Company
2007 - 2013	Accountant in the Finance and Accounting Department of Hoa Tho Textile - Garment Joint Stock Corporation
2013 - 2019	Deputy Head of the Finance and Accounting Department of Hoa Tho Textile - Garment Joint Stock Corporation
2019 to present	Head of the Internal Audit Department of Hoa Tho Textile - Garment Joint Stock Corporation, Head of the Board of Supervisors of Hoa Tho Textile - Garment Joint Stock Corporation
09/2013 to present	Head of the Board of Supervisors at Hoa Tho Garment Joint Stock Company, Duy Xuyen

**Number of shares owned:**

- **Personal:** 80,520 shares, accounting for 0.22%
- **Representative:** owns 0% of total outstanding shares

02

**Hoang Duy Khanh**  
Member of the Board of Supervisors

**Current Position**

Member of the Board of Supervisors

**Work Experience**

06/2013 to present	Financial and Accounting Specialist at Vietnam Textile and Garment Group
04/2023 to present	Member of the Board of Supervisors at Hoa Tho Textile - Garment Joint Stock Corporation

**Number of shares owned:**

- **Personal:** 0 shares, accounting for 0%
- **Representative:** owns 0% of total outstanding shares



BOARD OF SUPERVISORS RESUME (Next)

03 Nguyen Thanh Son  
Member of the Board of Supervisors

Current Position	Member of the Board of Supervisors
Work Experience	
02/1990 – 07/1998	Maintenance Worker 3-4, Yarn Factory, Hoa Tho Textile Plant
08/1998 – 12/1999	Permanent Member of the Party Committee, Secretary of the Ho Chi Minh Communist Youth Union, Deputy Director of Garment Factory 1, Hoa Tho Textile Company
01/2000 – 02/2002	Director of Garment Factory 2, Secretary of the Ho Chi Minh Communist Youth Union at Hoa Tho Textile Corporation
03/2002 – 12/2002	Deputy of Labor Management, Secretary of the Ho Chi Minh Communist Youth Union at Hoa Tho Textile Corporation
01/2003 – 04/2007	Permanent Member of the Party Committee, Permanent Member of Emulation and Commendation, Secretary of the Ho Chi Minh Communist Youth Union, Committee Member of the Union at Hoa Tho Textile Corporation
05/2007 – 04/2015	Permanent Member of the Party Committee, Permanent Member of Emulation and Commendation, Committee Member of the Union at Hoa Tho Textile Joint Stock Corporation.
05/2015 – 10/2017	Deputy Secretary of the Party Committee, Permanent Member of Emulation and Commendation, Committee Member of the Union at Hoa Tho Textile Joint Stock Corporation
06/2017 to present	Member of the Board of Supervisors at Hoa Tho Textile Joint Stock Corporation
11/2017 to present	Deputy Secretary of the Party Committee, Member of the Board of Supervisors, Chairman of the Union at Hoa Tho Textile Joint Stock Corporation

Number of shares owned:

- **Personal:** 120,380 shares, accounting for 0.33%
- **Representative:** owns 0% of total outstanding shares

BOARD OF MANAGEMENT RESUME

01 Nguyen Ngoc Binh  
Board Member and General Director

Biography of Mr. Nguyen Van Hai, Ms. Tran Tuong Anh, Mr. Nguyen Ngoc Binh: please refer to the biography of the Board of Directors

02 Hoang Thuy Oanh  
Deputy General Director

Current Position	Deputy General Director
Work Experience	
12/2000 – 03/2002	Import-Export Specialist at Vinatex Danang Branch
04/2002 – 04/2004	Officer in the Import-Export Business Department, Hoa Tho Textile Corporation
05/2004 – 07/2009	Deputy Head of the Import-Export Business Department, Hoa Tho Textile Joint Stock Corporation
08/2009 – 05/2014	Head of the Garment Business Department, Hoa Tho Textile Joint Stock Corporation
01/2011 – 06/2014	Chief Executive Officer, Hoa Tho Textile Joint Stock Corporation
07/2014 to present	Deputy General Director, Hoa Tho Textile Joint Stock Corporation
08/2020 to present	Board Member, Hoa Tho Garment Joint Stock Company - Duy Xuyen
04/2023 to present	Board Member, Hanoi Textile and Garment Joint Stock Corporation

Number of shares owned:

- **Personal:** 187,968 shares, accounting for 0.52%
- **Representative:** owns 0% of total outstanding shares





## BOARD OF MANAGEMENT RESUME (Next)

### 03 Tran Thi Hoa Chau Deputy General Director

<b>Current Position</b>	Deputy General Director
<b>Work Experience</b>	
04/2003 – 11/2007	Staff Member, Garment Business Department, Hoa Tho Textile and Garment Joint Stock Corporation
12/2007 – 02/2009	Team Leader, Garment Business Department, Hoa Tho Textile and Garment Joint Stock Corporation
03/2009 – 04/2013	Deputy Manager, Garment Business Department, Hoa Tho Textile - Garment Joint Stock Corporation
05/2013 – 05/2015	Manager, Garment Business Department 2, Hoa Tho Textile - Garment Joint Stock Corporation
06/2015 – 07/2020	Chief Executive Officer and Manager, Garment Business Department 2, Hoa Tho Textile and Garment Joint Stock Corporation
08/2020 – 04/2022	Deputy General Director and Manager, Garment Business Department 2, Hoa Tho Textile and Garment Joint Stock Corporation
05/2022 - 03/2024	Deputy General Director and Manager, Garment Business Department 1, Hoa Tho Textile and Garment Joint Stock Corporation
04/2024 to present	Deputy General Director of Hoa Tho Textile - Garment Joint Stock Corporation
05/2017 to present	Chairman of the Board of Directors, Hoa Tho Hoi An Garment Joint Stock Company
<b>Number of shares owned:</b>	
- <b>Personal:</b>	119,206 shares, accounting for 0.33%
- <b>Representative:</b>	owns 0% of total outstanding shares

### 04 Pham Ngoc Trung Chief Executive Officer

<b>Current Position</b>	Chief Executive Officer
<b>Work Experience</b>	
2000 – 2007	In charge of planning at Factory 2, Hoa Tho Textile and Garment Joint Stock Corporation
2008 – 2009	Deputy Director of Factory 2, Hoa Tho Textile - Garment Joint Stock Corporation
2010 – 08/2014	Director of Hoa Tho Veston Factory, Hoa Tho Textile - Garment Joint Stock Corporation
08/2014 to present	Chief Executive Officer and Director of Hoa Tho Veston Factory, Hoa Tho Textile - Garment Joint Stock Corporation
08/2015 - 08/2020	Chairman of the Board of Directors, Hoa Tho Garment Joint Stock Company - Duy Xuyen
08/2014 – 03/2016	Chairman of the Board of Directors, Hoa Tho Garment Joint Stock Company - Phu Ninh
04/2016 – 08/2016	Chairman of the Board of Directors and Director, Hoa Tho Garment Joint Stock Company - Phu Ninh
09/2016 to present	Chairman of the Board of Directors, Hoa Tho Garment Joint Stock Company - Phu Ninh
<b>Number of shares owned:</b>	
- <b>Personal:</b>	138,630 shares, accounting for 0.39%
- <b>Representative:</b>	owns 0% of total outstanding shares





## BOARD OF MANAGEMENT RESUME (Next)

**05** Phan Quang Long  
Chief Executive Officer**Current Position** Chief Executive Officer**Work Experience**

06/1993 – 1995	Planning officer for wages at Dien Ban Garment Enterprise
1995 – 2002	Materials officer at Dien Ban Garment Enterprise
2002 – 2013	In charge of planning at Hoa Tho Garment Company - Dien Ban
2013 – 05/2014	Deputy Director of Hoa Tho Garment Company - Dien Ban
06/2014 to present	Director of Hoa Tho Garment Company - Dien Ban
08/2015 – 07/2017	Chairman of the Board of Directors, Hiep Duc Garment Joint Stock Company
01/2016 to present	Chief Executive Officer of Hoa Tho Textile - Garment Joint Stock Corporation, also serving as Director of Hoa Tho Garment Company - Dien Ban

**Number of shares owned:**

- **Personal:** 140,199 cshares, accounting for 0.39%
- **Representative:** owns 0% of total outstanding shares

**06** Nguyen Phuoc Hoang  
Chief Executive Officer**Current Position** Chief Executive Officer**Work Experience**

07/1996 – 04/1999	Worker at Hoa Tho Yarn Factory, Hoa Tho Textile and Garment Company
05/1999 – 09/2004	Production Shift Leader at Hoa Tho Yarn Factory, Hoa Tho Textile - Garment Joint Stock Corporation
10/2004 – 02/2013	Labor Supervisor at Hoa Tho Yarn Factory, Hoa Tho Textile - Garment Joint Stock Corporation
04/2013 - 03/2016	Deputy Director of Hoa Tho Yarn Factory 2, Hoa Tho Textile - Garment Joint Stock Corporation
04/2016 to present	Director of Hoa Tho Yarn Factory 2, Hoa Tho Textile and Garment Joint Stock Corporation
08/2020 to present	Chief Executive Officer of Hoa Tho Textile - Garment Joint Stock Corporation

**Number of shares owned:**

- **Personal:** 53,541 shares, accounting for 0.15%
- **Representative:** owns 0% of total outstanding shares

**07** Nguyen Van Cuong  
Chief Executive Officer**Current Position** Chief Executive Officer**Work Experience**

12/1984 – 12/1987	Accountant of MB Dien Quang Cooperative, Dien Ban, Quang Nam
01/1988 – 12/1997	Planning and accounting at Dien Ban Garment Enterprise
01/1988 – 09/2003	Chief Accountant at Quang Nam Garment Company
09/2003 – 08/2011	Specialist, Deputy Head of Finance and Accounting Department, Head of Finance and Accounting Department at Hoa Tho Textile and Garment Joint Stock Corporation
08/2011 – 12/2019	Chief Accountant of Hoa Tho Textile - Garment Joint Stock Corporation
04/2014 to present	Head of the Board of Supervisors, Hoa Tho Garment Joint Stock Company Quang Nam
01/2020 to present	Chief Executive Officer of Finance, Person in Charge of Administration at Hoa Tho Textile - Garment Joint Stock Corporation
01/2020 to present	Board Member of Hoa Tho Yarn Joint Stock Company Thang Binh
11/2020 to present	Board Member of Hoa Tho Garment Joint Stock Company Duy Xuyen
05/2022 to present	Chairman of the Board of Directors, Hoa Tho Fashion Joint Stock Company

**Number of shares owned:**

- **Personal:** 95,594 shares, accounting for 0.27%
- **Representative:** owns 0% of total outstanding shares



## BOARD OF MANAGEMENT RESUME (Next)

**08** **Nguyen Thi Thu Trang**  
Chief Executive Officer**Current Position** Chief Executive Officer**Work Experience**

09/2007	Office Specialist, Hoa Tho Textile - Garment Joint Stock Corporation
08/2012	Specialist in Charge of Social Responsibility – Office of Hoa Tho Textile and Garment Joint Stock Corporation
01/2014	Deputy Office Manager, Hoa Tho Textile - Garment Joint Stock Corporation
08/2017 to present	Office Manager, Hoa Tho Textile - Garment Joint Stock Corporation
08/2022 to present	Secretary of the Party Cell at the Office, Hoa Tho Textile - Garment Joint Stock Corporation
06/04/2023 to present	Chief Executive Officer and Office Manager, Hoa Tho Textile - Garment Joint Stock Corporation

**Number of shares owned:**

- **Personal:** 20,553 shares, accounting for 0.06%
- **Representative:** owns 0% of total outstanding shares

**09** **Nguyen Thi Minh Hang**  
Chief Executive Officer**Current Position** Chief Executive Officer**Work Experience**

05/2012 - 06/2013	Business staff, Export-Import Garment Business Department, Hoa Tho Textile - Garment Joint Stock Corporation
06/2013 - 08/2014	Team leader, Garment Business Department 1, Hoa Tho Textile - Garment Joint Stock Corporation
08/2014 - 12/2017	Deputy Head of Garment Business Department 1, Hoa Tho Textile - Garment Joint Stock Corporation
01/2018 - 04/2023	Head of Garment Business Department 5, Hoa Tho Textile - Garment Joint Stock Corporation
04/2023 to present	Chief Executive Officer, Hoa Tho Textile - Garment Joint Stock Corporation

**Number of shares owned:**

- **Personal:** 43,453 shares, accounting for 0.12%
- **Representative:** owns 0% of total outstanding shares

**10** **Nguyen Thi Tuong Long**  
Chief Accountant**Current Position** Chief Accountant**Work Experience**

10/2005 – 12/2013	Accountant at Hoa Tho Textile - Garment Joint Stock Corporation
01/2014 – 06/2020	Deputy Manager of Finance and Accounting at Hoa Tho Textile - Garment Joint Stock Corporation
07/2020 to present	Chief Accountant at Hoa Tho Textile - Garment Joint Stock Corporation
06/2017 to present	Head of the Board of Supervisors at Hoa Tho Fashion Joint Stock Company
04/2022 to present	Member of the Board of Directors at Hoa Tho Hoi An Garment Joint Stock Company

**Number of shares owned:**

- **Personal:** 54,330 shares, accounting for 0.15%
- **Representative:** owns 0% of total outstanding shares





HUMAN RESOURCES SITUATION AND POLICIES FOR EMPLOYEES

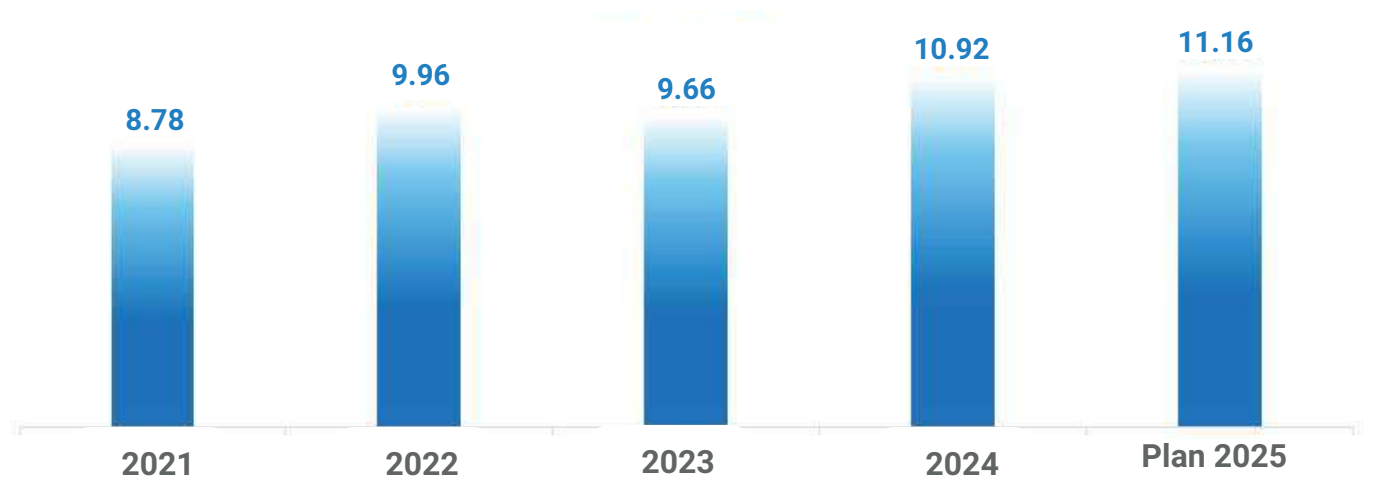
No.	Criteria	2024	
		Quantity (people)	Proportion (%)
CLASSIFICATION BY QUALIFICATION			
1	University, Post-graduate	507	5.26%
2	College, Vocational	575	5.97%
3	Basic and Technical Workers	262	2.72%
4	General Labor Qualification	8,287	86.05%
CLASSIFICATION ACCORDING TO LABOR NATURE			
1	Direct Labor	6,468	67.16%
2	Indirect Labor	3,163	32.84%
CLASSIFICATION BY GENDER			
1	Male	2,464	25.58%
2	Female	7,167	74.42%
ACCORDING TO CONTRACT DURATION			
1	Short-term contract under 1 year	43	0.45%
2	Fixed-term contract 1 to 3 years	40	0.42%
3	Indefinite term contract	9,548	99.14%
ACCORDING TO MANAGEMENT LEVEL			
1	High-level Management	14	0.15%
2	Mid-level Management	27	0.28%
3	Branch-level Management	36	0.37%
ACCORDING TO AGE			
1	Ages 18 to 25	896	9.30%
2	Ages 26 to 35	3,887	40.36%
3	Ages 36 to 45	3,465	35.98%
4	Over 45	1,383	14.36%
Total		9,631	100.00%

AVERAGE INCOME OF EMPLOYEES OVER THE YEARS

Unit: Million VND/person/month

YEAR	2021	2022	2023	2024	PLAN 2025
Average income of employees	8.78	9.96	9.66	10.92	11.16
Total number of employees (people)	9,807	10,339	10,133	9,631	9,955

Average income of workers in the period 2021-2024



Hoa Tho Textile - Garment Joint Stock Corporation and the Trade Union always closely coordinate to take care of the material and spiritual life of employees. Welfare policies, vocational training, and cultural and sports activities help create a healthy working environment, fostering solidarity and unity among members. Thanks to this, the Corporation's labor force is always stable and qualified, ensuring the completion of production and business targets in 2024 and subsequent years.







Hoa Tho Textile - Garment Joint Stock Corporation is deeply aware of the important role of human resources in ensuring the sustainable existence and development of the enterprise. Therefore, the Corporation constantly strives to create a positive working environment and adequate conditions for employees, from improving the quality of spiritual life to improving the working environment. The Corporation regularly grasps the thoughts and aspirations of employees to have reasonable support policies, while maintaining high-quality training and recruitment. These efforts help improve the capacity and quality of the workforce, create attachment and peace of mind for employees, accompanying the development and success of the company.

## POLICIES FOR EMPLOYEES

### REMUNERATION POLICY

The remuneration policy at Hoa Tho Textile and Garment Joint Stock Corporation is designed to ensure fairness and encourage employees to contribute actively to the development of the enterprise. The salary payment process is based on the overall production and business results of the unit and the individual contribution of each employee. The Corporation applies the principle of paying salaries according to job level coefficients, piecework wages, and product wages, combined with evaluating work completion results, to ensure reasonable and fair wages for all employees.

The Corporation consistently ensures timely and complete salary payments, including supplementary

payments such as the 13th-month salary, Tet bonuses, and bonuses for significant holidays like New Year's Day, April 30th, May 1st, and National Day. Furthermore, performance-based reward and recognition programs are implemented to motivate outstanding teams and individuals, fostering innovation and enhancing productivity. The Corporation also provides seniority bonuses and Tet gifts for long-term employees. This policy helps secure the livelihood of employees, motivating them to dedicate themselves to the company's sustainable growth.

### PROJECTED SALARY AND BONUS POLICY FOR EMPLOYEES IN 2025

Continue maintaining salary, bonus, benefits, training, and promotion policies for employees. The average employee income will increase by 7% compared to 2024, and policies will be enacted to improve employee well-being based on business performance

### BENEFITS POLICY

» Complying with the welfare policies as prescribed by the government, ensuring 100% of employees are covered by social insurance, health insurance, and unemployment insurance, providing 24/7 risk insurance for all workers, and offering health insurance for key personnel, along with cancer screening for female employees.

» Health check-ups for employees are organized by Da Nang General Hospital to monitor and improve workers' health conditions.

» Cultural, artistic, and sports activities such as cooking contests, folk culture festivals, and men's and women's football tournaments are organized to create a positive atmosphere, strengthen the bond among company members, and build team spirit.

» Birthday gifts are given to employees, and gifts are presented to retired staff, with bonuses provided during holiday periods such as New Year's Day, Lunar New Year, April 30, May 1, National Day, and other occasions.

» Support is provided to employees facing difficult circumstances, with assistance for those with children in daycare, travel expenses, and transportation support.

» Domestic and international trips are organized for employees to help them relax and improve their mental well-being.

» The company focuses on human resource training, especially for senior management, and continuously fosters and develops the skills of employees.

» Investment is made in the infrastructure to create a green, clean, and beautiful working environment and to develop a corporate culture that ensures employees feel secure and engaged with the company.

» The Corporation has provided additional Buggy cars and electric motorcycles to assist employees with mobility and work-related tasks within the company premises.

» Improvements have been made to the motorcycle and car parking areas, landscaping has been enhanced with more greenery around the premises, and the coffee room space has been expanded. The Hoa Tho supermarket has also increased its range of fresh packaged items to meet employees' shopping needs more quickly and conveniently.

» Free yoga and dance sports classes are offered, along with foosball tables, ping-pong tables, and badminton courts for employees to relax during breaks and after work.

» Regular maintenance and repairs are carried out to ensure the safety, cleanliness, and aesthetic quality of the factory and office buildings.





## POLICIES FOR EMPLOYEES (Next)

### RECRUITMENT AND TRAINING POLICY

The Corporation implements a rigorous recruitment process to select new employees with the necessary qualifications, skills, and experience for various positions. Simultaneously, the company emphasizes ethical conduct and the desire for long-term commitment from employees. Hòa Thọ considers human resources as its most valuable asset, a decisive factor in the company's survival and sustainable development. Developing high-quality human resources is a prerequisite for the Corporation to achieve its long-term development goals.

The Corporation focuses on training and developing professional expertise for its employees. The Corporation regularly organizes training courses to enhance employee capabilities comprehensively. Additionally, the company conducts online training, internal training, and classes to improve the capacity of its workforce, thereby meeting the requirements for effective research and development of the production chain at the factories.





