



Everpia JSC

ANNUAL REPORT 2024

NEW HORIZON

HEAD QUARTER

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DONG NAI FACTORY

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“A new horizon is not a destination, but a journey we begin writing together today. Every step we take, every courageous decision, and every challenge we overcome will become the strokes that paint a bright future for Everpia. The year 2025 is not merely a milestone for recovery, but the beginning of a new story — one where we prove that from adversity, sustainable and innovative values can be born. Let us open this new horizon together, with the belief that no limit is out of reach when we stand united!”



Dear Valued Shareholders,

The volatile macroeconomic environment, declining domestic purchasing power, and the negative impacts of natural disasters in 2024 have posed significant challenges to Everpia’s business operations. The sharp decrease in revenue and profit has deeply concerned me and the entire management board, prompting serious reflection and contemplation.

1. TRANSFORMATION FOR RENEWAL

It is in times of adversity that Everpia’s resilience and core values have been affirmed more strongly than ever. The company has bravely eliminated underperforming segments while steadfastly preserving and promoting the foundations of sustainable growth. One of the most pivotal decisions was to discontinue production in the Cleaner business - a choice made with careful consideration, despite the short-term impact on revenue. However, we are deeply aware that this is a necessary strategic move that cannot be postponed, aimed at concentrating our resources on core product categories and reinforcing a solid financial foundation.

The past year also marked the most significant transformation in Everpia’s history, with the goal of bringing every product line and distribution channel back to target profitability. We undertook a comprehensive review of our product portfolio, pricing strategies, sales policies, and implemented cuts to ineffective expenses. While these changes may lead to a temporary decline in revenue, they serve as a critical foundation for Everpia’s sustainable growth in the years ahead. Behind each of these decisions lies a long-term vision, the courage to embrace change, and, above all, an unwavering commitment to the interests of our shareholders and customers.

2. STRENGTH COMES FROM CORE VALUES

Everpia’s history has shown that our entrepreneurial spirit and resilience shine brightest during times of adversity. This spirit - forged through generations - drives Everpia to continuously seek out opportunities amid uncertainty, turning crisis into momentum and challenges into drivers for innovation and growth. Amid the ever-changing tides of the market, we take great pride in the core values that have shaped Everpia throughout its journey of more than three decades. Everpia is not merely a manufacturer and distributor of bedding and padding products. We have become an integral part of the lives of millions of Vietnamese families and the trusted partner of over 250 global fashion brands. With reliable quality and meticulous attention to detail in every product, we have been, and will continue to be, a trusted companion in the journey of sleep health and elegant living.

3. A NEW HORIZON – BUILDING THE FUTURE FROM TODAY

Over the past year, Everpia has continued to elevate the customer experience through Everon-branded products that seamlessly blend modern technology with traditional craftsmanship. Each product is not only the result of

advanced techniques, but also the embodiment of passion, deep consumer understanding, and a distinctive identity that Everpia has diligently cultivated over the years. We believe the true value of a product lies not only in its design or function, but in its ability to resonate emotionally and form lasting connections with users. That is why Everpia strives to create experiences that go beyond material value - experiences that enhance quality of life, nurture a sense of peace, and leave a positive impact not only on today’s customers, but also on generations to come. Alongside product innovation, Everpia is gradually building a comprehensive and sustainable digital ecosystem - tightly integrating production, distribution, sales, and direct engagement with agents and end consumers. Our ultimate goal is to optimize operational efficiency, deliver outstanding customer experiences, and reinforce our leadership in the bedding and padding industry.

In the domestic market, we have focused on developing sales policies and digital transformation strategies aligned with the evolving competitive landscape. We have also enhanced our marketing approach to expand reach for new product lines while strengthening consumer trust in our traditional offerings. In parallel with business growth, Everpia remains firmly committed to its roadmap for carbon neutrality by 2030. In 2024, our Giang Dien factory officially achieved EDGE Advance certification and is on track to become a Net Zero Carbon factory by 2026. This is achievement of our sustainable mindset - embedded from design and construction to operations and continuous improvement. We believe that sustainable development is not only an environmental responsibility but also a key factor in building long-term competitive advantage.

Everpia today is not simply recovering - we are transforming toward a new horizon, where every decision is guided by long-term vision, transparency, and a strong aspiration to create lasting value. Looking back on the journey so far, I would like to extend my heartfelt gratitude to all Everpians, our valued customers, partners, and shareholders for your unwavering trust and support. I believe that with your continued cooperation, unity, and belief in our mission, Everpia will enter a new cycle of growth and continue to create sustainable value for the community, society, and future generations.

Wishing our valued shareholders good health and continued success!

CHO YONG HWAN
Chairman of the Board



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1. COMPANY PROFILE

Over the past 32 years, Everpia has continuously innovated in technology and quality management, gradually affirming its leading position in both of its main business sectors: Bedding and Padding. We take pride in the brand and the trust the company has built over time. To achieve this success, Everpia has always prioritized product quality, built brand credibility, and committed to providing dedicated services. With a spirit of innovation and creativity, Everpia is always looking toward the future, aiming for sustainable development for society.

EVERPIA JOINT STOCK COMPANY- EVE

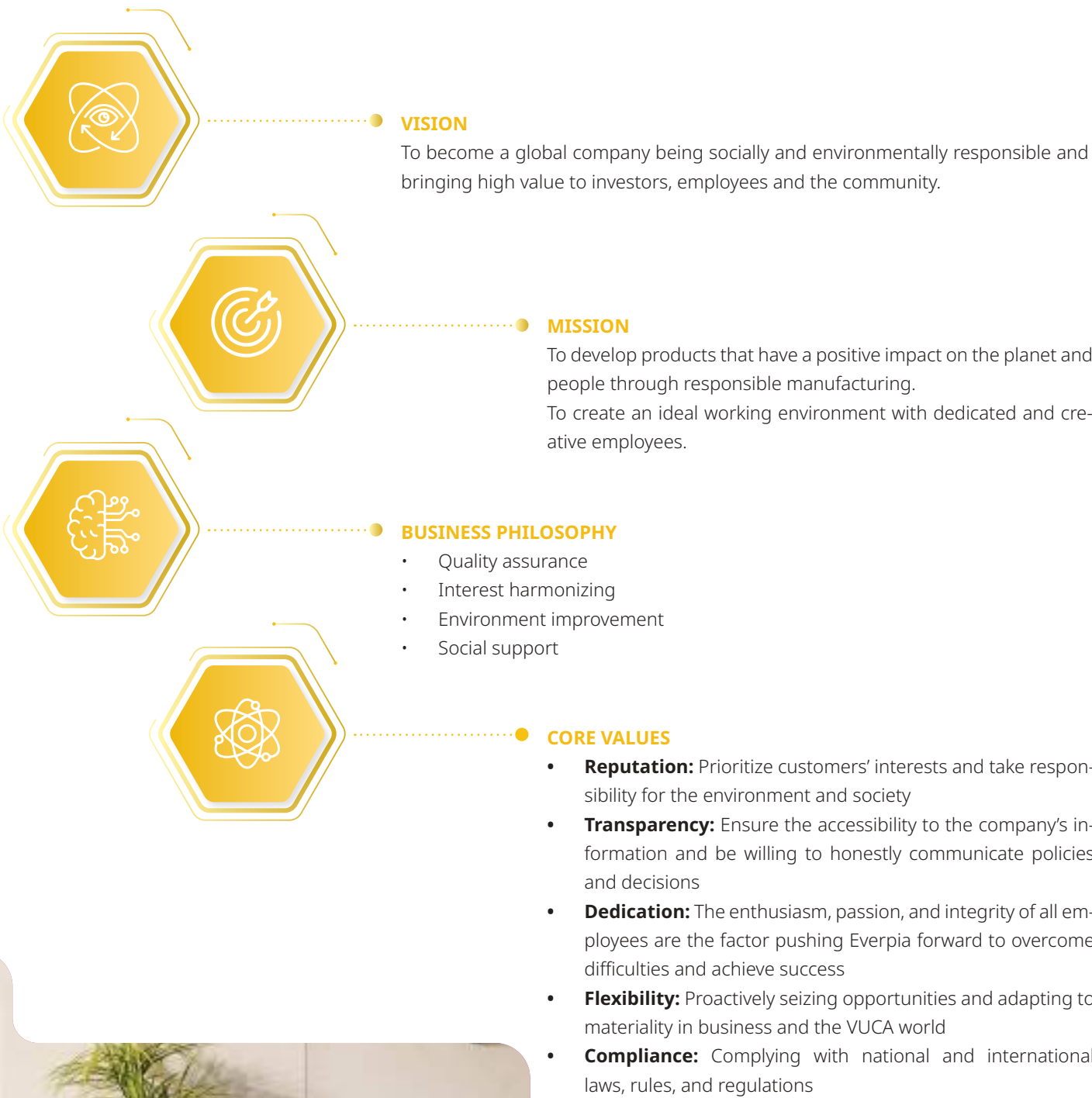
Company name	Short name
Everpia Joint Stock Company	Everpia JSC
Chairman of the board	Stock code
Cho Yong Hwan	EVE
Head Office	Tel
Noi Thuong Residential area, Duong Xa, Gia Lam, Ha Noi, Vietnam	(+84-24) 3827 6490
Business license	Website
0101402121	www.everpia.vn
Fax	Email
(+84-24) 3678 2030	info@everon.com

Charter capital

419,797,730,000 VND

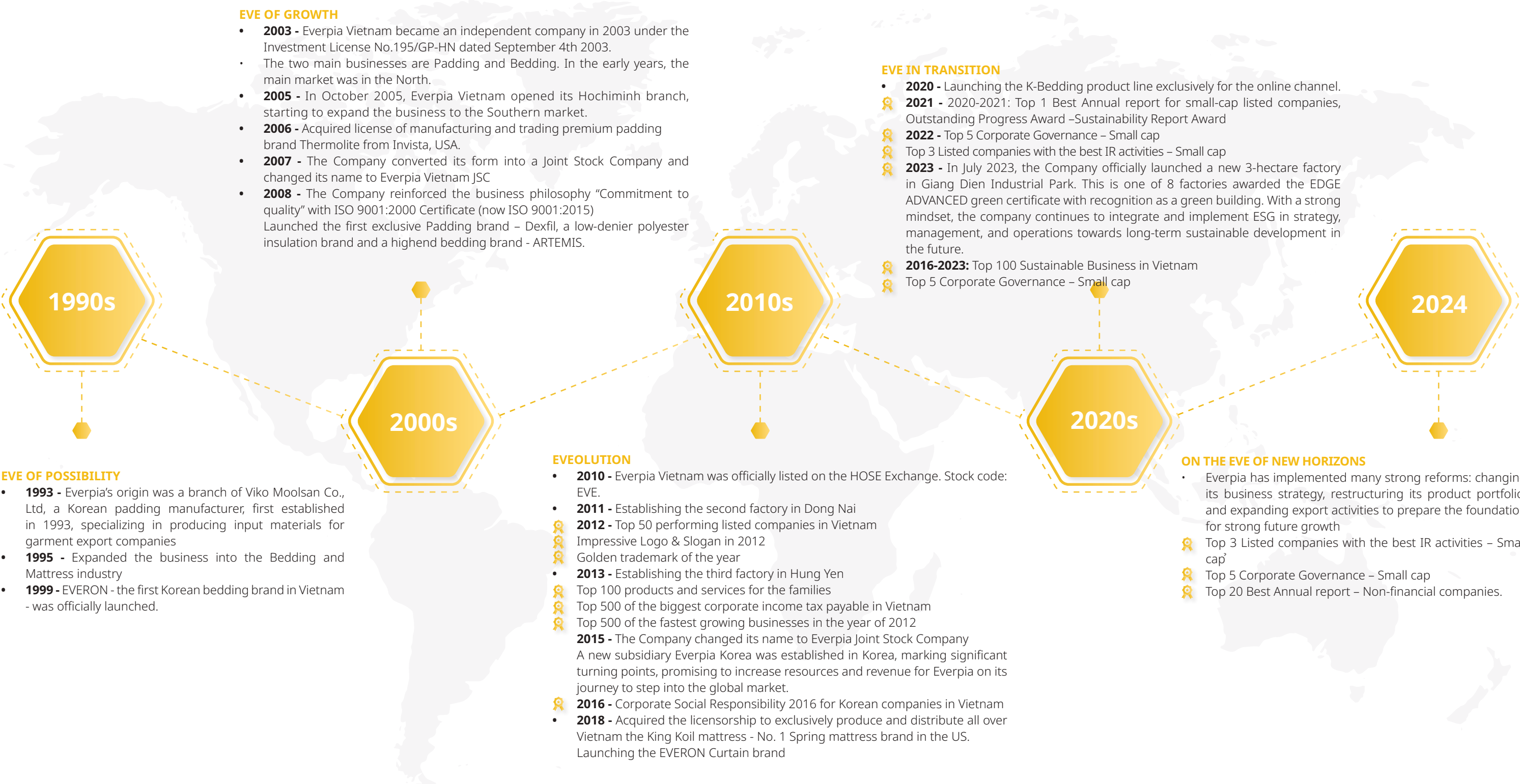


2. OUR PHILOSOPHY



3. HISTORY OF DEVELOPMENT

The name **Everpia** is not only a combination of the words “forEVER” and “utoPIA” - a beautiful world that is everlasting, but also carries the meaning of a new beginning symbolized by the first three letters, **EVE**, representing a bright horizon filled with hope and countless opportunities. To endure, each journey of development requires innovation and continuous growth. On the path of improving the lives of Vietnamese families and pioneering sustainable activities, Everpia always strives to reach further to explore and conquer “**new horizons**”. Over the past four decades, each phase of Everpia’s development has been marked by “horizons” with profound meanings and special milestones:



EVERON-25 YEARS of Heritage

Since 1999, Everon has been accompanying millions of Vietnamese families. Today, the Everon product range is diverse, including bedding, curtains, towels, and fabric accessories, distributed at over 500 stores nationwide. As the first bedding and mattress brand introduced in the market, many of our customers spent their childhood taking lunch-time naps with our mattress and continue to sleep with our blankets through their adulthood. We have built Everon's legacy of quality and trust and customers filled their homes with our products and continue to do so.



MATERIALS - PREMIUM AND SUSTAINABLE

In the face of the development of synthetic fibers, Everon always strives to return to nature with bio-fabric materials from official suppliers such as Tencel, Modal, Bamboo, etc. Softness, breathability, and skin-friendliness are always guaranteed for all skin types of our customers.



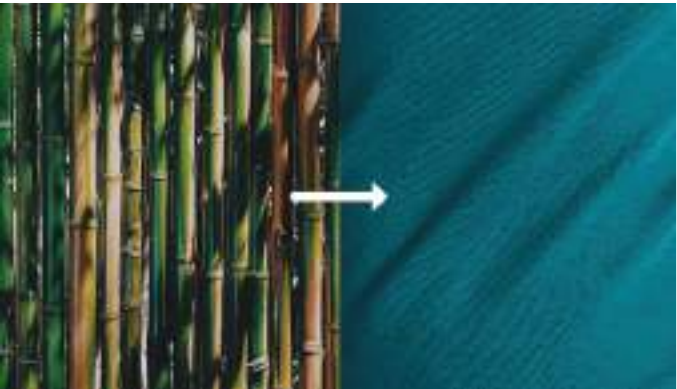
TECHNOLOGY - PRECISION AND INNOVATION

The fabric printing and treatment technology at Everon is continuously researched and improved each year to create bedding sets with sharp patterns and long-lasting colors. In the bedding product line, the Everon brand always leads in applying new fabric treatment techniques.



PATTERNS - TIMELESS ELEGANCE

The exclusively designed patterns are one of the signature features of Everon, creating a distinctive appeal for its owners. Over time, the lines and color combinations on Everon products have been subtly stylized and refined to meet the aesthetic tastes of each era.



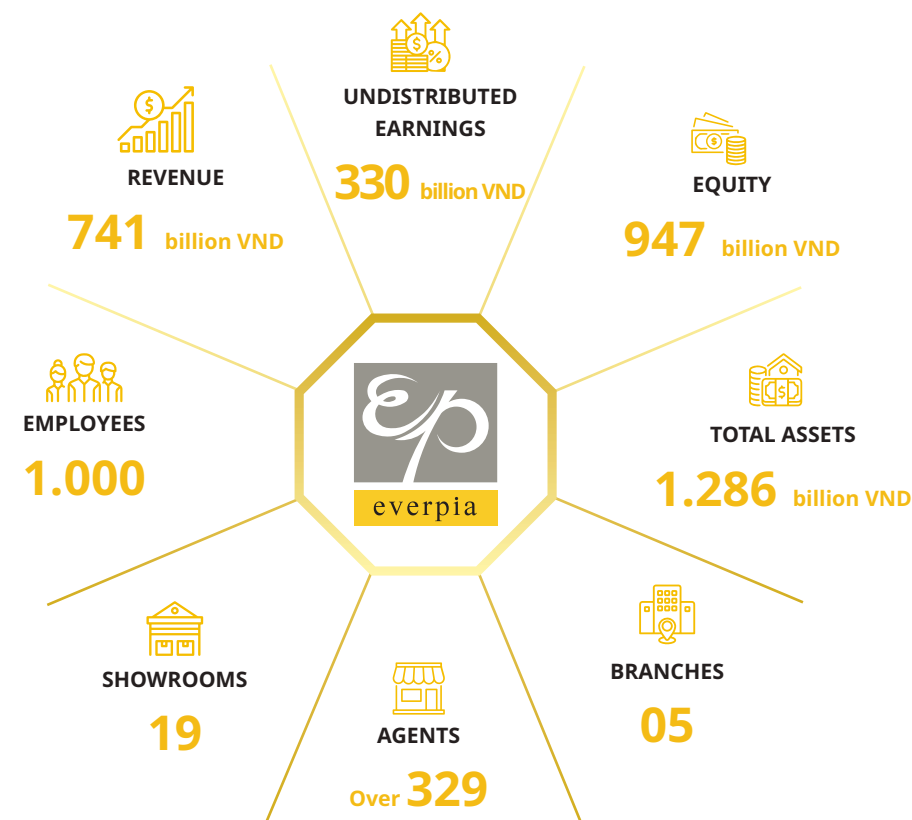
SUSTAINABILITY - SUSTAINABLE DEVELOPMENT AS A GUIDING PRINCIPLE

Toward a circular economy model, Everpia prioritizes the selection of raw materials that are naturally sourced or have minimal environmental impact throughout their lifecycle. The production processes at Everpia's factories have earned numerous international certifications for sustainability.

Today, the reality is redefining what 'home' means to our customers. The forces shaping reality are diverse - from rapid urbanization to political changes. For some, home is more than just a calm retreat. It is a shared space for inspiration, connection, work, and exploration. For others, home is the safe haven where people find emotional peace in the ever-changing world. Amidst the cultural, social, demographic, and technological changes, it is our mission to develop a deep understanding of how our customers go about creating and feeling at home, allowing us to offer valuable products and services so they can enjoy a high-quality life. 2024 marks the year Everon refreshes itself to engage more deeply with each customer segment. The annual Everon collection is now divided into Spring-Summer and Fall-Winter collections, featuring designs that reflect the core values of Everon, as well as designs that align with the trends and tastes of the new generation of customers. For mattress products, we have eliminated less-effective models and focused on three main product lines: Everon Standard Mattress, Everon Top Plus Mattress, and Artemis Standard Mattress. Additionally, we have developed the 100% Natural Charcoal Latex Mattress to fill out our mattress offerings. Bedroom and living room accessory products have also been introduced to diversify the product range and optimally reach all customer segments.

Everon is proud to be a long-established brand serving millions of Vietnamese customers over the past 25 years. Built on a foundation of quality and trust, Everon is committed to continuing the development of products and services that enhance the quality of sleep, bringing comfort and convenience to every family.

4. 2024 FINANCIAL HIGHLIGHTS



5. OUR BUSINESSES

Everpia is a manufacturer and distributor in two main businesses as follows:

BEDDING BUSINESS			
	Bed Linen (blanket, pillow and bed sheet)	PE mattress, Spring mattress, Latex mattress	Accessories: blanked insert, pillow insert, decorative pillow, throw blanket, floor carpet, curtain, towels.
	Over 1,1 million Bedding products sold. More than 547 billionVND of revenue	 	
PADDING BUSINESS			
	Padding product	Quilting product	
	Over 8,7 million Padding yard sold More than 161 billion VND of revenue	 	

6. DISTRIBUTION SYSTEM

With the following key channels, Everpia has created and expanded its distribution system in both domestic and international markets:

DOMESTIC MARKET

For 32 years of development in the Vietnamese market, Everpia has affirmed its name with a business network spanning all over the country and is known as a well-established enterprise with extensive distribution system in Vietnam.

B2C – NATIONWIDE AGENT NETWORK



At the end of 2024, Everpia has 329 agents present in all provinces and cities throughout the country allows Everpia to reach consumers directly, conveniently and quickly. In addition to the exclusive agency model, Everpia implements a symbiotic business strategy with a chain of retail systems such as Con cung, The Gioi Nem in order to expand the brand's market presence.

D2C – DIRECT PRODUCTS DISTRIBUTION TO CUSTOMER



Supermarkets, commercial centers in major cities, and showrooms with large premises and eye-catching designs, which are increasingly being extended in number, are locations for direct sales of products manufactured by Everpia as well as business model, display and model products introduction for agents to refer to and learn from.

E-COMMERCE



The e-commerce website www.everon.com has gradually become a familiar shopping destination for online shoppers. In order to enhance sales for agents and highlight the benefits of the nationwide sales chain, Everpia has developed point-of-sale software that allows agents to receive and process orders at the website. Furthermore, Everpia collaborates with e-commerce sites to provide clients with a youthfully designed product called K-Bedding.

B2B – BUSINESS CUSTOMER



For the Bedding business: Revenue from business and hotel customers accounts for a major amount of Bedding business's total revenue. Everpia is quickly becoming the leading supplier of international hotels and 5-star hotels in Vietnam, thanks to its excellent quality. This sales channel has long-term growth potential due to the expansion in accommodation facilities as well as the number of domestic and foreign tourists each year. For the Padding business: customers of domestic textile companies, fabric products manufacture facilities using non-woven fabrics

EXPORTING MARKET

Throughout its development journey, Everpia has successfully demonstrated its prestige in the international market. By focusing on product quality and customer satisfaction, Everpia has received many orders from large customers and forward orders from suppliers from other countries Revenue in 2024 reached 223 billion VND, accounts for 30% total revenue.



FOR THE PADDING BUSINESS



Almost all revenue comes from export orders, mainly to Korea

FOR BEDDING BUSINESS



The main export markets for our bedding products are Korea, the UAE, and Dubai. Our company is always researching high-quality products and exporting its brands to high-demand markets such as the United States and Europe in order to achieve its aim of becoming a global company

7. SCALE OF PRODUCTION AND BUSINESS ACTIVITIES

► Everpia currently has:



With an efficient operational process and an experienced team, Everpia continuously expands and enhances its production and business capabilities, delivering sustainable value to customers and the community.

► 7.1 FACTORY

All three of Everpia's factories meet production standards that are verified and certified by independent assessment organizations, including ISO14001, BSCI and Higg FEM. In particular, the factory in Dong Nai was also awarded the EDGE ADVANCE green building certificate developed by IFC – International Finance Corporation – a member of World Bank Group.