POLICIES FOR EMPLOYEES (Next)

RECRUITMENT AND TRAINING POLICY

2024 Training Courses

.NO	TRAINING COURSE NAME	TRAINING UNIT
1	Fiber and Textile Technology Engineer	Hanoi University of Textile and Garment Industry
2	Corporate Culture	(Internal) Deputy General Director Tran Tuong Anh
3	Deputy General Director Tran Tuong Anh	Central Occupational Safety and Health Training and Inspection Joint Stock Company
4	Occupational Safety and Health Training for Group 3 and Group 6	BSI Vietnam
5	Awareness and Internal Auditor Training for Quality Management System according to ISO 9001:2015	(Internal)
6	Business Communication and Situation Handling Experience	Hung Garment Factory
7	CompTIA Security+	SmartPro Training and Consulting Joint Stock Company
8	Professional Business Analysis (BA)	ITExpert Training Center
9	Digital Performance	Tomorrow Marketers Service Joint Stock Company
10	Brand Development	Tomorrow Marketers Service Joint Stock Company
11	Data Analysis	Tomorrow Marketers Service Joint Stock Company
12	Date Engineer	Insight DATA Data Analysis Solutions Company Limited
13	The Art of People Management	VCCI
14	Power BI Data Analyst	Datapot Company Limited
15	Investment and Bidding Project Management	Corporation
16	Commodity Policy & Import-Export Commodity Specialized Management	Vietnam Customs School



.NO	TRAINING COURSE NAME	TRAINING UNIT
17	Line Leader - Shift Leader	Ho Chi Minh City College of Industry
18	Labor Law – Updates on Guidance Documents and Lessons Learned from Practical Situations	VCCI
19	Sales Skills and CV Implementation	New Vision Company
20	Middle Management	VCCI
21	Yarn Quality Control Training	Ho Chi Minh City College of Industry
22	Corporate Culture for Specialists	Deputy General Director Tran Tuong Anh (Internal)
23	SA:8000 Internal Auditor	BV
24	Middle Management Corporate Culture	Deputy General Director Tran Tuong Anh ((Internal
25	Legal	Corporation
26	Fabric Defect Analysis	Le Thi Tuyen Hoa and Nguyen Thi Tram
27	Social Insurance 2024	VCCI - ITB
28	Sustainable Production and Consumption for Manufacturing Enterprises	VCCI
29	Common Mistakes When Preparing Social Insurance Inspection Documents	ATC Academy
30	Sewing Line Technical Training	Ho Chi Minh City College of Industry
31	Capacity Building for Businesses through RCEP & FPA	VCCI
32	Soft Skills for Employees	VCCI
33	Yarn Industry Bureau Project 2024	Hanoi Textile and Garment College





# 3

OPERATIONS  
IN THE YEAR

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SITUATION OF PRODUCTION AND BUSINESS OPERATIONS

Unit: Million VND

NO.	TARGET	2023 IM.	2024 IM.	% 2024/2023
1	Net Revenue	4,700,210	5,102,929	108.57%
2	Cost of Goods Sold	4,268,076	4,510,747	105.69%
3	Financial Income	84,155	115,657	137.43%
4	General & administration, sales, and financial expenses	311,846	375,199	120.32%
5	Profit from business activities	206,842	334,518	161.73%
6	Other profit	3,969	18,353	462.47%
7	Profit before tax	210,811	352,872	167.39%
8	Profit after tax	169,873	282,504	166.30%

In 2024, the global economy faced numerous difficulties and challenges, including a global economic downturn, rising inflation, and prolonged political instability. These objective factors significantly impacted the textile and garment industry, as market demand stagnated, and orders were primarily small and fragmented with stringent quality and delivery time requirements. Notably, during the first six months, order values remained low, with some even below production costs, resulting in a bleak market outlook. However, the situation unexpectedly reversed in the latter half of the year as some of Vietnam’s textile and garment competitors, particularly Bangladesh, faced political instability. This created an opportunity for Vietnam, as customers shifted orders from Bangladesh, prioritizing the Vietnamese textile and garment market.

In response to these unexpected changes, Hoa Tho Textile - Garment Joint Stock Corporation proactively implemented various solutions to maintain and boost production and business activities. Specifically, the company’s net revenue increased by 8.57% compared to 2023, while the cost of goods sold only rose by 5.69%, indicating effective cost control. However, increased input fabric prices from China and higher energy costs for production exerted pressure on production expenses. Despite this, gross profit increased significantly by 37.04% compared to the previous year. Financial income also saw a 37.43% compared to the previous year increase, contributing to the robust growth of net profit from business activities, which surged by 61.73% to 334,518 million VND, the highest profit in the company’s history.



CONSOLIDATED NET REVENUE STRUCTURE

Unit: Million VND

ITEM	2023		2024	
	Value	Proportion	Value	Proportion
Garment Industry	3,772,753	80.27%	4,084,717	80.05%
Yarn Industry	927,457	19.73%	1,018,212	19.95%
Total	4,700,210	100%	5,102,929	100%

GROSS PROFIT STRUCTURE

Unit: Million VND

ITEM	2023		2024	
	Value	Proportion	Value	Proportion
Garment Industry	417,750	96.67%	521,141	88.00%
Yarn Industry	14,384	3.33%	71,071	12.00%
Total	432,134	100%	592,212	100%





SITUATION OF PRODUCTION AND BUSINESS OPERATIONS (Next)

EXPORT MARKET STRUCTURE IN 2024

Unit: 1,000 USD

ITEM	2023		2024	
	Value	Proportion	Value	Proportion
USA	123,594	47.20%	121,739	47.70%
Japan	52,636	20.10%	40,418	15.84%
Europe (EU 28)	35,225	13.45%	32,453	12.72%
South Korea	5,814	2.22%	3,935	1.54%
China	5,458	2.08%	5,749	2.25%
ASEAN	6,725	2.57%	6,654	2.61%
Other	32,379	12.37%	44,276	17.35%
Total	261,831	100%	255,224	100%

In 2024, Hoa Tho Textile - Garment Joint Stock Corporation’s export market experienced significant fluctuations. Although the total export value slightly decreased from 261.8 million USD to 255.2 million USD, the proportion of exports to key markets remained stable. Specifically, exports to the US maintained the highest share at 47.7%, despite a slight decrease in value compared to 2023. Conversely, exports to Japan declined sharply from 52.6 million USD (20.1%) to 40.4 million USD (15.84%) due to a significant drop in Japanese import demand.

However, exports to China and other markets showed positive growth. Exports to China increased from 5.5 million USD (2.08%) to 5.7 million USD (2.25%), driven by order shifts from other markets like Bangladesh and Myanmar, which faced production and export challenges. The “Other” market also grew significantly, from 32.4 million USD to 44.3 million USD, reflecting Hoa Tho’s market expansion strategy and effective utilization of Free Trade Agreements (FTAs). Despite the slight decrease in total export value from 261.8 million USD to 255.2 million USD, the proportion of key markets like the US and China remained stable. This demonstrates the company’s sound strategic shift in seeking and expanding new markets, while reflecting Hoa Tho’s adaptability to fluctuations in the global economy.





INVESTMENT ACTIVITIES, PROJECT IMPLEMENTATION IN 2024

Unit: Billion VND

NO.	PROJECT NAME	COMPLETION TIME	TOTAL INVESTMENT	CONTRACT VALUE	IMPLEMENTED VALUE 2024	DISBURSED VALUE YEAR 2024	NOTE
1	In-depth Investment Project and Garment Industry Equipment Supplement - Phase 4, 2023	February 2024	8.5	7.7	7.7	7.7	Completed
2	Project: In-depth Investment in Garment Industry Equipment and Technology - Phase 1, 2024	Q2/2024 – Q4/2024	50	47	47	22	Completed
3	In-depth Investment Project for Yarn Industry Equipment Supplement	April 2024	18	16.1	16.1	16.1	Completed
4	In-depth Investment Project for Yarn Industry Equipment Supplement Phase 2, 2023	May 2024	4.2	3.28	3.28	3.28	Completed
5	Project: In-depth Investment in Yarn Industry Equipment	Year 2024 – Q1/ Year 2025	35	18.6	16.3	14.7	In progress



NO.	PROJECT NAME	COMPLETION TIME	TOTAL INVESTMENT	CONTRACT VALUE	IMPLEMENTED VALUE 2024	DISBURSED VALUE YEAR 2024	NOTE
6	Trieu Phong Garment Factory Construction Investment Project – Phase 3	Year 2024	96	59.5	59.5	53.2	In progress
7	Investment Project for Renovation of the Vest Cutting Workshop	Year 2024	9.5	7.05	7.03	6.7	In progress
8	Project: Investment in Harmonic Wave Improvement at the Corporation	April 2024	5.5	5.45	5.45	3.8	Completed
9	Rooftop Solar Power System Investment Project at the Corporation	Year 2024	40	29.02	28.71	21.2	In progress
10	Consulting Project for Building the Strategy of Hoa Tho Textile - Garment Joint Stock Corporation for the period 2020-2030	Q4/2019 – Q4/2024	5.8	4.63	0.26	0.69	Completed
11	Car Investment Project	Year 2024	7	6.4	6.4	6.4	Completed
Total			279.5	204.73	197.73	155.77	





FINANCIAL SITUATION IN 2024

FINANCIAL SITUATION

NO.	INDICATOR	UNIT	2023	2024	2024/2023 %
1	Total Asset	Million VND	2,507,721	2,922,216	116.53%
2	Net Revenue	Million VND	4,700,210	5,102,929	108.57%
3	Profit from Business Activities	Million VND	206,842	334,518	161.73%
4	Other Profit	Million VND	3,969	18,353	462.47%
5	Profit Before Tax	Million VND	210,811	352,872	167.37%
6	Profit After Tax	Million VND	169,873	282,504	166.29%
7	EPS	VND	4,444	6,634	149.29%



KEY FINANCIAL INDICATORS

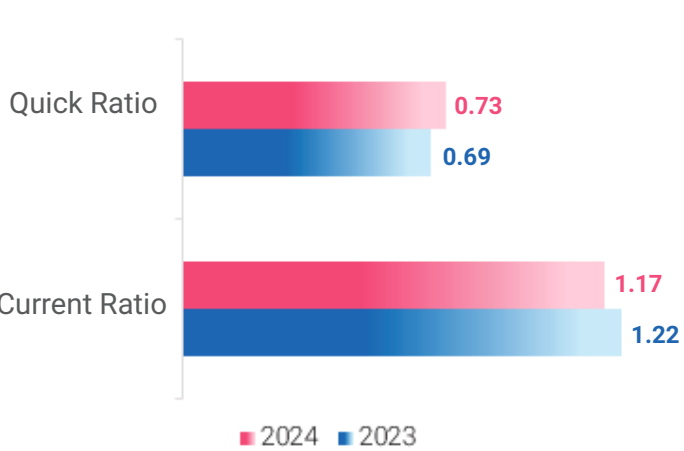
NO.	INDICATOR	UNIT	2023	2024
I	Solvency Ratios			
-	Current Ratio	times	1.22	1.17
-	Quick Ratio	times	0.69	0.73
II	Capital Structure Ratios			
-	Debt/Total Assets Ratio	times	0.67	0.68
-	Debt/Equity Ratio	times	2.00	2.16
III	Operating Capacity Ratios			
-	Inventory Turnover	turnover	5.09	5.81
-	Total Asset Turnover	turnover	1.91	1.88
IV	Profitability Ratios			
-	Profit After Tax/Net Revenue Ratio (ROS)	%	3.61%	5.54%
-	Return on Average Equity (ROE)	%	19.55%	32.09%
-	Return on Average Assets (ROA)	%	6.90%	10.40%
-	Operating Profit/Net Revenue Ratio	%	4.40%	6.55%



FINANCIAL SITUATION IN 2024

FINANCIAL SITUATION

Liquidity

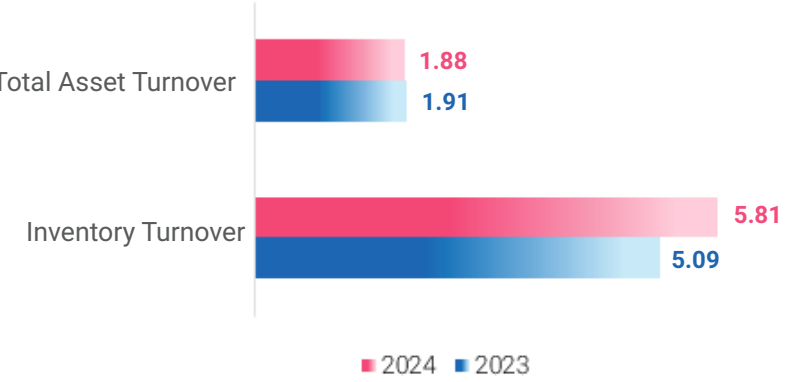


In 2024, HTG’s current ratio reached 1.17 times, a decrease of 0.05 times compared to 2023. Meanwhile, the quick ratio increased to 0.73 times, up 0.04 times compared to the same period. At the end of 2024, short-term debt increased faster than short-term assets, with a growth rate of 0.06 times. Specifically, short-term loans increased by 283 billion VND, and accounts payable increased by 44 billion VND.

This was due to the recovery of the textile and garment industry from the beginning of the fourth quarter of 2024. After a difficult period, the textile and garment market, especially the yarn sector, showed signs of recovery, with demand and selling prices significantly improving. Major export markets such as the US, EU, and Japan maintained stable demand. The expansion of credit, especially short-term loans, to meet the needs of importing goods for processing products, was a key factor in maintaining production and timely delivery. However, the increase in debt also requires HTG to focus on cash flow management, ensuring liquidity and the ability to pay short-term debts.

Operational Capacity

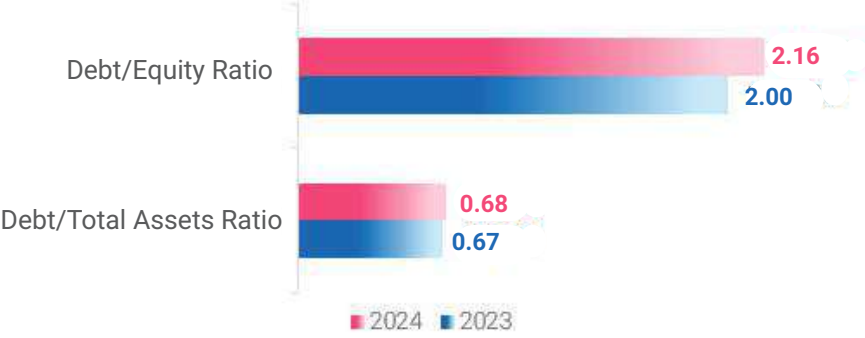
In 2024, inventory turnover increased from 5.09 turns to 5.81 turns. The main reason was that the cost of goods sold increased by 5.49%, while the average inventory only increased by 2.88% compared to the same period last year, indicating that the use of inventory in production has become more efficient, as revenue from goods sold is realized more quickly, reducing inventory holding time.



However, total asset turnover decreased from 1.91 turns to 1.88 turns. The main reason was that net revenue in 2024 only slightly increased compared to the Corporation’s average total assets. This was mainly due to the sharp increase in the price of raw materials, including cotton, yarn, and chemicals, leading to a significant increase in the cost of goods sold. Although net revenue also increased, the increase was not enough to keep pace with the increase in total assets.

Overall, the performance indicators of the Corporation in 2024 have improved in some aspects, but there are still challenges to overcome. The Corporation also focuses on improving asset utilization efficiency and controlling input material costs to enhance productivity and optimize profits in the following years.

Capital Structure

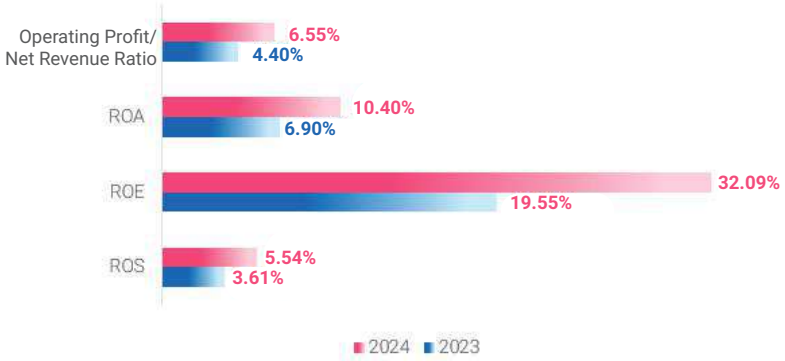


In 2024, the capital structure indicators of Hoa Tho Textile and Garment Joint Stock Corporation recorded growth compared to the same period last year. Specifically, the debt-to-total assets ratio increased from 0.67 times to 0.68 times (an increase of 0.01 times). The debt-to-equity ratio also increased from 2.00 times to 2.16 times (an increase of 0.16 times).

The increase primarily came from the Corporation’s payables, which rose by 19.59%. Payables accounted for 68% of total capital. At the same time, total assets and equity increased by 16.53% and 10.41%, respectively. The main reason for this increase was that the Corporation took out more short-term loans to support its production and business activities, maximizing opportunities in the market. While these ratios have increased, they remain within reasonable levels and do not pose significant risks to the company’s financial situation. As a company primarily engaged in manufacturing, Hoa Tho is effectively utilizing borrowed capital to generate profits. This not only helps maintain stable production and business operations but also contributes to increasing equity value. With the current level of debt, the Corporation is fully capable of meeting its debt obligations and leveraging financial leverage effectively to ensure sustainable development.

Profitability

Overall, Hoa Tho Textile - Garment Joint Stock Corporation’s profitability in 2024 significantly improved, with key financial indicators showing strong growth. Specifically, profit after tax and profit from business activities increased by 66.08% and 61.71%, respectively, far exceeding the increase in net revenue (8.57%), average equity (10.41%), and average total assets (16.53%).

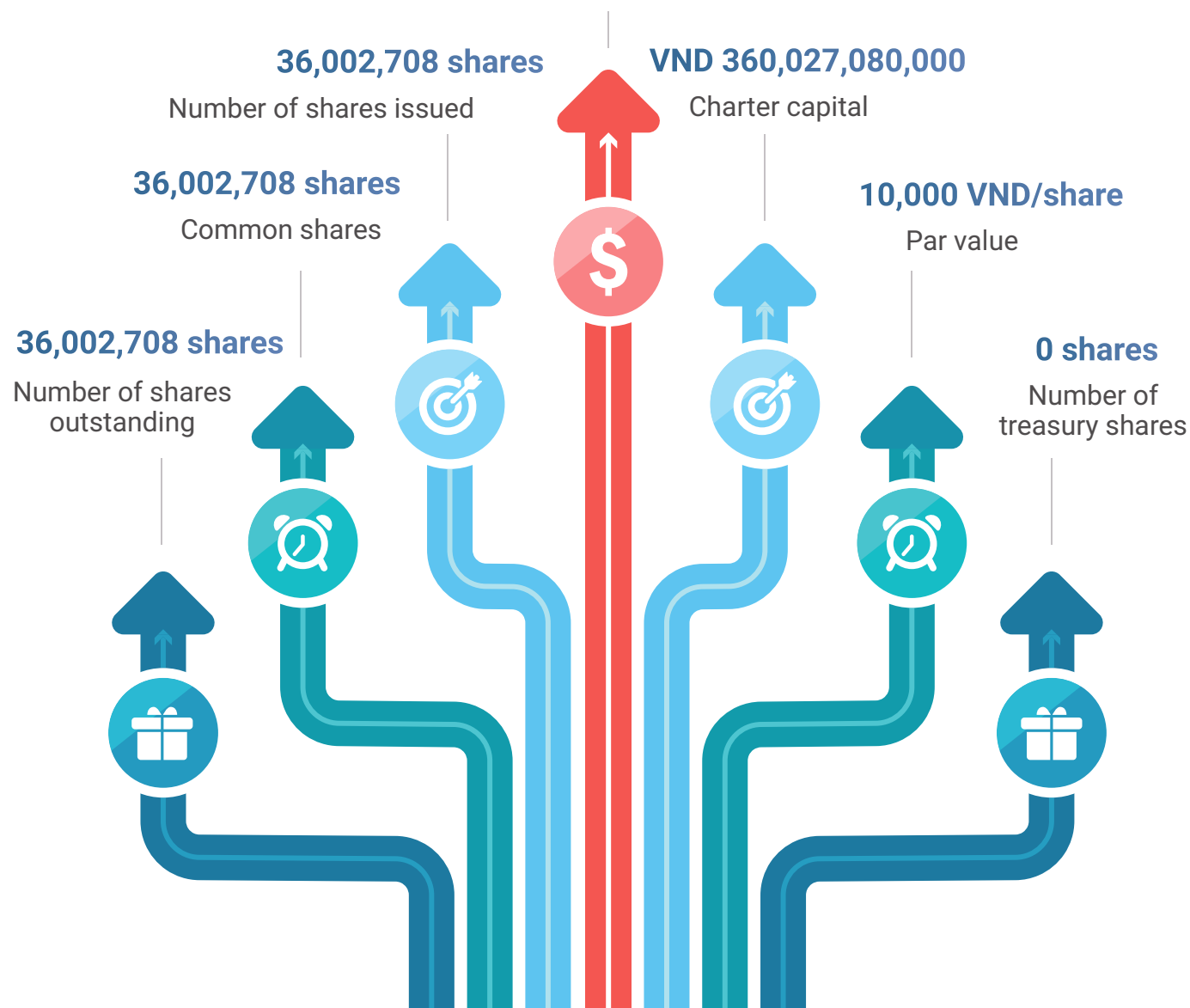


In 2025, the textile and garment industry, including Hoa Tho, will continue to face significant challenges from fluctuations in tariff policies, especially from the US - a country that accounts for more than 40% of Vietnam’s textile and garment exports. The US is currently a key market, and changes in President Donald Trump’s tariff policies could affect the industry’s export capacity. However, with the shift of orders from China and India to Vietnam and other countries, Hoa Tho has the opportunity to maintain its growth momentum. Vietnam currently has a significant advantage in terms of low labor costs, only half that of China, and high product quality, increasing its competitiveness in meeting the stringent demands of major markets like the US. With these advantages, coupled with the ability to optimize costs and improve productivity, Hoa Tho can maintain and improve its profitability in 2025, although the textile and garment industry still needs to cope with risk factors from tax policies and global market fluctuations.



SHAREHOLDERS STRUCTURE, CHANGE IN THE OWNER’S EQUITY

As of December 31, 2024



SHAREHOLDER STRUCTURE

As of December 25, 2024

NO.	SUBJECT	NUMBER OF SHARES	OWNERSHIP PERCENTAGE/ CHARTER (%) CAPITAL	NUMBER OF SHAREHOLDERS	SHAREHOLDER STRUCTURE	
					ORGANIZATION	INDIVIDUAL
1	Major Shareholder	22,274,205	61.87%	1	1	0
	Domestic	22,274,205	61.87%	1	1	0
	Foreign	0	0%	0	0	0
2	Company's Trade Union	424,629	1.18%	2	2	0
	Domestic	424,629	1.18%	2	2	0
	Foreign	0	0%	0	0	0
3	Other	13,303,874	36.95%	2,962	7	2,955
	Domestic	13,296,059	36.93%	2,956	5	2,951
	Foreign	7,815	0.02%	6	2	4
TOTAL		36,002,708	100%	2,817	9	2,808
Domestic		35,994,893	99.98%	2,959	8	2,951
Foreign		7,815	0.02%	6	2	4

LIST OF MAJOR SHAREHOLDERS

As of December 25, 2024

NAME	ADDRESS	NUMBER OF SHARES	OWNERSHIP RATIO/ CHARTER CAPITAL (%)
Vietnam Textile and Garment Group	Leadvisors Place Building - 41A Ly Thai To, Hoan Kiem District, Hanoi, Vietnam	22,274,205	61.870%

CHANGES IN OWNER’S INVESTMENT CAPITAL      None

TREASURY STOCK TRANSACTIONS      None

OTHER SECURITIES      None



# 4

## REPORTS OF THE BOARD OF MANAGEMENT

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## ASSESSMENT OF OPERATING RESULTS

### Analysis of the Company's overall operations

In 2024, the global economy faced many difficulties and challenges, but the Vietnamese textile and garment industry maintained many important advantages, especially thanks to the fact that 17 out of 19 new-generation Free Trade Agreements (FTAs) have taken effect. This is a great opportunity, opening up large markets for Vietnamese textiles and garments, helping to increase exports and creating many opportunities for international cooperation.

However, the textile and garment industry also faces many challenges, especially the shortage of raw materials for production. These new FTAs set strict requirements for the origin of goods, including yarn, and fabric onwards. This makes it difficult for the Vietnamese textile and garment industry to meet these standards, as Vietnam is still importing a large number of raw materials, especially fibre and fabric, from countries like China.

For Hoa Tho Textile - Garment Joint Stock Corporation, primarily processing under CMT and FOB level 1 methods means that the main raw material – fabric – accounts for 80% of the material structure and must be imported as specified by customers, with approximately 89% of it imported from China. Auxiliary materials such as zippers, lining fabric, buttons, etc., account for 20% of the material structure and are actively purchased by

HTG from domestic and foreign suppliers. This also creates pressure to meet requirements for origin and transparency in the supply chain.

Despite facing difficulties with raw materials and increasingly stringent requirements from FTAs, the Corporation still achieved great success in 2024 thanks to the close direction of the Vietnam Textile and Garment Group's leadership and the Corporation's Board of Directors. The determination and flexibility of the Board of Directors, along with the creativity of the units and the unity of the staff, helped the Corporation achieve its production and business targets.



Unit: Million VND

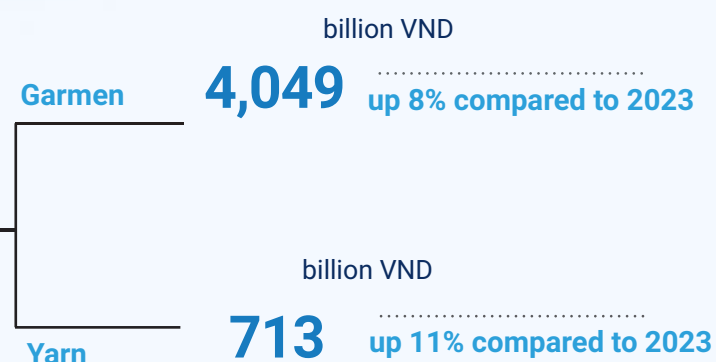
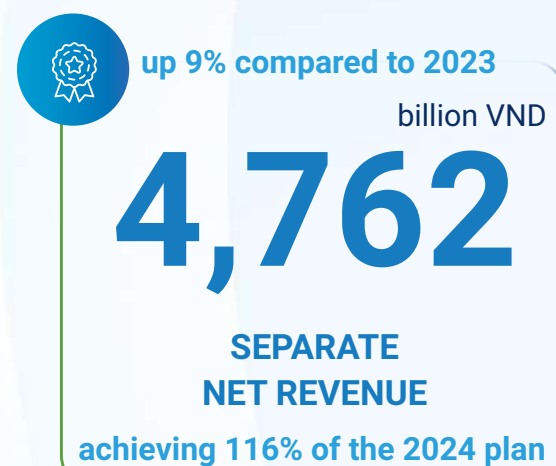
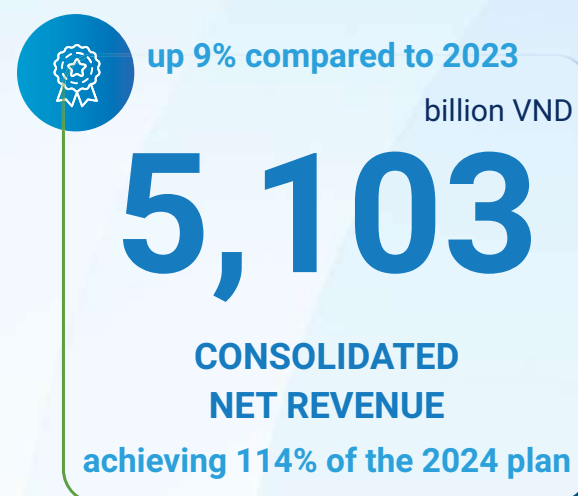
NO.	INDICATOR	2023 IM.	2024 IM.	2024/2023 %
1	Net Revenue	4,700,210	5,102,929	108.57%
2	Cost of Goods Sold	4,268,076	4,510,747	105.69%
3	Financial Income	84,155	115,657	137.43%
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7	Profit Before Tax	210,811	352,872	167.39%
8	Profit After Tax	169,873	282,504	166.30%

NO.	INDICATOR	UNIT	PLAN 2024	2023 IM.	2024 IM.	2024/2024	2024/2023
1	Net Revenue	VND	4,500	4,700	5,103	113%	109%
2	Export Turnover	Million USD	247	262	255	103%	97%
3	Separate Pre-tax Profit	VND	220	220	343	156%	156%
4	Consolidated Pre-tax Profit	VND	220	211	353	160%	167%





## SOME KEY INDICATORS



**TOTAL SEPARATE  
REPORT LABOR**

**TOTA CONSOLIDATED  
REPORT LABOR**

employees

**8,776**

employees

**9,631**

down 5% compared to the end  
of 2023

**TOTAL DEPRECIATION  
OF THE CORPORATION**

**BUDGET CONTRIBUTION**

billion VND

**126**

up 2% compared to 2023

billion VND

**175**

up 3% compared to 2023



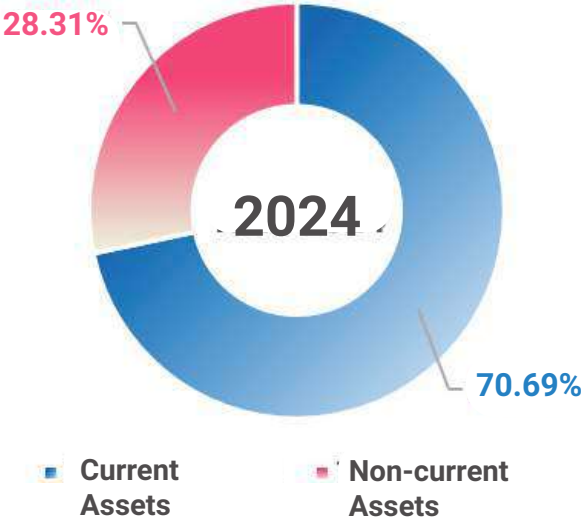
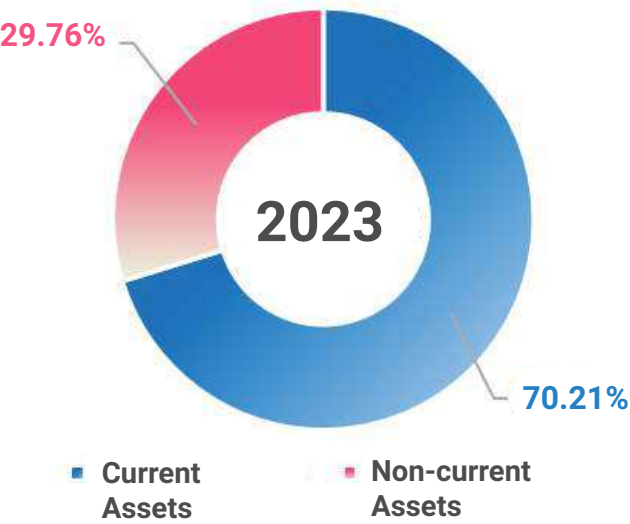


FINANCIAL SITUATION IN 2024

ASSET SITUATION

Unit: Million VND

INDICATOR	2023		2024		INCREASE/DECREASE	
	VALUE	PROPORTION	VALUE	PROPORTION	VALUE	RATIO
Current Assets	1,761,376	70.24%	2,095,059	71.69%	333,684	18.94%
Non-current Assets	746,345	29.76%	827,153	28.31%	80,807	10.83%
Total Assets	2,507,721	100%	2,922,212	100.00%	414,491	16.53%



The Corporation’s total assets in 2024 increased by 16.53% compared to the same period last year, reaching 2,922.2 billion VND.

In which, short-term assets increased by 18.94%, equivalent to 333,684 million VND. Specifically, cash and cash equivalents recorded an increase of 121.40%, reaching 467,128 million VND. Short-term receivables decreased by 1.4%, as the company collected debts and controlled receivables, maintaining good liquidity and readiness to meet short-term financial needs.

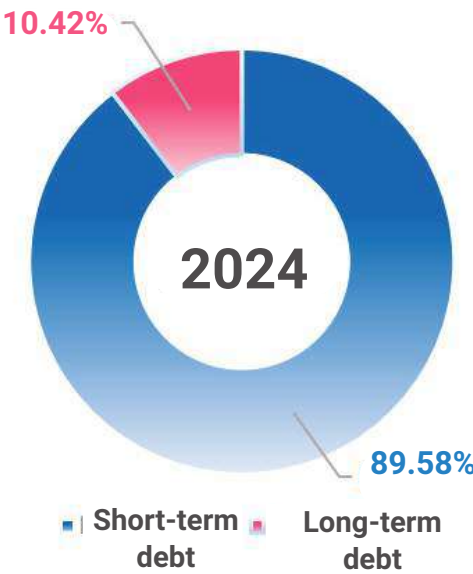
Besides, long-term assets recorded a growth of 10.83%, mainly from investment in fixed assets. The company continues to focus on investing in modern machinery and equipment and expanding production with large projects such as phase 3 of the Trieu Phong project and upgrading the Veston workshop, etc. These investments help the company improve production capacity and prepare for future expansion opportunities.

Regarding asset structure, the proportion of short-term assets in total assets slightly increased from 70.24% to 71.69%. Inventory accounts for 26.97% of total assets. Over the past year, the Corporation continued to maintain a high ratio of short-term assets to ensure financial flexibility, readiness to respond to market fluctuations, and support timely business decisions.

PAYABLES STATUS

Unit: Million VND

INDICATOR	2023		2024		INCREASE/DECREASE	
	VALUE	PROPORTION	VALUE	PROPORTION	VALUE	RATIO
Short-term debt	1,441,465	86.27%	1,790,077	89.58%	348,612	24.18%
Long-term debt	229,450	13.73%	208,175	10.42%	(21,275)	(9.27%)
Total debt	1,670,915	100.00%	1,998,251	100.00%	327,337	19.59%



Total payables in 2024 increased by 19.59% compared to 2023, reaching 1,998,251 million VND. Short-term debt continues to account for a large proportion of the Corporation’s debt structure, accounting for 89.58%, or 1,790,077 million VND, a 24.18% increase compared to the same period last year. The increase in short-term debt mainly comes from short-term borrowings. Short-term borrowings increased by 283,441 million VND, reaching 926,130 million VND, a 44.10% increase compared to last year, to finance legitimate, reasonable, and legal credit needs to serve the Corporation’s production and business activities.

The Corporation’s long-term debt decreased compared to the same period last year, from 229,450 million VND to 208,175 million VND. The main reason is the decrease in long-term loans and financial leases by 18,788 million VND, bringing the proportion of long-term debt down to 10.39% of total payables.

It can be seen that in 2024, the Corporation increased short-term debt and decreased the proportion of long-term debt in the debt structure. This demonstrates the flexibility in the Corporation’s capital structure, reducing the burden of interest expense. In general, the debt structure of textile and garment enterprises has a very large proportion of short-term debt.



## IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

### CORPORATE GOVERNANCE

In 2024, Hoa Tho Textile - Garment Joint Stock Corporation continued to improve corporate governance to meet the requirements of sustainable development and international integration. The Corporation always strictly complies with legal regulations, the Charter, and internal regulations during its operations. Resolutions and decisions of the General Meeting of Shareholders and the Board of Directors are fully and timely implemented, ensuring transparency and stability in management.

In addition, the Corporation also focuses on implementing the strategic goals set out in the 2021-2030 period, especially the application of information technology, digitalization, and digital transformation in corporate governance. The implementation of this strategy, aligned with modern technology trends, has initially helped the Corporation enhance its competitiveness, optimize production and business activities, and significantly reduce operational errors.



### MARKET ACTIVITIES

In 2024, Hoa Tho Textile - Garment Joint Stock Corporation restructured its products and customers for both the yarn and garment sectors, further expanded the market in Europe, and prepared conditions to maximize the advantages from Free Trade Agreements (FTAs) such as EVFTA, KVFTA, CPTPP, and RCEP that Vietnam has signed and participated in. This is one of the important strategies to help Hoa Tho consolidate and expand its market and increase exports in the context of increasingly fierce international competition.

For the garment sector, the Corporation continues to research and expand new markets by assessing customer needs and developing suitable products. Customer care policies are implemented to ensure customer benefits and maintain sustainable relationships with customers.

In the textile industry, the Corporation adjusted production and implemented contingency plans to promptly respond to continuous changes. The Corporation also invested in market research, demand forecasting, and production process optimization to enhance sales and production efficiency.

Notably, the Corporation's product research and development efforts were enhanced through investment in the Product Research and Development Center, strengthening creativity and improving market performance. Furthermore, the Corporation focused on developing the domestic fashion market and promoting e-commerce activities to expand the market and create breakthroughs in the domestic fashion industry.

The Corporation actively exploited opportunities and maintained good customer relationships, evident in the high appreciation and trust from customers through surveys and positive feedback.



### PRODUCTION

In 2024, the focus continued on improving production processes and quality management to enhance operational efficiency and meet stringent customer requirements. Both the Textile and Garment sectors strictly adhered to the production processes and quality management standards issued by the Corporation. Many factories performed well in social responsibility, enhanced customer service quality, and proactively improved labor productivity. This led to increased productivity in most factories compared to the same period.

However, some units still need further improvement, especially in controlling and enhancing production and quality management systems to meet increasing customer demands. In 2024, the Corporation focused on building and completing standard factories, aiming to achieve smart factory standards for both the Textile and Garment sectors. Focus was placed on deploying and thoroughly implementing standardized processes for production and quality management systems to maintain quality stability, increase productivity, and minimize risks.

Besides, improving customer service quality and productivity at factories has always been a top priority for the Corporation. In particular, the Corporation strengthened its modern production system and technical personnel capable of effectively managing production organization, ensuring product quality, creating competitive prices, and satisfying customers. All these efforts contributed to enhancing the prestige of the Hoa Tho brand, providing a solid foundation for the business department in exploiting orders and expanding the market.



## IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

(Next)

### HUMAN RESOURCE MANAGEMENT

Hoa Tho Textile - Garment Joint Stock Corporation has promptly issued regimes, policies, processes, and regulations to ensure effective human resource management. Training activities are also maintained, closely coordinating with training centers to organize skill-enhancement courses for employees, thereby helping them improve their skills and professional qualifications.

In addition, the Corporation also pays great attention to the material and spiritual life of employees, ensuring unity and consensus in production and business activities. Activities to care for employees' lives are always maintained and developed, helping to create a united and cohesive working environment. The Corporation always focuses on communication to build and maintain a strong image, reputation, and brand. The company's core messages and values are always clearly and consistently conveyed to each employee, helping them understand and accompany the Corporation.

Along with full and timely salary, bonus, and benefit policies, the Corporation also implements effective communication so that employees always feel connected and share the company's common goals. The work of personnel transfer, appointment, and organizational restructuring is also carried out promptly, helping to consolidate the organizational structure and ensure the effective operation of the units. The Corporation always strives to care for the health of employees, continuing to maintain and improve the quality of human resources to meet the increasingly high demands of the market.

### INVESTMENT IN DEVELOPMENT, APPLICATION OF INFORMATION TECHNOLOGY

Hoa Tho Textile - Garment Joint Stock Corporation implemented several important steps to ensure an effective digital transformation process. The Corporation not only applied information technology extensively to its operations but also invested heavily in solar power systems for production, contributing to environmental protection and reducing energy costs. This is a significant effort to enhance the sustainability of production activities and ensure efficient energy use.

In addition, the Corporation also promoted research and investment in highly automated machinery and equipment to save on human resource costs, maximize the capabilities of automated equipment, avoid waste, and ensure optimal production efficiency. This not only increases productivity but also contributes to reducing production costs in the long term.

However, during the digital transformation process, despite achieving significant accomplishments, the Corporation still faces some difficulties, especially in deploying application software. Due to the large workload, some application software deployments have not been completed in a timely manner compared to the set requirements and objectives. Nevertheless, the Corporation always focuses on cybersecurity management and data security, ensuring information security throughout the entire system. The Corporation commits to continuing to improve and optimize technology applications to effectively serve production and business activities.

### FINANCIAL OPERATIONS

The Corporation always ensures sufficient funds for strategic activities and projects, while maintaining management accounting that is updated and reported regularly every month. Financial indicators, costs, and production and business efficiency are analyzed and evaluated promptly to make necessary adjustments to optimize resources and improve operational efficiency.

The Corporation's financial and accounting operations are continuously improved by strengthening cash flow management and effective financial balancing. The Corporation always proactively controls financial indicators, ensuring safe and sustainable financial resources to cope with unpredictable fluctuations in the global and domestic economic situation, while maintaining stable and sustainable development. In addition, the effective use of long-term and short-term loans is also focused on by the Corporation to ensure a balanced cash flow to serve production and business activities and support for employees. Dividend payments, salary, and bonus payments to employees are always made on time, helping to maintain employee engagement and motivation.

### OTHER OPERATIONS

Risk management and internal control are enhanced to minimize and prevent risks in production and business activities. The Corporation also constantly builds and enhances the value of the Hoa Tho brand, strengthens a strong corporate culture, creating a foundation for the long-term development of the company.

Political security and social order and safety are consistently maintained, with special attention to fire prevention and fighting (FPF). FPF work is regularly inspected and monitored at member units to promptly detect and address potential risks, ensuring a safe working environment.

Environmental protection, flood prevention, and food safety are always prioritized by the Corporation, aiming to create a clean, safe, and environmentally friendly workplace. Occupational safety, security, and environmental protection indicators are closely monitored and controlled to maintain stability and development.





## BUSINESS AND PRODUCTION PLAN FOR 2025

NO.	INDICATOR	UNIT	PLAN 2025	ACTUAL 2024	PLAN 2025/ACTUAL 2024
1	Net revenue	VND billion	5,050	5,103.0	98.98%
2	Export turnover	Million USD	255	255.0	100.00%
3	Separate pre-tax profit	VND billion	336	342.8	98.02%
4	Consolidated pre-tax profit	VND billion	350	352.8	99.21%



### Solution for plan completion

» Continue focusing on market development, exploring and diversifying export markets to mitigate risks from U.S. protectionist policies. Seek and expand raw material sources from other countries and develop domestic supply through linkages with textile dyeing units to limit risks from global geopolitical and economic impacts.

» Focus on researching and defining the operational model and development direction of the Product Development Research Center to proactively take the initiative in design, sample development, material procurement, and completing the internal OEM chain to increase the value of garments and enhance the Corporation's competitiveness in the face of increasingly stringent market demands.

» Promote the implementation of information technology application programs, digitization, and move towards comprehensive digital transformation of all activities from production to business to enhance management capacity and innovate the system through digital transformation.

» Focus on implementing recruitment, training, innovation, and policy improvement programs to attract and retain a workforce that meets the Corporation's production and business needs. Recruitment and training must be linked to workforce planning to prepare a source of middle and senior management personnel for the Corporation for the next 10-15 year strategic period.

» Continue implementing the Corporation's investment projects, especially solar energy system investments, domestic wastewater recycling, and in-depth investment projects oriented towards new

technologies and solutions to meet production and business needs and the Corporation's green transition.

» Further promote the Corporation's financial and accounting work, ensuring cash flow balance for production and business activities and securing financial resources to overcome unpredictable global and domestic developments.

» Focus on internal audit and risk management to identify potential risks and promptly detect critical risks to ensure the Corporation's operations are safe, transparent, and efficient.

» Regularly review, amend, and supplement the Corporation's internal regulations to ensure they are consistent with operational realities and comply with current legal regulations. Regularly monitor compliance with issued business processes to ensure adherence to regulations of competent authorities, limiting errors that affect the Corporation's reputation and effectiveness.

» Coordinate with union organizations to promote emulation movements in production and labor, focusing on taking care of the material and spiritual lives of employees, especially during holidays and festivals.

» Continue to pay attention to and effectively implement security, environmental protection, fire prevention and fighting, explosion prevention, and food safety throughout the Corporation.

» Continue implementing communication programs to disseminate and promote the corporate culture of the Corporation.





# 5

## REPORT OF THE BOARD OF DIRECTORS

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## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE TEXTILE INDUSTRY

In 2024, the Vietnamese textile and garment industry faced numerous challenges amidst a declining global economy and intense competition from major exporting countries. However, the industry still maintained some positive results. By the end of 2024, textile and garment export turnover reached 44 billion USD, an 11% increase compared to 2023. Despite facing many difficulties, the Vietnamese textile and garment industry maintained stability thanks to product quality improvements, increased productivity, and export market expansion. The recovery from major markets such as the US,

EU, and Japan was a crucial factor in maintaining growth momentum. Specifically, according to information from the General Department of Customs, by the end of 2024, textile and garment exports reached 37.04 billion USD, an 11.2% increase (equivalent to a 3.72 billion USD increase) compared to 2023. Of which, exports to the US reached 16.15 billion USD, up 11.6%; Japan reached 4.33 billion USD, up 6.7%; the EU (27 countries) reached 4.32 billion USD, up 12.2%; and South Korea reached 3.15 billion USD, up 3.3% compared to the previous year. In addition, new markets such as the Middle East and Africa also contributed positively to export growth.

However, the Vietnamese textile and garment industry still faces significant challenges from US tariff policies, potential changes in consumer behavior, and fierce competition from other rivals. Nevertheless, with the support of free trade agreements like RCEP and EVFTA, Vietnam still has opportunities to expand market share and enhance competitiveness in 2025.

Therefore, textile and garment enterprises, especially Hoa Tho Textile - Garment Joint Stock Corporation, need to continue improving product quality, enhancing productivity, capitalizing on opportunities from trade agreements, and developing new products to maintain and promote sustainable growth in an increasingly competitive environment.



## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATIONS AND BOARD OF MANAGEMENT ACTIVITIES

### Company Operations

The Board of Directors of Hoa Tho Textile - Garment Joint Stock Corporation highly appreciates the efforts and achievements that the Corporation has accomplished in 2024. Despite the numerous difficulties faced by the global and domestic economies, the Corporation has strived to overcome challenges and maintain stable development, achieving the set targets.

Financial management was carried out effectively, ensuring resources for production and investment. The Corporation also focused on improving labor productivity, enhancing product quality, and taking care of the material and spiritual life of employees. In addition, risk control and environmental protection activities were also seriously implemented, contributing to the sustainable development of the company. The Corporation will continue to promote the achieved results while strengthening innovation and technology application to meet market demands in the following years.

### Activities of the Board of Management

In 2024, the Board of Management demonstrated excellence in directing and managing production and business activities, ensuring that all financial and production targets were met and exceeded. The Board of Management's flexibility and proactiveness in facing market challenges and promptly seizing opportunities have helped the company maintain stability and development. Financial management, resource coordination, and production monitoring were carried out rigorously, contributing to improved efficiency and protecting shareholder interests. The Board of Directors acknowledges the significant achievements of the Board of Management and has full confidence in their ability to maintain and enhance operational efficiency in the coming years.

Weekly and monthly, the Board of Directors closely monitored the Board of Management's activities through direct meetings with production units, professional departments, and through the activities of the Corporation's Internal Audit Board. After each monitoring period, the Board of Directors promptly requested the General Director to implement solutions to address existing issues, promote production, and enhance business efficiency at member units. The Board of Directors highly appreciates the solidarity, responsibility, and scientific working style of the Board of Management, while acknowledging the strong determination of the team in fully implementing the strategic tasks and resolutions set forth by the General Meeting of Shareholders and the Board of Directors.



## BOARD OF DIRECTORS' ORIENTATION FOR 2025

In 2025, the Board of Directors will continue to focus on strengthening management, supervision, and support for the Board of Management in achieving the Corporation's strategic objectives.

Specifically, the Board of Directors will continue to hold regular meetings to hear reports and recommendations from the Board of Management and the Supervisory Board, discuss and approve financial reports, proposals, projects, plans, and policies related to the Corporation's production and business activities. In addition, the Board of Directors will hold unscheduled meetings when necessary to address arising issues, ensuring timely decisions on important matters in the company's operations, in accordance with the provisions of the Corporation's Charter.

Furthermore, the Board of Directors will also focus on developing long-term development orientations, implementing strategic tasks, deciding on projects and other matters within the Board of Directors' authority, contributing to the effective implementation of the production and business plan.



## SITUATION ASSESSMENT

In the context of the Government's policy of streamlining the administrative apparatus, the merger and restructuring of state agencies, especially the State Securities Commission (SSC), will bring about significant changes in management and legal processes, affecting businesses, particularly in share issuance, securities trading, and corporate governance. One of the direct impacts on businesses is the change in relevant legal procedures and registration processes with the SSC. When agencies are streamlined, processes may become simpler and more flexible, but at the same time, businesses will be required to constantly update information, comply with new regulations, and adapt quickly to changes. Public companies, especially listed companies such as Hoa Tho, need to focus on improving their corporate governance systems and enhancing transparency, as a simple yet effective management system will help reduce the cost and time for compliance, facilitating share issuance and capital mobilization activities.

In terms of opportunities, in 2025, the Vietnamese textile and garment industry will face a combination of influencing factors, in which the Regional Comprehensive Economic Partnership (RCEP) and US tariff policies will play important roles. The RCEP agreement brings many opportunities for the Vietnamese textile and garment industry by reducing tariffs and promoting trade liberalization among member countries, especially in the Asia-Pacific region. This helps Vietnamese textile and garment enterprises easily access large markets such as China, Japan, South Korea, and ASEAN, expanding export opportunities and growth. The reduction of tariffs in the region also helps the Vietnamese textile and garment industry compete more effectively with other countries in the RCEP, especially when competitors like China and India have strong textile and garment production bases.

However, while RCEP presents market expansion opportunities, Vietnam's textile and garment industry still faces significant challenges from U.S. tariff policies. The U.S., a key export market for Vietnamese textiles, may maintain or even increase import tariffs on textiles from Vietnam. This will directly impact the competitiveness of Vietnamese textile products in the U.S. market, as high tariffs can reduce the attractiveness of Vietnamese products compared to competitors, especially those benefiting from tariff preferences under other free trade agreements.

Although some orders have shifted from countries like China, Bangladesh, and Myanmar to Vietnam, most of these are low-value orders, requiring the Vietnamese textile and garment industry to focus on improving product quality, increasing productivity, and applying new technologies in production, while maximizing the advantages of RCEP to develop new markets and increase exports to countries within the region.

Additionally, another challenge is the continued low export prices for textiles, despite the recovery in demand from major markets like the U.S., EU, and Japan. This means Vietnamese textile companies face low profit margins and fierce competition from other countries. Furthermore, Bangladesh's strong recovery in exports to the U.S. and EU, expected to re-emerge from Q2/2025, will create further competitive pressure on Vietnam. However, in the short term, from now until the end of Q2/2025, the textile and garment industry will maintain its recovery momentum thanks to improvements in major markets and the trend of increasing consumer demand, along with a sharp reduction in inventory. To capitalize on opportunities and overcome challenges, Hoa Tho Textile - Garment Joint Stock Corporation needs to continue improving product quality, enhancing productivity, and promoting the application of new technologies in production. At the same time, continuing to explore and develop new markets and maintain strong relationships with traditional partners is essential to ensure the sustainable development of the business.



# 6

## SUSTAINABLE DEVELOPMENT REPORT

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## ECONOMIC GROWTH

Hoa Tho Textile - Garment Joint Stock Corporation (HTG) always recognizes the importance of sustainable development for the long-term prosperity of the business. Sustainable development is not only about meeting present needs but also about protecting the ability to meet the needs of future generations. We are committed to implementing a sustainable development strategy by harmoniously combining economic growth goals with social responsibility and environmental protection.

HTG recognizes that to ensure long-term development, we need to harmoniously combine three important factors: economic growth, social responsibility, and environmental protection. Each of these elements is inseparable and closely related to ensuring benefits for all stakeholders: shareholders, investors, customers, business partners, state management agencies, employees, and the community.



Throughout its operations, HTG has always focused on the goal of sustainable development through stable, sustainable, and responsible economic growth. Economic growth must always go hand in hand with development that benefits society and protects the environment.

HTG always strives to maximize profits in its production and business activities. We implement effective production strategies, reduce costs, increase investment in advanced technologies, and improve product quality. At the same time, HTG always maintains transparency in its financial and production activities to build strong trust from the community and shareholders.

HTG is committed to ensuring stable employment for its employees and focuses on developing their capabilities through training and career development programs. Caring for the physical and mental well-being of employees is a key factor in maintaining the company's stability and growth.

We always prioritize the interests of our shareholders. We are committed to paying dividends on time, ensuring long-term benefits for shareholders, and pursuing sustainable development to maintain share value and generate stable profits.

At the same time, we continuously improve production processes and enhance product quality to expand the market, seek new customers, and maintain strong relationships with long-term partners.







## SOCIAL RESPONSIBILITY

HTG recognizes that the support and trust of the community and society are crucial for the Corporation's sustainable development. Therefore, HTG is always ready to accompany the community through charitable programs, contributing to funds for the poor, supporting disadvantaged children, and social organizations. HTG consistently creates opportunities for local families and individuals to improve their lives by generating employment opportunities and supporting community development initiatives



## CUSTOMER RESPONSIBILITY

HTG always aims for mutual benefit and customer satisfaction.

- » Continuously improves product quality through technological advancements, new product research and development, and production process optimization. Listens to and acknowledges all customer feedback for better service.
- » Strengthens technical capacity, improves science and technology, enhances product quality and competitiveness to best meet customer needs.
- » Committed to providing high-quality, stable, and sustainable apparel products.
- » Prioritize customer prosperity, as the Corporation's success stems from customer satisfaction and prosperity.



## ENVIRONMENTAL RESPONSIBILITY

HTG understands that a business is a part of the economy and an active subject in society. Therefore, environmental responsibility is not just about ethical obligations or image value but is a fundamental and inherent responsibility. Thus, environmental responsibility should be considered the Corporation's responsibility to itself.

- » HTG always fully complies with environmental protection laws. The company strictly implements preventive measures and responds to environmental incidents. We are also committed to reporting and disclosing environmental activities to ensure transparency in our environmental protection efforts.

- » Continuously improves production processes to minimize negative environmental impacts. The company conducts inspections and applies improvement measures, ensuring products meet environmental protection standards such as reducing emissions and using resources efficiently.
- » Implements solutions to prevent and treat wastewater, as well as to address any environmental incidents. Proactively manages the collection, transportation, and treatment of hazardous waste to protect the environment and public health.
- » Focuses on saving clean water and energy while improving processes to minimize waste, wastewater, and emissions from production activities. The company also actively promotes and raises employee awareness of environmental protection.







## RESPONSIBILITY TO SHAREHOLDERS

Shareholders are the true owners of the Corporation; therefore, HTG's responsibility is not only to generate sustainable profits but also to protect and enhance the reputation of those who have trusted and invested in the company. Furthermore, potential investors play a crucial role in the Corporation's growth and expansion strategy, contributing to its long-term and sustainable development. To maintain shareholder trust and attract investors, HTG consistently sets clear objectives and transparent strategies to achieve long-term benefits for all stakeholders:

- » Continuously aim to optimize dividend payments to provide long-term and stable benefits for shareholders.
- » Commit to ensuring maximum transparency in providing information to shareholders, including financial reports, development plans, and critical company decisions, ensuring maximum and equitable benefits for all shareholders, including minority shareholders, to build solid trust.
- » Commit that all Corporation activities ensure shareholder benefits and future value.

## RELATIONSHIPS WITH BUSINESS PARTNERS AND SUPPLIERS

- » In Hoa Tho Textile and Garment Corporation's operations, business partners and suppliers play a crucial role in promoting the Corporation's sustainable development and economic growth. HTG is always aware that close cooperation and unity between the Corporation and its partners not only benefit both sides but also contribute to creating the best quality products for society.
- » Maintain sustainable cooperative relationships, supporting each other to create quality products, meeting market demands and bringing high value to the community.

- » Consistently build and maintain partnerships with domestic and international suppliers based on principles of friendliness, mutual respect, and harmonizing the interests of both parties for long-term development.
- » HTG encourages and promotes healthy competition among suppliers based on criteria of intellect, advanced technology, and product quality, helping to improve production efficiency and optimize the supply process.
- » Act fairly in supplier selection, based on records of capacity, reputation in cooperation, and proven past experience.





## RESPONSIBILITY TO EMPLOYEES

The Corporation's most important and core asset is its employees. HTG understands that employee income and benefits are a measure of the company's sustainable development value. The working environment at Hoa Tho is always built on the principles of mutual respect and professionalism to encourage employee engagement, dedication, and long-term cooperation. The company not only creates career opportunities but also cares for the material and spiritual lives of its employees, aiming to retain and attract experienced and highly skilled talent. To maintain sustainable development in production and business activities, Hoa Tho commits to ensuring the following factors

- » Employees are entitled to leave, holidays, and Tet as prescribed by the State, ensuring their rights to rest and regenerate their workforce.
- » The Corporation provides adequate protective equipment and tools, strictly adhering to safety standards and requirements during labor and production processes.
- » Develop salary, bonus, and benefit policies appropriate to the capacity and contribution of each employee, helping to maintain a positive work spirit and retain highly qualified individuals.
- » Ensure occupational safety and hygiene, fire and explosion prevention, food safety and hygiene, and epidemic prevention. The company organizes training to prevent occupational diseases such as spinal degeneration, provides health care consulting, cancer screening for employees, and organizes gatherings such as the Traditional Tet holiday to strengthen solidarity within the employee community.





## MANAGEMENT OF RAW MATERIALS AND ENERGY CONSUMPTION IN THE YEAR

### ENERGY CONSUMPTION SITUATION IN THE YEAR

NO.	CONTENT	2024
1	Direct energy consumption, TOE	15,353
2	Indirect energy consumption, TOE	35
3	Solar power	3,166,467

### WATER CONSUMPTION SITUATION IN THE YEAR

NO.	CONTENT	DETAILED CONTENT
1	Water supply	Tap water
2	Water usage, m3	393,216

### QUẢN LÝ NGUỒN NHIÊN LIỆU

NO.	CONTENT	DETAILED CONTENT
1	Total quantity of materials used	<ul style="list-style-type: none"> <li>- For the Garment industry:</li> <li>+ Main fabric: 11,712,441 meters.</li> <li>+ Lining fabric: 6,802,822 meters.</li> <li>+ Felt, mix fabric: 968,406 meters.</li> <li>+ Interlining: 3,864,847 meters.</li> <li>+ Cotton: 637,605 meters.</li> <li>+ Glue: 1,751,473 meters</li> <li>- For the Yarn industry:</li> <li>+ Cotton: 9,501,419 kg.</li> <li>+ Fiber: 9,919,474 kg</li> </ul>
2	Percentage of recycled materials	10%





# 7

## CORPORATE GOVERNANCE

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BOARD OF DIRECTORS

NO.	FULL NAME	POSITION	HTG SHAREHOLDING (31/12/2024)	
			NUMBER OF SHARES	OWNERSHIP PERCENTAGE
1	Mr. Nguyen Van Hai	Chairman of the Board of Directors	142,056	0.39%
2	Mr. Nguyen Ngoc Binh	Member of the Board of Directors	273,171	0.76%
3	Mr. Nguyen Duc Tri	Member of the Board of Directors	1,123,185	3.12%
4	Ms. Tran Tuong Anh	Member of the Board of Directors	236,019	0.66%
5	Mr. Le Quoc An	Independent Member of the Board of Directors	30,480	0.08%

BUSINESS PRODUCTION RESULTS IN 2024

In 2024, amidst numerous challenges faced by the textile industry from both micro and macro factors, Hoa Tho Textile and Garment Joint Stock Corporation has made continuous efforts, proactively adapted, and achieved positive results. Net revenue for the year 2024 reached VND 5,103 billion, with export turnover totaling USD 255 million, meeting the targets set by the General Meeting of Shareholders. This achievement not only solidified the Corporation's strong position in the international market but also enhanced its reputation within the industry. Key financial indicators, including profits from production and business activities, have significantly improved, demonstrating the effectiveness of the

Corporation's management and operations, as well as its flexibility in adapting to changing market conditions. Despite intense competition and fluctuations in the global economy, the Corporation has maintained steady growth and continued to generate remarkable results. This success is due to the close guidance of the leadership of the Vietnam Textile and Garment Group, the determination and continuous efforts of the Corporation's leadership team, and the understanding and shared responsibility of all employees. The Corporation has achieved its set business production goals and contributed to the overall success of the Vietnam Textile and Garment Group in 2024.

ACTIVITIES OF SUB-COMMITTEES UNDER THE BOARD OF DIRECTORS

The Corporation has an Internal Audit Department (formerly the Internal Control Department) under the Board of Directors, which conducts internal audits of the Corporation's activities. In 2024, the Internal Control Department's activities essentially completed the main contents according to the plan approved by the Board of Directors, focusing on enhancing the quality of internal audit work. Besides compliance audits on accounting and financial status, and analyzing unit performance efficiency, the internal audit work also expanded to operational audits. Through audits, the Internal Audit Department also proposed that the Corporation's

Board of Management pay attention to directing the rectification of existing shortcomings in the units to contribute to strengthening the Corporation's internal control system, making it increasingly tighter and more effective. The Board of Directors' activities are based on the principle of members discussing, deliberating, and agreeing on decisions regarding strategic development direction, investment, organizational structure, and compensation to guide the General Director, the Board of Management, and management personnel in their implementation.

BOARD OF DIRECTORS' ACTIVITIES IN 2024

Following the Resolution of the 2024 Annual General Meeting of Shareholders (AGM), the Board of Directors (BOD) proactively developed quarterly and annual action plans, assigning specific tasks to each member to comprehensively monitor and inspect all production and business activities of the Corporation. In addition, the BOD directed the Board of Management to implement the Resolutions of the AGM and the BOD, ensuring the organization and proper execution of the assigned tasks. Quarterly, the BOD holds meetings to evaluate the results of production and business activities in

the period, identifying completed tasks as well as shortcomings that need to be addressed. From there, the BOD develops plans and proposes specific solutions for implementation in the next quarter, aiming to achieve the important targets assigned by the Annual AGM Resolution for 2024. These meetings not only help accurately assess work progress but also create conditions for timely adjustments, ensuring the Corporation achieves its set goals. In addition to regular meetings, the BOD decides on the Corporation's policy orientations through written opinions.





BOARD OF DIRECTORS

MEETINGS OF THE BOARD OF DIRECTORS

In 2024, the Board of Directors held 30 meetings. All in-person meetings of the Board of Directors complied with the regulations of the law and the Charter of the Corporation.

No.	MEMBER OF THE BOARD OF DIRECTORS	NUMBER OF MEETINGS ATTENDED BY BOARD OF DIRECTORS	ATTENDANCE RATE
1	Mr. Nguyen Van Hai	30	100%
2	Mr. Nguyen Ngoc Binh	30	100%
3	Mr. Nguyen Duc Tri	30	100%
4	Ms. Tran Tuong Anh	30	100%
5	Mr. Le Quoc An	30	100%

RESOLUTIONS OF BOARD OF DIRECTORS

In 2024, the Board of Directors of the Corporation issued the following resolutions:

No.	RESOLUTION/ DECISION NO.	DATE	CONTENTS	APPROVAL RATE
1	01/NQ-HĐQT	04/01/2024	Policy on Paying Brokerage Commissions to Customers	100%
2	02/NQ-HĐQT	15/01/2024	Approval of Transactions with Related Parties	100%
3	03/NQ-HĐQT	18/01/2024	Evaluation of Production and Business Performance in 2023 and Implementation of the 2024 Plan	100%
4	04/NQ-HĐQT	19/01/2024	Approval of Loan Transactions with Commercial Joint Stock Banks	100%
5	05/NQ-HĐQT	23/02/2024	Finalization of the List of Shareholders Attending the 2024 Annual General Meeting of Shareholders	100%
6	06/NQ-HĐQT	05/04/2024	Agreement on the Contents of Documents to be submitted to the 2024 Annual General Meeting of Shareholders	100%
7	07/NQ-HĐQT	05/04/2024	Approval of the policy to extend the timeline for the harmonic project of the corporation.	100%
8	08/NQ-HĐQT	06/04/2024	Preliminary evaluation of Production and Business Activities in Q1 2024 and Implementation of the Plan for Q2 2024	100%
9	09/NQ-HĐQT	17/04/2024	Finalization of the List of Shareholders for Dividend Payment in 2024	100%
10	10/NQ-HĐQT	19/04/2024	Adjustment of the content of Resolution 09/NQ-HĐQT dated April 17, 2024	100%
11	11/NQ-HĐQT	06/05/2024	Approval of the Policy on Profit Distribution for 2023 of Hoa Tho Construction Mechanical Company Limited	100%

No.	RESOLUTION/ DECISION NO.	DATE	CONTENTS	APPROVAL RATE
12	12/NQ-HĐQT	24/05/2024	Approval of the Credit Limit at Commercial Joint Stock Bank	100%
13	13/NQ-HĐQT	24/05/2024	Approval of the Credit Limit at Commercial Joint Stock Bank	100%
14	15/NQ-HĐQT	11/06/2024	Approval of the policy on advance payment of 2024 dividends to shareholders	100%
15	16/NQ-HĐQT	27/06/2024	Approval of the policy on in-depth investment in spinning equipment for 2024	100%
16	17/NQ-HĐQT	03/07/2024	Approval of the policy on in-depth investment in garment industry equipment	100%
17	18/NQ-HĐQT	16/07/2024	Evaluation of production and business performance in the first six months of 2024 and implementation of the plan for the last six months of 2024	100%
18	19/NQ-HĐQT	16/07/2024	Approval of the credit limit at the Commercial Joint Stock Bank	100%
19	20/NQ-HĐQT	29/07/2024	Approval of the Credit Limit at the Commercial Joint Stock Bank	100%
20	21/NQ-HĐQT	10/09/2024	Approval of the policy on divestment from Central Cotton and General Trading Joint Stock Company	100%
21	22/NQ-HĐQT	16/09/2024	Approval of the investment policy and project for comprehensive renovation and equipment supplementation for Hoa Tho Spinning Factory No. 2 - Phase 1	100%
22	23/NQ-HĐQT	20/09/2024	Approval of the Credit Limit at the Commercial Joint Stock Bank	100%
23	24/NQ-HĐQT	08/10/2024	Approval of the Credit Limit at the Commercial Joint Stock Bank	100%
24	25/NQ-HĐQT	10/10/2024	Approval of the Corporation's personnel organization activities	100%
25	26/NQ-HĐQT	10/10/2024	Evaluation of production and business performance in the first nine months of 2024 and implementation of the plan for q4 2024	100%
26	27/NQ-HĐQT	21/11/2024	approval of the policy on advance payment of 2024 dividends to shareholders	100%
27	28/NQ-HĐQT	19/12/2024	Evaluation of production and business performance in 2024 and implementation of the plan for 2025	100%
28	29/NQ-HĐQT	20/12/2024	Approval of the 2025 plan and action program of the Board of Directors	100%
29	30/NQ-HĐQT	31/12/2024	Approval of transactions with related parties	100%
30	31/NQ-HĐQT	31/12/2024	Approval of the Credit Limit at the Commercial Joint Stock Bank	100%



## BOARD OF DIRECTORS

### ACTIVITIES OF THE INDEPENDENT BOARD MEMBER

In 2024, the Independent Board Member participated in 100% of the BOD meetings and made important contributions to corporate governance. Concurrently, the Independent Board Member also provided consultation and critical feedback before voting on matters under the authority of the Board of Directors, upholding the spirit of the law.

The Independent Board Member has a deep understanding of the textile and garment industry, which is very advantageous for contributing to the BOD during the process of directing and implementing the objectives, tasks, and plans assigned by the General Meeting of Shareholders. The Independent Board Member performs the assigned rights and obligations in accordance with relevant legal regulations, the Corporation's Charter, and the Resolution of the General Meeting of Shareholders. In 2024, the Independent Board Member completed the following tasks:

» Performing the assigned rights and obligations honestly, carefully, and to the best of their ability to ensure the maximum legitimate interests of the Corporation.

» Loyal to the interests of the Corporation and shareholders; not using information, secrets, or business opportunities of the Corporation for personal gain or to serve the interests of other organizations or individuals.

» Providing a comprehensive overview of the interests of all relevant stakeholders, offering opinions and decisions to enhance the effectiveness and feasibility of the BOD's decisions, improving the Corporation's business performance, and ensuring the rights and interests of the Corporation and its shareholders.