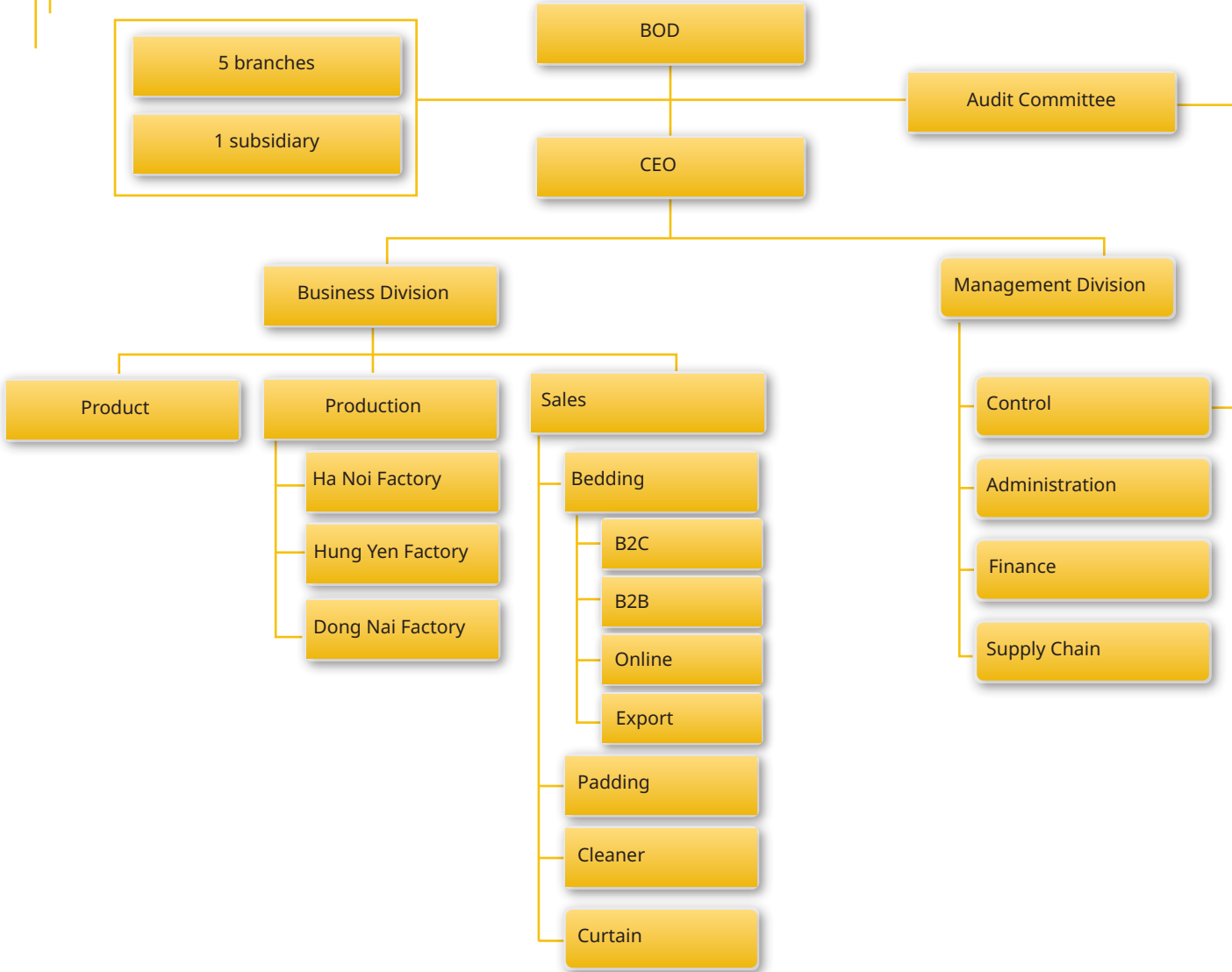
HANOI FACTORY	HUNG YEN FACTORY	DONG NAI FACTORY
<ul style="list-style-type: none">• Noi Thuong Residential Area, Duong Xa – Gia Lam – Ha Noi• Square: 15,000 m2• Tel: (84-24) 3827 6490• Fax: (84-24) 3827 6492• Production Items: Padding & Quilting• Production capacity: 15 million yards/year	<ul style="list-style-type: none">• Tan Quang industrial zone – Tan Quang, Van Lam, Hung Yen• Square: 17,670m2• Tel: (84-221) 3791 777• Fax: (84-221) 3791 999• Production items: Bedding business, including linen and mattress• Production Capacity: 3 million bedding items/year	<ul style="list-style-type: none">• Giang Dien Industrial Park, Tam Phuoc, Bien Hoa, Dong Nai• Square: 37,726m2• Tel: (84-251) 8869 161• Fax: (84-251) 8869 151• Production Items: Padding, bedding & cleaner products• Production capacity: 10 million padding yards, 1 million bedding items and 1 million yards for cleaner items.

► 7.2 BRANCH, SUBSIDIARY AND AFFILIATED COMPANY

BRANCH	
Ho Chi Minh Branch	Address: G26-G27 3A Street, KDC Him Lam, Tan Hung Ward, District 7, Ho Chi Minh City Tel: (84-28) 36 22 1233
Da Nang Branch	Address: No 439, Hoang Dieu St, Binh Thuan ward, Hai Chau District, Da Nang City. Tel: (84-236) 381 5579 Fax: (84-236) 381 5679
Hoa Binh Branch	Address: Lam Son commune, Luong Son District, Hoa Binh province
Binh Duong Branch	Address: Lot L3-03, floor L3, Vincom center, Vincom Plaza Dĩ An building, Thong Nhat street, Dĩ An ward, Dĩ An town, Binh Duong Province
Khanh Hoa Branch	Address: Lot no.1, block CL5, Hon Ro II resettlement area, Phuoc Dong commune, Khanh Hoa province
SUBSIDIARY	
Everpia Korea JSC	
Percentage ownership	100%
Business scope:	<ol style="list-style-type: none">1. Trading and importing-exporting products, consulting and transferring technology in production and business fields of non-woven fabric, filter cloth, felt, blanket, bed cover, pillow, mattress, sleeping bag, kit-bag, handbag, underwear and other garment products in accordance to Korean regulation;2. ii) Importing-exporting products for dining table, kitchen, toilet, office, indoor, decoration, home furnishing products and/or other items which has similar purposes; furniture made of wood and other material;
Charter capital	34,000,000,000 VND
Address	A-408, 3, Godeung-ro, Sujeong-gu, Seongnam-si, Gyeonggi-do, Korea.

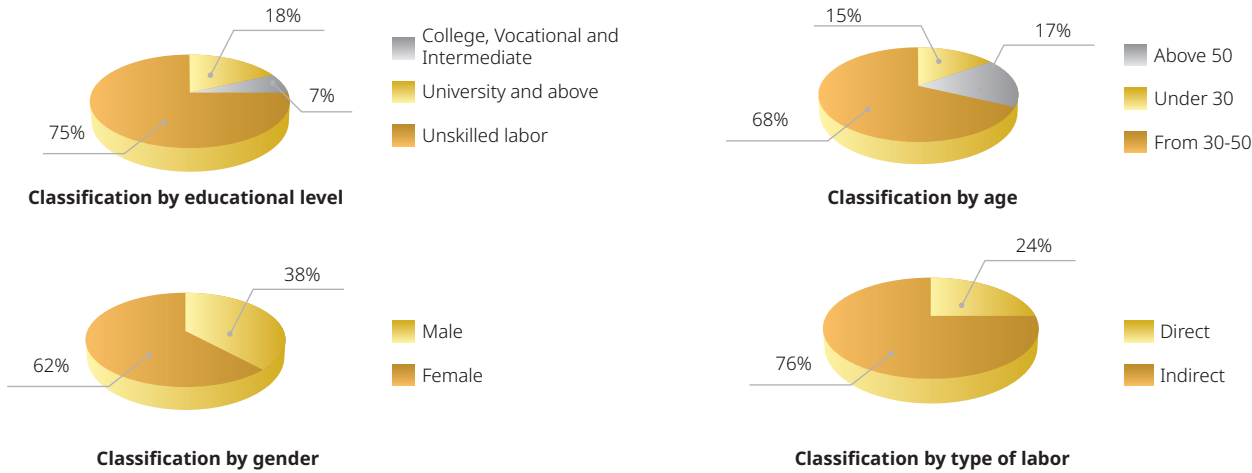


8. ORGANIZATIONAL CHART



► LABOR STRUCTURE

By 31/12/2024, the total number of employees of the company is 1,000 people, 20% decrease compare to that of 2023. The main reason is that the company has adjusted its business strategy, narrowing down its production and business activities in the Cleaner business. Additionally, the restructuring of the production lines and investment in automated machinery has helped optimize processes, reducing the need for labor compared to previous levels.



9. CHARTER CAPITAL INCREASING PROCESS

The charter capital increasing process after equitization took place in the following years:

Issue date	Description	Number of new shares	Charter capital after the new issues (VND)
06/2007	Mirae Asset Maps Opportunity Vietnam Equity Balanced Fund 1	480,000	52,800,000,000
10/2007	Dream No.7 Investment Partnership	200,000	54,800,000,000
08/2008	Bonus share rate 2:1	2,740,000	82,200,000,000
06/2009	Private placement Red River Holdings Vietnam Japan Fund FPT Capital FC Capital	2,500,000	107,200,000,000
06/2010	Stock dividend (rate 15%)	1,607,996	123,279,960,000
07/2010	Private placement Red River Holdings Vietnam Japan Fund FPT Capital FC Capital	3,000,000	153,279,960,000
07/2011	Stock dividend (rate 50%)	7,663,990	229,919,860,000
11/2011	ESOP	410,000	234,019,860,000
07/2012	Stock dividend (rate 20%)	4,584,532	279,865,180,000
07/2016	Stock dividend (rate 50%)	13,993,255	419,797,730,000

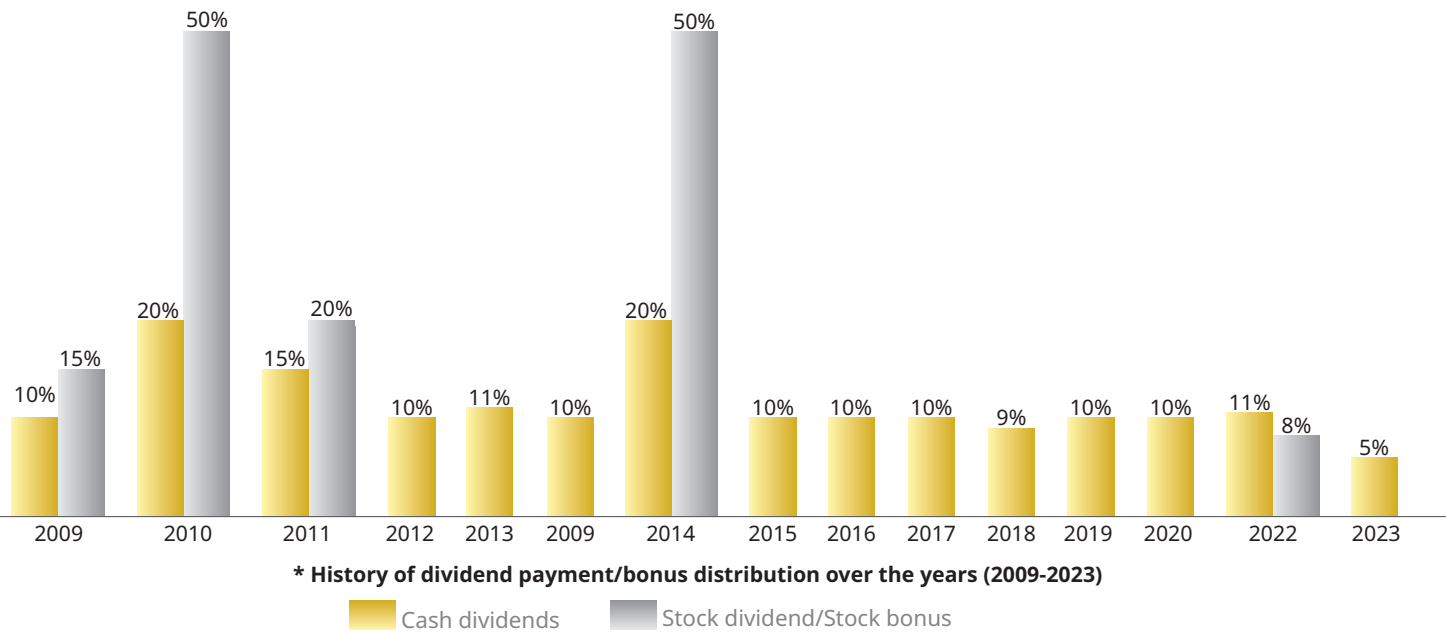
Everpia has not increased charter capital in 2024.



10. SHARES AND SHAREHOLDER STRUCTURE

SHARES

The total number of shares of Everpia Joint Stock Company is 41,979,773 shares and all are circulating on the market. All of these shares are common shares and are not subject to transfer restrictions under the law. In 2024, the company did not conduct any treasury stock transactions.



Shareholder structure

According to the list of shareholders as of March 14th, 2025, Everpia Joint Stock Company has 2,465 investors including individual investors and domestic and foreign professional securities investors.

Professional Securities Investors

STT	SHAREHOLDER TYPE	Number of shares	Rate of own-ership (%)	Number of share-holders	Shareholder struc-ture	
					Institu-tion	Indi-vidual
1	Major shareholders owning 5% or more of share capital are not professional securities investors	7,567,344	18%	1	0	1
	Local	0	0%	0	0	0
	Foreign	7,567,344	18%	1	0	1
2	Professional securities investors are major share-holders owning 5% or more of share capital	10,125,675	24%	3	3	0
	Local	0	0%	0	0	0
	Foreign	10,125,675	24%	3	3	0
3	Professional securities investors are sharehold-ers owning < 5% of share capital	771,478	2%	29	29	0
	Local	671,799	1,6%	16	16	0
	Foreign	99,679	0,4%	13	13	0
TOTAL		18,464,497	44%	33	32	1

Major Shareholder

Shareholder name	No. of Shares	Rate of ownership	Transfer restriction
LEE Jae Eun	7,567,344	18%	-
AFC VF LIMITED	4,893,300	12%	-
NH Investment & Securities Co., Ltd.	3,072,510	7%	-
KOREA INVESTMENT & SECURITIES CO., LTD.	2,159,865	5%	-
TOTAL	18,834,126	42%	-

Shareholder Structure by Stock Type

Shareholder Type	Transfer Restriction	No Transfer Restriction	Total	Rate of ownership (%)
I. Special Shareholders	0	8,348,074	8,348,074	19,9%
1. Board of Directors	0	8,164,704	8,164,704	19,4%
2. Managements	0	8,164,704	8,164,704	19,4%
3. Managements	0	20,120	20,120	0,0%
4. CFO	0	135,600	135,600	0,3%
5. Chief Accountant	0	27,008	27,008	0,1%
6. Authorized personnel for information disclosure	0	135,600	135,600	0,3%
7. Appointed personnel by BOD	0	136,242	136,242	0,3%
II. Treasury Shares	0	0	0	0,0%
III. Union	0	8,000	8,000	0,0%
IV. Shareholders owning preferred shares	0	0	0	0,0%
V. Other Shareholders	0	33,623,699	33,623,699	80,1%
1. Local	0	13,990,823	13,990,823	33,3%
1.1 Individual	0	13,327,024	13,327,024	31,7%
1.2 Institution	0	663,799	663,799	1,6%
State:	0	0	0	0,00%
2. Foreign	0	19,632,876	19,632,876	46,8%
2.1 Individual	0	9,407,522	9,407,522	22,4%
2.2 Institution	0	10,225,354	10,225,354	24,4%
TOTAL	0	41,979,773	41,979,773	



02 | ROADMAP FOR THE FUTURE

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- 25 Action plan

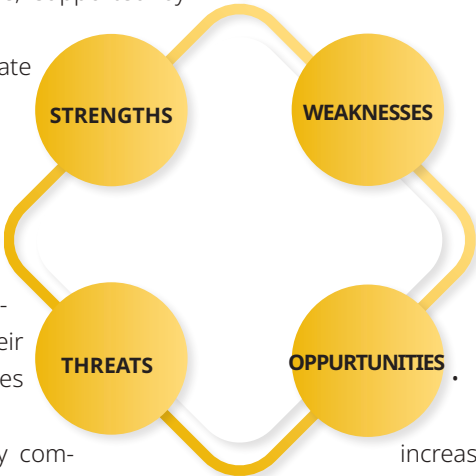


“ Entering 2025, the company is determined to rise again by strengthening its core business foundation, expanding markets, enhancing operational efficiency, and promoting sustainable values. The 2025 plan is not only an action roadmap but also reflects a spirit of innovation, readiness to adapt, and a focus on recovery and sustainable development.

I. STRATEGIC DIRECTION FROM SWOT ANALYSIS

SWOT analysis serves as a compass for Everpia on its journey to create a “new horizon.” Through this, the company not only identifies its strong internal capabilities and areas that need improvement but also recognizes the opportunities to seize and the challenges to overcome. This forms the foundation for Everpia to make strategic decisions that will drive its powerful transformation journey.

- 03 factories (two in the North and one in the South), in which the factory in Dong Nai achieved the Edge Advance certification and on track to achieve the Net Zero Carbon certification by 2026
 - Everon – the most recognized brand of bedding products in the market
 - Sales network present in all provinces and cities across Vietnam
 - Suppliers of Padding to leading global fashion brands
 - Stable product quality with full environmental certifications, providing an advantage in accessing demanding markets such as Japan, the United States, and Europe
 - Skilled workforce with high expertise, supported by modern machinery systems
 - Listed company with the best corporate governance practices
- Market forecasting activities are ineffective, leading to missed market opportunities and/or increased pressure on inventory and production costs
 - Production costs are not optimized, resulting in weak competitiveness in the online product segments
 - Designs follow outdated trends, failing to keep up with market demands and not reaching new consumer groups effectively
 - Agent management system is not digitalized, lacking customer data for personalized services
 - No thorough or decisive measures in place to prevent counterfeit and imitation products from flooding the market.



- The complex global political and economic situation, the impact of inflation, and consumers tightening their spending have led to lower revenues and a significant increase in costs
 - The market is becoming increasingly competitive, with many strong competitors both domestically and internationally
 - To continue expanding into export markets, the company must comply with the target market’s standards, particularly ESG standards, which require significant investments not only in products and production processes but also in environmental and social activities
- Increased demand for household goods along with the growth of the real estate industry
 - Increased sales from new mattress and inserts products as consumers are increasingly concerned about sleep health-related products
 - Seizing the opportunity to develop by using green materials, recycled materials that are environmentally friendly, or natural materials
 - Application of AI in demand forecasting and supply chain optimization
 - Free Trade Agreements help reduce tariff barriers, creating opportunities to penetrate international markets, especially with sustainable products

1. BUSINESS ACTIVITIES



LEVERAGE STRENGTHS AND OPPORTUNITIES

- Restructure the product portfolio based on long-term brand structure
- Review product quality and optimize the new product launch process
- Improve pricing structure and packaging specifications according to each channel and region to optimize the product structure based on market demand and future growth potential
- Build a new product portfolio in preparation for expanding the portfolio in the next 5 years
- Create new business opportunities: strengthen trade promotion activities, participate in international exhibitions, and connect with potential partners to expand export markets



ADDRESS WEAKNESSES AND LEVERAGE OPPORTUNITIES

- Develop mechanisms and policies to encourage agents to fully utilize the features of the POS software, enabling real-time data connection with the factory for effective inventory management, while also collecting customer information for personalized care programs
- Diversify raw material sources to reduce costs
- Guide customers to verify product origin through anti-counterfeit labels and communicate the importance of purchasing from authorized dealers

2. RESEARCH AND DEVELOPMENT ACTIVITIES



ADDRESS WEAKNESSES AND CHALLENGES

- Enhance market forecasting capabilities through regular research combined with sales data analysis and consumer trends, thereby improving accuracy in production planning, reducing inventory, and optimizing the supply chain
- Innovate product designs and update consumer trends to expand the customer base, especially targeting the younger demographic
- Continue streamlining the organizational structure and production support systems for greater efficiency
- Implement stable production processes to ensure product quantity, quality, and order timelines



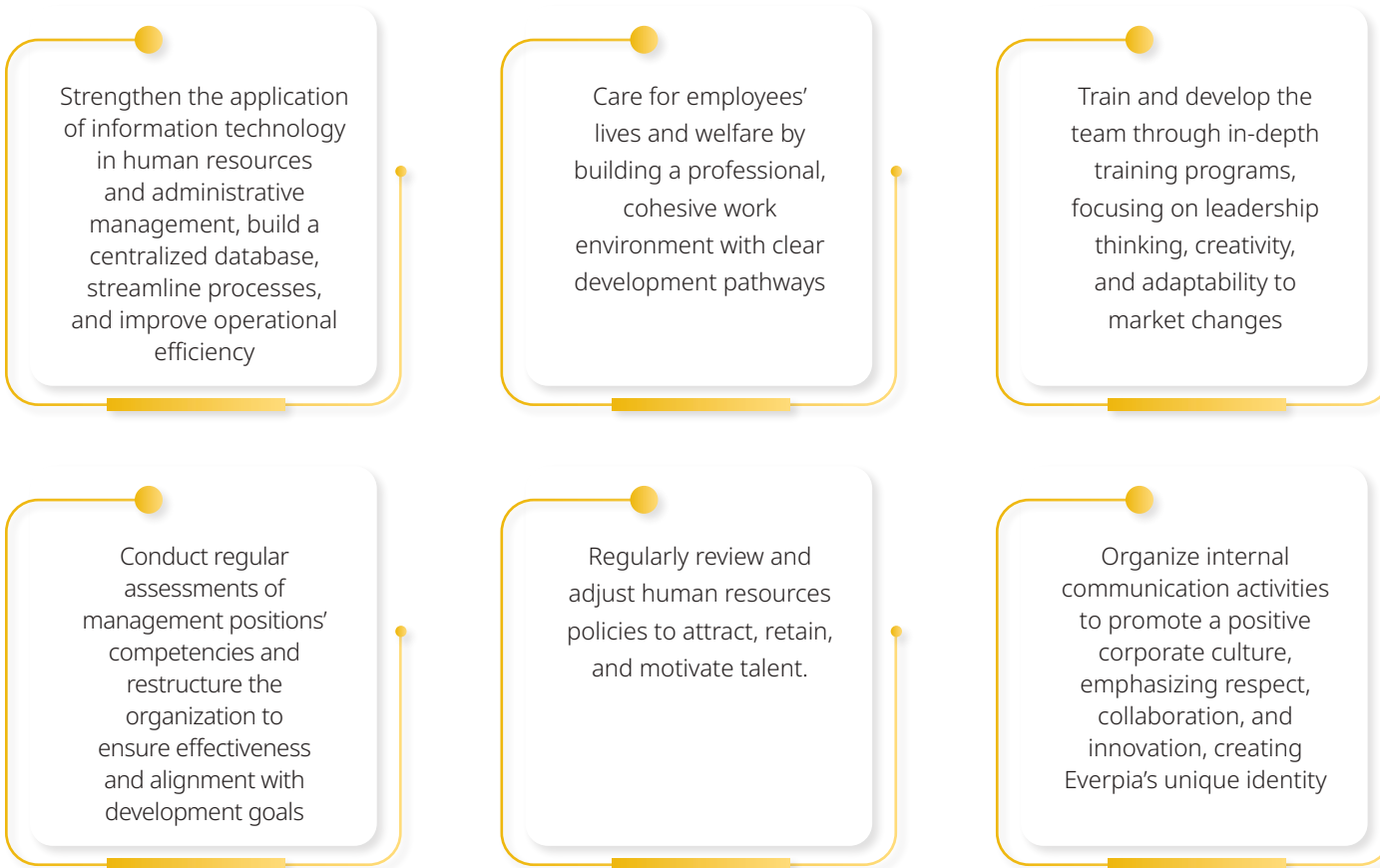
STRENGTHS AND CHALLENGES

- Research and develop environmentally friendly products to stay ahead of market demands and brand requirements regarding green consumption trends
- Improve packaging towards sustainability while ensuring cost optimization
- Green communication: completely eliminate the carbon footprint in the product consumption process - marketing, sales, and after-sales activities are conducted on online platforms, with environmentally friendly delivery methods