Other obligations as prescribed by law and the Corporation's Charter. The Independent Board Member performs management functions through participation in discussions and decision-making of the BOD, while ensuring that these decisions are made fairly and reasonably.



### ASSESSMENT OF THE INDEPENDENT BOARD MEMBER ON THE BOD'S ACTIVITIES

The members of the Board of Directors are highly qualified, experienced individuals with good relationships with partners and prestige in the textile and garment industry. The Board of Directors constantly learns, expands its vision, and acknowledges the contributions of its members to promote the overall development of the Corporation. Throughout 2024, the BOD fully performed its functions and duties as prescribed by the Enterprise Law, the Corporation's Charter, and internal regulations on corporate governance. The BOD members completed their assigned tasks well and closely monitored the activities of the Board of Management, ensuring that the resolutions of the General Meeting of Shareholders and the resolutions of the BOD were properly implemented. The BOD also provided timely support and direction to the Board of Management in the process of implementing the company's production and business targets.

The Board of Directors held numerous regular meetings and solicited written opinions from members to approve important decisions within its authority. Board members contributed timely opinions with a high sense of responsibility to promptly resolve arising issues, overcome difficulties, and propose timely solutions to maintain effective production and business activities. The Board of Directors chaired quarterly and annual summary meetings, thereby directing the production, business, and management activities of the Corporation.

Furthermore, the Board of Directors consistently coordinates closely with the Supervisory Board in supervising business operations, finance, and investment, ensuring that all decisions are transparent, effective, and compliant with procedures, thereby contributing to safeguarding shareholder interests and maintaining the Corporation's sustainable development.

» **List of Board members with corporate governance training certificates. List of Board members participating in corporate governance programs during the year:**

Mr. Nguyen Van Cuong - Chief Executive Officer, Person in charge of Company governance, participated in the "Corporate Governance" training course organized by the Securities Research and Training Center under the State Securities Commission on June 29-30, 2023, and received a certificate for the course. The members of the Board of Directors, the members of the Supervisory Committee, the CEO, the Person in charge of Company governance, and other management staff regularly update legal documents and regulations, and also send representatives to attend training sessions, disseminations, and discussions on legal documents and regulations related to corporate governance organized by the State Securities Commission.





BOARD OF SUPERVISORS

NO.	MEMBER SUPERVISORY BOARD	POSITION	START DATE AS A MEMBER OF THE SUPERVISORY BOARD	QUALIFICATION
1	Ms. Nguyen Thi Kim Khanh	Head of Board of Supervisors	16/04/2022	Bachelor of Accounting
2	Mr. Nguyen Thanh Son	Member	16/04/2022	Textile Technology Engineer
3	Mr. Hoang Duy Khanh	Member	16/04/2022	Bachelor of Banking and Finance

BOARD OF SUPERVISORS MEETINGS

NO.	BOARD OF SUPERVISORS	NUMBER OF MEETINGS ATTENDED	RATIO MEETING ATTENDANCE	RATE VOTING	REASON FOR NOT ATTENDING THE MEETING
1	Ms. Nguyen Thi Kim Khanh	07	100%	100%	
2	Mr. Nguyen Thanh Son	07	100%	100%	
3	Mr. Hoang Duy Khanh	07	100%	100%	



BOARD OF SUPERVISORS ACTIVITIES IN 2024

The Board of Supervisors of Hoa Tho Textile - Garment Joint Stock Corporation, comprising 03 members, operates according to established regulations. In 2024, the Board of Supervisors implemented supervision and inspection at the Corporation, subsidiaries, and affiliated units, assigning members of the Board of Supervisors to carry out supervision according to their expertise, to ensure operations are effective and compliant with regulations. The Board of Supervisors’s supervision in 2024 includes the following main contents:

» The Board of Supervisors monitored and evaluated the implementation of resolutions of the General Meeting of Shareholders and resolutions of the Board of Directors, ensuring the activities of the Board of Directors and the Board of Management are on schedule and effective.

» Supervision of the protection of legitimate rights of employees is emphasized, ensuring a balance of interests between employees, shareholders, and the Corporation.

» The Board of Supervisors closely coordinates with the Internal Audit department to review and evaluate the effectiveness of the internal control system,

detect and provide early warnings of potential risks, thereby mitigating risks for the Corporation.

» The Board of Supervisors reviewed the Corporation’s 2023 financial statements and monitored the production and business situation of 2024. These reports were presented at the 2024 Annual General Meeting of Shareholders.

» Financial supervision in 2024 was fully implemented, including checking accounting books, ensuring the reasonableness and legality of financial data, and verifying quarterly financial statements to ensure accuracy and compliance with current accounting standards.

» Board of Supervisors members fully participated in Board of Directors meetings, providing opinions and recommendations to the Board of Directors and the Board of General Directors to ensure decisions are made correctly and effectively.

» The Board of Supervisors holds quarterly meetings to assess the production and business situation, and approves the Board of Supervisors’s reports at the 2024 Annual General Meeting of Shareholders and selects an audit unit for the 2024 financial statements.

NO.	CONTENT	MEETING DATE	DETAILED CONTENT	RESULT
1	Meeting 1	11/01/2024	Evaluation of production and business activities of the Corporation in 2023	3 Members highly agreed on the contents
2	Meeting 2	16/03/2024	Evaluation of production and business activities of the Corporation in 2023, presenting to the 2024 Annual General Meeting of Shareholders	3 Members highly agreed on the contents
3	Meeting 3	02/04/2024	Evaluation of the Corporation's production and business activities in the first 3 months of 2024	3 Members highly agreed on the contents
4	Meeting 4	09/07/2024	Selection of an independent audit unit to audit the Corporation's 2024 financial statements	3 Members highly agreed on the contents
5	Meeting 5	10/07/2024	Evaluation of production and business activities of the Corporation in the first 6 months of 2024	3 Members highly agreed on the contents
6	Meeting 6	05/10/2024	Evaluation of production and business activities of the Corporation for the first 9 months of 2024	3 Members highly agreed on the contents
7	Meeting 7	15/12/2024	Evaluation of production and business activities of the Corporation in 2024	3 Members highly agreed on the contents



## BOARD OF SUPERVISORS

### EVALUATION OF THE BOARD OF DIRECTORS' ACTIVITIES

In 2024, the Board of Supervisors of Hoa Tho Textile - Garment Joint Stock Corporation fully implemented its supervision and inspection duties as regulated. Through this, the BOS acknowledges that the Board of Directors of the Corporation has performed its leadership and oversight role in the Corporation's production and business activities very well. The BOD proactively developed and implemented long-term strategies while meeting short-term objectives in a volatile market context. The Board of Supervisors commends the Board of Directors' decisiveness and flexibility in making timely decisions to address market challenges and opportunities. The BOD effectively oversaw and directed the Board of Management in implementing the resolutions of the General Meeting of Shareholders, ensuring the fulfillment of revenue, profit,

and production and business objectives. Notably, the transparency in information and reporting has strengthened shareholder and stakeholder confidence in the company's operations.

The BOD also maintained regular and ad-hoc meetings to assess the production and business situation, proposing timely solutions to address existing issues and enhance operational efficiency. The close relationship and effective coordination between the BOD and the SBS have contributed to mitigating risks and improving the overall performance of the Corporation.

The BOS is confident that with the BOD's insightful leadership and sound development strategy, the Corporation will continue to achieve positive results in 2025 and beyond.



### BOS'S ASSESSMENT OF PRODUCTION AND BUSINESS PERFORMANCE AND FINANCIAL SITUATION

The Board of Supervisors highly appreciates the production and business performance of Hoa Tho Textile - Garment Joint Stock Corporation in 2024. Financial management and cost control were implemented effectively, ensuring resources for production and investment activities. The SBS acknowledges improvements in financial management, including stringent monitoring of financial reporting and cash flow management, contributing to the Corporation's financial stability. However, the SBS also notes the increase in the cost-to-revenue ratio for sales and administrative expenses, but overall assesses the results as positive.

### RESULTS OF THE SBS'S SUPERVISION OF THE BOD, EXECUTIVE BOARD, AND COMPANY MANAGEMENT IN 2024

The Board of Supervisors fully participated in the Board of Directors' meetings, monitoring activities related to the implementation of documents and resolutions of the General Meeting of Shareholders and the Board of Directors, as well as contributing opinions on important issues such as inventory control, debt collection, and risk management.

From 2024-03-10 to 2024-03-18, the Board of Supervisors audited Hoa Tho Textile - Garment Joint Stock Corporation's 2023 Financial Statements and submitted a report to the Board of Directors and the General Meeting of Shareholders.

The Board of Supervisors also assessed the Corporation's activities in Quarter I/2024, recommending areas for improvement for the Board of Directors and Board of Management to consider and implement for better management of the Corporation's production and business activities.

Under the authorization of the General Meeting of Shareholders, the Board of Supervisors also evaluated and proposed the selection of an audit firm for the 2024 financial year.

The Board of Supervisors also audited Hoa Tho Textile - Garment Joint Stock Corporation's financial statements for the first six months of 2024 and submitted a report to the Board of Directors and Board of Management assessing the Corporation's activities during the first six months, first nine months, and the full year of 2024 based on the Board of Management's estimated 2024 figures. The report also recommended areas for improvement for the Board of Directors and Board of Management to consider and implement for better management of the Corporation's production and business activities.



## BOARD OF SUPERVISORS

### EVALUATION OF THE COORDINATION BETWEEN THE BOARD OF SUPERVISORS, THE BOARD OF DIRECTORS, THE BOARD OF MANAGEMENT AND SHAREHOLDERS

The Board of Supervisors, Board of Directors, and Board of Management activities are closely coordinated based on compliance with current regulations of the Enterprise Law, the Corporation's Charter, and internal regulations on corporate governance, to facilitate all parties to complete the tasks assigned by the General Meeting of Shareholders. The BOD and the Board of Management have created all favorable conditions for the Board of Supervisors to access records, documents, and control the Corporation's data when needed. Besides, the Board of Directors and Board of Management always listen to and accept the Board of Supervisors's recommendations.

### RECOMMENDATIONS AND OPERATIONAL DIRECTIONS OF BOS FOR 2025

To accomplish the tasks in 2025, the Supervisory Board (SB) will continue to focus on closely monitoring the activities of the Board of Directors (BOD) and the Executive Board, ensuring that the implementation of the plan is in accordance with legal regulations, the Corporation's Charter, and its internal regulations. According to the key solution groups developed by the Board of Directors and presented to the General Meeting of Shareholders, the Supervisory Board recommends that the BOD and Executive Board focus more on the following areas::

- » The Board of Directors and Executive Board have created favorable conditions for the Supervisory Board to access documents and records, as well as monitor the Corporation's data when needed. In addition, the Board of Directors and Executive Board always listen to and consider the contributions of the Supervisory Board.
- » Research and develop a functional model, recruit appropriate personnel for the Garment Product Development Research Center, focusing on research and development as the foundation for changing business methods and creating added value for the Corporation's garment products.
- » Continue to review and assess the effectiveness of the Corporation's financial investments, developing specific and timely solutions for investments that have not been effective in order to protect the Corporation's capital.
- » Take the lead in implementing smart garment factories, a new model in production and business, and seek flexible breakthrough solutions to differentiate the Corporation in the textile industry.



- » Further strengthen the practice of cost-saving in production, sales, and management to enhance operational efficiency in the units, contributing to further improving financial indicators and striving to achieve the 2025 plan.
- » Implement risk management according to the three-line governance model, focusing on controlling and promptly addressing risks arising in departments and units.
- » As a listed company, the Corporation needs to focus more on improving its corporate governance system and enhancing transparency. In the context of the government's policy on streamlining, the merger and restructuring of state agencies, especially the State Securities Commission, will bring about significant changes in management and legal processes, stock issuance, securities trading, and corporate governance.
- » Strengthen the role of internal audit, focusing more on auditing operations to provide early warnings about potential risks within the Corporation.

## BOARD OF MANAGEMENT

NO.	MEMBERS OF BOARD OF MANAGEMENT	DATE OF BIRTH	QUALIFICATION	DATE OF APPOINTMENT OF MEMBERS OF THE BOARD OF MANAGEMENT
1	Mr. Nguyen Ngoc Binh (General Director)	10/05/1976	Master of Business Administration	11/10/2024
2	Ms. Hoang Thuy Oanh (Deputy General Director)	06/02/1977	Master of Business Administration	21/07/2014
3	Ms. Tran Thi Hoa Chau (Deputy General Director)	10/10/1980	Bachelor of Foreign Languages	01/08/2020
4	Mr. Pham Ngoc Trung (Chief Executive Officer)	01/05/1978	Bachelor of Economics - Business Administration	21/07/2014
5	Mr. Phan Quang Long (Chief Executive Officer)	15/05/1970	Bachelor of Economics - Finance and Accounting	02/01/2016
6	Mr. Nguyen Phuoc Hoang (Chief Executive Officer)	29/10/1969	Bachelor of Economics	01/08/2020
7	Mr. Nguyen Van Cuong (Chief Executive Officer)	24/01/1966	Bachelor of Accounting	01/01/2020
8	Ms. Nguyen Thi Thu Trang (Chief Executive Officer)	19/09/1985	Master of Business Administration	06/04/2023
9	Ms. Nguyen Thi Minh Hang (Chief Executive Officer)	11/12/1989	Bachelor of International Business Administration	06/04/2023
10	Ms. Nguyen Thi Tuong Long (Chief Accountant)	21/01/1983	Bachelor of Accounting	01/07/2020

### ACTIVITIES OF THE BOARD OF DIRECTORS TOWARDS THE BOARD OF MANAGEMENT

- » The BOD's supervision of the Board of Management is carried out through weekly and monthly plans for the BOD to work directly with production units and professional departments to grasp the production and business situation, and supervision through the activities of the Corporation's Internal Control Board.
- » After supervision, the Board of Directors has issued a written request to the General Director to immediately implement some solutions to overcome shortcomings, boost production, and improve the business efficiency of member units. The Board of Directors highly appreciates the spirit of unity, sense of responsibility, scientific working spirit, and high determination of the Corporation's Board of Management, effectively and fully implementing the strategic tasks, resolutions of the 2023 Annual General Meeting of Shareholders, and resolutions of the Board of Directors.





## TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD AND BOARD OF SUPERVISORS

### SALARY, BONUS, REMUNERATION, BENEFITS

NO.	MEMBERS	REMUNERATION	SALARY	BONUS
<b>I BOARD OF DIRECTORS</b>				
1	Chairman of the BoD	90,999,999	872,338,833	-
2	Member 1 BoD	90,999,999	-	-
3	Member 2 BoD	-	1,959,244,269	712,111,111
4	Member 3 BoD	93,333,332	-	-
5	Member 4 BoD	288,888,886	-	96,666,666
<b>II BOARD OF SUPERVISORS</b>				
1	Head of BoS	-	520,306,014	81,000,000
2	Member 1 BoS	40,000,000	-	-
3	Member 2 BoS	40,000,000	-	-
<b>III BOARD OF MANAGEMENT</b>				
1	General Director	-	1,486,079,762	373,222,222
2	General Director (Dismissed on October 11, 2024)	-	1,188,543,161	556,555,555
3	Member 1 BoM	-	1,441,158,529	473,222,222
4	Member 2 BoM	-	1,310,131,032	451,000,000
5	Member 3 BoM	-	1,239,885,276	276,333,334
6	Member 4 BoM	-	1,122,037,595	277,777,778
7	Member 5 BoM	-	1,036,422,482	277,777,778
8	Member 6 BoM	-	1,184,160,304	278,777,778
9	Member 7 BoM	-	1,099,134,355	233,333,334
10	Member 8 BoM	-	1,098,550,731	256,555,556
11	Member 9 BoM (Dismissed on September 1, 2024)	-	702,253,891	373,222,222
12	Chief Accountant	-	1,034,082,709	167,666,666

### INSIDER STOCK TRADING

NO.	PARTY TO THE TRANSACTION	RELATIONSHIP WITH INSIDERS	NUMBER OF SHARES OWNED AT THE BEGINNING OF THE PERIOD		NUMBER OF SHARES OWNED AT THE END OF THE PERIOD		REASON FOR INCREASE. DECREASE
			NUMBER	RATE	NUMBER	RATE	
1	Nguyen Pham My Duyen	Son of Mr. Nguyen Duc Tri - Member of the Board of Directors	30,000	0.08%	50,000	0.14%	Stock Purchase Transactions on HOSE
2	Nguyen Duc Thinh	Son of Mr. Nguyen Duc Tri - Member of the Board of Directors	30,000	0.08%	50,000	0.14%	Stock Purchase Transactions on HOSE
3	Nguyen Thanh Son	Insider - Member of the Supervisory Board	117,780	0.33%	120,380	0.33%	Stock Purchase Transactions on HOSE





## TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD AND BOARD OF SUPERVISORS

## CONTRACTS OR TRANSACTIONS WITH INSIDERS

Transactions between the Company and its affiliated persons or between the Company and its major shareholders, internal persons and affiliated persons



NO.	ORGANIZATION/ INDIVIDUAL NAME	RELATIONSHIP WITH THE COMPANY	NSH NO.*	DATE OF ISSUE	PLACE OF ISSUE	ADDRESS	TIME OF TRANSACTIONS WITH THE COMPANY	RESOLUTION NO. OR DECISION NO. APPROVED BY GENERAL MEETING OF SHAREHOLDERS/ BOARD OF DIRECTORS	CONTENT, QUANTITY, TOTAL VALUE OF TRANSACTION	NOTE
1	Vietnam National Textile and Garment Group	Major shareholder – Parent company	0100100008	06/01/2021	Department of Business Registration of Hanoi City	No. 25 Ba Trieu - Hang Bai Ward - Hoan Kiem District - Hanoi City	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Leasing assets, sales agency, Re-lending ADB Loan	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements; Frequent lending transactions under 10% of the total asset value of the Corporation as recorded in the most recent financial statements
2	Hoa Tho Duy Xuyen Garment Joint Stock Company	Subsidiary; Organization Related to Insiders	4000939407	05/12/2020	Department of Planning and Investment of Quang Nam Province	855 Hung Vuong Street, Duy Trung Village, Duy Xuyen District, Quang Nam Province	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
3	Hoa Tho Hoi An Garment Joint Stock Company	Công ty con; Organization Related to Insiders	4000837028	22/12/2011	Department of Planning and Investment of Quang Nam Province	26 Nguyen Tat Thanh, Tan An Ward, Hoi An City, Quang Nam Province	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
4	Hoa Tho Construction Mechanics Company Limited	Subsidiary; Organization Related to Insiders	0401705303	12/11/2015	Department of Planning and Investment of Da Nang city	36 Ong Ich Duong, Hoa Tho Dong ward, Cam Le district, Da Nang city	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Mechanical processing, construction, buying and selling of goods	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
5	Hoa Tho - Thang Binh Spinning Joint Stock Company	Subsidiary; Organization Related to Insiders	4001020020	23/09/2019	Department of Planning and Investment of Quang Nam Province	Ngoc Son Hamlet, Binh Phuc Village, Thang Binh District, Quang Nam Province	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Buying and selling of cotton, fibers, yarn; buying and selling of goods, machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
6	Hoa Tho Fashion Joint Stock Company	Subsidiary; Organization Related to Insiders	0401290899	10/06/2022	Department of Planning and Investment of Da Nang city	31 Phan Chau Trinh, Hai Chau 1 Ward, Hai Chau District, Da Nang City	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Sales agency, buying and selling of goods	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
7	HoaTho PhuNinh Garment Joint Stock Company	Organization Related to Insiders	4000851992	22/05/2017	Department of Planning and Investment of Quang Nam Province	Cho Lo Industrial Cluster, Tam Thai Village, Phu Ninh District, Quang Nam Province	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
8	Hoa Tho Quang Nam Garment Joint Stock Company	Organization Related to Insiders	4000735347	14/07/2020	Department of Business Registration, Quang Nam Province	National Highway 1A, Ha Lan Town, Thang Binh District, Quang Nam Province	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
9	Hue Textile Garment Joint Stock Company	Organization Related to Insiders	3300100628	29/06/2023	Department of Business Registration of Thua Thien Hue Province	122 Duong Thieu Tuoc, Thuy Duong ward, Huong Thuy town, Thua Thien Hue	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Sales agency, buying and selling of goods	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements



## TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD AND BOARD OF SUPERVISORS

Transactions between insiders of the Company, related persons of insiders and Subsidiaries, Companies controlled by the Company: None

Transactions between the Company and companies in which members of the Board of Directors, members of the Board of Supervisors, General Director and other managers have been and are founding members or members of the Board of Directors, General Director within the past 3 years



NO.	ORGANIZATION/ INDIVIDUAL NAME	RELATIONSHIP WITH THE COMPANY	NSH NO.*	DATE OF ISSUE	PLACE OF ISSUE	ADDRESS	TIME	RESOLUTION NO. OR DECISION NO. APPROVED BY GENERAL MEETING OF SHAREHOLDERS/ BOARD OF DIRECTORS	CONTENT, QUANTITY, TOTAL VALUE OF TRANSACTION	NOTE
1	Hoa Tho Duy Xuyen Garment Joint Stock Company	Subsidiary; Ms. Hoang Thuy Oanh - Deputy General Director and Mr. Nguyen Van Cuong - Chief Executive Officer, are currently the Chairman and Member of the Board of Directors of the Company; Ms. Nguyen Thi Kim Khanh - Head of the Supervisory Board, is currently the Head of the Supervisory Board of the Company	4000939407	05/12/2020	Department of Planning and Investment of Quang Nam Province	855 Hung Vuong Street, Duy Trung Village, Duy Xuyen District, Quang Nam Province	Year 2024	Resolution No. 02/ NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
2	Hoa Tho Hoi An Garment Joint Stock Company	Subsidiary; Ms. Tran Thi Hoa Chau - Deputy General Director and Ms. Nguyen Thi Tuong Long - Chief Accountant, are currently the Chairwoman and Members of the Board of Directors of the Company	4000837028	22/12/2011	Department of Planning and Investment of Quang Nam Province	26 Nguyen Tat Thanh, Tan An Ward, Hoi An City, Quang Nam Province	Year 2024	Resolution No. 02/ NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
3	Hoa Tho Construction Mechanics Company Limited	Subsidiary; Mr. Nguyen Ngoc Binh - Member of the Board of Directors and Deputy General Director, is currently the Chairman of the Members' Council of the Company	0401705303	12/11/2015	Department of Planning and Investment of Da Nang city	36 Ong Ich Duong, Hoa Tho Dong ward, Cam Le district, Da Nang city	Year 2024	Resolution No. 02/ NQ-HĐQT dated January 15, 2024	Mechanical processing, construction, buying and selling of goods	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
4	Hoa Tho - Thang Binh Spinning Joint Stock Company	Subsidiary; Mr. Nguyen Ngoc Binh - Member of the Board of Directors and Deputy General Director, is currently the Chairman of the Members' Council of the Company	4001020020	23/09/2019	Department of Planning and Investment of Quang Nam Province	Ngoc Son Hamlet, Binh Phuc Village, Thang Binh District, Quang Nam Province	Year 2024	Resolution No. 02/ NQ-HĐQT dated January 15, 2024	Buying and selling of cotton, fibers, yarn; buying and selling of goods, machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements





## TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD AND BOARD OF SUPERVISORS

Transactions between the Company and companies in which members of the Board of Directors, members of the Board of Supervisors, General Director and other managers have been and are founding members or members of the Board of Directors, General Director within the past 3 years

NO.	ORGANIZATION/ INDIVIDUAL NAME	RELATIONSHIP WITH THE COMPANY	NSH NO.*	DATE OF ISSUE	PLACE OF ISSUE		ADDRESS	TIME	RESOLUTION NO. OR DECISION NO. APPROVED BY GENERAL MEETING OF SHAREHOLDERS/ BOARD OF DIRECTORS	CONTENT, QUANTITY, TOTAL VALUE OF TRANSACTION	NOTE
5	Hoa Tho Fashion Joint Stock Company	Subsidiary; Mr. Nguyen Van Cuong - Chief Executive Officer, is currently the Chairman of the Board of Directors and Ms. Nguyen Thi Tuong Long - Chief Accountant, is currently the Head of the Supervisory Board of the Company	0401290899	10/06/2022	Department of Planning and Investment of Da Nang city		31 Phan Chau Trinh, Hai Chau 1 Ward, Hai Chau District, Da Nang City	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Sales agency, buying and selling of goods	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
6	HoaTho PhuNinh Garment Joint Stock Company	Affiliate Company; Mr. Pham Ngoc Trung - General Director, is currently the Chairman of the Board of Directors of the Company	4000851992	22/05/2017	Department of Planning and Investment of Quang Nam Province		Cho Lo Industrial Cluster, Tam Thai Village, Phu Ninh District, Quang Nam Province	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
7	Hoa Tho Quang Nam Garment Joint Stock Company	Affiliate Company; Mr. Nguyen Duc Tri - Member of the Board of Directors, is currently the Chairman of the Board of Directors of the Company, and Mr. Nguyen Van Cuong - General Director, is currently the Head of the Supervisory Board of the Company.	4000735347	14/07/2020	Department of Business Registration, Quang Nam Province		National Highway 1A, Ha Lan Town, Thang Binh District, Quang Nam Province	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Garment processing, asset leasing, buying and selling of goods, materials, and machinery and equipment	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements
8	Hue Textile Garment Joint Stock Company	Mr. Nguyen Duc Tri - Member of the Board of Directors, and Mr. Nguyen Ngoc Binh - Member of the Board of Directors, are currently the Chairman and Member of the Board of Directors of the Company	3300100628	29/06/2023	Department of Business Registration of Thua Thien Hue Province		122 Duong Thieu Tuoc, Thuy Duong ward, Huong Thuy town, Thua Thien Hue	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Sales agency, buying and selling of goods	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements

Transactions between the Company and the company that its affiliated persons with members of Board of Directors, Board of Supervisors, Director (General Director) and other managers as a member of Board of Directors, Director (General Director or CEO)

NO.	ORGANIZATION/ INDIVIDUAL NAME	RELATIONSHIP WITH THE COMPANY	NSH NO.*	DATE OF ISSUE	PLACE OF ISSUE		ADDRESS	TIME	RESOLUTION NO. OR DECISION NO. APPROVED BY GENERAL MEETING OF SHAREHOLDERS/ BOARD OF DIRECTORS	CONTENT, QUANTITY, TOTAL VALUE OF TRANSACTION	NOTE
1	Thien Tin Company Limited	Ms. Pham Thi My is the wife of Mr. Nguyen Duc Tri - Member of the Board of Directors, Director of this Company.	0400509320	22/01/2024	Department of Planning and Investment of Da Nang city		19-21 Cam Bac 1, Hoa Tho Dong ward, Cam Le district, Da Nang city	Year 2024	Resolution No. 02/NQ-HĐQT dated January 15, 2024	Embroidery processing for garments	Frequent transactions, under 35% of the total asset value of the Corporation as recorded in the most recent financial statements



# 8

## FINANCIAL STATEMENTS

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**Hoa Tho Textile-Garment  
Joint Stock Corporation**

Consolidated Financial Statements for  
the year ended 31 December 2024

# CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024





## Hoa Tho Textile-Garment Joint Stock Corporation Corporate Information

### Enterprise Registration

Certificate No. 0400101556 30 January 2007

The Enterprise Registration Certificate of the Corporation has been amended several times, the most recent of which is Enterprise Registration Certificate No. 0400101556 dated 11 October 2024. The Enterprise Registration Certificate was issued by the Da Nang Department of Planning and Investment.

<b>Board of Management</b>	Mr. Nguyen Van Hai	Chairman (from 11/10/2024)
	Mr. Nguyen Duc Tri	Chairman (until 10/10/2024)
	Ms. Tran Tuong Anh	Member
	Mr. Nguyen Ngoc Binh	Member
	Mr. Le Quoc An	Member
	Mr. Nguyen Duc Tri	Member (from 11/10/2024)
	Mr. Nguyen Van Hai	Member (until 10/10/2024)
<b>Supervisory Board</b>	Ms. Nguyen Thi Kim Khanh	Head of Board
	Mr. Nguyen Thanh Son	Member
	Mr. Hoang Duy Khanh	Member
<b>Board of Directors</b>	Mr. Nguyen Ngoc Binh	General Director (from 11/10/2024)
	Mr. Nguyen Van Hai	General Director (until 10/10/2024)
	Ms. Hoang Thuy Oanh	Deputy General Director
	Ms. Tran Tuong Anh	Deputy General Director (until 31/8/2024)
	Mr. Nguyen Ngoc Binh	Deputy General Director (until 10/10/2024)
	Ms. Tran Thi Hoa Chau	Deputy General Director
	Mr. Pham Ngoc Trung	Managing Director
	Mr. Phan Quang Long	Managing Director
	Mr. Nguyen Phuoc Hoang	Managing Director
	Mr. Nguyen Van Cuong	Managing Director
	Ms. Nguyen Thi Minh Hang	Managing Director
	Ms. Nguyen Thi Thu Trang	Managing Director
	Ms. Nguyen Thi Tuong Long	Chief Accountant

**Registered Office**  
36 Ong Ich Duong Street  
Hoa Tho Dong Ward, Cam Le District  
Da Nang City  
Vietnam

**Auditor**  
KPMG Limited  
Vietnam

## Hoa Tho Textile-Garment Joint Stock Corporation Statement of the Board of Directors

The Board of Directors of Hoa Tho Textile-Garment Joint Stock Corporation ("the Corporation") presents this statement and the accompanying consolidated financial statements of the Corporation for the year ended 31 December 2024.

The Corporation's Board of Directors is responsible for the preparation and true and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- the consolidated financial statements set out on pages 5 to 54 give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2024, and of its consolidated results of operations and consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting; and
- at the date of this statement, there are no reasons to believe that the Corporation will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the accompanying consolidated financial statements for issue.

On behalf of the Board of Directors



Nguyen Ngoc Binh  
General Director

Da Nang, 10 March 2025





KPMG Limited  
46th Floor, Keangnam Landmark 72  
E6 Pham Hung Street, Me Tri Ward  
South Tu Liem District, Hanoi, Vietnam  
+84 (24) 3946 1600 | kpmg.com.vn

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders Hoa Tho Textile-Garment Joint Stock Corporation

We have audited the accompanying consolidated financial statements of Hoa Tho Textile-Garment Joint Stock Corporation ("the Corporation"), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Corporation's Board of Directors on 10 March 2025, as set out on pages 5 to 54.

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of 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 auditor's judgement, 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 true 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 accounting estimates made by the Corporation's Board of Directors, as well as evaluating 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.



## Auditor's Opinion

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

KPMG Limited  
Vietnam  
Audit Report No. 24-04-00038-25-2



Truong Vinh Phuc  
Practicing Auditor Registration  
Certificate No. 1901-2023-007-1  
Deputy General Director  
Hanoi, 10 March 2025

Truong Tuyet Mai  
Practicing Auditor Registration  
Certificate No. 2594-2024-007-1

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T.T.N.H.H.  
AN  
HÀ NỘI



**Hoa Tho Textile-Garment Joint Stock Corporation**  
Consolidated balance sheet as at 31 December 2024

Form B 01 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>2,095,059,428,168</b>	<b>1,761,375,593,537</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>467,127,892,045</b>	<b>210,985,575,944</b>
Cash	111		20,290,892,045	13,763,575,944
Cash equivalents	112		446,837,000,000	197,222,000,000
<b>Short-term financial investments</b>	<b>120</b>		<b>254,147,000,000</b>	<b>176,606,702,730</b>
Held-to-maturity investments	123	6(a)	254,147,000,000	176,606,702,730
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>531,304,978,294</b>	<b>538,886,472,472</b>
Accounts receivable from customers	131	7	516,827,779,410	515,334,151,341
Prepayments to suppliers	132		4,750,973,972	15,141,926,365
Loans receivable	135	8(b)	2,342,860,000	2,342,860,000
Other receivables	136	9(a)	13,093,354,258	11,777,524,112
Allowance for doubtful debts	137	10	(5,709,989,346)	(5,709,989,346)
<b>Inventories</b>	<b>140</b>	<b>11</b>	<b>788,055,765,802</b>	<b>765,957,784,829</b>
Inventories	141		791,169,053,920	776,023,985,593
Allowance for inventories	149		(3,113,288,118)	(10,066,200,764)
<b>Other current assets</b>	<b>150</b>		<b>54,423,792,027</b>	<b>68,939,057,562</b>
Short-term prepaid expenses	151	15(a)	13,026,440,121	13,000,500,880
Deductible value added tax	152		41,397,351,906	52,278,789,960
Taxes and others receivable from State Treasury	153	18(a)	-	3,659,766,722

The accompanying notes are an integral part of these consolidated financial statements

**Hoa Tho Textile-Garment Joint Stock Corporation**  
Consolidated balance sheet as at 31 December 2024 (continued)

Form B 01 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>Long-term assets</b> (200 = 210 + 220 + 240 + 250 + 260)	<b>200</b>		<b>827,156,188,678</b>	<b>746,345,151,927</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>3,335,572,947</b>	<b>5,698,452,545</b>
Loans receivable – long-term	215	8(b)	2,342,860,000	4,685,720,000
Other long-term receivables	216	9(b)	992,712,947	1,012,732,545
<b>Fixed assets</b>	<b>220</b>		<b>743,409,697,671</b>	<b>665,744,250,468</b>
Tangible fixed assets	221	12	741,857,629,190	663,880,001,252
Cost	222		2,205,247,960,387	2,039,265,934,388
Accumulated depreciation	223		(1,463,390,331,197)	(1,375,385,933,136)
Intangible fixed assets	227	13	1,552,068,481	1,864,249,216
Cost	228		13,247,792,834	12,780,311,016
Accumulated amortisation	229		(11,695,724,353)	(10,916,061,800)
<b>Long-term work in progress</b>	<b>240</b>		<b>16,490,702,063</b>	<b>921,944,983</b>
Construction in progress	242	14	16,490,702,063	921,944,983
<b>Long-term financial investments</b>	<b>250</b>		<b>19,321,903,158</b>	<b>26,116,541,850</b>
Investments in associates	252	6(b)	18,371,879,809	17,166,518,501
Equity investments in other entities	253	6(b)	7,755,702,000	7,755,702,000
Allowance for diminution in the value of long-term financial investments	254	6(b)	(6,805,678,651)	(6,805,678,651)
Held-to-maturity investments	255	6(a)	-	8,000,000,000
<b>Other long-term assets</b>	<b>260</b>		<b>44,598,312,839</b>	<b>47,863,962,081</b>
Long-term prepaid expenses	261	15(b)	42,994,997,756	45,561,989,804
Deferred tax assets	262	16	1,603,315,083	2,301,972,277
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>2,922,215,616,846</b>	<b>2,507,720,745,464</b>

The accompanying notes are an integral part of these consolidated financial statements



**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated balance sheet as at 31 December 2024 (continued)**

Form B 01 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>1,998,251,477,307</b>	<b>1,670,914,709,684</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,790,076,791,322</b>	<b>1,441,464,680,083</b>
Accounts payable to suppliers	311	17	275,303,517,197	231,658,729,897
Advances from customers	312		7,777,743,098	10,310,976,519
Taxes and others payable to State Treasury	313	18(b)	32,004,718,263	16,008,977,997
Payables to employees	314		327,726,660,491	338,575,244,295
Accrued expenses	315	19	6,704,298,618	5,156,076,393
Unearned revenue – short-term	318		87,787,572	64,771,915
Other short-term payables	319	20	136,191,540,073	115,412,086,009
Short-term borrowings	320	21(a)	926,129,534,398	642,688,671,718
Provisions – short-term	321		41,898,300	-
Bonus and welfare fund	322	22	78,109,093,312	81,589,145,340
<b>Long-term liabilities</b>	<b>330</b>		<b>208,174,685,985</b>	<b>229,450,029,601</b>
Long-term advances from customers	332		-	1,998,966,784
Other long-term payables	337		-	454,600,000
Long-term borrowings	338	21(b)	207,696,853,193	226,484,939,447
Deferred tax liabilities	341	16	477,832,792	511,523,370
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>923,964,139,539</b>	<b>836,806,035,780</b>
<b>Owners' equity</b>	<b>410</b>	<b>23</b>	<b>923,964,139,539</b>	<b>836,806,035,780</b>
Share capital	411	24	360,027,080,000	360,027,080,000
- Ordinary shares with voting rights	411a		360,027,080,000	360,027,080,000
Other capital	414		5,090,730,000	3,300,280,000
Investment and development fund	418	25	216,569,826,120	206,579,950,294
Retained profits	421		302,002,876,633	227,896,456,204
- Retained profits brought forward	421a		165,095,767,253	145,922,388,021
- Retained profit for the current year	421b		136,907,109,380	81,974,068,183
Non-controlling interest	429		40,273,626,786	39,002,269,282
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>2,922,215,616,846</b>	<b>2,507,720,745,464</b>

10 March 2025

Prepared by:

*Pham Anh Thao*

Pham Anh Thao  
Accounting Specialist

Approved by:

*Nguyen Thi Tuong Long*

Nguyen Thi Tuong Long  
Chief Accountant

*Nguyen Ngoc Binh*

Nguyen Ngoc Binh  
General Director



The accompanying notes are an integral part of these consolidated financial statements

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of income for the year ended 31 December 2024**

Form B 02 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>28</b>	<b>5,111,153,311,349</b>	<b>4,703,966,718,679</b>
<b>Revenue deductions</b>	<b>02</b>	<b>28</b>	<b>8,224,632,538</b>	<b>3,757,144,627</b>
<b>Net revenue (10 = 01 - 02)</b>	<b>10</b>	<b>28</b>	<b>5,102,928,678,811</b>	<b>4,700,209,574,052</b>
<b>Cost of sales</b>	<b>11</b>	<b>29</b>	<b>4,510,716,526,556</b>	<b>4,268,076,376,832</b>
<b>Gross profit (20 = 10 - 11)</b>	<b>20</b>		<b>592,212,152,255</b>	<b>432,133,197,220</b>
Financial income	21	30	115,656,671,875	84,155,373,745
Financial expenses	22	31	84,086,085,086	69,386,809,704
In which: Interest expense	23		39,892,375,132	38,519,684,807
Share of profit in associates and jointly controlled entities	24		1,848,161,308	2,399,707,495
Selling expenses	25	32	109,491,732,853	84,105,696,267
General and administration expenses	26	33	181,620,716,393	158,353,864,802
<b>Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}</b>	<b>30</b>		<b>334,518,451,106</b>	<b>206,841,907,687</b>
Other income	31	34	20,996,517,837	10,280,757,806
Other expenses	32	35	2,642,741,822	6,312,135,168
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>18,353,776,015</b>	<b>3,968,622,638</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>352,872,227,121</b>	<b>210,810,530,325</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>37</b>	<b>69,703,161,427</b>	<b>37,001,410,572</b>
<b>Income tax expense– deferred</b>	<b>52</b>	<b>37</b>	<b>664,966,616</b>	<b>3,935,717,795</b>
<b>Net profit after tax (60 = 50 - 51 - 52) (carried forward to next page)</b>	<b>60</b>		<b>282,504,099,078</b>	<b>169,873,401,958</b>

The accompanying notes are an integral part of these consolidated financial statements



**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of income for the year ended 31 December 2024 (continued)**

**Form B 02 – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC dated 22/12/2014 of the Ministry of Finance)*

	Code	Note	2024 VND	2023 VND
Net profit after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60		282,504,099,078	169,873,401,958
Attributable to:				
Equity holders of the Company	61		280,917,941,380	171,980,838,183
Non-controlling interest	62		1,586,157,698	(2,107,436,225)
Earnings per share				Restated
Basic earnings per share	70	38	6,634	4,360

10 March 2025

Prepared by:

*Pham Anh Thao*

Pham Anh Thao  
Accounting Specialist

Approved by:

*Nguyen Thi Tuong Long*

Nguyen Thi Tuong Long  
Chief Accountant

*Nguyen Ngoc Binh*

Nguyen Ngoc Binh  
General Director

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of cash flows for the year ended 31 December 2024**  
**(Indirect method)**

**Form B 03 – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC dated 22/12/2014 of the Ministry of Finance)*

	Code	Note	2024 VND	2023 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	01		352,872,227,121	210,810,530,325
Adjustments for				
Depreciation and amortisation	02		125,301,691,014	123,954,055,538
Allowances and provisions	03		(6,911,014,346)	(31,969,703,639)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		10,777,816,840	8,240,828,272
Profits from investing activities	05		(26,215,362,783)	(23,915,961,872)
Interest expense	06		39,892,375,132	38,519,684,807
Operating profit before changes in working capital	08		495,717,732,978	325,639,433,431
Change in receivables	09		15,979,863,757	(49,577,640,322)
Change in inventories	10		(15,145,068,327)	178,634,694,057
Change in payables and other liabilities	11		9,549,118,124	23,649,729,604
Change in prepaid expenses	12		(1,267,994,990)	(8,078,523,162)
			504,833,651,542	470,267,693,608
Interest paid	14		(39,951,477,111)	(38,474,535,011)
Corporate income tax paid	15	18(b)	(56,581,404,038)	(57,973,657,094)
Other receipts from operating activities	16		340,000,000	32,639,419
Other payments for operating activities	17	22	(18,971,454,347)	(9,161,400,627)
Net cash flows from operating activities	20		389,669,316,046	364,690,740,295
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(186,162,984,066)	(94,998,377,573)
Proceeds from disposals of fixed assets and other long-term assets	22		1,576,930,131	937,360,909
Payments for granting loans, purchase of debt instruments of other entities	23		(608,023,000,000)	(271,534,478,495)
Receipts from collecting loans, sales of debt instruments of other entities	24		540,825,562,730	229,519,735,765
Receipts of interests and dividends	27		24,927,620,279	15,844,938,678
Net cash flows from investing activities	30		(226,855,870,926)	(120,230,820,716)

The accompanying notes are an integral part of these consolidated financial statements

The accompanying notes are an integral part of these consolidated financial statements



Hoa Tho Textile-Garment Joint Stock Corporation  
Consolidated statement of cash flows for the year ended 31 December 2024  
(Indirect method - continued)

Form B 03 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	33		4,212,017,847,204	3,725,391,182,603
Payments to settle loan principals	34		(3,959,130,474,096)	(3,663,012,509,094)
Payments of dividends	36		(159,880,227,000)	(120,499,545,500)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>93,007,146,108</b>	<b>(58,120,871,991)</b>
<b>Net cash flows during the year</b> (50 = 20 + 30 + 40)	<b>50</b>		<b>255,820,591,228</b>	<b>186,339,047,588</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>210,985,575,944</b>	<b>24,500,930,736</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>		<b>321,724,873</b>	<b>145,597,620</b>
<b>Cash and cash equivalents at the end of the year</b> (70 = 50 + 60 + 61)	<b>70</b>	<b>5</b>	<b>467,127,892,045</b>	<b>210,985,575,944</b>

10 March 2025

Prepared by:

Pham Anh Thao  
Accounting Specialist

Approved by:

Nguyen Thi Tuong Long  
Chief Accountant

Nguyen Ngoc Binh  
General Director



Hoa Tho Textile-Garment Joint Stock Corporation  
Notes to the consolidated financial statements for the year ended 31 December 2024

Form B 09 – DN/HN  
(Issued under Circular No. 202/2014/TT-BTC  
dated 22/12/2014 of the Ministry of Finance)

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. Reporting entity

(a) Ownership structure

Hoa Tho Textile-Garment Joint Stock Corporation (“the Corporation”) is incorporated as a joint stock company in Vietnam. The consolidated financial statements of the Corporation for the year ended 31 December 2024 comprise the Corporation and its subsidiaries and the interest in associates and jointly controlled entities.

(b) Principal activities

The principal activities of the Corporation and its subsidiaries are to produce, trade, import and export clothes, fabric, fibre, equipment, and raw materials for the garment and textile industry.

(c) Normal operating cycle

The normal operating cycle of the Corporation and its subsidiaries is generally within 12 months.

(d) Corporation structure

At 31 December 2024, the Corporation has subsidiaries and associates:

No.		% of equity owned and % of voting rights	
		31/12/2024	1/1/2024
	<b>Subsidiaries</b>		
1	Hoa Tho Fashion Join Stock Company	76.88%	76.88%
2	Hoa Tho - Hoi An Garment Joint Stock Company	54.18%	54.18%
3	Hoa Tho - Duy Xuyen Garment Joint Stock Company	81.73%	81.73%
4	Hoa Tho - Thang Binh Spinning Joint Stock Company	74.49%	74.49%
5	Hoa Tho Construction Mechanics Company Limited	100%	100%
	<b>Associates</b>		
1	Hoa Tho - Quang Nam Garment Joint Stock Company	30.61%	30.61%
2	Hoa Tho - Phu Ninh Garment Joint Stock Company	20.00%	20.00%

As at 31 December 2024, the Corporation and its subsidiaries had 9,631 employees (1/1/2024: 10,133 employees).



## **2. Basis of preparation**

### **(a) Statement of compliance**

These consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

### **(b) Basis of measurement**

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

### **(c) Annual accounting period**

The annual accounting period of the Corporation is from 1 January to 31 December.