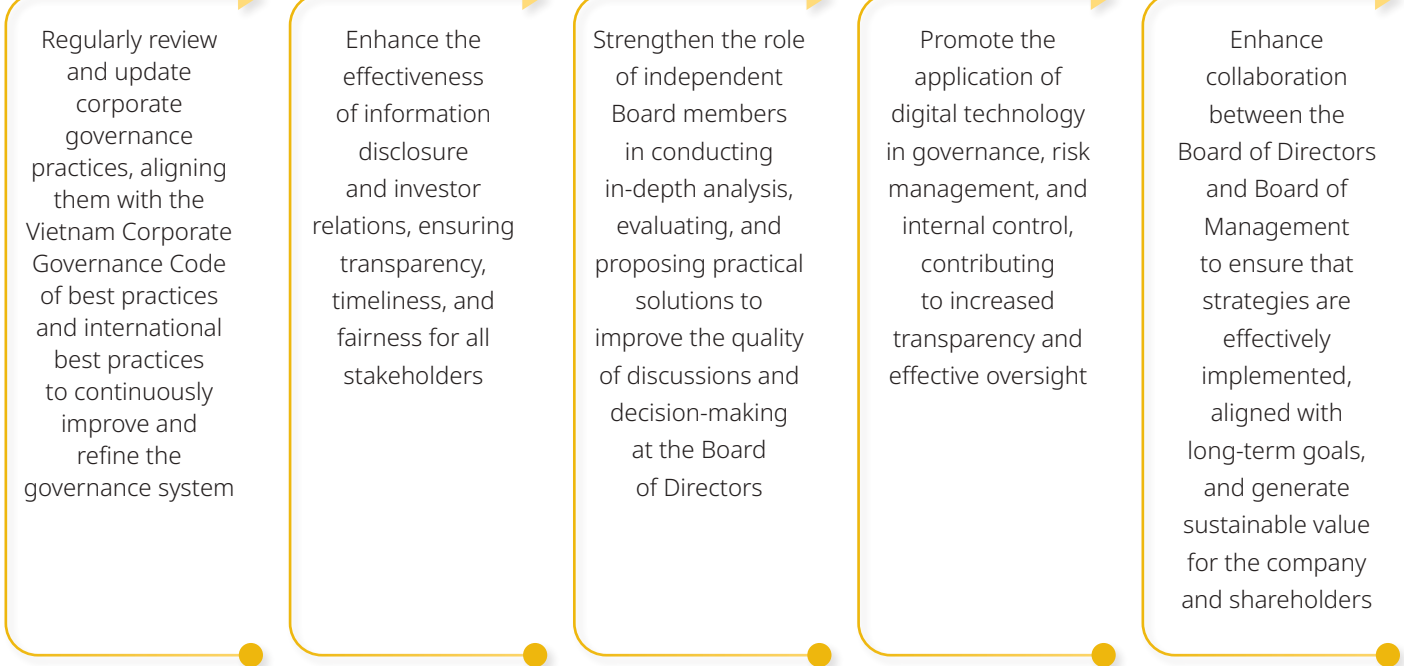
3. DIGITAL TRANSFORMATION IN PRODUCTION AND BUSINESS



4. HUMAN RESOURCES TRAINING AND MANAGEMENT ACTIVITIES



5. CORPORATE GOVERNANCE ACTIVITIES



GROWTH DRIVERS:



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A. BOARD OF MANAGEMENT REPORT

I – OVERVIEW OF THE TEXTILE INDUSTRY IN 2024

In 2024, Vietnam’s textile and garment industry continues to face many challenges amidst a global economic situation that is still not fully stable. According to report from the Vietnam Textile and Apparel Association, the total export turnover of textiles and garments reached 36.7 billion USD, an increase of 10.5% compared to 2023. The recovery mainly stems from the rising demand in major markets like the US and the EU, as international businesses began to restore their supply chains after a prolonged downturn. However, not all items in the textile and garment industry experienced consistent growth. Orders for jacket and outdoor fashion – one of the key sectors of the industry – only reached 5.4 billion USD, a 6.2% decrease compared to the previous year. The trend of cost-cutting, the restructuring of supply chains

by major fashion brands, along with competition from manufacturers in China, Bangladesh, and India, has significantly impacted this sector. Additionally, while the domestic market shows signs of recovery, it still faces the effects of inflation pressures and cautious consumer spending behavior. Domestic brands are facing increasingly fierce competition from both local businesses and international brands. Furthermore, production costs continue to rise due to fluctuations in the prices of input materials such as fiber, yarn, accessories, and fuel. Therefore, although there has been some recovery, Vietnam’s textile and garment industry in 2024 is still in an adapting phase to the new market context. This requires businesses to have more flexible strategies and to be proactive in responding to global economic fluctuations.

II – BUSINESS PERFORMANCE

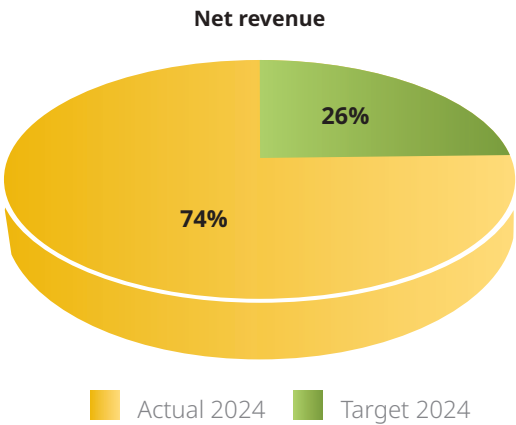
In 2024, Everpia experienced an unprecedented setback since its transferred to a joint stock company in 2007, as the company recorded a significant decline in revenue and, notably, reported a loss for the first time. Everpia went through a challenging year, with both the domestic and export markets under substantial pressure. However, this also marked a time when the company demonstrated its strongest commitment to restructuring, aiming to bring each product line and distribution channel back to its target profitability level.

1. BUSINESS OPERATIONS RESULTS

Unit: million VND

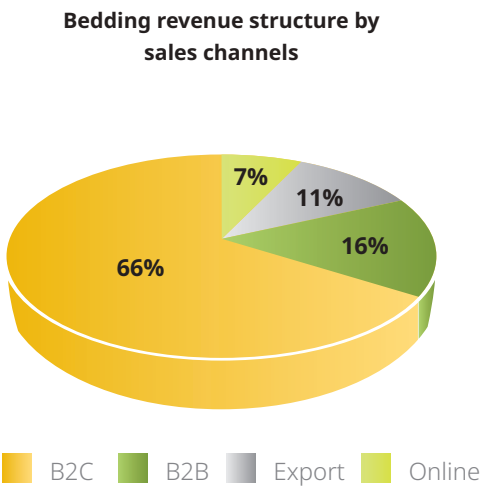
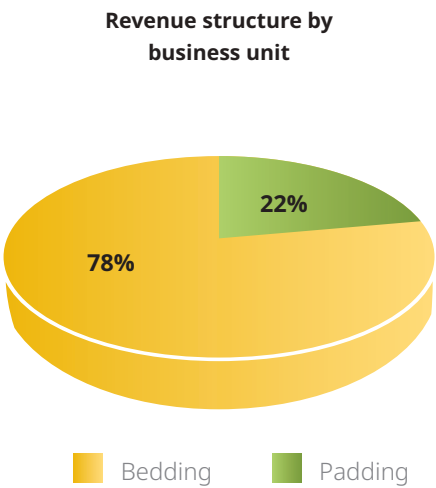
ITEM	FY2024 Target	FY 2024 Actual	FY 2023 Actual	+/- (%)
Net revenue	1,000,000	741,241	786,853	-6%
Gross profit		233,084	251,082	-7%
Net profit (loss) after tax	60,000	-30,186	17,825	-269%

The significant profit decline in 2024 was largely impacted by the decision to scale down production and business activities in Cleaner business starting from September 30, 2024, in accordance with BOD’s Resolution No. 007/2024/HĐQT/NQ. This decision was made to preserve resources and focus on higher-margin business with stronger growth potential. The Cleaner business has faced intense competition for years, as customers increasingly favor lower-cost alternatives. Cleaner revenue has continuously declined over the past three years, leading to prolonged losses and becoming a major weakness



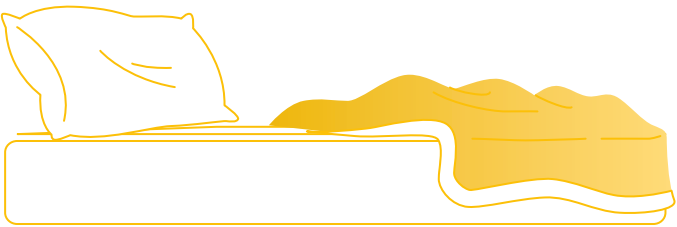
for Everpia. Despite management’s efforts to improve production processes, negotiate with suppliers, and control costs, the cost of goods sold ratio remained around 90%, causing Cleaner business in the red. Discontinuing Cleaner business will impact Everpia’s revenue

and profits in the short term, however, in the long term, this is a necessary move to strengthen the company’s financial status, focus on developing more profitable core businesses, and ensure sustainable growth.



2. BEDDING BUSINESS

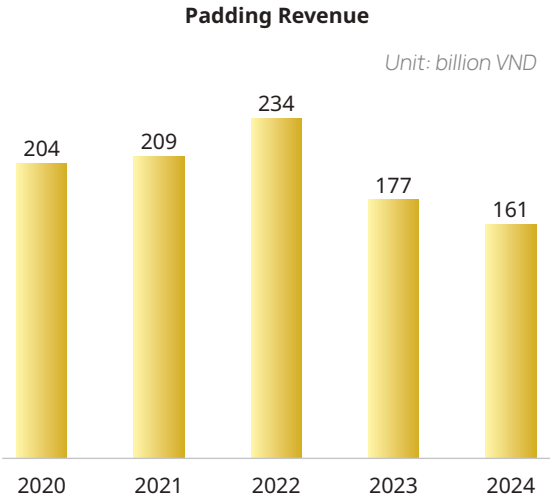
Based on the results of an in-depth survey with over 5,000 customers nationwide conducted during the 2022-2023 period to measure the health of the Everon brand, analyze the gap between brand activities and actual customer shopping behavior, Everpia has implemented a series of strategies to restructure its products, distribution system, and enhance customer experience. These changes require a structured implementation plan and close collaboration with the agent system. The initial steps in 2024 have shown positive signals for domestic retail operations. The bedding business achieved revenue of 547 billion VND, a 3% increase compared to the same period of last year. Of this, the retail (B2C) channel reached 361 billion VND, up 3%, and the online sales channel continued its growth with revenue of 39 billion VND, up 15%. Notably, export activities saw a strong recovery towards the end of the year, reaching 62 billion VND, a 13% increase. On the other hand, the hotel segment (B2B) faced many challenges as revenue decreased by 9% compared to the same period, reaching 85 billion VND.



	RESULT IN 2024	BUSINESS PLAN FOR 2025
Retail activities (B2C)	<ul style="list-style-type: none"> Adjust the sales policy to support the agent system in operating more effectively, focusing on two core issues: optimizing inventory and promoting sustainable sales growth. The company will implement consumer-driven demand stimulation programs while collaborating with agents to organize short-term sales programs to help clear inventory at the agent's stores. Restructure the bedding portfolio: The annual bedding collections will consist of a Spring-Summer Collection and a Fall-Winter Collection; their designs embody Everon's core values as well as the designs that align with the latest trends and preferences of the new generation of customers. Restructure the mattress portfolio: Eliminate inefficient products, focus on three main product lines – Everon Standard Mattress, Everon Top Plus Mattress, and Artemis Standard Mattress. Thereby, conduct research and improvements to enhance the quality of each product line. Develop and distribute new products: Natural latex mattresses with activated carbon, blanket inserts made from soybean shells, series of decorative pillows, throw blanket, etc. Strengthen communication channels, enhance brand image, and deeply engage with the millennial customer group. 	<ul style="list-style-type: none"> Opening the flagship store in Ho Chi Minh City in Q2/2025, marking an important step in the brand revitalization journey of Everon. This space is not only a place to convey the core philosophy of the brand but also creates a deep emotional connection with customers, while expanding the distribution network and driving growth in the Southern market. Implementing an online agent management system to help both Everon and its agents easily track sales, periodically assess the achievement of goals, and optimize business management. This system also shortens order processing time, helps manage inventory efficiently, and enhances coordination between Everon and agents. Installing AI camera systems in all showrooms to map customer journeys, identify key touchpoints that need adjustment for a better shopping experience. From this, Everon will make changes to product displays and create training materials for sales staff across all showrooms and agents. Taking decisive action to prevent counterfeit and fake products in the market: In addition to communicating and educating consumers on how to distinguish and identify genuine products, Everpia will cooperate with relevant authorities to address the root causes of counterfeit Everon products being produced and distributed in the market.
Business to business activities (B2B)	<ul style="list-style-type: none"> Continue to act as a supplier for many high-end hotel projects operating under international standards, such as Da Nang Mikazuki Japanese Resorts & Spa, Central Point Da Nang, Lotte Hotel Hanoi, and the Wyndham resort hotel chain across various provinces in Vietnam. Expanding the corporate gift customer base: Approaching and establishing relationships with potential businesses, creating attractive policies and suitable gift solutions, enhancing competitiveness, and preparing for sales growth. Employee training: Organizing training sessions on B2B sales skills, product consultation, and customer care; updating market knowledge; promoting the sharing of practical experiences, improving negotiation skills, and closing sales effectively. 	<ul style="list-style-type: none"> Conducting Ecovadis certification assessment, laying the foundation for providing orders to international hotel groups. Strengthening relationships with current customers, maintaining engagement, and creating a foundation to expand the customer network. Monitoring and evaluating the effectiveness of each customer group to optimize product strategies, outreach strategies, and drive sales growth. Building marketing channels and implementing promotional activities to increase visibility for hotel orders and corporate gifts. Optimizing operational processes and managing the budget effectively to achieve a balance between sales growth and cost control, aiming to meet profit targets.
Online sales channel	<ul style="list-style-type: none"> Building a Customer Data Platform (CDP) to enhance customer engagement and optimize sales effectiveness. Successfully launching the new version of the everon.com website. With over 5.5 million visits, the website has successfully converted online orders to the official agent system, improving the customer experience and supporting agents in the O2O (Online to Offline) wave. Continuously ranking in the Top 3 best-selling Shopee Mall stores in the bedding industry. This has helped increase brand visibility and reach a larger audience, especially among the younger customer group. 	<ul style="list-style-type: none"> Focusing strongly on owned sales channels such as Zalo Official Account, Facebook, and website to reduce operational costs and increase business efficiency. These channels not only have much lower costs compared to e-commerce platforms but also allow the company to maintain control over its brand and customer service. Collaborating with KOLs to create strong engagement and enhance customer reach. Researching and developing products specifically for online sales channel.
Bedding export channel	<ul style="list-style-type: none"> Customers highly appreciated the stability of product quality and the delivery timeliness. Entering new export markets in the Americas and East Asia. 	<ul style="list-style-type: none"> Leveraging the advantage of the Giang Dien green factory, conducting environmental and product certification assessments to enhance sustainability, meet international standards, and create favorable conditions for entering new markets. Strengthening brand building activities, increasing competitive advantages to assert its position in the global market. An important goal is to continue expanding export markets, maximizing the potential from international partners, and driving sustainable revenue growth.

3. PADDING BUSINESS

In 2024, the revenue of the Padding line reached 161 billion VND, a decrease of 9% year over year. The continuous decline can be attributed to several factors: i) Facing high competition from low-priced padding imports from China and countries with low production costs such as Myanmar or Bangladesh; ii) Vietnamese government's tax policies for foreign garment companies based in Vietnam - companies have to bear additional costs of renting bonded warehouse and shipping costs, so customers are moving production to other countries; iii) An increasing number of low-cost processing companies within the country. In response to these challenges, the Marketing department has adjusted its action plan to help the Padding business recover strongly.

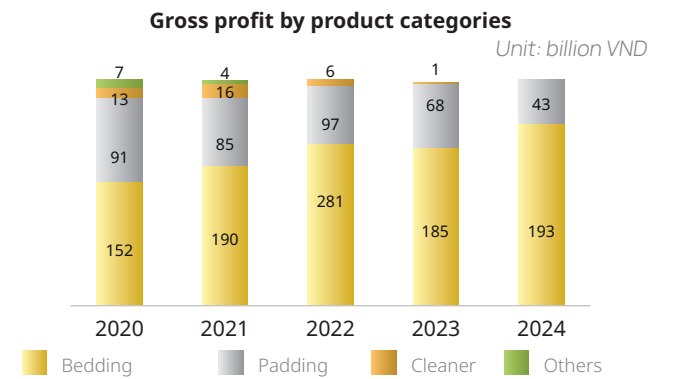
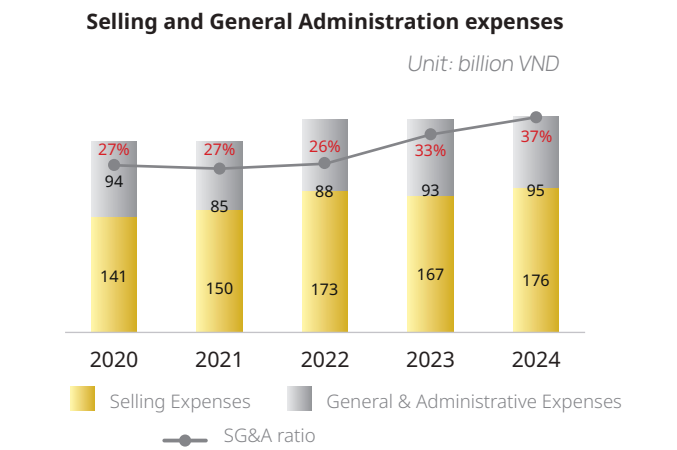


RESULT IN 2024	BUSINESS PLAN FOR 2025
<ul style="list-style-type: none"> The number of new customers has increased by 58%, equivalent to 192 new customers. Successfully researched 02 new padding product lines: Water-resistant padding and padding that can biodegrade in the natural environment. These are pioneering products in Vietnam, meeting the strict technical requirements from international brands. Orders for Sorona Padding – a product line allowed to carry the Sorona (USA) hangtag and label – have shown significant growth due to its cost advantage and product quality. Launched the padding website, www.everpia.com which enhances customer experience, optimizes product presentation, and improves customer outreach for this product category. 	<ul style="list-style-type: none"> Successfully gained orders from new customers, driving strong revenue growth for the Padding category. Increased sales from new products with the advantage of domestic production and international quality. Launched a new product line – Ever-Flex stretch padding, designed specifically for jacket-type apparel used in high-activity settings such as hiking, camping, and sports. This product promises to create a breakthrough in the market. Improved the product quality inspection process by retaining customer samples at each stage of production, ensuring consistency in product quality.

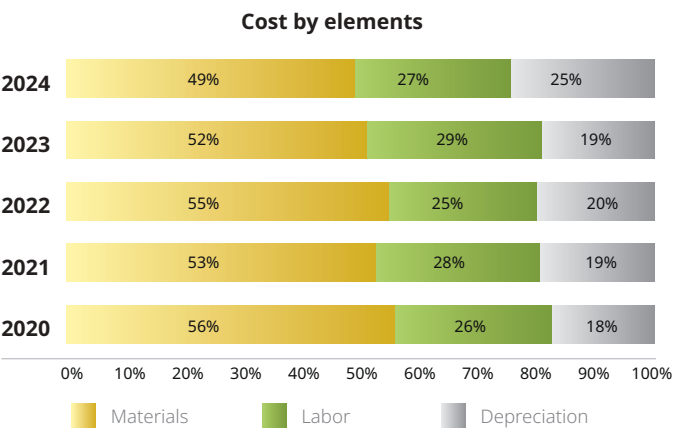
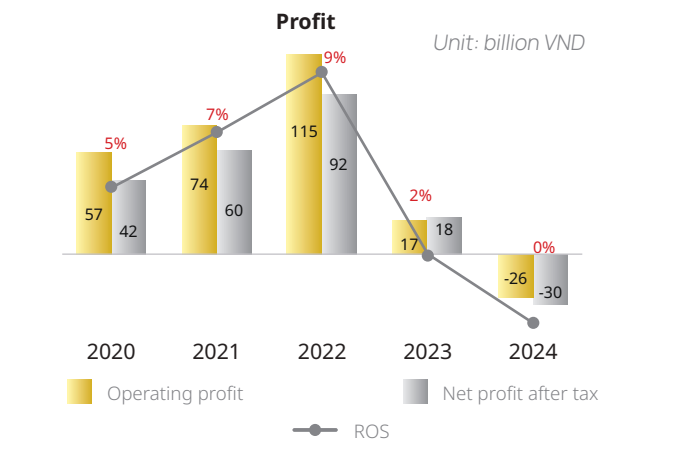


4. BUSINESS OPERATION EFFECTIVENESS

The decline in sales in 2024 caused the factory to operate below full capacity, while many fixed costs related to selling expenses and general and administrative expenses could not be reduced, resulting in a significant decrease in the operating profit margin compared to 2023.

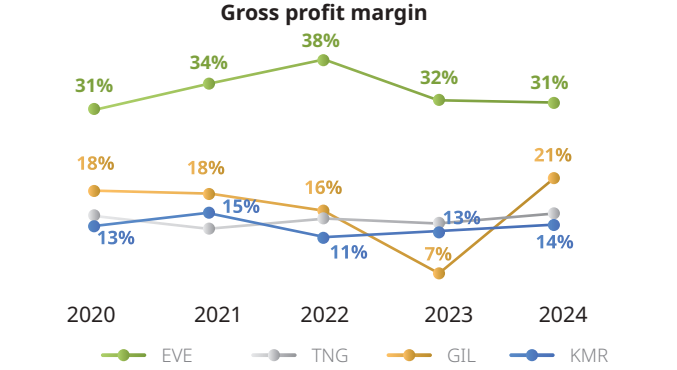


Additionally, the closure of the Cleaner business led to inventory write-down provisions and estimated losses from the liquidation of machinery, amounting to approximately 30 billion VND. These factors contributed to the company's net loss of 30 billion VND for the entire year of 2024.



5.COMPARISON OF EVERPIA WITH PEERS IN TEXTILE INDUSTRY

The business performance of textile and garment companies in 2024 shows a clear divergence. The group engaged in processing and exporting T-shirts, dress shirts, and apparel sets recorded impressive revenue growth, while the group supplying raw materials or producing products related to outdoor sportswear experienced a decline. Despite being in the group of companies with declining revenue, Everpia has maintained a high and stable gross profit margin, averaging 33%, significantly surpassing the 15% of industry peers, including those with strong revenue growth.



	Unit	EVE	TNG	GIL	KMR
Valuation indicator					
Earnings per share in the last 4 quarter (EPS)	VND	(719)	2,568	374	103
Cost structure					
Cost of goods sold/ Revenue	%	69%	85%	79%	86%
Profitability					
Gross profit margin	%	31%	15%	21%	14%
Net profit margin	%	-4%	5%	0%	3%
ROS	%	-4%	4%	4%	2%
ROA	%	-2%	5%	1%	1%
ROE	%	-3%	17%	1%	1%
Leverage					
Debt-to-Asset ratio	%	26%	67%	22%	25%
Equity-to-Asset ratio	%	74%	33%	78%	75%
Debt-to-Equity ratio	%	35%	207%	27%	33%

Despite reporting negative profits due to the discontinuation of a business unit, EVE has maintained its financial leverage indicators at a safe and reasonable level compared to the textile and garment industry average. The company's low debt-to-total-assets ratio reduces financial pressure and enhances its resilience to market fluctuations. At the same time, a high equity-to-total-assets ratio reflects a stable financial foundation, providing favorable conditions for sustainable recovery and growth. Meanwhile, some peers in the industry operate with high debt

ratios, which can be advantageous during periods of growth by leveraging financial capital to expand operations. However, in the current challenging export environment, rising interest expenses can place significant pressure on cash flow and repayment capacity. If revenue fails to cover financial costs, the risk of cash flow imbalance and potential insolvency may arise. Therefore, maintaining a prudent capital structure, as EVE is doing, allows for greater financial flexibility and mitigates risks associated with interest rate volatility and weakening market demand.

III. INVESTMENT

1. SHORT-TERM FINANCIAL INVESTMENT

Unit: million

	Ending balance		Beginning balance	
	Cost	Carrying value	Cost	Carrying value
Term deposit & investment	299,099	299,099	223,236	223,236
Total	299,099	299,099	223,236	223,236

Short-term investments represent deposits with terms from 3 months to 12 months which earn interest at rates ranging from 2.8% per annum to 6.1% per, and listed bonds matured in 2025 with interest rate 8.675%. Total interest earned on deposits during the year was 15 billion VND, contributing to 56% of financial income in the period.

2. INVESTMENT IN OTHER ENTITIES

Unit: VND

	Number of shares	Ownership	31/12/2024	01/01/2024
Bac Ninh Pharmaceutical JSC	309,600	4,7%	4,014,200,000	4,014,200,000
Kalon Investment Asset Co.,Ltd	96,000	5,7%	4,992,000,000	5,382,000,000
Hyojung Soft Tech JSC	30,000	19,2%	960,000,000	960,000,000
Total			9,966,200,000	10,356,200,000

Everpia has invested in Bac Ninh Pharmaceutical since mid-2019, every year, the company regularly receives cash dividends at the average rate of 13%. The rate of return on this investment til the end of 2024 reached 61%.

Hyojung Soft Tech Joint Stock Company and Kalon Investment Asset Company are two investments arising in 2020 with the objective of financial investment and support for Everpia's core business activities. The proceeds from the sale of shares together with the cash dividend at 200% received in 2021 helped Everpia recover the entire investment value in the Hyojung Soft Tech Joint Stock Company.



IV. ASSOCIATES PERFORMANCE

Everpia expands its operations in South Korea through its subsidiary, Everpia Korea Joint Stock Company – a key link in its development strategy, focusing on two core missions:

1. BUSINESS DEVELOPMENT

Finding export orders for Padding and Bedding, help Everpia enlarge potential customers in South Korea in a proactively, professionally, and more effectively way. This will also contribute to boosting revenue, especially since the majority of Everpia's export clients are South Korean businesses.

2. PRODUCT DEVELOPMENT

expanding supplier network, researching markets, and developing new products for Everpia. Especially, Everpia Korea plays a crucial role in working directly with fabric suppliers. Owning exclusive fabric samples not only enhances competitiveness but also helps Everpia stay on trend, as bedding products are also considered fashion items. However, in order to ensure that the quality and designs meet the requirements, fabric development process could be lengthy. Therefore, the presence of Everpia Korea in South Korea helps make this process smoother.



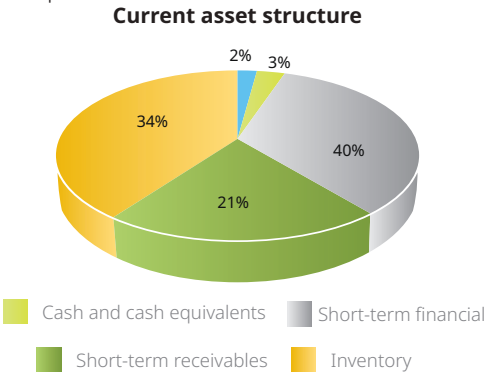
In 2024, Everpia Korea's revenue sharply declined to 70 billion VND, a 30% decrease compared to the same period in 2023. The company's profit was break-even. However, after a long period of focusing on product research and development, expanding the customer network for both the bedding and padding sectors, along with positive feedback from customers, Everpia Korea expects to improve operational efficiency, generate profits, and contribute to Everpia's overall business results in 2025.



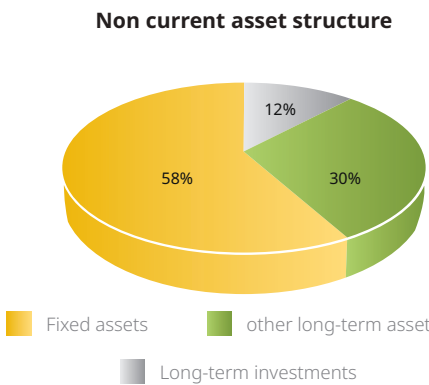
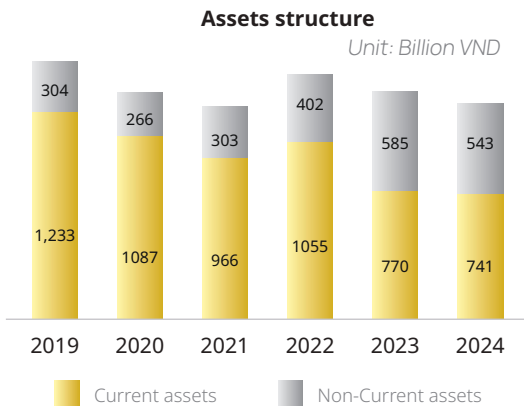
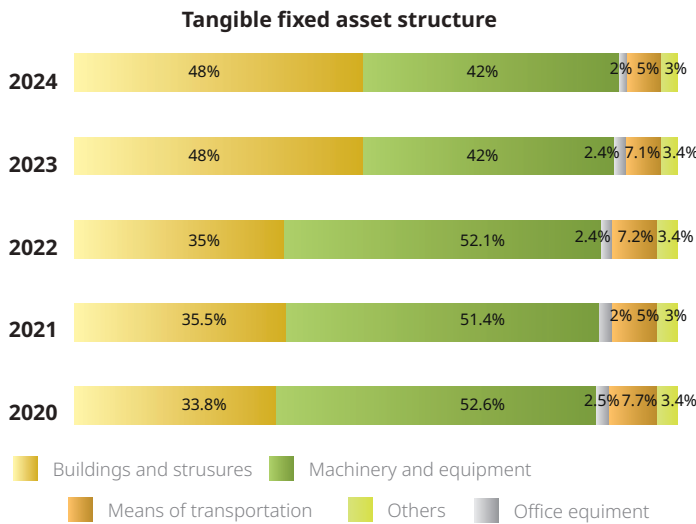
1. ASSETS

As at December 31, 2024, total assets amounted to over 1,284 billion VND, a 5% decrease compared to 2023. The proportion of short-term and long-term assets was 57% and 43%, respectively.

Short-term assets reached 741 billion VND, with the structure of short-term assets showing some changes compared to the previous year. Specifically, cash and cash equivalents amounted to 19 billion VND, accounting for 3% of total short-term assets, which represents a significant decrease compared to the same period last year. Meanwhile, short-term financial investments increased, accounting for 40% of the total value of short-term assets. Overall, the company continues to focus on maintaining a high-liquidity cash reserve to ensure flexibility in its business operations.



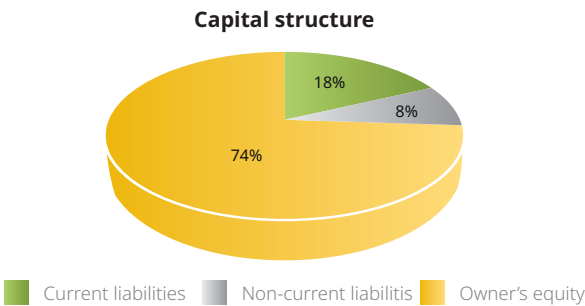
The company's long-term assets reached VND 543 billion, a 7% decrease compared to 2023. The structure of tangible fixed assets remained relatively stable, with the original cost slightly declining in 2024. During the year, the company invested in new equipment for the spring mattress production line to enhance productivity and promote automation. Additionally, new machinery was added to the fiber sheet production lines at the Hanoi factory.



Furthermore, the company liquidated nearly VND 3 billion worth of transportation vehicles and VND 2.8 billion in office equipment. In addition to phasing out outdated assets, the company also restructured its operations by relocating an office from Hanoi to the Hung Yen branch to optimize costs and resources, which led to the liquidation of some office equipment in Hanoi.

2. RESOURCES

The resources' structure remained stable compared to 2023. However, the value of equity decreased due to losses from business operations. The capital from short-term and long-term liabilities was also maintained at similar levels to previous years.



3. CASH FLOWS

As of 2024, the net cash flow from operating activities reached 69 billion VND, a decrease from 148 billion VND in 2023. Although the company still reported a loss for the year, the positive cash flow was mainly due to optimizing working capital structure, including reducing inventory and improving receivables collection from customers.

The net cash flow from investing activities was negative 56 billion VND. During the year, the company continued to reinvest in bank deposits after receiving interest and dividends, as well as redeeming term deposits with maturities longer than 3 months. In addition, the company spent 2.6 billion VND on purchasing fixed assets, while only generating 1.4 billion VND from asset disposals.

In terms of financial activities, the company made repayment of 310 billion VND of long-term borrowings while raising an additional 297 billion VND through short-term borrowings. Additionally, the company paid dividends totaling 21 billion VND, resulting in a net cash flow from financial activities of nearly -35 billion VND.

Cash and cash equivalents at the end of the year stood at 19.5 billion VND, a decrease of 25% compared to the previous year. Despite the decline, the company maintained positive cash flow from operating activities, reflecting its efforts in effective cash flow management to ensure financial stability and lay the foundation for sustainable business development.

Unit: million VND

Items	2024	2023
Net cash flows from operating activities	68,891	148,248
Net cash flows used in investing activities	-56,317	(70,951)
Net cash flows used in/ (from) financing activities	-34,777	(92,782)
Cash and cash equivalents at the end of the year	19,500	40,858

4. FINANCIAL INDICATORS

Items	UNIT	2024	2023	2022
Liquidity				
Current ratio	times	3,2	3,3	3,4
Quick ratio	times	2,1	1,9	2,2
Operating efficiency				
Inventory turnover	times	1,8	1,6	1,8
Receivables turnover	times	4,4	3,8	4,9
Payables turnover	times	12,1	11,9	12,2
Total assets turnover	times	0,6	0,6	0,7
Profitability				
Gross profit margin	%	31%	32%	38%
Pre-tax profit margin	%	-4%	3%	11%
ROE	%	-3%	2%	9%
ROA	%	-2%	2%	9%
ROS	%	-4%	1%	6%
Earnings per share	VND	-750	425	2,215
Financial leverage				
Debt-to-Equity ratio	times	0,35	0,36	0,42
Debt-to-Total Assets ratio	times	0,26	0,26	0,29

LIQUIDITY

The liquidity of the company's current assets has remained stable over the years, reflecting a low risk of illiquidity. Within the current asset structure, the company maintains a high proportion of highly liquid assets (cash, short-term and long-term bank deposits), which ensures business flexibility and timely fulfillment of financial obligations. Additionally, this facilitates the opportunity to capitalize on short-term investment opportunities when the market shows positive developments.

OPERATIONAL EFFICIENCY

The inventory turnover ratio has improved compared to the previous year but has not yet reached an optimal level. The BOM, along with the business teams, consistently focuses on assessing market demand and prospects to plan material procurement and production accordingly. Notably, the company has focused on clearing inventory, including finished goods older than 3 years and fabric older than 2 years. These inventory indicators are incorporated into the KPI system to ensure business departments give special attention.

The accounts receivable turnover ratio has improved, reducing from 96 days to 83 days. The value of accounts receivable as a percentage of revenue in 2024 is 21%. Specifically, short-term receivables decreased by 16% compared to the same period, higher than the 6% decrease in total revenue. The provision for short-term receivables accounts for 19% of total short-term receivables, an increase from 16% at the beginning of the year.

The accounts payable turnover ratio remained stable compared to last year, maintaining at 30-31 days.

PROFITABILITY

All profitability indicators are negative, which has reflected the recognition of a loss in 2024.

FINANCIAL LEVERAGE

The debt-to-equity ratio and the debt-to-total-assets ratio remained unchanged compared to the previous period. The company has minimized its reliance on borrowings, contributing to enhanced financial stability.

5. IMPACT OF EXCHANGE RATE FLUCTUATIONS AND INTEREST RATES


In addition to having an available source of foreign currency from export activities, the Company also manages the payment of raw material costs by borrowing USD from commercial banks to proactively import raw materials. With export activities in various business segments: padding, bedding, cleaners along with effective exchange rate risk management measures, Everpia has recorded a foreign exchange gain of 4,9 billion VND.

Unit: Million VND

ITEMS	2024	2023	2022
Finance income	27.902	49,447	18.713
Interest income	21.491	30.886	8.084
Foreign exchange gain	5.956	7.687	3.981
Reversals of provisions for trading securities		10.308	0
Dividends income	455	556	745
Finance expenses	16.235	22.642	39.728
Interest expenses	11.221	14.494	6.739
Loss from investing activities		453	17.435
Foreign exchange losses	4.581	7.670	11.862
Other finance expenses	433	25	3.693

VI. INNOVATION INITIATIVES

1. HUMAN RESOURCES MANAGEMENT



HR POLICIES

In 2024, company continued to maintain and develop its human resource management policies, creating a stable and high-quality workforce to meet the production and business activities of the enterprise. Key outcomes in 2024 include:

- Ensuring compliance with salary, bonus, social welfare, and health insurance policies for employees in accordance with legal regulations.
- Building a professional employer brand, focusing on recruitment to ensure both quality and quantity.
- Continuously adjusting and improving the competency framework for employees, building KPI indicators for each position, and implementing transparent evaluations to assess employees’ work performance.
- Implementing training programs to enhance professional skills and leadership capabilities, as well as developing future leadership teams.



WORKFORCE STRUCTURE


After downsizing the Cleaner business, the company streamlined its operations and reorganized the workforce in the factory, which is the largest labor resource unit, accounting for over 66% of the company's total workforce. The company also reorganized production and shifted positions to optimize labor efficiency and improve productivity.



CORPORATE CULTURE


In 2024, Everpia focused on promoting three core values: **Respect – Quality – Transparency**, aiming to build a positive, professional, and effective working environment. 27 employee-driven improvement initiatives were implemented, significantly enhancing labor productivity and product quality. Everpia not only created a workplace but also fostered inspiration, encouraged creativity, and optimized performance for all employees.

2. DIGITAL TRANSFORMATION IN MANAGEMENT



AUTOMATING THE ORDERING AND SHIPPING PROCESS

The company integrated the EverPop inventory management system with the POS sales system, optimizing the process from ordering to delivery. When an agent places an order, it is automatically transferred to the warehouse staff, shortening processing time. Warehouse staff only need to operate the system to process shipments, and sales revenue is automatically recorded, ensuring accuracy and transparency in management.



OPTIMIZING INTERDEPARTMENTAL PROCESSES

Instead of exchanging information via email or printing documents between departments, Everpia implemented an internal information management system with separate sections for each activity. Key information such as delivery plans, production schedules, fabric sample test results, fabric washing results, new collection launch timelines, and meeting schedules are continuously updated, allowing departments to coordinate more effectively and ensure work progress. Furthermore, digitalizing documents not only saves costs but also contributes to environmental protection by reducing paper usage

3. COST MANAGEMENT AND RISK CONTROL



STRENGTHENING OPERATIONAL COST CONTROL

: Effective cost management requires close monitoring and detailed analysis across each business unit. Everpia has implemented a system to track production efficiency and costs for each workshop, while also breaking down the cost of goods sold and sales expenses by business unit. Monthly, the Accounting department consolidates and reports revenue and expenses by department to management, enabling the company to make timely adjustments and optimize operational efficiency. Additionally, integrating operational profit targets into the KPIs of business units encourages departments to develop more structured budget plans and business strategies.



IMPROVING THE RAW MATERIAL AND MACHINERY INWARD PROCESS

The company has updated its inward logistics process to ensure that raw materials and machinery meet quality standards, deadlines, and quantities. In cases of suspected quality issues, Everpia has established a clear internal handling process and built an effective working relationship with suppliers to ensure a stable supply chain and better risk control.



ASSESS OF INTERNAL PROCESSES AND REGULATIONS COMPLIANCE

The Internal Audit department regularly audits and evaluates compliance with operational processes to ensure departments adhere to internal regulations. This helps promptly identify errors or discrepancies and propose corrective actions, improving transparency and enhancing corporate governance.

VII. ENVIRONMENTAL AND SOCIAL ASSESSMENT

1. RESPONSIBILITY IN PRODUCTION

- Sustainable development: Everpia Giang Điền factory has officially received the EDGE Advance certification, marking the completion of half the journey towards achieving Net Zero at the Southern region facility.
- Environmentally friendly products: Everpia has launched Ever Bio Padding, a product made from naturally sourced, biodegradable fibers.
- Quality and performance control: Regular machine inspections and calibrations; production process improvements to ensure product quality, workplace safety, environmental protection, optimize delivery schedules, and reduce customer complaints.
- Compliance with international standards: To meet export standards in developed markets, factories continue to comply with international quality management and environmental management systems such as ISO 14001:2015, Higg FEM, and BSCI.
- Legal compliance: No environmental violations were reported during the year. The company conducted quarterly

environmental monitoring, ensuring energy consumption targets were met without any environmental incidents.

2. RESPONSIBILITY TO SOCIETY

- Despite facing challenges from the business environment, the company has maintained stable employment and income for 1,000 workers.
- Actively contributing to charity programs such as supporting people in areas affected by Typhoon Yagi, awarding scholarships, and providing bedding sets to a number of ethnic minority schools in the North, as well as giving special Tet gifts to employees facing difficult family circumstances.
- Collaboration with universities: Everpia provides opportunities for students from economic universities in Ho Chi Minh City to visit the factory, directly observe the production line, and see where millions of bedding sets are produced each year. Not only do they learn about production technology, but they also have the chance to experience the corporate culture and work environment at a Korean company.

10 ACHIEVEMENTS IN 2024

1

TRAINING

123,024 training hours for both office staff and factory workers. The training program focused on three main areas: professional skills, specialized knowledge, and occupational safety.

2

QUALITY MANAGEMENT

Restructured the QC department, applying advanced technology and creative quality control methods. As a result, the inspection process was optimized, minimizing errors and improving accuracy, ensuring the product quality met the highest standards.

3

PRODUCTION IMPROVEMENT

Applied improvements based on suggestions from workers, optimizing processes and increasing productivity, such as reconfiguring the production layout for pocket spring mattresses, optimizing mattress cover assembly, export topper sewing processes, inventing automatic fabric cutting hanging tables, needle threading tools, and support tools for rolling and lifting.

4

AUTOMATION

Upgraded the internal inventory management system, allowing detailed tracking of materials. Integrated EverPop & POS systems, shortening order fulfillment times.

5

COST OPTIMIZATION

Analyzed production costs by workshop, reviewed the cost of goods sold, sales costs, and business management by department to identify inefficiencies and optimize profitability

6

PRODUCTION RESPONSIBILITY

Met health and safety standards for production employees working in the factory, while also minimizing environmental impact, earning certifications like ISO 14001, EDGE Advance, and Higg.

7

OCCUPATIONAL SAFETY

Built a safety culture through regular training programs, emergency drills, and accident prevention measures. Safety equipment is regularly tested and maintained to ensure a safe and sustainable working environment.

8

CORPORATE GOVERNANCE

Improved internal management processes, optimizing operations while maintaining flexibility in leadership.

9

CORPORATE CULTURE

Established a strong cultural foundation with three core values: Respect - fostering respect in all relationships, Quality - commitment to quality in both products and the work environment, Clarity - emphasizing transparency, responsibility, and professionalism.

10

SOCIAL RESPONSIBILITY

In 2024, Everpia contributed 2 billion VND to social activities, including disaster relief, awarding scholarships to students, and providing bedding sets to ethnic minority schools. These contributions reflect Everpia's strong commitment to building a sustainable community where every individual has the opportunity to thrive and improve their quality of life.

B. EVALUATIONS OF BOARD OF DIRECTORS

I. EVALUATION ON THE COMPANY OPERATION

1. BUSINESS TASK IMPLEMENTATION

The year 2024 was a challenging period for Everpia as the company faced a significant decline in revenue and profits, falling into negative figures – the most severe downturn in our operational history. Both the domestic and export markets faced immense pressure, requiring the company to make decisive changes to adapt and recover.

To adapt to this, the Board of Managements conducted a comprehensive review of business operations, reassessed the product portfolio, cost structure, and the effectiveness of each distribution channel. Based on practical data, the Board adjusted strategies regarding products, pricing, business policies, and cost management in order to rebuild profitability. Although these adjustments may not yield immediate results, they will lay the foundation for sustainable long-term growth, steering Everpia back onto a more stable and efficient trajectory.

The company achieved the following key business results in 2024:

- Total assets reached 1,283 billion VND, a decrease of 5% compared to 2023, with a balanced asset structure of 57% short-term assets and 43% long-term assets.
- Cash and short-term financial investments amounted to 318 billion VND, reflecting a 21% increase compared to the same period last year.
- Retained earnings after tax were 330 billion VND, a decrease of 14% compared to 2023.
- The liquidity ratio remained at a safe level, with short-term solvency and quick ratio at 3.2 and 2.1 times, respectively.

2. RISK MANAGEMENT & CONTROL ACTIVITIES

- **Cost control and operational efficiency improvement:** Everpia has implemented a detailed monitoring system for production productivity and costs by each workshop, ensuring transparency in management and optimizing resources. Monthly reports on revenue, costs, and profits by department allow teams and management to make timely decisions and adjust strategies flexibly to maximize operational effectiveness.
- **Enhancing compliance and transparency:** The Internal Audit Department periodically reviews operational processes to detect and address errors promptly. Strict monitoring measures help minimize risks in inventory management, material procurement, and production operations.
- **Improving inventory intake processes and quality control:** The evaluation system for the quality of materials and machinery has been improved, reducing the risk of production disruptions. Quality control standards at every stage have been tightened to ensure that final products meet quality requirements and delivery deadlines.
- **Integrating risk management into business strategy:** By incorporating operational profit targets into KPIs for

business departments, Everpia has promoted a proactive risk management culture, encouraging departments to take greater responsibility for cost control and resource optimization.

3. INNOVATION AND IMPROVEMENT ACTIVITIES

- Continuing the digital transformation journey, in 2024, Everpia focused on increasing the use of technology in production workshops, from automating inventory management and POS systems to digitizing daily reports. The involvement of production workshops not only boosts operational efficiency but also lays the foundation for the workforce to become familiar with technology, paving the way for broader improvements and deeper digital transformation in the future.
- Implementing customer data analytics tools to personalize the shopping experience, thereby optimizing the product portfolio and market approach strategy. The customer service system was also upgraded, integrating automatic feed-back channels to quickly process customer requests and feedback.

4. ENVIRONMENTAL GOALS

- On July 24, 2024, the Everpia factory in Giang Điền received the official EDGE ADVANCED certification from the International Finance Corporation (World Bank). According to the detailed assessment report, energy savings performance reached 47%, water savings at 34%, and material savings at 46%, significantly reducing emissions compared to conventional construction, amounting to 407.36 tCO2/year.
- The company continues to implement measures to improve production quality while reducing environmental impact, including energy consumption savings, water conservation, reducing emissions, and managing waste and wastewater quality. Everpia has not recorded any environmental violations or been warned about environmental issues.
- Following the success of Sorona fiber and WOOL padding products, the company continues to develop two new environmentally friendly products: biodegradable padding and water-resistant padding.