### **(d) Accounting and presentation currency**

The Corporation's accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated financial statement presentation purpose. For the segment reporting, the amounts have been rounded to the nearest thousand described in Note 4.

## **3. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Corporation in the preparation of these consolidated financial statements.

### **(a) Basis of consolidation**

#### **(i) Subsidiaries**

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

#### **(ii) Non-controlling interests**

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

Changes in the Corporation's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Corporation's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

### **(iii) Loss of control**

When the Corporation loses control over a subsidiary, it derecognizes 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 separate financial statements of the Corporation 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.

### **(iv) Associates and jointly controlled entities (equity accounted investees)**

Associates are those entities in which the Corporation has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Corporation's share of the profit or loss of the associates, after adjustments to align the accounting policies with those of the Corporation, from the date that significant influence commences until the date that significant influence ceases. The carrying amount of investments in associates is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the income statement (such as revaluation of fixed assets, or foreign exchange translation differences, etc.).

When the Corporation'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 Corporation has an obligation or has made payments on behalf of the associate.

### **(v) Transactions eliminated on consolidation**

Intra-group transactions, balances, 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 equity accounted investees are eliminated against the investment to the extent of the Corporation's interest in the investee.

### **(vi) 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 Corporation. Control exists when the Corporation 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.

Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date.



**(b) Foreign currency transactions**

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rates and account transfer selling rates at the end of the annual accounting period quoted by the commercial bank where the Corporation most frequently conducts transactions.

All foreign exchange differences are recorded in the consolidated statement of income.

**(c) 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.

**(d) Investments**

**(i) Held-to-maturity investments**

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

**(ii) Investments in equity instruments of other entities**

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss which may cause the Corporation 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.

**(e) Accounts receivable**

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

**(f) 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.

The Corporation and its subsidiaries apply the perpetual method of accounting for inventories.

**(g) Tangible fixed assets**

**(i) 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. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**(ii) 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	10 - 25 years
▪ machinery and equipment	5 - 15 years
▪ motor vehicles	5 - 10 years
▪ office equipment	3 - 5 years
▪ others	2 - 5 years

**(h) Intangible fixed assets**

**Software**

Cost of acquiring of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Cost of software is amortised on a straight-line basis over 3 to 5 years.



**(i) 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.

**(j) Long-term prepaid expenses**

**(i) Prepaid land costs**

Prepaid land costs comprise prepaid land lease rentals, including those for which the Corporation and its subsidiaries obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease of 50 years.

**(ii) Tools and instruments**

Tools and instruments include assets held for use by the Corporation and its subsidiaries in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 2 to 3 years.

**(iii) Other long-term prepaid expenses**

Other long-term prepaid expenses mainly comprise rental and asset improvement expenses. Other long-term prepaid expenses are initially stated at cost and are amortised on a straight-line basis over a period ranging from 2 to 10 years.

**(k) Trade and other payables**

Trade and other payables are stated at their cost.

**(l) Provisions**

Except for the provisions as defined in other notes, a provision is recognised if, as a result of a past event, the Corporation and its subsidiaries have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**(m) Share capital**

**Ordinary shares**

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognised as a deduction from share premium.

**(n) Taxation**

Income tax on the consolidated profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(o) Revenue and other incomes**

**(i) 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.

**(ii) Processing services**

Revenue from processing services is recognised in the consolidated statement of income when the goods have been processed and the significant risks and rewards of ownership have been transferred to the ordering party. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.



**(iii) Interest income**

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

**(iv) Dividend income**

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

**(p) Leases**

**(i) Leased assets**

Assets held under lease contracts of which the Corporation and its subsidiaries, as lessee, does not assume substantially all the risks and rewards of ownership are classified as operating leases and are not recognised in the Corporation's consolidated balance sheet.

**(ii) Lease payments**

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense, over the term of the lease.

**(q) Borrowing costs**

Borrowing costs are recognised as an expense in the year in which they are incurred.

**(r) Earnings per share**

Related the Corporation presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders after deducting any amounts appropriated to bonus and welfare fund for the annual accounting period of the Corporation by the weighted average number of ordinary shares outstanding during the year. At reporting date and for the year then ended, the Corporation had no potential ordinary shares and therefore does not present diluted EPS.

**(s) Segment reporting**

A segment is a distinguishable component of the Corporation and its subsidiaries that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Corporation and its subsidiaries is believed to operate in the two business fields which are garment and yarn production.

Geographical segment of the Corporation and its subsidiaries is defined based on geographical locations of markets and customers of the Corporation and its subsidiaries. The Board of Directors consider the areas generating more than 10% of revenue as a segment need to be reported.

**(t) Related parties**

Parties are considered to be related to the Corporation and its subsidiaries 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 decisions, or where the Corporation and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related companies refer to the parent company – Vietnam National Textile and Garment Group and its subsidiaries and associates.

**(u) Comparative information**

Comparative information in these consolidated financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year's consolidated financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these consolidated financial statements is not intended to present the Corporation's consolidated financial position, consolidated results of operation or consolidated cash flows for the prior year.



#### 4. Segment Reporting

##### (a) Business segments

The Corporation comprises the following business segments:

- Garment
- Yarn

	Garment		Yarn		Elimination		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
	VND'000	VND'000	VND'000	VND'000	VND'000	VND'000	VND'000	VND'000
External net revenue	4,084,716,970	3,772,752,419	1,018,211,709	927,457,155	-	-	5,102,928,679	4,700,209,574
Inter-segment net revenue	140,223,246	134,719,682	61,630,149	37,607,131	(201,853,395)	(172,326,813)	-	-
Total segment net revenue	4,224,940,216	3,907,472,101	1,079,841,858	965,064,286	(201,853,395)	(172,326,813)	5,102,928,679	4,700,209,574
Segment results	521,140,819	417,750,504	71,071,333	14,382,693	-	-	592,212,152	432,133,197
Financial income							115,656,672	84,155,374
Financial expense							84,086,085	69,386,810
Share of profit in associates							1,848,161	2,399,707
Unallocated expenses							291,112,449	242,459,560
Unallocated results of other activities							18,353,776	3,968,623
Unallocated profit before tax							352,872,227	210,810,531
Current income tax expense							69,703,161	37,001,411
Income tax expense – deferred							664,967	3,935,718
Net profit after tax							282,504,099	169,873,402



#### Hoa Tho Textile-Garment Joint Stock Corporation Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

	Garment		Yarn		Total	
	31/12/2024	1/1/2024	31/12/2024	1/1/2024	31/12/2024	1/1/2024
	VND'000	VND'000	VND'000	VND'000	VND'000	VND'000
Segment assets						
Unallocated assets	1,622,677,154	1,535,831,184	518,755,281	496,911,632	2,141,432,435	2,032,742,816
Total assets					2,922,215,617	2,507,720,745
Segment liabilities						
Unallocated liabilities	1,452,091,337	1,120,879,038	274,032,811	297,682,115	1,726,124,148	1,418,561,153
Total liabilities					272,127,329	252,353,557
					1,998,251,477	1,670,914,710
Capital expenditure					2024	2023
Depreciation of tangible fixed assets					VND'000	VND'000
Amortisation of intangible fixed assets						
					186,162,984	94,998,378
					124,434,418	123,076,619
					779,663	789,826





**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**(b) Geographical segments**

The Corporation and its subsidiaries are located based on geographical area, location of customers as follows:

- China
- United States of America (“USA”)
- Japan
- The Africa
- Vietnam
- Sweden
- Other regions

	China VND'000	USA VND'000	Japan VND'000	The Africa VND'000	Vietnam VND'000	Sweden VND'000	Others VND'000	Consolidated VND'000
<b>For the year ended 31 December 2024</b>								
Segment total net revenue	1,753,752,399	1,024,172,735	390,087,338	138,837,459	377,224,527	372,506,878	1,046,347,343	5,102,928,679
Segment results	131,036,084	143,202,071	31,882,779	17,740,869	152,979,781	28,996,997	86,373,571	592,212,152
Unallocated income								117,504,833
Unallocated expenses								375,198,534
Results from operating activities								334,518,451
Other income								20,996,518
Other expenses								2,642,742
Current income tax expense								69,703,161
Income tax expense – deferred								664,967
Net profit after tax								282,504,099

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**Hoa Tho Textile-Garment Joint Stock Corporation**  
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	China VND'000	USA VND'000	Japan VND'000	The Africa VND'000	Vietnam VND'000	Sweden VND'000	Others VND'000	Consolidated VND'000
<b>For the year ended 31 December 2023</b>								
Segment total net revenue	1,708,631,304	915,952,497	488,615,049	144,912,893	227,222,346	353,500,980	861,374,505	4,700,209,574
Segment results	125,556,275	117,124,768	42,179,626	5,178,795	72,036,667	24,212,638	45,844,428	432,133,197
Unallocated income								86,555,081
Unallocated expenses								311,846,370
Results from operating activities								206,841,908
Other income								10,280,758
Other expenses								6,312,135
Current income tax expense								37,001,411
Income tax expense – deferred								3,935,718
Net profit after tax								169,873,402

During the years ended 31 December 2024 and 31 December 2023, most of the Corporation's segment assets were concentrated in only one geographical area which is Vietnam.



**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Notes to the consolidated financial statements for the year ended 31 December 2024**  
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**5. Cash and cash equivalents**

	31/12/2024 VND	1/1/2024 VND
Cash on hand	227,792,036	197,916,388
Cash in banks	20,063,100,009	13,565,659,556
Cash equivalents	446,837,000,000	197,222,000,000
	467,127,892,045	210,985,575,944

As at 31 December 2024, cash equivalents included term deposits at banks with original terms not exceeding 3 months from the transaction dates. These deposits earned annual interest rates from 0.5% to 4.75% (1/1/2024: from 0.5% to 4.5%).

**6. Investments**

**(a) Held-to-maturity investments**

	31/12/2024		1/1/2024	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Held-to-maturity investments – short-term				
▪ Term deposits	254,147,000,000	254,147,000,000	176,606,702,730	176,606,702,730
Held-to-maturity investments – long-term				
▪ Term deposits	-	-	8,000,000,000	(*)

Held-to-maturity investments – short-term included bank deposits with original terms of more than 3 months and remaining terms to maturity of less than 12 months from the end of the accounting period and earned annual interest rates ranging from 3.0% to 5.7% (1/1/2024: from 4.8% to 9.5%).

The fair value of held-to-maturity investments – short-term approximates their carrying amount due to the short-term nature of these investments. The fair value of these instruments is determined for disclosure purposes only.

As at 31 December 2024 term deposit contracts with a carrying amount of VND13,000 million (1/1/2024: VND31,000 million) were pledged with banks as security for short-term and long-term borrowings granted to the Corporation (Note 21).

(\*) The Corporation has not determined fair values of the held-to-maturity investments – long-term for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these investments may differ from their carrying amounts.

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)**

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**(b) Equity investments in other entities**

	Address	31/12/2024				1/1/2024				Allowance for diminution in value VND	
		Number of shares	% of equity owned	% of voting rights	Carrying value VND	Allowance for diminution in value VND	Number of shares	% of equity owned	% of voting rights		Carrying value VND
Equity investments in:											
<i>Associates</i>											
Hoa Tho – Quang Nam Garment Joint Stock Company	Quang Nam	642,800	30.61%	30.61%	16,761,043,772	-	642,800	30.61%	30.61%	15,724,135,353	-
Hoa Tho – Phu Ninh Garment Joint Stock Company	Quang Nam	400,000	20.00%	20.00%	1,610,836,037	-	400,000	20.00%	20.00%	1,442,383,148	-
					18,371,879,809	-	17,166,518,501				-
<i>Other companies</i>											
The Central Cotton Joint Stock Company	Khanh Hoa	6,500	7.12%	7.12%	855,702,000	(505,678,651)	6,500	7.12%	7.12%	855,702,000	(505,678,651)
Hoa Tho Quang Da Packaging Joint Stock Company	Quang Nam	60,000	10.91%	10.91%	600,000,000	-	60,000	10.91%	10.91%	600,000,000	-
Ho Chi Minh City Textile Garment Commercial Joint Stock Company	Ho Chi Minh City	630,000	14.00%	14.00%	6,300,000,000	(6,300,000,000)	630,000	14.00%	14.00%	6,300,000,000	(6,300,000,000)
					7,755,702,000	(6,805,678,651)	7,755,702,000				(6,805,678,651)
					26,127,581,809	(6,805,678,651)	24,922,220,501				(6,805,678,651)

The Corporation has not determined fair values of these equity investments in other entities for disclosure in the consolidated financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair values of these investments may differ from their carrying amounts.



**7. Accounts receivable from customers**

**(a) Accounts receivable from customers detailed by significant customer**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Motives International (Hong Kong) Limited	160,078,938,476	227,158,560,082
Haggar Clothing Co.	124,387,033,539	86,827,098,602
Other customers	232,361,807,395	201,348,492,657
	<b>516,827,779,410</b>	<b>515,334,151,341</b>

At 31 December 2024, accounts receivable from customers with a carrying value of VND141,421 million (1/1/2024: VND36,904 million) were pledged with banks as security for short-term borrowings granted to the Corporation and its subsidiaries (Note 21(a)).

**(b) Accounts receivable from customers who are related parties**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
<b>The parent company</b>		
Vietnam National Textile and Garment Group	121,055,860	143,590,666
<b>Associates</b>		
Hoa Tho – Phu Ninh Garment Joint Stock Company	-	41,610,032
Hoa Tho – Quang Nam Garment Joint Stock Company	3,118,303	-
<b>Related company within Vietnam National Textile and Garment Group</b>		
Hue Textile Garment Joint Stock Company	53,265,600	-
	<b>177,439,763</b>	<b>185,200,698</b>

The trade related amounts due from related parties were unsecured, interest free and are due within 90 days from invoice date.

**8. Loans receivable**

**(a) Loans receivable detailed by significant borrower**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
<b>Related party – an associate</b>		
Hoa Tho – Phu Ninh Garment Joint Stock Company (*)	4,685,720,000	7,028,580,000

(\*) This loan was unsecured, earned interest at a rate of 6.7% per annum (1/1/2024: 10.0% per annum) and will be repaid according to the repayment schedule within 60 months from the first drawdown date of 25 January 2022.

**(b) Loans receivable classified by payment term**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Short-term	2,342,860,000	2,342,860,000
Long-term	2,342,860,000	4,685,720,000
	<b>4,685,720,000</b>	<b>7,028,580,000</b>



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**9. Other receivables**

**(a) Other short-term receivables comprised:**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Accrued interest income	3,937,823,412	5,514,556,964
Short-term deposits	164,456,250	1,479,481,000
Advances to employees	1,516,186,862	2,130,593,214
Provisional import tax paid	339,996,504	339,838,279
Provisional personal income tax paid	6,356,296,046	1,222,036,165
Others	778,595,184	1,091,018,490
	<b>13,093,354,258</b>	<b>11,777,524,112</b>

**(b) Other long-term receivables comprised:**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Deposit for premise lease	992,712,947	1,012,732,545

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**10. Bad and doubtful debts**

	<b>31/12/2024</b>		<b>1/1/2024</b>	
	<b>Overdue period</b>	<b>Cost VND</b>	<b>Allowance VND</b>	<b>Recoverable amount VND</b>
Overdue debts				
Duyen Dat Trading Services Co., Ltd.	Over 3 years	5,709,989,346	(5,709,989,346)	-
<i>Of which:</i>				
Allowance for doubtful debts			(5,709,989,346)	(5,709,989,346)



## 11. Inventories

	31/12/2024		1/1/2024	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	116,568,120,966	(487,038,128)	121,656,620,675	(1,043,278,429)
Raw materials	218,277,432,394	(294,882,197)	192,547,259,837	(3,061,261,989)
Tools and supplies	1,163,593,998	-	2,024,195,631	-
Work in progress	338,134,768,457	(311,122,549)	336,696,888,370	(3,130,624,852)
Finished goods	38,749,002,229	(1,250,715,386)	60,042,697,458	(1,845,008,726)
Merchandise inventories	5,266,692,940	(468,659,940)	6,283,260,703	(951,562,364)
Goods on consignment	73,009,442,936	(300,869,918)	56,773,062,919	(34,464,404)
	791,169,053,920	(3,113,288,118)	776,023,985,593	(10,066,200,764)

Included in inventories at 31 December 2024 was VND90,203 million (1/1/2024: VND153,439 million) of goods in transit, raw materials, work in progress, finished goods, merchandise inventories and goods on consignment carried at net realisable value.

As at 31 December 2024, inventories with a carrying value of VND676,790 million (1/1/2024: VND683,795 million) were pledged with banks as security for short-term borrowings granted to the Corporation and its subsidiaries (Note 21(a)).

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## 12. Tangible fixed assets

Cost	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Opening balance	467,970,318,704	1,370,979,614,058	87,390,702,738	9,916,057,332	103,009,241,556	2,039,265,934,388
Additions	7,990,028,114	12,336,316,401	3,376,081,068	657,384,953	1,141,432,131	25,501,242,667
Transfer from construction in progress	41,406,017,777	80,197,682,876	49,824,605,063	4,143,316,669	2,412,469,011	177,984,091,396
Disposals	(3,825,302,130)	(33,012,405,209)	(361,295,887)	(40,454,545)	(263,850,293)	(37,503,308,064)
Reclassification	-	(694,604,545)	-	694,604,545	-	-
Closing balance	513,541,062,465	1,429,806,603,581	140,230,092,982	15,370,908,954	106,299,292,405	2,205,247,960,387
Accumulated depreciation						
Opening balance	221,382,602,169	999,379,658,098	53,994,817,648	8,433,491,938	92,195,363,283	1,375,385,933,136
Charge for the year	25,154,262,131	85,512,877,963	9,749,324,188	817,418,027	3,200,535,700	124,434,418,009
Disposals	(2,752,014,014)	(33,012,405,209)	(361,295,887)	(40,454,545)	(263,850,293)	(36,430,019,948)
Reclassification	-	(512,763,726)	-	512,763,726	-	-
Closing balance	243,784,850,286	1,051,367,367,126	63,382,845,949	9,723,219,146	95,132,048,690	1,463,390,331,197
Net book value						
Opening balance	246,587,716,535	371,599,955,960	33,395,885,090	1,482,565,394	10,813,878,273	663,880,001,252
Closing balance	269,756,212,179	378,439,236,455	76,847,247,033	5,647,689,808	11,167,243,715	741,857,629,190

Included in tangible fixed assets were assets costing VND869,029 million which were fully depreciated as at 31 December 2024 (1/1/2024: VND867,239 million), but which are still in active use.

At 31 December 2024, tangible fixed assets with a carrying value of VND360,960 million (1/1/2024: VND368,633 million) were pledged with banks as security for short-term and long-term borrowings granted to the Corporation and its subsidiaries (Note 21).



### 13. Intangible fixed assets

	Software VND
<b>Cost</b>	
Opening balance	12,780,311,016
Additions	467,481,818
Closing balance	13,247,792,834
<b>Accumulated amortisation</b>	
Opening balance	10,916,061,800
Charge for the year	779,662,553
Closing balance	11,695,724,353
<b>Net book value</b>	
Opening balance	1,864,249,216
Closing balance	1,552,068,481

Included in intangible fixed assets were assets costing VND9,273 million which were fully amortised as at 31 December 2024 (1/1/2024: VND8,371 million), but which are still in use.

### 14. Construction in progress

	2024 VND	2023 VND
Opening balance	921,944,983	17,435,128,396
Additions during the year	193,552,848,476	57,697,268,032
Transfer to tangible fixed assets	(177,984,091,396)	(74,210,451,445)
Closing balance	16,490,702,063	921,944,983
Major constructions in progress were as follows:		
	31/12/2024 VND	1/1/2024 VND
Investment in yarn equipment	16,376,257,618	-
Trieu Phong Garment Factory – phase 3	-	293,540,191
Others	114,444,445	628,404,792
	16,490,702,063	921,944,983

### 15. Prepaid expenses

#### (a) Short-term prepaid expenses

	31/12/2024 VND	1/1/2024 VND
Prepaid operating lease expenses	2,237,099,382	1,366,700,925
Tools and supplies	1,937,008,314	2,627,499,460
Prepaid insurance expenses	2,846,600,140	3,227,281,381
Other short-term prepaid expenses	6,005,732,285	5,779,019,114
	13,026,440,121	13,000,500,880



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**(b) Long-term prepaid expenses**

	<b>Prepaid land costs VND</b>	<b>Tools and supplies VND</b>	<b>Others VND</b>	<b>Total VND</b>
Opening balance	3,752,647,920	21,172,676,518	20,636,665,366	45,561,989,804
Additions	-	12,236,770,966	9,016,732,090	21,253,503,056
Amortisation for the year	(87,610,452)	(11,010,835,170)	(12,703,634,783)	(23,802,080,405)
Disposals	-	(18,414,699)	-	(18,414,699)
Closing balance	3,665,037,468	22,380,197,615	16,949,762,673	42,994,997,756

**16. Deferred tax assets and liabilities**

	<b>Tax rate</b>	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Deferred tax assets:			
Allowance for inventories	20%	218,608,575	1,059,602,624
Unearned revenue and others	20%	1,384,706,508	1,242,369,653
Total deferred tax assets		1,603,315,083	2,301,972,277
Deferred tax liabilities:			
Allowance for long-term investments	20%	(477,832,792)	(511,523,370)
Net deferred tax assets		1,125,482,291	1,790,448,907

**17. Accounts payable to suppliers**

**(a) Accounts payable to suppliers detailed by significant suppliers**

	<b>Cost and amount within payment capacity</b>	
	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Hultafors Group AB	23,110,495,965	18,705,524,789
Other suppliers	252,193,021,232	212,953,205,108
	275,303,517,197	231,658,729,897

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**(b) Accounts payable to suppliers who are related parties**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
<b>The parent company</b>		
Vietnam National Textile and Garment Group	4,584,283,628	5,387,148,375
<b>Associates</b>		
Hoa Tho – Quang Nam Garment Joint Stock Company	6,264,687	7,600,436,555
Hoa Tho – Phu Ninh Garment Joint Stock Company	3,051,994,197	906,163,602
<b>Related companies within Vietnam National Textile and Garment Group</b>		
Hue Textile Garment Joint Stock Company	308,284,940	5,026,026
Phong Phu Corporation	274,347,052	-
<b>Other related party</b>		
Thien Tin Trading Production Company Limited – a company whose key management person is a close family member of a key management person of the Corporation	180,307,585	69,698,988
	8,405,482,089	13,968,473,546

The trade related amounts due to the related parties were unsecured, interest free and are payable within 30 - 180 days from invoice date.