5. SOCIAL GOALS

- The company ensures full benefits and welfare policies for employees in accordance with current regulations and commitments. In 2024, the total salary and welfare expenses amounted to 176 billion VND, including 137 billion VND in wages (78%) and 39 billion VND for voluntary support (22%). Additionally, the company contributed over 10 billion VND to the state budget and actively participated in charitable activities, with a total value of 2 billion VND.

II. EVALUATION OF BOARD OF DIRECTORS ON MANAGEMENT ACTIVITIES

1. GENERAL EVALUATION ON MANAGEMENT ACTIVITIES

The year 2024 was a challenging period for Everpia as the company faced a significant decline in revenue and profits, falling into negative figures – the most severe downturn in our operational history. Both the domestic and export markets faced immense pressure, requiring the company to make decisive changes to adapt and recover.

To adapt to this, the Board of Managements conducted a comprehensive review of business operations, reassessed the product portfolio, cost structure, and the effectiveness of each distribution channel. Based on practical data, the Board adjusted strategies regarding products, pricing, business policies, and cost management in order to rebuild profitability. Although these adjustments may not yield immediate results, they will lay the foundation for sustainable long-term growth, steering Everpia back onto a more stable and efficient trajectory.

REGARDING BUSINESS UNIT

- Comprehensive evaluation of each business line's effectiveness and presenting of the recovery and development plan for 2024-2025 to the Board of Directors with the following goals: (i) Drive revenue growth through expanding domestic and export markets for bedding products, (ii) Control cost of goods sold, optimize selling and general and administrative expenses to ensure minimum profitability for each product category.
- Closure of the Cleaner line according to Resolution No. 007/2024/HĐQT/NQ dated 30/09/2024, regarding the reduction of Cleaner production and business activities in order to conserve resources and focus on higher-margin product categories with better growth potential.

REGARDING DISTRIBUTION CHANNELS

- **Domestic:** Adjust sales policies to better support agents, focusing on optimizing inventory and driving sustainable sales growth. Shift focus from discounting to enhancing customer experience and benefits.
- **Export:** Increase bedding exports in the Southern region to offset the decline in Cleaner sales and simultaneously boost production capacity at the Giang Dien factory.

REGARDING PRODUCTS

- Company has restructured the product portfolio, addressing weaknesses in previous collections and avoiding product overlap between brands.
- Upgraded existing products and developed new products with unique and differentiated value compared to competitors in the market.
- Expanded and diversified the product range: inserts and lin-

en decorative items contributed 14% to the revenue share of domestic retail sales in 2024. The company launched a diverse range of seasonal decor products to capitalize on changing consumer preferences for home decoration. These include household textile accessories such as curtains, rugs, tablecloths, and other decor items.

REGARDING GREEN MANUFACTURING AND GREEN CONSUMPTION

- Creating green consumer experiences through a series of activities from green production to building consumer awareness of sustainability.
- Green communication: Completely eliminate the carbon footprint in product consumption – marketing, sales, and after-sales activities are conducted online with environmentally-friendly delivery methods.
 - Greening the factory through efforts to improve and upgrade machinery, enhance equipment maintenance, change operational methods, and collaborate with consulting firms to increase resource utilization efficiency.
 - Greening products by using natural materials.



2. ASSESSMENT RESULTS OF THE CEO

In 2024, in the face of a decline in business performance, the Board of Management, especially the CEO, demonstrated decisiveness in management, boldly eliminating factors hindering long-term profits, and proactively seeking new directions to bring the company back onto a growth route. At the same time, efforts were made to maintain stability, protect core resources such as personnel, finances, and technology, and implement flexible solutions to adapt to market fluctuations, laying the foundation for the next phase of sustainable development.

3. ASSESSMENT RESULTS OF OTHER EXECUTIVES

In the face of challenging business conditions, the members of the Executive Board have made great efforts to fulfill their roles, coordinating activities between departments to maintain stability and optimize the company's resources. Despite many challenges, the Executive Board remained focused on long-term objectives, ensuring transparency in management and maintaining the trust of employees, partners, customers, and stakeholders.

The Board of Directors highly appreciates the efforts of the Executive Board in:

- Proactively reviewing and reporting on the implementation of the Board's resolutions, promptly adjusting plans to adapt to market changes.
- Strengthening financial control, optimizing costs, and safeguarding critical resources such as personnel, technology, and distribution systems.
- Steering the development of new products and expanding markets, particularly by promoting bedding exports, laying the foundation for the next growth phase.

Despite facing numerous challenges, the Board of Management ensured compliance with legal regulations and the company's operating procedures, maintaining periodic reports on business performance, progress on assigned tasks, and the challenges and advantages in management operations. The Board of Directors recognized the CEO's proactive approach in responding to market fluctuations and believes that the foundations maintained during this difficult period will lay the groundwork for recovery and sustainable development in the future.

- Persistently pursuing the transformation of the Giang Dien factory into a Net Zero Carbon model, which not only demonstrates a commitment to sustainable development but also creates a long-term competitive advantage for Everpia.
- Maintaining transparency in governance, closely coordinating with departments to ensure effective operations.
- Strictly complying with governance and management regulations according to the company's charter and internal governance rules. Activities such as information disclosure, financial statements reporting, and corporate governance reports are carried out timely, transparently, and effectively, ensuring reliability and legal compliance.

Although the business results for 2024 did not meet expectations, the Board of Directors believes that the strong restructuring measures and sound strategic direction will help the company gradually regain growth momentum, strengthen its market position, and achieve sustainable development in the future.



III. REPORT ON THE PERFORMANCE OF THE BOARD OF DIRECTORS

In 2024, a year marked by significant challenges during the 2022-2026 term of the Board of Directors (BOD), in response to major domestic and international market fluctuations, the Board proactively adapted, implemented strict oversight measures, and worked alongside the Executive Board to ensure stability and gradually rebuild for the next phase of development.

1. STRATEGIC PLANNING AND OVERSIGHT OF OPERATIONAL ACTIVITIES

Based on the company's Charter and Corporate Governance Regulations, the BOD fulfilled its oversight role, monitoring the activities of the CEO and Executive Board in implementing the resolutions of the General Shareholders' Meeting and BOD. The BOD actively participated in quarterly regular meetings and opinion-gathering meetings to stay informed of the situation, assess, and provide timely guidance to the Executive Board in implementing business plans that align with the current circumstances.

Strategic planning continued to be reinforced, with medium and long-term objectives reviewed periodically during BOD meetings with the Executive Board. This ensured that the company not only adapted to the current context but also had a clear roadmap for recovery and growth in the future. The strategic direction was also communicated to all employees, creating consistency in actions at every level.

2. GOVERNANCE ACTIVITIES AND COMPLIANCE CONTROL

The BOD particularly focused on enhancing the quality of governance, gradually moving toward the best corporate governance practices. The company established the internal audit function following the three-lines-of-defense model, improving risk control efficiency.

The oversight of the Executive Board's activities was carried out through the following specific actions:

- Monitoring the implementation of business plans and investments in line with the set direction.
- Checking the progress of implementing the resolutions/decisions of the General Shareholders' Meeting and the BOD.
- Monitoring and directing the proper implementation of the periodic financial reporting system.
- Ensuring compliance with information disclosure regulations, maintaining transparency and timeliness.



- Monitoring the execution of restructuring initiatives to optimize operations and seek growth opportunities in the challenging market environment.
- Coordinating with the Supervisory Board and the Internal Audit Department to assess, review, and make decisions to minimize risks for the company.

IV. EVALUATION OF INDEPENDENT BOARD OF DIRECTORS

1. EFFECTIVENESS OF THE BOARD OF DIRECTORS' OPERATIONS



In a challenging business environment, the BOD has demonstrated strong leadership, clear strategic direction, and tight oversight of the company's operations. Important decisions are made based on data analysis and thorough evaluations, ensuring a balance between risk control and seizing growth opportunities. At the same time, the BOD adheres to international corporate governance principles, contributing to enhanced transparency and effective management.

With a long-term vision, the BOD not only ensures stability in the company's operations but also creates a foundation for sustainable development in the next phase of Everpia. Consistent, transparent, and effective management has helped the company maintain a balanced interest between shareholders and stakeholders, reinforcing its market position.



2. QUALITY OF DISCUSSIONS AND DECISION-MAKING



The BOD has worked diligently and effectively in supervising, guiding, and consulting the Executive Board. Close collaboration between the BOD and the Board of Executives is reflected in their willingness to listen, consider feedback, and provide appropriate explanations for proposals that cannot yet be implemented. Requests for clarification from independent members are always responded to fully, specifically, and promptly, creating a transparent and effective working environment.

In discussions about business conditions, global consumer trends, or organizational structure, each BOD member has expressed diverse viewpoints and deep expertise, helping to make optimal decisions for the company. The BOD also maintains principles of fairness and integrity in cooperating with stakeholders, including shareholders, suppliers, and customers, contributing to the development of strong relationships and laying the foundation for Everpia's long-term growth.



3. RISK MANAGEMENT AND COMPLIANCE



The BOD always focuses on overseeing the internal control system, ensuring the company operates according to high standards of financial transparency and business ethics. Strategic, operational, and market risks are assessed regularly, accompanied by appropriate response plans, helping the company proactively adapt to a volatile business environment.



4. RECOMMENDATIONS FOR IMPROVEMENT



To continue enhancing operational efficiency, the independent members of the Board of Directors propose strengthening the oversight role in sustainable development initiatives, technology application, and digital transformation. Additionally, it is essential to encourage independent board members to engage more deeply in strategic analysis and propose practical solutions, in order to help the company not only maintain stability but also create sustainable long-term growth momentum.



V. ACTION PLAN IN 2025

1. MARKET CONTEXT

The year 2025 is forecasted to continue being a challenging year as global economic growth slows down, and the political-economic landscape becomes more complex. In Vietnam, the loose monetary policy helps maintain low interest rates, creating favorable conditions for businesses to access capital. However, inflation pressure, currency fluctuations, and reduced purchasing power could affect consumer sentiment, posing several challenges for business operations.

Everpia has assessed the challenges from the market and its competitive advantages to build a flexible business plan that both capitalizes on opportunities and addresses risks, aiming to return to a growth cycle and generate profits for shareholders.

5 KEY MARKET CHALLENGES		5 MAJOR ADVANTAGES OF EVERPIA
Declining consumer demand: Customers' spending capacity is impacted by the unstable economic situation.	1	Strong brand position and wide distribution network
Intense competition: The appearance of many new brands increases pressure on price and quality.	2	Long-term, strong relationships with Agents and Global renowned brands
Fluctuating raw material prices: The instability of prices for fiber, fabric, and other raw materials affects profit margins.	3	Certified Factories with EDGE ADVANCED, BSCI, GRS, HIGG FEM Certified Factories
Sustainable consumption trends: Customers demand products with green certifications, forcing businesses to invest in environmentally friendly production technologies.	4	Flexible adaptation ability and potential for expanding international markets
Shift to E-commerce: Changing consumer behavior requires the company to make significant investments in digital platforms.	5	Top 10 brands with the highest revenue in Bedding on e-commerce platforms



2. BUSINESS PLAN IN 2025

Based on market analysis and internal advantages, the company has identified 4 strategic focuses for 2025:

- 2.1. Strengthening the Domestic Market**

 - Optimize the showroom and agent system to improve sales performance.
 - Enhance the online shopping experience by investing in Everpia-owned online sales channels.
 - Develop products with sleep-support technology and those with practical, eco-friendly designs.

➤ Response to challenge: Strong competition from both domestic and international brands.

➤ Leverage advantage: Wide distribution network and strong brand.
- 2.2. Boosting Export**

 - Continue negotiations with potential customers and produce samples to secure orders and recognize sales.
 - Establish relationships with strategic partners to increase long-term orders.
 - Complete and obtain additional international certifications such as FAMA, Ecovadis, Higg, and enhance sustainability standards to expand the export market.
 - Strengthen branding activities, increase competitive advantages to affirm market position globally.

➤ Response to challenge: Raw material price fluctuations and competitive pressure

➤ Leverage advantage: High export potential and proactive quality control.
- 2.3. Improving Production and Business Performance**

 - Increase automation to reduce labor costs.
 - Encourage production improvement initiatives to boost labor productivity and product quality.
 - Utilize AI and big data to optimize customer experience and enhance sales performance.
 - Regularly monitor monthly sales cost ratios and selling expenses to meet profit targets.

➤ Response to challenge: Fluctuating raw material prices

➤ Leverage advantage: Proactive production and excellent quality control.
- 2.4. Strengthening Sustainable Development and Corporate Governance**

 - Apply ESG standards to enhance brand reputation.
 - Improve the internal management system to enhance operational efficiency
 - Train personnel on sustainable development strategies.

➤ Response to challenge: The trend toward sustainable consumption.

➤ Leverage advantage: Flexible adaptability.

Set up business plan and profit goals for 2025.

Criteria	Actual 2024	% on revenue	Plan 2025	% on revenue	Increase
Net revenue	741.2		950		28%
NPAT	-30.2	-4,1%	47.5	5,0%	257%

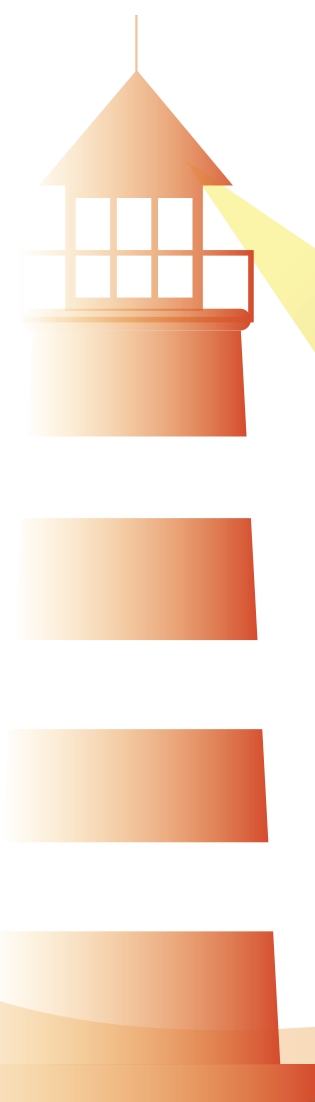
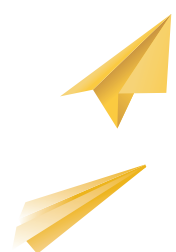
3. SUSTAINABLE DEVELOPMENT STRATEGY



4. CORPORATE GOVERNANCE ACTIVITIES

- Review Everpia's Corporate Governance practices annually and refer to Code of Conduct standards to continuously improve.
- Promote investor relations and information disclosure activities, ensuring transparency and fairness.
- Enhance information sharing, encourage the independent BOD member to have in-depth assessments and analyzes on issues under the authority of the Board of Directors, provide practical and feasible recommendations for the Board of Directors to discuss and make decisions.
- Improve corporate governance capacity based on applying the international best practices practices to exploit resources effectively and create long-term sustainable values.
- Strengthen strategic, financial, operational management, and risk control in accordance with best practices.
- Optimize cash flow and use capital efficiently.
- Enhance operational efficiency through investment in automation, and the application of IT in operations, production, and business.
- Encourage initiatives to optimize costs, improve productivity, and create motivation for employees through reasonable compensation policies.
- Increase the accountability of management at all levels, and promote internal and external training on management, leadership, technology, and supporting skills.





04 | JOURNEY TO THE GOAL

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1. MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF SUPERVISORS
MEMBERS OF THE BOARD OF DIRECTORS



MR. CHO YONG HWAN
Chairman
Senior Director

Nationality: Korean
Year of birth: 1965
Degree: Bachelor of Polymer Chemistry
Experiences:

- Since the early days of Everpia, he has been closely associated with the company and has demonstrated a strong vision, leading Everpia to continuous success. By maximizing the advantages in technology, production processes, and product quality, he has made significant contributions to the establishment and solidification of Everon brand as a prominent player in the bedding industry for over three decades. As the head director of the Ho Chi Minh branch since 2018, he has achieved notable accomplishments. The sales in the southern region have witnessed stable growth, and the K-Bedding – a brand specifically for e-commerce platforms and supermarket chains – has become a significant source of revenue contributing to the overall growth of the company. He is not only an exceptional leader but also a reliable and dedicated companion. With the motto “I can’t but we can,” he is the one who ignites and motivates employees to strive for excellence every day. He’s always willing to listen to the opinions and ideas of his employees to bring more positive changes, and to foster a dynamic and innovative working environment within the company.

Position of BOD member at other companies: None
Share ownership: 461.760 shares, accounting for 1.1%



MR. LEE JAE EUN
BOD member
CEO

Nationality: Korean
Year of birth: 1964
Degree: Bachelor of Economics - Major in Finance & Investment
Experiences:

- Mr. Lee Jae Eun, as the visionary leader, unifying force, and a strategist, has played a crucial role in charting strategic direction, driving Everpia's current success. He continuously generates groundbreaking ideas, keeps pace with trends, changes, and fluctuations of the market, steering Everpia towards a sustainable long-term growth.
- With over 20 years of experience in Finance and Investment in South Korea, the combination of his exceptional leadership and quick adaptability has transformed Everpia from a company on the brink of a second bankruptcy into a leading producer of bedding products in the market.

The remarkable success of Everpia achieved throughout a 31-year journey stand as a testament to Mr. Lee's great leadership, outstanding managerial skills, and unwavering commitment to continually enhance the standards of quality and innovation within the company.

Position of BOD member at other companies: TexpiaJSC
Share ownership: 7,567,344 EVE shares, accounting for 18.03%



MR. YU SUNG DAE
BOD member
Senior Director

Nationality: Korean
Year of birth: 1965
Degree: Master of Accounting
Experiences:

- With nearly 30 years of experience in the field of finance and accounting - including a long tenure at the world-leading auditing firm PwC, and 28 years as a member of the Korean Institute of Certified Public Accountants - he brings to Everpia a solid professional foundation and a modern management mindset.
- Currently, he serves as a member of the Board of Directors and holds the position of Vice President in charge of the Management Division. In this role, he has consistently prioritized the standardization and modernization of internal workflows. Under his leadership, the company has gradually built a robust and efficient system for cost control and inventory management. He has also been a pioneer in the comprehensive reform of the company's financial reporting system in accordance with IFRS standards, contributing to greater transparency and reliability in financial disclosures to shareholders and stakeholders.

Position of BOD member at other companies: None
Share ownership: 135,600 EVE shares, accounting for 0.32%



MR. LÊ KHẢ TUYỀN
Independent BOD Member

Nationality: Vietnamese
Year of birth: 1979
Degree: Bachelor of Banking and Finance, Master of Business Administration
Experiences:

- With over 20 years of experience in senior management positions in the fields of investment and securities, Mr. Tuyen possesses in-depth knowledge of the financial markets and strategic business operations
- In his role as an Independent Member of the Board of Directors, he has actively overseen the activities of the Executive Board, monitored the implementation of business strategies, assessed operational efficiency, and supported the development of a structured and transparent corporate governance system
- Beyond his supervisory duties, he proactively stays up to date with emerging trends and key market movements in Vietnam, thereby advising the company on its medium- and long-term strategic direction. Additionally, with his extensive experience and wide-ranging network in the finance and investment sector, he also serves as an effective bridge between the company and potential financial investment opportunities

Position of BOD member at other companies: None
Share ownership: None



MR. YI SEUNG MOK
Independent BOD Member

Nationality: Korean
Year of birth: 1965
Degree: MBA in Marketing - Han Yang Business School Han Yang
Experiences:

- With extensive professional experience in the marketing and business development domains spanning over 30 years, he has held various leadership roles at well-known companies. His broad expertise includes e-commerce, marketing strategy, and multichannel marketing.
- Thanks to his solid knowledge base and strategic vision, he is highly regarded in his role as an independent member of the Board of Directors. He consistently contributes sharp analyses, effectively monitors performance, and proposes solutions to support the Company in achieving its long-term goals.

Position of BOD member at other companies: None
Share ownership: None

MEMBERS OF THE BOARD OF SUPERVISORS



MR. TRƯƠNG TUẤN NGHĨA
Chief Supervisor

Nationality: Vietnamese
Experience:

- Prior to joining Everpia's Board of Supervisors, Mr. Nghia had over 20 years of experience in the fields of Finance-Investment and Accounting-Auditing. His deep understanding of accounting principles and regulations, along with his financial analysis and risk management skills, have made strong contributions to oversee the activities of the Board of Management and the Board of Directors, strengthen the role of Internal Control, ensure the truthfulness and transparency of financial statements, as well as assess and monitor risks that may impact financial statements.
- Throughout his terms as Head of BOS, Mr. Nghia's contributions have been instrumental in establishing a solid financial foundation and ensuring the sustainable development of Everpia.

Share ownership: 20.120 cổ phiếu EVE, accounting for 0.05%



MR. KO TAE YEON
Supervisor

Nationality: Korean
Experience:

- Held senior management position at LG Electronics and currently serving as the Managing Director of Heesung Electronic in Vietnam, Mr. Ko Tae Yeon has leveraged and applied his knowledge and expertise to provide valuable and practical insights for projects related to supply chain risk management and cost-effective operations management of each production location.
- Mr. Ko is a key driver in optimizing operational expenses, managing business activities, and driving the development and success of the company.

Share ownership: None



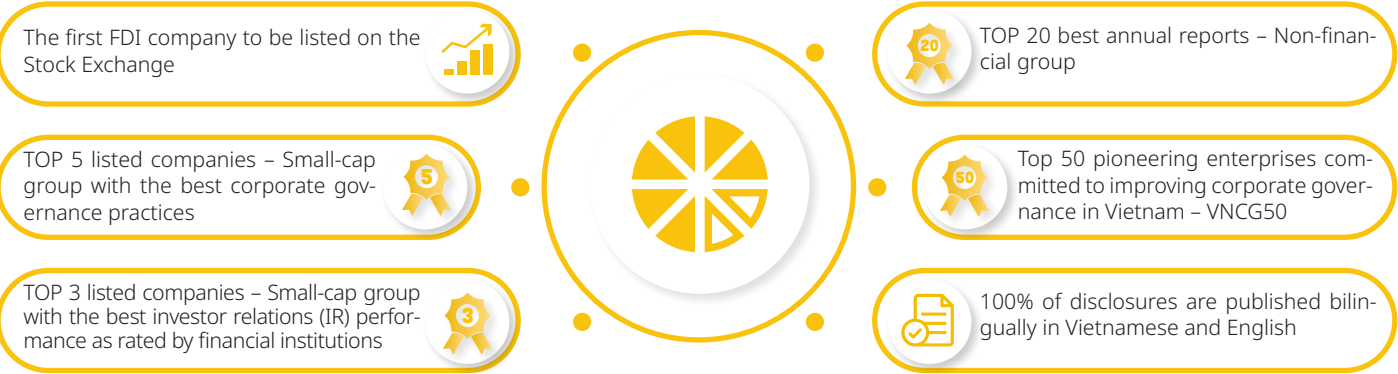
MR. NGUYỄN ĐỨC HƯỞNG
Supervisor

Nationality: Vietnamese
Experience:

- His profound knowledge and extensive experience in the fields of Accounting and Business Administration have made improvements for the efficiency of the company's accounting and financial management.
- He ensures that the company's accounting system strictly adheres to relevant accounting standards and legal regulations. Additionally, he undertakes the critical tasks of examining, evaluating, and monitoring the accounting processes and financial reporting to guarantee the accuracy, transparency, and reliability.

Share ownership: None

WE ARE ALWAYS LEADING



CORPORATE GOVERNANCE POLICY

Consistently achieving high recognition in corporate governance in recent years has motivated Everpia to maintain and further improve its governance practices. The company regularly updates and seeks solutions to strengthen its internal governance system, aiming to enhance governance quality, lay the foundation for business breakthroughs, and pursue sustainable development thereby spreading and sharing meaningful values with the community.

- Fully complies with the legal and regulatory framework of Vietnam, as well as governance regulations for listed companies in the country.
- Applies the G20/OECD “Principles of Corporate Governance” and the ASEAN Corporate Governance Scorecard.
- Ensures transparency in all company activities and protects shareholder rights.
- Integrates ESG into governance to pursue resilient and sustainable development.

Corporate Governance at Everpia is built based on 05 core values:

FAIRNESS

Everpia guarantees the fairness in protection of shareholder rights, avoiding bias, favoritism, and discrimination, including minority and foreign shareholders. Company adheres to legal regulations and guarantees transparency in granting equal rights to all shareholders.

RESPONSIBILITY

Everpia recognizes and protects the rights of stakeholders as established by law. In addition, Company always values active cooperation with stakeholders to create a professional, fair, and trustworthy partnership environment.

TRANSPARENCY

Everpia’s primary goal is to build a business environment characterized by honesty and transparency. The BOD is committed to disclosing comprehensive, accurate, and timely information including financial status, business performance and other important matters to all shareholders and related parties

ACCOUNTABILITY

Strategic guidance is a vital part of Everpia’s Corporate Governance framework. The BOD performs the monitoring and assessing the operational effectiveness of the Board of Management in order to support the sustainable long-term development of the Company.

SUSTAINABILITY

Everpia assures a harmonious balance between financial and non-financial interests so as to create sustainable value for shareholders.

A. RIGHTS AND EQUITABLE TREATMENT OF SHAREHOLDERS

A.1. ESTABLISHING A FRAMEWORK FOR THE EFFECTIVE EXERCISE OF SHAREHOLDERS’ RIGHTS

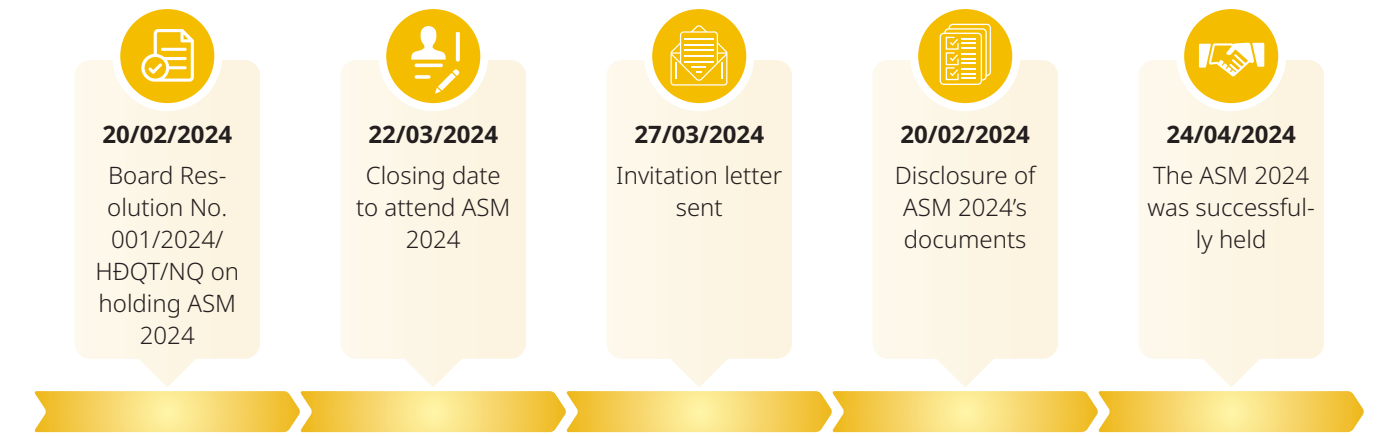
The Company recognizes and values the rights of all shareholders, who are the owners of the Company, including minority and foreign shareholders. Shareholders’ rights are clearly and explicitly defined in the Company’s Charter, covering fundamental rights such as: 1) the right to ensure proper methods of share ownership registration; 2) the right to transfer shares; 3) the right to timely and regular access to relevant and material information about the Company; 4) the right to attend and vote at the General Meeting of Shareholders; 5) the right to elect and remove members of the Board of Directors; 6) the right to receive dividends; and 7) the right to elect, appoint, and approve the independent auditor.

The detailed rights and obligations of shareholders and shareholder groups are transparently outlined in the Company Charter and Internal Corporate Governance Regulations, thereby ensuring fair treatment of all shareholders. All significant information regarding the Company’s operations - especially information that could influence the stock price or shareholders’ investment decisions - is fully, accurately, promptly, and transparently disclosed.

A.2. THE RIGHT TO PARTICIPATE IN AND VOTE EFFECTIVELY AT ANNUAL SHAREHOLDERS’ MEETINGS

All procedures and processes related to the organization of the Company’s Annual Shareholders’ Meetings (ASM) are carried out in strict accordance with the Company Charter, Internal Governance Regulations, and the Law on Enterprises. The Company has consistently succeeded in holding its ASM on the first attempt, with no complaints or disputes arising from any past meetings. This demonstrates that the Company strictly adheres to all applicable procedures and legal requirements, fulfills its disclosure obligations, and fosters a fair and transparent environment for shareholder participation.

Key preparatory milestones for the Annual General Meeting, such as the announcement of the record date, the issuance of invitations, and the distribution of meeting materials, are strictly followed, specifically as follows:



A.2.1. The Company encourages and facilitates the full participation of all shareholders in both the Annual and Extraordinary Shareholders’ Meeting held throughout the year

Shareholders have the right to attend and speak at the General Meetings of Shareholders and to exercise their voting rights either directly at the meeting, through a power of attorney, or by voting remotely. Accordingly, shareholders have the right to vote on all matters within the authority of the Shareholders’ Meeting, as outlined in Articles 11 and 14 of the Company’s Charter, including annual votes on issues such as remuneration, bonuses, and other benefits for the Board of Directors.

Shareholders or shareholder groups owning more than 5% of the voting shares have the right to request the convening of a General Meeting of Shareholders, ask the Board of Supervisor to review specific matters, inspect the list of shareholders, and exercise other special rights as specified by regulations.

A.2.2. The Company facilitates shareholders’ right to propose agenda items directly in the Meeting Invitation letter.

To encourage shareholders to exercise their highest rights, and in accordance with Clause 3, Article 11 of the Company’s Charter, shareholders (or groups of shareholders) owning 5% or more of the total ordinary shares have the right to propose agenda items by submitting a written request to the Company.

The address for submission, the deadline for proposals, and related instructions are clearly stated in the Invitation to the Meeting sent to each shareholder.

For the 2024 General Meeting of Shareholders, the Company did not receive any such requests from shareholders.

A.2.3. Disclosure of voting, nomination, and election procedures prior to the ASM

To facilitate shareholders in exercising their voting, nomination, and election rights, the Company publicly disclosed the Regulations on Organizing the ASM at least 21 days prior to the meeting date. Key contents included:



Detailed provisions on nomination, candidacy, election methods, and vote counting are fully compliant with Articles 26 and 27 of the Company's Internal Corporate Governance Regulations. In cases where candidates are already identified, detailed information on their experience and background is fully disclosed in the meeting materials

A.2.4. Discussion at the General Meeting

The Company maintains a transparent and open interaction mechanism. In addition to regular communication channels, at each ASM, the Company allocates a reasonable amount of time for all shareholders to raise questions directly to the Board of Directors, Board of Management, and Board of Supervisor. Shareholders' questions are not restricted in scope and may relate to business performance, independent audited financial statements, corporate governance, risk management, business operations, or suggestions regarding the organization and agenda of the meeting.

The Company values and appreciates all questions and contributions aimed at supporting its development. All questions and responses from the Board of Directors are recorded in the meeting minutes and publicly disclosed within 24 hours after the meeting concludes.

A.3. FAIR AND CONSISTENT DIVIDEND POLICY

Everpia's dividend policy ensures equal and timely distribution to all shareholders. The ASM determines the annual dividend amount and method of payment based on the Company's profits. Historically, Everpia has consistently paid cash dividends within 50 days from the conclusion of the ASM. In cases where dividends are paid in shares, the payment is made within 90 days from the date of the resolution announcement.

The Company's 2024 ASM, held on April 24, 2024, approved the 2023 cash dividend payment at VND 500 per share. The Board of Directors announced June 6, 2024, as the record date for shareholders entitled to the 2023 dividend, and the payment will be made to all shareholders on June 14, 2024.

A.4. RELATED PARTY TRANSACTIONS ARE APPROVED AND CONDUCTED IN A MANNER TO PREVENTS CONFLICTS OF INTEREST

All related party transactions are strictly controlled by the Board of Directors in accordance with clearly defined delegated authorities. This ensures the protection of the Company's and shareholders' interests while avoiding conflicts of interest involving insiders or related parties. These transactions are fully disclosed and reported every six months in the Company's Corporate Governance Report.

All related party transactions in 2024 were conducted in a manner that ensured they were reasonable, market-based, transparent, and fair. Every transaction was reviewed by the Board of Directors and the Internal Audit Team to ensure compliance with these principles, and was disclosed in the notes to the audited semi-annual and annual financial statements for 2024.

B. INFORMATION DISCLOSURE AND TRANSPARENCY



As a listed company, Everpia is committed to fully complying with all disclosure requirements set forth by current securities market regulations. All information is disclosed simultaneously, promptly, and accurately to all shareholders in both Vietnamese and English. The corporate governance framework ensures the timely and accurate disclosure of all significant matters related to the company, including financial status, business operations, sustainability, ownership, and corporate governance.

Important information is fully disclosed through the Ho Chi Minh Stock Exchange Portal: <https://www.hsx.vn/Modules/Listed/Web/SymbolView/295> and the Company's official website: www.everpia.vn.

Additionally, the Company promptly updates shareholders on quarterly business performance analysis and shareholder rights-related information through email.

B.1. DISCLOSURE OF MATERIAL INFORMATION

B1.1. Financial and operational performance of the Company

Everpia discloses the reviewed financial statements within 60 days from the end of the first six months of the fiscal year and publishes the audited annual financial statements within 90 days from the end of the year. The financial statements include a complete balance sheet, income statement, cash flow statement, and notes to the financial statements, providing a comprehensive, clear, and transparent view of the Company's financial situation and operational performance.

In addition, the Annual Report includes in-depth analysis from the Board or Management regarding business results and activities during the year, helping investors, shareholders, and stakeholders better understand Everpia's operational landscape. This allows them to assess the Company's growth potential and future economic performance.

To keep shareholders and investors regularly updated on the Company's operational activities, the Company proactively publishes news about key events and detailed quarterly business performance reports by sending emails to shareholders and posting them on the Company's website at: <https://everpia.vn/quan-he-co-dong/ket-qua-kinh-doanh-ct22.html>. Through this, the Company builds trust and strengthens its credibility within the investment community, contributing to its sustainable development in the future.

B1.2. Company's sustainability goals and related information

In addition to financial information, the company prepares and discloses a Sustainability Report that includes policies and key performance indicators related to environmental and social issues, as detailed in the Sustainability Report on page 95.

B1.3 Capital structure and control mechanism

In full compliance with current legal regulations regarding the disclosure obligations of public companies, Everpia, along with major shareholders, Internal person and affiliated parties responsible for the transparent and complete disclosure of information regarding the number of shares and ownership percentages in the Company on a semi-annual and annual basis. Additionally, all transactions involving the buying or selling of EVE shares by these parties must be disclosed publicly before and after the transactions, in accordance with regulations.

The ownership structure at Everpia is clear, with no cross-ownership, pyramid structures, or shares with preferential voting rights (multiple or restricted voting rights). As a result, all shareholders exercise control in proportion to their ownership stake, ensuring fairness, transparency, and preventing manipulation in corporate governance.

Everpia currently does not have a parent company. The list of subsidiaries, joint ventures/ associates, and branches of the Company is fully disclosed in the financial statements and the corporate governance report, ensuring transparency for investors.

B1.4. Controlling share ownership, including beneficial ownership and voting rights

The Company strictly adheres to regulations regarding the disclosure of controlling share ownership, voting rights, and beneficial ownership. The list of major shareholders, shareholding structure, and types of ownership held by insiders and professional securities investors are transparently and thoroughly presented in the Shareholding Structure section.

Information on the ownership of internal person and their affiliated parties is disclosed semi-annually in the Corporate Governance Report. All share transactions involving these parties are disclosed in a timely and accurate manner, in full compliance with current regulations, ensuring transparency and accountability in corporate governance.

B1.5. Information on the structure and individual members of the Board of Directors, including qualifications, selection process, positions held in other companies, and independence status.

Everpia strictly complies with regulations regarding transparency of information related to the structure and individual members of the Board of Directors and the Board of Supervisor. Detailed information on each member's educational background, professional experience, shareholding ratio, and positions held at other organizations is fully presented in the initial section of this report.

For independent members of the Board of Directors, the Company ensures that these individuals meet all independence criteria as stipulated in Point b, Clause 1, Article 137 of the 2020 Law on Enterprises. Currently, Everpia's Board of Directors consists of 5 members, of which 2 are independent and non-executive. The independence status of these members is periodically assessed by the Board and disclosed in the Corporate Governance Report to ensure objectivity in governance and to minimize potential conflicts of interest.

B1.6. Remuneration for members of the Board of Directors and key executives

The Company ensures full compliance with disclosure obligations regarding the remuneration of the Board of Directors and salaries of the Board of Management, aiming to enhance transparency in governance expenses and enable shareholders to assess the alignment between the compensation policy and the Company's performance.

The remuneration level for the Board of Directors is approved annually at the Annual Shareholders' Meeting. This fixed remuneration has remained unchanged since 2013. The amount paid to each member is determined objectively, scientifically, and transparently, based on their capabilities, contributions to the Company, and to incentivize the Board in achieving both short-term and long-term goals.

Board members who also hold executive positions do not receive remuneration, instead, they receive a salary corresponding to their position and responsibilities, in this structure, 70% of performance indicators relate to business results, while 30% are tied to sustainability objectives to be achieved during the year. The remuneration of independent Board members is based on their individual contributions. Detailed information about the remuneration of each Board member is disclosed in the quarterly and audited annual financial statements. pecifically, the pre-tax remuneration structure for each Board member in 2024 is as follows:

Unit: VND

No	BOD MEMBERS	TITLE	REMUNERATION	BOM'S SALARY	BONUS AND OTHER BENEFITS	TOTAL
01	Cho Yong Hwan	Chairman Senior Director	0	2.748.289.114	0	2.748.289.114
02	Lee Jae Eun	BOD Member	0	5.809.203.999	0	5.809.203.999
03	Yu Sung Dae	BOD Member	0	2.778.464.304	0	2.778.464.304
04	Lê Khả Tuyên	Independent BOD Member	86.400.000	0	0	86.400.000
05	Lê Khả Tuyên	Independent BOD Member	57.600.000	0	0	57.600.000
TỔNG			144.000.000	11.335.957.417	0	11.479.957.417

B1.7. Related Party Transactions

Everpia respects the interests and legal rights of all related parties as recognized by law or established through contractual agreements. This commitment is clearly demonstrated by the Company's full compliance with current regulations on related party transactions, as well as the adoption of a Code of Business Ethics as a foundational element of its governance and operations.

The disclosure of related party transactions, especially material ones, is always conducted in a timely, complete, and compliant manner. On July 15, 2024, the Board of Directors approved Resolution No. 005/2024/HDQT/NQ authorizing the execution of contracts and transactions between Everpia and its subsidiary in South Korea – Everpia Korea Joint Stock Company. Details of these transactions are fully disclosed in Note 28 of the Company's quarterly and audited separated financial statements. These transactions are also reported in the Company's semi-annual and annual Corporate Governance Reports.

B1.8. Debt agreements and predictable risk factors

In all business activities, Everpia proactively assesses and manages risks to protect shareholder interests and ensure sustainable development. The Board of Management and the Board of Directors not only focus on market expansion and strategic development but also integrate risk management into the decision-making and operational oversight processes. Key indicators such as profit/revenue ratios, inventory levels, receivables, as well as the integration of ESG into strategy and governance, are regularly monitored and adjusted during quarterly meetings. The Board of Directors consistently reviews and approves action plans to ensure flexibility and resilience in the medium and long term. (For more details, please refer to the Risk Management Report on page 81 of this report).

To enhance the effectiveness of internal control, on September 29, 2023, the Board of Directors issued Resolution No. 008/2023/HĐQT/NQ approving the amended "Internal Audit Regulation," ensuring compliance with Decree No. 05/2019/NĐ-CP and Circular No. 66/2020/TT-BTC. This regulation clearly defines the authority, responsibilities, and scope of activities of the Internal Audit Department — established as the company's second line of defense within its internal control system. The Internal Audit Department closely collaborates with the Inspection team to monitor and assess compliance with internal regulations, as well as to evaluate the efficiency of overall operational processes. Particularly, the sales process within the business division is a key area of focus, with core elements such as timely advance payments and debt collection being closely monitored. This regulation helps strengthen transparency, ensure cash flow stability, and minimize potential financial risks

In parallel with operational controls, the Company has also established risk control procedures in areas related to information technology, environment, legal, and social matters. In the context of digital transformation and increasing cybersecurity pressures, Everpia has implemented an IT General Controls (ITGC) system to safeguard its data infrastructure and ensure business continuity:

- i) General IT governance controls
- ii) Review of system and data management
- iii) System operation controls
- iv) Program change controls
- v) Application development controls

This framework enables the Company to systematically direct, implement, monitor, and evaluate security activities while supporting the deployment of cybersecurity measures such as data encryption, authentication, access control, monitoring, and mitigation of security vulnerabilities. This process, as implemented by Everpia, is an integral part of the Company's overall risk management system.

B1.9. Governance structure and policies, including compliance with corporate governance codes and implementation processes

Everpia is currently applying good corporate governance (CG) practices based on the “Corporate Governance Principles under Best Practices” issued by the State Securities Commission of Vietnam (SSC) and the International Finance Corporation (IFC) in August 2019 for public companies in Vietnam. The company also aligns with the OECD Principles of Corporate Governance, the ASEAN Corporate Governance Scorecard, and global best practices of listed corporations within the ASEAN region. Everpia is committed to adhering to the Corporate Governance Principles under Best Practices for public companies in Vietnam to the greatest extent possible. In parallel, the company also recognizes and applies recommended principles and benefits from the ASEAN CG Scorecard. These governance principles reinforce shareholder and investor confidence and trust among all stakeholders, enabling effective and appropriate management while enhancing the company's competitiveness in its journey toward sustainable development.

The Board of Directors has assigned the person who charged with governance to stay updated with legal regulations and international best practices, and to monitor and advise both the board of management and the board of directors on all governance-related activities. This ensures alignment with international standards, full compliance with current laws, regulations, and guidelines, and suitability to the company's business conditions and strategic direction. All governance-related documents are reviewed and fully disclosed under the “Governance” section of the company's official website. Additional governance information is disclosed annually in this annual report.

B1.10. Disclosure of non-financial information



In addition to disclosing information related to operations and corporate governance structure, Everpia also prepares and publishes environmental and social information in its Sustainability Report, following the standards of the Global Reporting Initiative (GRI). Through this report, Everpia presents its sustainability commitments, progress in fulfilling those commitments, and specific actions taken to maintain long-term relationships with stakeholders and protect the environment. These commitments form an integral part of the company's governance strategy and operational performance, driving long-term sustainable success.

Commitments to the environment, stakeholders, and corporate governance are organized into main categories and presented in detail on the company's website to help stakeholders such as customers, shareholders, and the community better understand Everpia's efforts in promoting sustainable development and making positive contributions to society and the environment.

B.2. INFORMATION IS PREPARED AND DISCLOSED IN ACCORDANCE WITH INTERNATIONALLY RECOGNIZED ACCOUNTING AND DISCLOSURE STANDARDS

The Company submits its Annual Report to HOSE and the State Securities Commission of Vietnam (SSC), and publishes it on the Company's official website within twenty (20) days from the date of announcing the audited annual financial statements. During the preparation of the Annual Report, Everpia always aims for the highest quality standards—not only fully complying with Vietnamese legal regulations but also taking the lead in applying good corporate governance practices in the region and internationally, based on the OECD Principles of Corporate Governance and the ASEAN Corporate Governance Scorecard.

The report's design and layout are carefully developed with the goals of: (i) Providing complete, transparent, and publicly accessible information; (ii) Ensuring clarity and easy access for all shareholders, investors, and stakeholders interested in Everpia's business activities.

At the same time, the Company is actively preparing for the roadmap to adopt International Financial Reporting Standards (IFRS). Over the past two years, Everpia has worked with its independent auditor-Ernst & Young Vietnam-to gradually build and complete IFRS audited financial statements. This is an important step that reflects the Company's strong commitment to improving disclosure quality, aiming for greater transparency, reliability, and comparability in financial reporting.

Everpia believes that adopting international accounting and disclosure standards-developed through an open and independent process with the participation of investors, professional associations, and experts-will help enhance investor oversight. This, in turn, will deepen understanding of the Company's performance, risks, and development prospects in a more transparent and comprehensive manner.

B.3. INDEPENDENT AUDIT AND INDEPENDENT AUDITOR'S REPORT

Clause 1, Article 14 of the Company's Charter stipulates that the Annual Shareholders' Meeting approves and decides the list of independent auditing firms. Based on the list approved by the Annual Shareholders' Meeting, the Board of Directors (BOD) has established criteria related to service quality to ensure transparency and the integrity of reports, in order to select a suitable independent auditing firm to review and audit the financial statements. Since 2009, Everpia's financial statements have consistently been audited by one of the world's top four auditing firms.

In the selection process, the Board of Supervisors considers the experience, professional qualifications, and recognized track record of the audit candidates, as well as their independence, ensuring no conflicts of interest or relationships with the Company. In addition, the Board of Supervisors, in its professional capacity and with the support of the Internal Audit Team, is responsible for monitoring and assessing the performance of the independent auditor to ensure the quality and effectiveness of the audit process. Based on the recommendation of the Board of Supervisors, the BOD selects a reputable firm that offers a reasonable cost and ensures an effective audit process. The signing of the audit contract is fully disclosed on the Company's website on the date of signing.

According to the Resolution of the Annual Shareholders' Meeting No. 01/DHĐCĐ2024/NQ dated April 24, 2024, and the Board of Directors' Resolution No. 005/2024/HĐQT/NQ dated July 15, 2024, Ernst & Young Vietnam Co., Ltd. (EY) continues to be appointed as the independent auditor for Everpia's 2024 financial statements.

Periodically, based on reports from the Internal Audit Team and the independent auditing firm regarding financial control, operations, compliance, and information technology, the Board of Directors assesses the Company's compliance with relevant legal regulations and the protection of key assets against fraudulent activities. In 2024, the Company did not record any recommendations for improvement from the independent auditing firm.

B.4. ENSURING EASY, TIMELY, AND NON-DISCRIMINATORY ACCESS TO DISCLOSED INFORMATION

Investor Relations page:



Everpia is firmly committed to promoting transparent and effective access to information for all stakeholders, without discrimination. The company views this as a vital part of its strategy to build trust with shareholders and the broader investment community.

The Investor Relations (IR) Department plays a central role in managing, updating, and disclosing information to external parties. This department not only ensures compliance with legal regulations on information disclosure and storage but also responds to inquiries from shareholders, investors, and analysts in a timely, accurate, and transparent manner. Everpia consistently publishes information in both Vietnamese and English to ensure broad and equitable access for both domestic and international investors.