**18. Taxes and others receivable from and payable to State Treasury**

**(a) Taxes and others receivable from State Treasury**

	<b>1/1/2024 VND</b>	<b>Paid VND</b>	<b>Net-off VND</b>	<b>31/12/2024 VND</b>
Land rental	3,659,766,722	-	(3,659,766,722)	-



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**(b) Taxes and others payable to State Treasury**

	1/1/2024 VND	Incurred VND	Paid/net-off VND	31/12/2024 VND
Value added tax	4,695,601,531	155,025,394,899	(154,908,028,813)	4,812,967,617
Import tax	262,017	2,353,322,894	(2,353,584,911)	-
Corporate income tax	10,912,233,936	69,703,161,427	(56,581,404,038)	24,033,991,325
Personal income tax	400,736,979	15,196,536,007	(12,439,513,665)	3,157,759,321
Land rental	-	14,310,726,880	(14,310,726,880)	-
Other taxes	143,534	1,371,649,456	(1,371,792,990)	-
	16,008,977,997	257,960,791,563	(241,965,051,297)	32,004,718,263

**19. Accrued expenses**

	31/12/2024 VND	1/1/2024 VND
Operating costs	3,592,217,427	1,930,053,738
Interest expense	409,577,669	468,679,648
Electricity and water costs	2,393,272,038	2,207,788,650
Others	309,231,484	549,554,357
	6,704,298,618	5,156,076,393

**20. Other short-term payables**

	31/12/2024 VND	1/1/2024 VND
Trade union fees	20,023,823,327	17,781,619,769
Advances from customers for payments on behalf	1,396,591,175	936,449,270
Dividends payable (*)		
▪ Vietnam National Textile and Garment Group – the parent company	66,822,615,000	55,685,512,500
▪ Thien Tin Trading Production Company Limited – a company whose key management person is a close family member of a key management person of the Corporation	226,551,000	188,792,500
▪ Other shareholders	42,548,876,600	35,320,202,100
Others	5,173,082,971	5,499,509,870
	136,191,540,073	115,412,086,009

(\*) The dividends payable included the second tranche dividends advanced for 2024 and were paid on 23 January 2025.

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**21. Borrowings**

**(a) Short-term borrowings**

	1/1/2024 Carrying amount and amount within repayment capacity VND	Movements during the year		31/12/2024 Carrying amount and amount within repayment capacity VND
		Increase VND	Decrease VND	
				Unrealised foreign exchange differences VND
Short-term borrowings	615,708,065,808	4,212,017,847,204	(3,912,138,393,875)	2,379,403,664
Current portion of long-term borrowings (b)	26,980,605,910	8,021,338,854	(26,980,605,911)	141,272,744
	642,688,671,718	4,220,039,186,058	(3,939,118,999,786)	2,520,676,408
				926,129,534,398

	Currency	Annual interest rate	31/12/2024 VND	1/1/2024 VND
Bank borrowing 1 (i)	USD	2.5% - 3.1%	426,032,327,527	180,064,321,836
Bank borrowing 2 (i)	USD	3.50% - 3.60%	27,773,921,413	39,159,534,223
Bank borrowing 3 (i)	USD	2.6% - 3.0%	244,600,157,644	179,949,256,061
Bank borrowing 4 (i)	USD	2.6% - 3.1%	86,362,907,945	55,133,854,140
Bank borrowing 5 (i)	USD	3.7% - 3.9%	31,869,587,844	26,741,755,703
Bank borrowing 6 (i)	VND	3.4%	69,396,695,846	79,409,343,845
Bank borrowing 7 (i)	VND	2.5%	-	55,000,000,000
Bank borrowing 8 (ii)	VND	2.6%	31,666,283,486	-
Borrowing from Retirement Board (ii)	VND	6.0%	265,041,096	250,000,000
			917,966,922,801	615,708,065,808

Terms and conditions of short-term borrowings were as follows:



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- (i) These borrowings were secured over term deposit contracts (Note 6(a)), certain account receivables (Note 7), inventories (Note 11) and tangible fixed assets (Note 12) of the Corporation and its subsidiaries.
- (ii) These borrowings were unsecured.

(b) Long-term borrowings

	31/12/2024 VND	1/1/2024 VND
Long-term borrowings Repayable within twelve months	215,859,464,790 (8,162,611,597)	253,465,545,357 (26,980,605,910)
Repayable after twelve months	207,696,853,193	226,484,939,447

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Terms and conditions of long-term borrowings were as follows:

	Currency	Annual interest rate	Year of maturity	31/12/2024 VND	1/1/2024 VND
Bank borrowing 1	VND	3.38%	2024	-	10,000,000,000
Bank borrowing 2	USD	8.25%	2024	-	30,016,931,310
Environmental Protection Fund (i)	VND	2.6%	2025	1,550,000,000	2,790,000,000
Vietnam National Textile and Garment Group – the parent company (ii)	USD	SOFR + 0.7%	2039	214,309,464,790	210,658,614,047
				215,859,464,790	253,465,545,357

- (i) These borrowings were secured over term deposit contracts (Note 6(a)) and certain tangible fixed assets (Note 12) of the Corporation and the subsidiaries.
- (ii) These were re-lent by Vietnam National Textile and Garment Group from the borrowings granted by Asia Development Bank (“ADB”) with a credit limit of USD9,042,587 and were secured over certain tangible fixed assets of the Corporation (Note 12).



## 22. Bonus and welfare fund

This fund is established by appropriating from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to the employees of Corporation and the subsidiaries in accordance with the bonus and welfare policies of the Corporation and the subsidiaries. Movements of bonus and welfare fund during the year were as follows:

	2024 VND	2023 VND
Opening balance	81,589,145,340	68,188,999,432
Appropriation	15,151,402,319	22,528,907,116
Other additions	340,000,000	32,639,419
Utilisation	(18,971,454,347)	(9,161,400,627)
Closing balance	78,109,093,312	81,589,145,340

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## 23. Changes in owners' equity

	Share capital VND	Other capital VND	Investment and development fund VND	Retained profits VND	Non-controlling interests VND	Total VND
<b>Balance at 1 January 2023</b>	300,030,750,000	1,752,940,000	178,026,784,321	377,815,114,784	43,812,983,833	901,438,572,938
Net profit for the year	-	-	-	171,980,838,183	(2,107,436,225)	169,873,401,958
Appropriation to investment and development fund	-	-	28,553,165,973	(28,553,165,973)	-	-
Dividends (Note 26)	-	-	-	(210,019,070,000)	(1,957,962,000)	(211,977,032,000)
Stock dividends (Note 26)	59,996,330,000	1,547,340,000	-	(61,543,670,000)	-	-
Appropriation to bonus and welfare fund	-	-	-	(21,783,590,790)	(745,316,326)	(22,528,907,116)
<b>Balance at 1 January 2024</b>	360,027,080,000	3,300,280,000	206,579,950,294	227,896,456,204	39,002,269,282	836,806,035,780
Net profit for the year	-	-	-	280,917,941,380	1,586,157,698	282,504,099,078
Appropriation to investment and development fund	-	-	9,989,875,826	(9,989,875,826)	-	-
Dividends (Note 26)	-	-	-	(180,013,540,000)	(181,053,000)	(180,194,593,000)
Stock dividends (Note 26)	-	1,790,450,000	-	(1,790,450,000)	-	-
Appropriation to bonus and welfare fund	-	-	-	(15,017,655,125)	(133,747,194)	(15,151,402,319)
<b>Balance at 31 December 2024</b>	360,027,080,000	5,090,730,000	216,569,826,120	302,002,876,633	40,273,626,786	923,964,139,539



## 24. Share capital

The Corporation's authorised and issued share capital are:

	31/12/2024		1/1/2024	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	36,002,708	360,027,080,000	36,002,708	360,027,080,000
<b>Issued share capital</b>				
Ordinary shares	36,002,708	360,027,080,000	36,002,708	360,027,080,000
<b>Shares in circulation</b>				
Ordinary shares	36,002,708	360,027,080,000	36,002,708	360,027,080,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Corporation. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Corporation's residual assets.

Share capital issued and in circulation of shareholders is as follows:

	31/12/2024 and 1/1/2024 Issued and in circulation		
	Number of shares	VND	%
Vietnam National Textile and Garment Group	22,274,205	222,742,050,000	61.87%
Other shareholders	13,728,503	137,285,030,000	38.13%
	36,002,708	360,027,080,000	100%

## 25. Investment and development fund

Investment and development fund was appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. This fund was established for the purpose of future business expansion.

## 26. Dividends

On 12 April 2024, the General Meeting of Shareholders of the Corporation resolved to distribute dividends in cash amounting to VND126,009 million (equivalent to a dividend rate of 35% of charter capital) for 2023, which included the dividends advanced in 2023 amounting to VND90,007 million (2023: dividends in cash amounting to VND120,012 million (equivalent to a dividend rate of 40% of charter capital) and stock dividends amounting to VND59,996 million (equivalent to a dividend rate of 20% of charter capital) for 2022).

On 11 June 2024 and 21 November 2024, the Board of Management of the Corporation approved to advance payments of dividends to the shareholders amounting to VND36,003 million and VND108,008 million, respectively (equivalent to a dividend rate of 10% and 30% of charter capital) from the retained profits of 2024.

## 27. Off balance sheet items

### (a) Lease

The future minimum lease payments under non-cancellable operating leases were:

	31/12/2024 VND	1/1/2024 VND
Within one year	28,941,716,857	28,196,625,103
Within two to five years	98,687,793,233	108,411,419,265
More than five years	166,214,887,509	182,337,480,838
	293,844,397,599	318,945,525,206

### (b) Foreign currency

	31/12/2024		1/1/2024	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	229,374	5,793,579,100	237,422	5,720,089,141



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**(c) Capital expenditure commitments**

At the reporting date, the Corporation had the following outstanding investment projects approved but not provided for in the consolidated balance sheet:

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Approved but not contracted	137,940,000,000	176,940,000,000
Approved and contracted	37,790,000,000	56,180,000,000
	<b>175,730,000,000</b>	<b>233,120,000,000</b>

**28. Revenue from sales of goods and provision of services**

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax.

Net revenue comprised:

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Total revenue		
▪ Revenue from sales and garment processing	5,064,418,890,446	4,661,983,627,025
▪ Revenue from other sales and services	46,734,420,903	41,983,091,654
	<b>5,111,153,311,349</b>	<b>4,703,966,718,679</b>
Less revenue deductions		
▪ Sales discounts	(3,573,265,020)	(3,275,248,195)
▪ Sales returns	(4,651,367,518)	(411,270,139)
▪ Sales allowances	-	(70,626,293)
	<b>(8,224,632,538)</b>	<b>(3,757,144,627)</b>
Net revenue	<b>5,102,928,678,811</b>	<b>4,700,209,574,052</b>

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**29. Cost of sales**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Cost of goods and garment processing service	4,482,642,337,609	4,267,875,737,535
Cost of other sales and services	35,027,101,593	32,170,342,936
Reversal of allowance for inventories	(6,952,912,646)	(31,969,703,639)
	<b>4,510,716,526,556</b>	<b>4,268,076,376,832</b>

**30. Financial income**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Interest income from deposits, loans and advances	23,695,559,460	20,410,893,468
Dividends received	168,000,000	168,000,000
Realised foreign exchange gains	91,790,089,078	63,558,113,953
Other income	3,023,337	18,366,324
	<b>115,656,671,875</b>	<b>84,155,373,745</b>

**31. Financial expenses**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Interest expense	39,892,375,132	38,519,684,807
Realised foreign exchange losses	33,415,893,114	22,626,296,625
Unrealised foreign exchange losses	10,777,816,840	8,240,828,272
	<b>84,086,085,086</b>	<b>69,386,809,704</b>



**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**32. Selling expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Staff costs	8,733,784,091	7,450,318,876
Supplies and packages	782,456,930	727,270,099
Tools and equipment	360,817,928	357,982,822
Depreciation charges	885,600,386	929,987,754
Outside services	81,051,636,577	56,720,346,717
Other expenses	17,677,436,941	17,919,789,999
	<b>109,491,732,853</b>	<b>84,105,696,267</b>

**33. General and administration expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Staff costs	92,703,477,805	83,273,524,891
Depreciation charges	11,474,053,674	10,874,778,161
Taxes, fees and charges	14,895,047,623	7,550,074,463
Outside services	32,261,415,662	29,912,428,071
Office supplies	2,337,424,481	3,521,756,836
Others	27,949,297,148	23,221,302,380
	<b>181,620,716,393</b>	<b>158,353,864,802</b>

**34. Other income**

	<b>2024 VND</b>	<b>2023 VND</b>
Gain from disposals of fixed assets	503,642,015	937,360,909
Penalties, compensations and rewards received	19,256,239,048	8,149,661,036
Others	1,236,636,774	1,193,735,861
	<b>20,996,517,837</b>	<b>10,280,757,806</b>

**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**35. Other expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Penalties on contract violation and tax late payment	763,924,126	4,878,493,001
Others	1,878,817,696	1,433,642,167
	<b>2,642,741,822</b>	<b>6,312,135,168</b>

**36. Production and business costs by element**

	<b>2024 VND</b>	<b>2023 VND</b>
Raw material costs included in production costs	2,632,163,898,063	2,371,039,795,168
Staff costs	1,378,587,632,878	1,272,835,241,599
Depreciation and amortisation	125,301,691,014	123,954,055,538
Outside services and other expenses	625,961,594,773	580,415,634,787

**37. Income tax**

**(a) Recognised in the consolidated statement of income**

	<b>2024 VND</b>	<b>2023 VND</b>
<b>Current tax expense</b>		
Current year	68,949,371,031	36,344,432,271
Under provision in prior years	753,790,396	656,978,301
	<b>69,703,161,427</b>	<b>37,001,410,572</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	664,966,616	3,935,717,795
	<b>70,368,128,043</b>	<b>40,937,128,367</b>



**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**(b) Reconciliation of effective tax rate**

	<b>2024 VND</b>	<b>2023 VND</b>
Accounting profit before tax	352,872,227,121	210,810,530,325
Tax at the Corporation's tax rate	70,574,445,424	42,162,106,065
Effect of different tax rates applied in subsidiaries	-	(227,844,693)
Non-deductible expenses	1,211,376,787	735,404,414
Tax exempt income	(403,232,262)	(513,541,499)
Unrecognised tax losses in subsidiaries	143,081,603	3,304,791,243
Changes in other unrecognised temporary differences	(1,206,480,793)	(4,416,284,964)
Under provision in prior years	753,790,396	656,978,301
Tax reduction (*)	(704,853,112)	(764,480,500)
	<b>70,368,128,043</b>	<b>40,937,128,367</b>

- (\*) The Corporation is entitled to tax reduction under Article 21 of Circular No. 78/2014/TT-BTC providing guidance on implementation of the Law on Corporation Income Tax. Accordingly, a production, construction or transportation enterprise that employs between 10 and 100 female laborers who account for more than 50% of its total regular employees, or regularly employs over 100 female laborers who account for more than 30% of its total regular employees, is entitled to a reduction of corporate income tax equivalent to the actual additional expenses for female laborers.

**(c) Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items:

	<b>31/12/2024</b>		<b>1/1/2024</b>	
	<b>Temporary difference VND</b>	<b>Tax value VND</b>	<b>Temporary difference VND</b>	<b>Tax value VND</b>
Deductible temporary differences	1,877,559,216	375,511,843	7,909,963,181	1,581,992,636
Tax losses in subsidiaries	13,883,786,195	2,776,757,239	13,168,378,176	2,633,675,636
	<b>15,761,345,411</b>	<b>3,152,269,082</b>	<b>21,078,341,357</b>	<b>4,215,668,272</b>

**Hoa Tho Textile-Garment Joint Stock Corporation**  
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Deductible temporary differences include interest expenses allowed to be carried forward for deduction against future taxable profit in accordance with regulation in Decree 132/2020/ND-CP dated 5 November 2020. This temporary difference of interest expense expired in 2028.

The tax losses in subsidiaries expire in the following years:

<b>Year of expiry</b>	<b>Status of tax review</b>	<b>Tax losses available VND</b>
2028	Outstanding	13,168,378,176
2029	Outstanding	715,408,019
		<b>13,883,786,195</b>

Deferred tax assets have not been recognised in respect of tax losses in subsidiaries because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefits therefrom.

**(d) Applicable tax rates**

**(i) For the Corporation**

Under the provisions of the current Corporate Income Tax Law, the Corporation has an obligation to pay the Government corporate income tax at the rate of 20% of taxable profits.

**(ii) For the subsidiaries**

Hoa Tho - Thang Binh Garment Joint Stock Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits. The current income tax regulations allow this subsidiary to have corporation income tax at the rate of 10% for 15 years (from 2016 to 2030), be exempt from income tax for 4 years starting from the first year it generates a taxable profit (from 2018 to 2021) and entitled to a 50% reduction in CIT for the 9 succeeding years (2022 - 2030).

Other subsidiaries have an obligation to pay the Government income tax at the rate of 20% of taxable profits.



**38. Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2024 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding at the time of reporting, calculated as follows:

**(a) Weighted average number of ordinary shares**

	<b>2024 (Shares)</b>	<b>2023 (Shares)</b>
Issued ordinary shares at the beginning of the year	36,002,708	30,003,075
Effect of payment of stock dividends (Note 26)	-	5,999,633
Weighted average number of ordinary shares for the year	36,002,708	36,002,708

**(b) Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2024 was based on the net profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare fund for the annual accounting period and a weighted average number, calculated as follows:

	<b>2024</b>	<b>2023 Restated</b>
Net profit for the year (VND)	280,917,941,380	171,980,838,183
Appropriation to Bonus and welfare funds (VND) (*)	(42,074,922,821)	(15,017,655,125)
Net profit attributable to ordinary shareholders (VND)	238,843,018,559	156,963,183,058
Weighted average number of ordinary shares for the year (shares)	36,002,708	36,002,708
Basic earnings per share (VND/share)	6,634	4,360

(\*) The estimated appropriation to bonus and welfare fund from net profit for the year ended 31 December 2024 is the estimation made by the Corporation's Board of Directors, based on the Corporation's operating results in 2024.

**(c) Restatements of basic earnings per share for the year ended 31 December 2024**

Basic earnings per share for the year ended 31 December 2023 have been restated due to actual appropriation of profit after tax to bonus and welfare fund (Note 22) as follows:

	<b>Net profit VND</b>	<b>Weighted average number of ordinary shares</b>	<b>Basic earnings per share VND</b>
As previously reported	159,980,838,183	36,002,708	4,444
Effect of appropriation of profit after tax to bonus and welfare fund	(3,017,655,125)	-	(84)
As restated	156,963,183,058	36,002,708	4,360

**39. Significant transactions with related parties**

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Corporation and its subsidiaries had the following significant transactions with related parties during the year:

	<b>Transaction value</b>	
	<b>2024 VND</b>	<b>2023 VND</b>
<b>The Parent Company - Vietnam National Textile and Garment Group</b>		
Cash dividends	111,371,025,000	129,932,864,500
Share dividends	-	37,123,670,000
Sales of goods	-	2,004,546
Purchase of services	15,921,792,165	16,299,307,361
Interest expense	15,309,999,010	14,617,579,970
Repayment of loans principal	5,735,148,911	-
<b>Associates</b>		
<b>Hoa Tho - Phu Ninh Garment Joint Stock Company</b>		
Sales of goods and services	3,175,954,227	2,904,263,006
Purchase of goods and services	87,957,332,253	91,332,736,950
Receipt of loan principal repayment	2,342,860,000	2,342,860,000
Interest income from loans and advances	512,672,733	922,611,235
<b>Hoa Tho - Quang Nam Garment Joint Stock Company</b>		
Sales of goods and services	342,864,992	304,150,799
Purchase of goods and services	33,897,357,229	77,762,963,938
Dividends received through offsetting with liabilities	642,800,000	642,800,000



**Hoa Tho Textile-Garment Joint Stock Corporation**  
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	Transaction value	
	2024 VND	2023 VND
<b>Related companies within Vietnam National Textile and Garment Group</b>		
<i>Hue Textile Garment Joint Stock Company</i>		
Sales of goods and services	141,166,172	123,639,057
Purchase of goods and services	598,460,213	659,127,429
<i>Phu Bai Spinning Joint Stock Company</i>		
Sales of goods	459,994,037	-
<i>Phong Phu Corporation</i>		
Purchase of goods and services	2,251,027,071	-
<b>Other related party</b>		
<i>Thien Tin Trading Production Company Limited – a company with key management personnel being a close family member of a key management personnel of the Corporation</i>		
Sales of services	63,290,565	3,462,963
Purchase of services	3,067,841,093	5,780,600,060
Cash dividends	377,585,000	440,516,500
<b>Key management personnel compensation</b>		
<i>General Director</i>		
Salary and bonus	2,438,397,609	2,110,534,224
<i>Other members of Board of Directors</i>		
Salary and bonus	15,499,486,664	12,518,447,621
<i>Members of Supervisory Board</i>		
Salary, bonus and compensation	681,306,014	626,065,159
<i>Chairman of Board of Management</i>		
Compensation and bonus	3,208,891,148	2,673,683,166
<i>Member No.1 of Board of Management</i>		
Compensation	93,333,332	93,333,328
<i>Member No.2 of Board of Management</i>		
Compensation	90,999,999	93,333,328
<i>Member No. 3 of Board of Management</i>		
Compensation and bonus	385,555,552	333,333,331
<i>Member No.4 of Board of Management</i>		
Compensation and salary	425,803,064	93,333,328

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**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**40. Non-cash investing and financing activities**

	2024 VND	2023 VND
Payment of share dividends	-	59,996,330,000
Dividends paid through offsetting with receivables	1,910,830,500	1,415,432,000
Interest income from loans and advances received through offsetting with liabilities	512,672,733	922,611,235
Dividends received through offsetting with liabilities	642,800,000	642,800,000

**41. Comparative information**

Comparative information as at 1 January 2024 were derived from the balances and amounts reported in the Corporation's audited consolidated financial statements as at and for the year ended 31 December 2023.

10 March 2025

Prepared by:

*Pham Anh Thao*

Pham Anh Thao  
 Accounting Specialist

*Nguyen Thi Tuong Long*

Nguyen Thi Tuong Long  
 Chief Accountant

Approved by:

*Nguyen Ngoc Binh*  
 General Director

C.T.N.H.H  
 HẠ NỘI



2024 ANNUAL REPORT



March 27, 2025

LEGAL REPRESENTATIVE CONFIRMATION



NGUYEN NGOC BINH

HOA THO TEXTILE - GARMENT JOINT STOCK CORPORATION



2024

ANNUAL  
REPORT

HOA THO TEXTILE - GARMENT JOINT STOCK CORPORATION



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