These exchanges provide Everpia with opportunities to present in-depth insights into its strategic direction, operational results, and future development plans. At the same time, they serve as valuable forums to gather objective and in-depth perspectives from experienced professionals in the financial sector. Such feedback enables the company to adjust its medium- and long-term strategies appropriately, balancing shareholder interests with execution capacity at each stage of growth.

Contact information for the Investor Relations Department is clearly provided in the “Investor Information” section of this annual report and is regularly updated in the “Investor Relations” section of the company's official website. All these efforts reflect Everpia's ongoing commitment to fostering a healthy, fair investment environment grounded in transparency across all corporate communications

Contact Information for the Investor Relations team – Planning Team:

Everpia JSC.Tan Quang, Van Lam, Hung Yen

(+84 – 221) 3791777 | Ext: 348

info@everpia.vn

C. RESPONSIBILITY OF THE BOARD OF DIRECTORS

C.1. The Board clearly define and disclose the full scope of its roles, responsibilities, and accountabilities



The roles and responsibilities of the Board of Directors are specified in the Charter, Internal Regulations on Governance of the Company, and Operational Regulation of the Board of Directors. All these documents are issued in both English and Vietnamese, are reported to the State Securities Commission and the Ho Chi Minh City Stock Exchange, and are widely available in the market and on the company's website.

The Board of Directors has assigned the person in charge of corporate governance the responsibility of updating legal regulations and international practices, overseeing and advising the Management and the Board of Directors on all aspects of corporate governance activities. This ensures alignment with international standards and compliance with applicable laws, regulations, and guidelines, while also being consistent with the Company's conditions and business orientation. All documents related to corporate governance will be reviewed and fully disclosed in the "Governance" section on the Company's website, including:

- Company Charter
- Internal Regulations on Corporate Governance
- Operational Regulations of the Board of Directors
- Operational Regulations of Board of Supervisors
- Code of Conducts
- Principles of Corporate Ethics
- Other corporate governance information disclosed annually in this Annual Report

Annually, the Board of Directors reviews and develops not only financial goals but also environmental and social objectives, identifies and assesses non-financial risks, and monitors the implementation of the set of Corporate Ethics to build the foundations for the company's sustainable development. The Company's commitments to the Environment and related parties are fully disclosed on the website.

C.1.2. Board members should fully understand their fiduciary duties to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and the shareholders, while taking into account the interest of the company's stakeholders.

All members of the Board of Directors are experienced individuals with a comprehensive understanding of their roles and responsibilities as described in the law and company policies. Strictly adhering to the requirements in the Company's Charter, Internal regulations on Corporate Governance, and Operation Regulation of BOD, Everpia's BOD members always fulfill their duties with integrity, loyalty, prudence and in the best interests of the company, as well as refrain from using any business opportunities for personal purpose.

Meeting documents regarding the issues to be discussed in quarterly meetings are delivered to the BOD members at least 7 days before the meeting date. In case shareholders' opinions are collected via email, all relevant documents are sent at least 03 working days in advance to provide sufficient time for reviewing, preparing and providing valuable opinions. All meeting minutes documenting all discussed matters are also sent to the BOD members. In order for BOD members to proactively organize their work, the proposed schedules for upcoming meetings and important events are scheduled and notified to the BOD in the fourth quarter meeting of the preceding year.

In 2024, the BOD conducted a total of 08 meetings consisting of 04 quarterly meetings and 04 meetings to collect opinions on issues under the authority of the Board of Directors. All members actively participate in overseeing the Company's activities, participate in discussions, and propose recommendations for necessary changes for the Company.

The corporate governance report in 2024 recognizes the full participation of all Board of Directors members at meetings throughout the year.

No	BOD members	Title	Number of meetings attended	Meeting attendance rate
01	Mr. Cho Yong Hwan	Chairman	8/8	100%
02	Mr. Lee Jae Eun	Member	8/8	100%
03	Mr. Yu Sung Dae	Member	8/8	100%
04	Mr. Le Kha Tuyen	Member	8/8	100%
05	Mr. Yi Seung Mok (*)	Member	6/8	100%

(*) New member was elected on 24/04/2024;

Due to the language barrier, the Korean members of the Board of Directors do not have a certificate of corporate governance training issued by the State Securities Commission. To overcome this issue, the person in charge of corporate governance not only possesses professional training certification but also regularly attends lectures and stays updated on regulations of corporate governance, then conveyed the information to the Board of Directors at the regular quarterly meeting.

C.1.3. Together with Board of Management, the Board should promote good corporate governance culture within the company and monitor its effectiveness at all times



The Board of Directors sits at the center of the corporate governance system of the company and plays a critical oversight role. The main mission of the BOD is to ensure the company's strategy and business goals are implemented effectively. They oversee all activities of the Board of Management to ensure compliance with legal regulations and ethical standards, at the same time, to make sure that the company operates in a manner that benefits shareholders and other stakeholders.

In addition to monitoring and management responsibilities, the Board also ensures that its corporate governance code is regularly updated and is based upon domestic and international best practices which fosters confidence among shareholders, investors and other parties.

C.1.4. The Board should be responsible for ensuring and adopting an effective succession planning program for BOD members, CEO and Board of Management to ensure growth and a continued increase in the shareholders' value

The succession plan has been implemented by the Board of Directors since 2019 and is specially promoted in 2023 by assigning more tasks with greater responsibilities and authority to young managers and recruiting more qualified external candidates for senior management roles in important business areas. In addition to fostering vertical qualifications, future leaders are also trained in management knowledge, leadership capacity, and other necessary skills to be ready to take on the job when they are assigned the responsibility.

The BOD commits to supervising and implementing the Company's policies seriously, objectively, and transparently. This includes seeking, training, and developing succession personnel for the BOM and other key management positions within the Company.

BOD members
attended the meetings

8100%

BOD members have a
Master degree

850%

BOD members are
foreigners

880%

C.2. ESTABLISH A COMPETENT AND PROFESSIONAL BOARD OF DIRECTORS

C.2.1 Collectively, the Board should possess a diversified and broad range of views, expertise, skills, and competencies, sufficient to provide effective stewardship and oversight of the company

The Board of Directors (BOD) has established the following objectives regarding diversity within the Board:

- The BOD shall consist of members with knowledge, experience, and cultural perspectives relevant to Everpia's business operations
- The BOD should include at least one female member to optimize gender diversity within the Board.
- The BOD must include at least two-thirds (2/3) non-executive members

The composition of the Board of Directors reflects the diversity of expertise, skills, experiences, and nationalities, creating a Board with multi-dimensional views in many fields with valuable contributions to the Company's long-term development. These professionals are selected and trusted by shareholders through official elections according to the process of appointment, dismissal, and replacement of BOD members, which is clearly stated in the Company's Charter and Internal Regulation on corporate governance (Please refer to the introduction of each Board member in this report on page 54 - 55)

C.2.2 The Board should be composed of at least two-thirds of non-executive directors

Everpia’s Board of Directors consisted of 05 members, including 02 independent and non-executive members, participate effectively and help the Board of Directors maintain objective and independent assessments of the Company’s operations, while ensuring an appropriate and balanced control.

In the Invitation Letter to the Annual General Shareholders’ Meeting as well as the Regulation on election and candidates for members of the Board of Directors, the company always emphasizes the rights of shareholders and groups of shareholders in nominating candidates for the Board of Directors. The Company is constantly looking for qualified and suitable candidates for the position of independent and non-executive members of the Board of Directors, who can advise, support and promote the Company’s development, while also progressively moving towards international practice.

C.2.3 The Board shall appoint a professionally qualified Corporate Secretary

The person in charge of corporate governance is appointed pursuant to Resolution of Board of Directors No. 005/2023/HĐQT/NQ dated April 28th, 2023. The criteria for selecting personnel for this position are clearly specified in the Company’s Charter and Internal Regulation on Corporate Governance. Everpia doesn’t appoint a Company Secretary, because the person in charge of corporate governance fully performs the roles and duties of the Company Secretary.

Main responsibility of the person in charge of corporate governance is to track, update, and examine the effectiveness of the Company’s governance practices, as well as to ensure full compliance with relevant legal regulations. This personnel acts as a bridge for information between the company and its shareholders and stakeholders. Furthermore, this individual manages the processes related to the annual shareholder meeting; manages all logistics for Board of Directors meetings; advises the Board of Directors on corporate information disclosure and compliance with corporate regulations, securities, and listing requirements.

C.2.4 The Company should provide in its Board Charter and Corporate Governance Regulations a policy on the continuing development of directors

During the search phase, the prospective candidates are carefully oriented upon joining the BOD to ensure that they thoroughly understand their responsibilities and are able to effectively fulfill the duties and obligations entrusted by shareholders. With the support of the person in charge of corporate governance, the current BOD members promptly provide guidance to the newly appointed members immediately after officially becoming a BOD member on crucial matters regarding corporate governance, business operations, the company’s Charter, and the Code of Corporate Ethics.

In terms of training, since most of the training courses on Corporate Governance in Vietnam are conducted in Vietnamese, there are obstacles for foreign members of the Board of Directors/Board of Management to participate. Therefore, the Company often appoints the person in charge of corporate governance to attend and re-train Board members.

C.3. ENSURE EFFECTIVE BOARD LEADERSHIP AND INDEPENDENCE

C.3.1. The Board of Directors must be capable of making independent and objective judgments on the company’s matters.

Immediately upon election, all members of Everpia’s Board of Directors (BoD) committed to fully and diligently fulfilling their responsibilities and obligations in accordance with the law and the Company’s Charter. With a strong sense of responsibility, dedication, and extensive experience in corporate governance, the BoD consistently emphasizes transparency, objectivity, and independence in all decisions related to the Company’s operations.

Maintaining and promoting independence within the Board is a cornerstone that enables the BoD to effectively carry out its functions of strategic oversight, risk management, and performance evaluation of the Executive Management. All independent BoD members are granted proactive and direct access to information through functional departments such as Planning, Finance & Accounting, and Internal Audit, ensuring that key decisions are made based on timely and comprehensive data

In addition, the Board of Directors strictly enforces a mechanism to prevent

conflicts of interest. Under this policy, any member with a direct or indirect interest in the matter under discussion must refrain from participating in related discussions, voting, or decision-making. This mechanism is designed to ensure fairness, transparency, and independence in every decision.

Upholding the principles of independence among BoD members not only enhances the Board’s overall effectiveness but also serves as a key factor in ensuring Everpia’s stable and sustainable operations.

C.3.2. The Board of Directors (BOD) must consider appointing a sufficient number of independent directors who are capable of making impartial judgments in cases of potential conflicts of interest

Everpia’s BOD includes two independent members, meeting the current regulatory requirements regarding the number of independent directors. These members are Mr. Lê Khả Tuyên and Mr. Yi Seung Mok. The independent members at Everpia possess the capability to promote independent judgment among all BOD members and uphold the integrity of Everpia’s governance system.

These individuals do not hold any EVE shares and have no relationships with the Company, its affiliates, or any executive officers. Notably, they have the qualifications, professional experience, and fully meet IFC’s criteria for the definition of an “independent director,” helping to ensure more objective decision-making, especially in situations involving conflicts of interest.

C.3.3. Establish Board Committees

Everpia did not establish the Board of Directors subcommittees because the operational scale of the Company is not too large and is still under the control of the Board of Directors. Moreover, the specialized departments, the Internal Audit team as well as the Independent Audit have effectively supported the Board of Directors in operational control and internal risk management.

C.4. ENSURE EFFECTIVE PERFORMANCE OF THE BOARD

C.4.1. The Board should conduct an annual self-assessment of its performance

In 2024, the Board of Directors of the company conducted 8 meetings including both regular meetings and other consultation sessions. All meetings were held in accordance with the procedures and processes with active participation, comments, and approval of members of the Board of Directors. The resolutions and decisions of the Board of Directors are adopted based on the high consensus of the members in order to ensure the best interests of shareholders and the sustainable development of the Company. In addition to issues under the authority of the Board of Directors, the meetings in 2024 mainly focused on the development strategy of the retail business; closely follow the evolution of business results in each quarter to make timely decisions and directions in line with market fluctuations.

Resolutions of the Board of Directors in 2024:

No.	Resolution/Decision No.	Date	Content	Approval rate
01	001/2024/HĐQT/NQ	20/02/2024	Approve the plan of holding ASM 2024	100%
02	002/2024/HĐQT/NQ	20/02/2024	Approve the Business target for 2024 Approve the meeting documents for the ASM 2024	100%
03	003/2024/HĐQT/NQ	13/05/2024	Plan on paying cash dividend for 2023	100%
04	005/2024/HĐQT/NQ	15/07/2024	Select the independent audit firm for the financial statement of 2023 and transactions with subsidiary.	100%
05	006/2024/HĐQT/NQ	19/07/2024	Change in personnels of Internal Audit team	100%
06	007/2024/HĐQT/NQ	30/09/2024	Change in business strategy	100%

At each 4Q meeting, the Board of Directors reviews the overall performance and evaluates the level of work completion of each member, while also approves of goals and action plans for the coming year. The Internal Regulations on Corporate Governance, as well as the Board of Directors’ Operational Regulations, precisely specify operational evaluation requirements. At the Annual General Shareholders’ Meeting, the outcomes of this evaluation are summarized and presented to Shareholders by the representative BOD member and the independent BOD member.

C.4.2 The Board of Directors should have in place a system that provides, at the minimum, criteria and process to determine the performance of the Board and its members.

The evaluation of members of the Board of Directors shall be conducted in accordance with the guidelines for performance evaluation specified in the Company’s Internal Corporate Governance Regulations and the Operational Regulation of the Board of Directors. The evaluation criteria include business performance indicators, non-financial indicators, and the compliance with legal regulations. This evaluation is conducted fairly and transparently, ensuring objectivity and accuracy; subsequently, the results is compiled and reported to the shareholders at the ASM.

C.4.3. Commitment to ensuring the integrity of the reporting and Internal control

Everpia is committed to full compliance with corporate governance principles in accordance with established standards, particularly in ensuring the honesty, transparency, and integrity of its financial reporting and internal control systems. The Company’s financial reporting system is built upon compliance with Vietnamese Accounting Standards (VAS) and is subject to semi-annual and annual audits by a reputable independent auditing firm, in accordance with legal regulations.

To ensure effective risk oversight and enhance governance efficiency, Everpia’s Board of Directors has established an internal audit system, clearly defining the functions, authority, responsibilities, and scope of activities of the Internal Audit Team. This department reports directly to the Board of Directors and the Audit Committee, ensuring independence and objectivity in evaluating the internal control system, risk management, and compliance practices. The Board of Directors performs comprehensive oversight through regular meetings and reports from the Internal Audit Team, including reviews of foundational policies underlying financial reporting, financial and non-financial risks, and compliance with applicable laws and standards

C.4.4. Transparency in Information disclosure and establishing an Investor relations mechanism

At Everpia, the Board of Directors has clearly defined the functions, tasks, and responsibilities of both the Board of Directors and the Management Board in the disclosure and dissemination of information to shareholders, investors, and other stakeholders. The information disclosure mechanism is implemented consistently and comprehensively in accordance with the provisions of the Securities Law, Decree 155/2020/ND-CP, and Circular 96/2020/TT-BTC issued by the Ministry of Finance.

The Board of Directors has approved and implemented an internal information

disclosure regulation, which clearly defines the roles of each department and individual involved, ensuring that all information disclosed to the market is tightly controlled, transparent, accurate, and timely. The Management Board is responsible for collecting, verifying, compiling, and conveying information, while the Board of Directors holds the role of supervising and approving the content to be disclosed within its authority.

To enhance dialogue and build trust with shareholders and investors, Everpia has appointed an Investor Relations (IR) officer, who serves as a bridge between the Company and the market. This position is responsible for updating information, listening to feedback from investors, and providing regular reports directly to the Board of Directors and the Audit Committee. This is one of the concrete steps towards aligning with the best practices of international public companies.

Through official information disclosure channels such as the Ho Chi Minh Stock Exchange (HOSE) electronic portal, the Company website, and periodic report publications, Everpia ensures that shareholders and investors always have fair, open, and transparent access to information. Additionally, direct meetings, investor conferences, and annual IR events are also organized to foster cooperative, trustworthy, and long-term relationships with the investment community.

C.5. ESTABLISH AND MAINTAIN A COMPANY ETHICAL CORPORATE CULTURE

C.5.1 The Board should issue and ensure the adoption a a Code of Business Ethics

Since 2017, the Board of Directors and the Board of Management have signed a decision to issue the Corporate Ethics Principles in order set an appropriate ethical business culture within the Company. It stipulates 05 principles of conduct with key stakeholders including:

- (1) Respect customers;
- (2) Respect shareholders;
- (3) Respect employees;
- (4) Companionship with partners;
- (5) Commitment to nation and society.

The clauses and policies reflect the principles of responsibility, fairness, and transparency. The principles are disseminated and implemented among the managers and all employees, and diligently oversee the adherence to these Principles throughout the company’s operations.

This Corporate Ethics Principles is published in the Corporate Governance section on the Company’s website: In addition, an ethics hotline that directly connects with the Internal Control department has also been established to encourage internal people and stakeholders to speak up about non-standard behaviors and uphold the spirit of compliance, contributing to the development of a transparent and sustainable Everpia. At the beginning of each financial year, the Corporate Legal department delivers the “Ethical Practice Plan” to all suppliers and owners of the company’s agents to inform them of Everpia’s transparency policy. The Internal Control Department and the Legal Department are responsible not only for enforcing the checkpoints to ensure the Code is followed but also for keeping information secret so that people who speak up do not face reprisal.

This set of principles will be updated and augmented to reflect changes in the social - environment in order to unite and complement the execution of Everpia cultural principles.



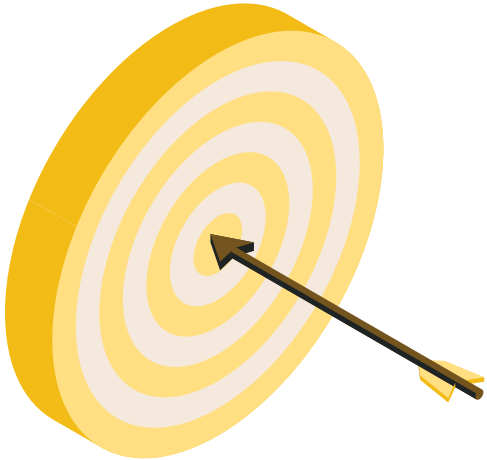
C.5.2 The Board of Directors is the focal point of and collectively bears accountability for the governance of the company, its long-term success, and the delivery of sustainable value to its stakeholders.

Board of Directors and Board of Management behave ethically, honestly, and with integrity. At the same time, Everpia’s Board of Directors and Management guarantee that all laws, rules, standards, and internal norms and regulations are followed. All deliberations and resolutions are based on core values, responsibility, fairness and transparency; ensuring that the Company complies with applicable laws, regulations, standards and internal policies of Everpia. The Board of Directors is always a role model for the Board of Management and employees in the Company..

C.6. CORPORATE GOVERNANCE ACTION PLAN OF THE BOARD OF DIRECTORS

Based on the evaluation of the corporate governance situation according to the Corporate Governance Principles for Best Practices and the ASEAN Corporate Governance Scorecard, the Board of Directors of Everpia has recommended and set out several goals that need to be implemented and completed to continually improve governance quality, in line with new objectives.

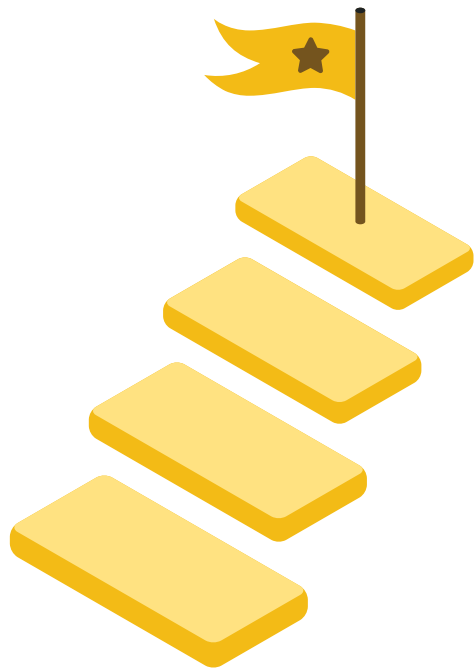
SHORT-TERM GOALS



- Maintain and expand Investor Relations and Information Disclosure activities to ensure transparency and fairness.
- Revise, supplement, and issue the Internal Governance Regulations in accordance with the new standards set out in the 2023 revised G20/OECD Corporate Governance Principles.
- Continuously enhance the capacity and expertise of the Board of Directors, the Management Board, the Corporate Governance Officer, and other key leadership positions through a combination of internal training and participation in corporate governance courses organized by the State Securities Commission and other reputable entities.
- Implement a strong stakeholder engagement strategy, collecting feedback from shareholders, employees, customers, and the community to ensure alignment between the Company's operations and stakeholder interests.
- Maintain environmental footprint assessments and identify opportunities to reduce carbon emissions, minimize waste generation, and conserve resources.

LONG-TERM GOALS

- Enhance corporate governance capabilities by applying the best international practices to ensure the effective utilization of resources, creating sustainable value in the long term.
- Seek and appoint new members to the Board of Directors with visionary leadership and breakthrough thinking, driving the Company toward strong innovation in the future. At the same time, increase the participation of independent Board members, encouraging them to provide in-depth evaluations and analyses of issues within the Board's authority, offering practical and feasible proposals in the agenda for Board discussions and decisions.
- Regularly update knowledge and international best practices in corporate governance, both domestically and internationally, while proactively sharing relevant corporate governance information and organizational structure models with major shareholders, such as foreign investment funds, to leverage their experience in developing governance models according to international standards.
- Promote the integration of ESG (Environmental, Social, and Governance) into governance aimed at sustainable development through a transformation roadmap to realize the set goals and commitments. Collaborate with suppliers to promote sustainability throughout the supply chain, emphasizing responsible sourcing activities, ensuring workers' rights, and reducing environmental impacts.
- Develop a roadmap for transitioning to renewable energy sources, such as solar or wind power, to reduce dependence on fossil fuels and minimize carbon emissions.



D. SUSTAINABLE AND RESILIENT DEVELOPMENT

D.1 REGARDING ENVIRONMENTAL AND SOCIAL

In addition to considering the two-way impacts of financial factors, the Board of Directors and the Management Board of Everpia also pay particular attention to the correlation of non-financial factors, including environmental and social issues that may affect the value of Everpia's assets, its ability to generate long-term revenue and profit, as well as the impact that Everpia has on society and the environment. These include responsibilities related to greenhouse gas emissions, human rights policies, training programs, and resource development, among others. Sustainability risks, although seemingly insignificant from a financial perspective in the short term, are important financial issues in the long term. Therefore, Everpia has developed channels of dialogue with employees, shareholders, and stakeholders to clearly define the essential role of information exchange in the decision-making process of management and to build trust in the long-term business strategy.

Based on changes in the context impacting Everpia and the stakeholder interests, to identify material issues and assess the company's actual resources, the GRI Standards and Vietnam's 17 Sustainable Development Goals (SDGs), Everpia presents and discloses its medium- and long-term sustainability development goals in the Sustainability Report.

Everpia has been preparing a Sustainability Report since 2018, providing relevant annual sustainability data and measures to maintain and improve the company's practices. As part of the Annual Report, this report is fully disclosed on the company website, the public information portal of the State Securities Commission (SSC), and the Ho Chi Minh Stock Exchange (HOSE) to ensure that all investors can access it, assess its reliability, and monitor the progress of the disclosed goals and targets. (Please refer to the detailed Sustainability Report on page 95 - 141)

D.2 REGARDING GOVERNANCE

D.2.1. The company implements dialogue activities between the company, shareholders, and stakeholders on sustainability issues in line with the company's development strategy

Everpia's annual Sustainability Report identifies stakeholders and publishes the list of members responsible for the company's sustainability program, making it easy and convenient for all internal and external stakeholders to interact effectively on their concerns regarding the company's ESG/sustainability issues.

The company has established communication channels to regularly receive and respond to the concerns of investors and stakeholders regarding sustainable development activities, including the company's email inbox and hotline. In 2024, foreign investment funds regularly requested updates on environmental and social certification information, such as BSCI, GRS, Higg, and Edge Advance. All requests and inquiries from shareholders and stakeholders are always acknowledged and responded to by the company.

To enhance shareholder rights, the company plans to amend the Corporate Governance Regulations to include appropriate mechanisms for considering the rights of dissenting shareholders, including the requirement for majority shareholder approval or allowing them to sell their shares back to the company at a reasonable price.

For employees, the quarterly labor conferences serve as a platform for employees to evaluate key environmental issues, express opinions on sustainability matters, and propose improvements to the company's working environment, community activities, and environmental protection efforts.

D.2.2. The Board of Directors ensures full integration of key sustainability risks and opportunities into strategic planning, corporate governance, internal control system monitoring, and disclosure – including physical climate risks and transition risks.

The Board of Directors conducts comprehensive oversight through quarterly reports from the Corporate Governance Officer, the Internal Audit Department, and the Sustainability Development Committee. This information helps the Board assess compliance with governance and internal control processes, thereby enhancing reliability in risk management and transparency, particularly in matters related to sustainability.

Periodically, the Board of Directors discusses medium- and long-term strategic directions in response to risks from climate change, specifically the impact of increased

temperatures on the two main business sectors: Bedding and Mattresses, and Cotton Products. At the same time, the Board assesses Everpia's adaptability to both internal and external environmental changes to ensure progress in reducing greenhouse gas emissions and accelerating the transition to renewable energy use.

To ensure sustainable financial development, the Board reviews and approves investment projects valued at 35% or more of total assets. These projects primarily focus on developing "green factories" and production models that meet long-term sustainability standards.

D.2.3. Corporate governance rules must consider the rights, roles, and interests of stakeholders and encourage active collaboration between the company, shareholders, and stakeholders in creating value, quality jobs, and helping the company develop sustainably and resiliently.

The success and competitiveness of a business are not only determined by a sound business strategy but also by the support and contributions of stakeholders, including investors, employees, suppliers, customers, and the community. Building an effective collaboration ecosystem between these parties creates valuable resources that help the company implement competitive strategies and bring sustainable benefits to the entire system.

Recognizing the importance of this factor, Everpia not only strictly complies with legal regulations and bilateral commitments but also proactively implements many policies and specific actions to enhance cooperation with stakeholders. Key examples include: issuing and widely publishing the Code of Conduct and Business Ethics on the company's website; publicly disclosing wage regulations and the Collective Labor Agreement; establishing and applying workplace democracy regulations, creating information exchange mechanisms, and holding regular dialogues with employees; founding a grassroots trade union and enabling effective union activities; issuing Ethical Principles and Anti-Corruption policies; actively participating in community development programs and social activities.

All stakeholders have full, timely, and transparent access to relevant policies and regulations, thereby strengthening trust, promoting cooperation, and working toward sustainable development goals.

APPENDIX 1: COMPANY SELF-ASSESSMENT OF BONUS ITEMS ACCORDING TO THE ASEAN CORPORATE GOVERNANCE SCORECARD

Item	Requirement	Everpia's practice
(B)A.1.1	Does the company practice real time secure electronic voting in absentia at general meetings of shareholders?	Yes. Shareholders may vote either in person or in absentia, and both methods of voting carry equal validity. Please refer to Section... for details.
(B)B.1.1	Does the company release its notice of ASM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	<ul style="list-style-type: none">- The Company announces the time, venue, and agenda of the General Meeting of Shareholders 64 days in advance.- Invitations are sent to shareholders 28 days in advance.- Detailed meeting materials are published 22 days in advance.
(B)C.1.1	Does the company disclose how it manages climate-related risks and opportunities?	Yes. Please refer to the Risk Management Report on page xxx of this report.
(B)C.1.2	Does the company disclose that its Sustainability Report / Sustainability Reporting is externally assured?	No. The Company's Sustainability Report is not assured by an independent auditing firm. However, the data presented in the report is verified by third parties, such as environmental and social information confirmed by BSCI, Oekotex100, and ISO certifications, while financial information is audited by Ernst & Young.
(B)C.1.3	Does the company disclose the engagement channel with stakeholder groups and how the company responds to stakeholders' ESG concerns?	Yes. Please see the section "Stakeholder Engagement" in the Sustainability Report, page 97-98.

(B)C.1.4	Does the company have a unit/division/committee who is specifically responsible to manage the sustainability matters?	Yes. Please refer to the section "Overall Governance Approach" in the Sustainability Report, page 95.
(B)C.1.5	Does the company disclose Board of Directors/ commissioners' oversight of sustainability-related risks and opportunities?	Yes. Refer to the section on Risk Management section in this report.
(B)C.1.6	Does the company disclose the linkage between executive directors and senior management remuneration and sustainability performance for the previous year?	Not yet implemented.
(B)C.1.7	Is the company's Whistle Blowing System managed by independent parties/institutions?	No. The Company assigns this function to the Internal Audit & Inspection Team
(B)D.1.1	Are the audited annual financial report/statement released within 60 days from the financial year end?	The annual financial statements are audited and disclosed within 90 days of the end of the fiscal year in accordance with regulations.
(B)E.1.1	Does the company have at least one female independent director/commissioner?	Not yet implemented.
(B)E.1.2	Does the company have a policy and disclose measurable objectives for enhancing board and management diversity, implementing its board diversity and report on progress in achieving its objectives?	Yes. This content is presented in...
(B)E.2.1	Is the Nomination Committee comprised entirely of independent directors/commissioners?	Due to the small scale of operations, the Company does not have a Nomination and Remuneration Committee (NRC).
(B)E.2.2	Does the Nomination Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	Due to the small scale of operations, the Company does not have an NRC. These responsibilities are handled by the Board of Directors and Board of Supervisor.
(B)E.3.1	Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/ commissioners?	Yes. The Company refers to the list of candidates provided by the Korea Chamber of Commerce and Industry in Vietnam.
(B)E.4.1	Do independent non-executive directors/ commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?	Among the five members of the Board of Directors, there are two independent members and two non-executive members.
(B)E.5.1	Does the company disclose that its Board identified key risk in relation to information technology including disruption, cyber security, and disaster recovery, to ensure that such risks are managed and integrated into the overall risk management framework?	Yes. Please refer to the Risk Management section, page 81.
(B)E.6.1	Does the company have a separate board-level Risk Committee?	The Board of Directors assigns the Audit Committee to perform the risk management function.

APPENDIX 2: COMPANY SELF-ASSESSMENT OF PENALTY ITEMS ACCORDING TO THE ASEAN CORPORATE GOVERNANCE SCORECARD


Item	Requirement	Everpia’s practice
(P)A.1.1	Did the company fail or neglect to offer equal treatment for share repurchases to all Shareholders?	No. The Company ensures equal treatment for all Shareholders. No share repurchase transactions occurred during the reporting period.
(P)A.2.1	Is there evidence of barriers that prevent Shareholders from communicating or consulting with other Shareholders?	No
(P)A.3.1	Did the company include any additional and unannounced agenda items into the notice of AGM/ EGM?	No. All agenda items were fully disclosed in advance as required.
(P)A.3.2	Was the Chairman of the Board and the Chairmen of all Board Committees and the CEO absent from the most recent General Meeting?	The attendance of Board of Directors members and Management Board members at the 2024 ASM is recorded in the Minutes
(P)A.4.1/2/3	Did the company fail to disclose the existence of <ul style="list-style-type: none">Shareholder agreement?Voting cap?Multiple voting right?	No. The Company has only one class of ordinary stock, with equal rights and obligations for all Shareholders. There are no undisclosed Shareholder agreements, voting cap, or multiple voting rights
(P) A.5.1	Is a pyramid ownership structure and/ or cross holding structure apparent?	No. Everpia’s shareholder ownership structure is clear and transparent, with no cross holding. The list of the largest Shareholders is disclosed in the “Shareholder and stock information” section on page 20-21 of this report.
(P) B.1.1	Has there been any conviction of insider trading involving directors/commissioners, management, and employees in the past three years?	No
(P) B.2.1	Have there been any cases of non-compliance with the laws, rules, and regulations pertaining to material related party transactions in the past three years?	No
(P) B.2.2	Were there any RPTs that can be classified as financial assistance (i.D not conducted at arms length) to entities other than wholly-owned subsidiary companies?	No
(P) C.1.1	Have there been any violations of any laws pertaining to labor/employment/consumer/ insolvency/ commercial/competition or environmental issues?	No
(P) C.2.1	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	No
(P) C.2.2	Is there any evidence that the company is engaging in greenwashing activities?	No

(P) D.1.1	Did the company receive a “qualified opinion” in its external audit report?	
(P) D.1.2	Did the company receive an “adverse opinion” in its external audit report?	No. The independent auditor issued an “unqualified opinion” for the 2024 audited financial statements.
(P) D.1.3	Did the company receive a “disclaimer opinion” in its external audit report?	
(P) D.1.4	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	No
(P) E.1.1	Is there any evidence that the company has not complied with any listing rules and regulations apart from disclosure rules over the past year?	No
(P) E.1.2	Have there been any instances where nonexecutive directors/commissioners have resigned and raised any issues of governance-related concerns?	No
(P) E.2.1	Does the Company have any independent directors/commissioners who have served for more than nine years or two terms of five years each (which ever is higher) in the same capacity?	No. The tenure of the two independent members is as follows: <ul style="list-style-type: none">➤ Mr. Le Kha Tuyen: 7 years, currently serving his second term➤ Mr. Yi Seung Mok: 1 year
(P) E.2.2	Did the company fail to correctly identify the description of all their directors as independent, non-executive, and executive?	No. Please refer to Section: BOD introduction on page 54 - 55
(P) E.2.3	Does the company have any independent directors/non-executive/commissioners who serve on a total of more than five boards of publiclylisted companies?	No. Please refer to Section: BOD introduction on page 54 - 55
(P) E.3.1	Is any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?	No
(P) E.4.1	Has the chairman been the company CEO in the last three years?	No
(P) E.4.2	Do non-executive directors/commissioners receive options, performance shares, or bonuses?	No


3.1. RESULT OF THE BOARD OF SUPERVISORS’ ACTIVITIES IN 2024

In 2024, the Board of Supervisors fully implemented all functions and duties as provided in the Law on Enterprises, the Company’s Charter and the Operation Regulation of the Board of Supervisors. Specifically:


PERFORM THE SUPERVISORY ROLE THROUGH THE FOLLOWING METHODS:



Monitor the activities of the Board of Directors (“BOD”) through discussion with BOD members, attend regular meetings, email meetings of BOD thereby giving out recommendations to the BOD



Supervise the Board of Management through direct discussions to update the business performance, progress of the tasks assigned by the Annual Shareholders’ Meeting as well as resolutions of BOD



Monitor through reports of independent audit firm

THE SCOPE OF SUPERVISION INCLUDES:

Supervise activities of the BOD, CEO and other executives;

Supervise business performance and finance of the Company;

Supervise information disclosure and related party transactions;

Supervise internal control system and risk management compliance.

In addition, based on monitoring results, the Board of Supervisors proposes recommendations and advice to the BOD and Board of Management on cost management, digital transformation in production and business activities, improvement of inventory management efficiency, and strengthening the function of the Internal Audit team.

3.2. RESULT OF MONITORING THE ACTIVITIES

3.2.1. Evaluation of the performance of the Board of Directors

In 2024, the Board of Directors held regular and extraordinary meetings to discuss and make important decisions for the company. The board members worked with a high sense of responsibility, utilizing their experience and leadership abilities to manage the company in a challenging environment.

Through supervisory activities, the Board of Supervisors has noted:

- The Board of Directors has operated within its rights and duties as specified by the Law on Enterprises, the company’s charter, and the Company internal governance regulations.
- The Board of Directors has implemented and carried out the resolutions of the Annual Shareholders’ Meeting.
- The resolutions issued by the Board of Directors are in line with the actual conditions, ensuring effective governance and aligning with the company’s development strategy.
- In every BOD meeting in particular, and other BOD’s activities in general, the members of the BOD participated fully and worked with a high sense of responsibility. All important issues are discussed openly and democratically within the Board of Directors. The issues are thoroughly evaluated and carefully deliberated to reach a unified decision before issuing a resolution.
- The Chairman plays a key role in effectively implementing the activities of the Board of Directors, encouraging all members to give opinions on matters within the jurisdiction of the Board. As a result, the resolutions of the Board of Directors achieve high consensus among all members.
- The BOD performed well in guiding, supervising, and supporting the BOM in the production and business activities. The BOS doesn’t note any abnormalities in the activities of the BOD members.
- The rights and legitimate interests of shareholders are fully implemented, transparently, and in accordance with regulations.

3.2.2. Evaluation of the activities of the Board of Management and the CEO

IMPLEMENTATION OF ECONOMIC OBJECTIVES:

The year 2024 marked a challenging phase as Everpia faced a significant decline in revenue and profits, reaching negative levels-the most substantial downturn in the company’s history. Both the domestic and export markets were under heavy pressure, requiring the company to make decisive changes to adapt and recover.

In this context, the Board of Directors implemented several important measures:

- Conducted a comprehensive review of business operations, reassessing the product portfolio, cost structure, and the effectiveness of each distribution channel.
- Adjusted strategies regarding products, pricing, business policies, and cost management to rebuild profitability.

Although these adjustments have not yielded immediate results, they lay a crucial foundation for long-term sustainable growth, helping Everpia gradually regain stability and efficiency in its business operations.

Throughout the process of managing business activities, the CEO and the management team regularly reported on quarterly business performance and the plans for the upcoming quarter to the Board of Directors and the Board of Supervisors. The company’s operations were conducted in strict compliance with legal regulations and the company’s charter, with no signs of irregularities or violations in the management of the company by the CEO and Management.

IMPLEMENTATION OF ENVIRONMENTAL AND SOCIAL OBJECTIVES:

- On July 24th, 2024, the Everpia Giang Điền Factory received the official EDGE ADVANCED certification from the International Finance Corporation, World Bank. According to the detailed evaluation report, the performance achieved savings of 47% in energy, 34% in water, and 46% in materials, resulting in a reduction of emissions compared to conventional construction by 407.36 tCO₂/year.
- The 5S evaluation activities and restructuring reports continued to be directed by the management team on a monthly basis, with restructuring competitions held every 6 months. Thanks to these efforts, the workers’ awareness of continuous improvement has significantly increased, contributing to higher labor productivity, effective cost control, and optimized use of resources such as energy, water, and raw materials. These results not only provide immediate benefits but also aim for long-term sustainable development, balancing economic efficiency, social responsibility, and environmental protection.

3.2.3. Implementation of Resolutions of ASM

- The revenue of the entire company reached 741 billion VND, a 6% decrease compared to 2023. However, the profit sharply declined, falling below negative 29 billion VND. Compared to the target set by the Annual General Meeting of Shareholders, which was 1,000 billion VND in revenue and 60 billion VND in profit, Everpia only achieved 74% of the revenue target, while profit did not meet expectations and recorded unsatisfactory results.
- The company paid a cash dividend of 5% per share for

the year 2023 to all shareholders on June 6, 2024, totaling 21 billion VND. Additionally, 5% of the after-tax profit for 2023 was allocated to other equity funds, amounting to 891 million VND.

- The selection of the independent auditing firm for the financial statements and the remuneration for the Board of Directors and the Board of Supervisor members were carried out in accordance with the regulations set forth in the resolutions of the ASM.

3.2.4. Implementation of the Accounting and Financial Statements

- Financial statements for the year 2024 (including quarterly financial statements, reviewed half-year financial statements, and audited financial statements) were prepared and presented honestly under the current regulations, reflecting truthfully the financial and business performance of the company.
- All financial statements are prepared and published in both Vietnamese and English, making it easier for foreign investors to access and promptly understand the company's performance. This enhances transparency and strengthens the trust of both domestic and international investors.

- The Board of Supervisors did not identify any unusual transactions, material misstatements, fraud, or potential fraud risks in the financial statements.
- Despite a major decline in revenue and profits, financial indicators such as liquidity and financial leverage were at safe levels.
- Independent audit services: The independent auditing firm Ernst & Young Vietnam and the auditors possess the necessary competence and independence, and have conducted the audit of the financial statements in an impartial and objective manner, fulfilling all obligations under the signed audit engagement and complying with the current auditing and accounting standards.

3.2.5. Information Disclosure & Transactions with related parties

- No violations or reminders regarding the obligation information disclosure in 2024.
- Transactions with related parties are closely controlled and comply with legal regulations, the company's by-laws and the Charter. No conflicts of interest have been detected in transactions with related parties.
- No transactions occurred between Everpia and its sub-

- sidiary with members of the BOD, the CEO, other directors of the company, and affiliated persons of these parties.
- No transactions between Everpia and the companies where the BOD members, the CEO, other directors of the company have been founding members or members of the Board of Directors, or CEOs in three latest years to the transaction time.

3.2.6. INTERNAL AUDIT

- In 2024, Internal Audit continued to be an effective line of defense in the risk management system at Everpia. The approach and audit procedures followed by the Internal Audit Team align with best practices and international standards for internal auditing, in compliance with legal regulations and guidelines on internal auditing.
- The Internal Audit Team has effectively performed its roles in monitoring and reviewing compliance with internal processes, risk control, identifying weaknesses, and proposing improvement measures for all operational activities within the company.
- The Risk Management Reports are regularly updated quarterly by the Internal Audit Team, enabling the Board of Supervisors and the Board of Directors to closely monitor existing risks as well as newly emerging risks, allowing them to take timely and effective countermeasures. Over the past year, the Board of Supervisor identified key risks and challenges related to fluctuations in

raw material costs and the consumption market amidst rising inflation, reduced demand, and intense competition both domestically and internationally. These factors significantly impacted the company's business results. However, thanks to the proactive efforts of the BOD and BOM, appropriate solutions were implemented in a timely manner, helping to mitigate risks and reduce long-term negative impacts.

- In 2024, in addition to regular oversight activities such as managing payments, sales, procurement, and monitoring accounts receivable to ensure smooth operations, cost control, and fraud prevention, Internal Audit team also carried out special monitoring of the process of downsizing the operation of Cleaner business. The team closely tracked the progress of measures to compensate for the lost sales caused by the downsizing, ensuring the overall operational efficiency of the company.

3.3. COORDINATION BETWEEN THE BOARD OF SUPERVISORS WITH THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND SHAREHOLDERS

In the process of exercising its powers and duties, the Board of Supervisors always coordinates with the Board of Directors, BOM, and shareholders with the goal of achieving the

best interests of the Company and its shareholders. The combination of activities has achieved the following results:

- While the Board of Directors, Board of Supervisors, and Board of Management all operate independently, they always work closely together to ensure that their rights and obligations are carried out with a high sense of responsibility, honesty, and diligence in the best interests of the Company and its shareholders.
- In the process of performing its duties, the Board of Supervisors worked closely with the Board of Directors to receive detailed and clear information regarding the company's operations and corporate governance. Through meetings with the Board of Directors, the Board of Supervisors has contributed candid opinions to collaboratively analyze, evaluate, and make the best

decisions that both comply with current legal regulations and optimize the benefits for all stakeholders.

- The Board of Supervisors acknowledges the openness and transparency of the financial information provided by the Board of management and appreciates the close collaboration with the Board of Directors and the Executive Board in implementing professional activities throughout the year
- For shareholders: in 2024, the Board of Supervisors did not receive any recommendations or complaints from Shareholders as prescribed in the company's charter and current laws.

3.4. MEETINGS OF BOARD OF SUPERVISORS AND CONCLUSION, OPINION OF BOARD OF SUPERVISORS

In 2024, the Board of Supervisors conducted 2 regular meetings with the full participation of members and discussed the work under the assigned authority:

No	Meeting date	MEETING CONTENT	CONCLUSIONS OF THE BOARD OF SUPERVISORS
01	27/03/2024	1. Review internal audit activities in 2023 2. Operational plan for 2024 3. Preparation for the 2024 Annual General Shareholders' Meeting.	<div><div>1</div><div>Review internal audit activities in 2023</div><ul style="list-style-type: none">• Activities of Board of Directors & Board of Management• Business performance• Financial status• Independent audit activities</div> <div><div>2</div><div>Action plan for 2024</div><ul style="list-style-type: none">• Detailed assignment of tasks for each member of the Board of Supervisors• Collaboration with the Internal Audit Team to set up an joint action plan• Research and update newly issued policies and mechanisms; monitor and propose amendments to issues that are not yet suitable within the company to ensure full and timely compliance with legal regulations.</div> <div><div>3</div><div>3. Preparation for the 2024 Annual General Shareholder Meeting.</div><ul style="list-style-type: none">• Review the documents prepared for the 2024 AGM by the Board of Directors and the Board of Management• Agree on the content of the Board of Supervisors's report to be presented at the ASM</div>
02	27/12/2024		<div><div>1</div><div>Review the business performance for 11 months of 2024:</div><ul style="list-style-type: none">• Review and discuss the third-quarter financial data, the revenue and profit data for 11 months of 2024.• Review the explanation reports and the expected achievement of the business targets of the BOM.• Assess the financial situation of the Company</div> <div><div>2</div><div>2. Evaluation of the implementation of the resolution of the Annual shareholders' meeting</div><ul style="list-style-type: none">• The tasks assigned by the Annual Shareholders' Meeting have been completed, such as paying dividends, remuneration for the independent Board of Directors and the Board of Supervisors.• The whole company is trying its best to achieve the assigned revenue and profit targets</div>

No	Meeting date	MEETING CONTENT	CONCLUSIONS OF THE BOARD OF SUPERVISORS
02	27/12/2024	1. Review the business performance for 11 months of 2024 2. Evaluate the implementation of the Resolution of the Annual Shareholders' Meeting 3. Evaluate the implementation of the Resolution of the Board of Directors 4. Supervision results of the Board of Directors, CEO, and other executives of the company 5. Evaluate the effectiveness of internal control activities	<p>3. Evaluation of the implementation of resolutions of the Board of Directors</p> <ul style="list-style-type: none"> The resolutions of the Board of Directors issued in 11 months of 2024 have been implemented and completed by the company. <p>4. Supervision results of the Board of directors, CEO, and other executives of the Company</p> <ul style="list-style-type: none"> Evaluation of the performance of the Board of Directors Evaluation of the performance of the Management Board and other levels of management <p>5. Evaluation of the effectiveness of internal control activities</p> <ul style="list-style-type: none"> The Internal Audit Team has performed well in the roles of compliance control and risk control, identifying weaknesses and proposing improvement measures in all operating activities at the Company. The Risk management reports are regularly updated quarterly by the Internal Audit Team, enabling the Board of Supervisors and the Board of Directors to closely monitor existing risks as well as newly emerging risks, allowing them to take timely and effective counter-measures. In 2024, in addition to regular oversight activities such as managing payments, sales, procurement, and monitoring accounts receivable to ensure smooth operations, cost control, and fraud prevention, the Internal Audit Team also carried out special monitoring of the process of downsizing the operation of Cleaner line. The department closely tracked the progress of measures to compensate for the lost sales caused by the downsizing, ensuring the overall operational efficiency of the company.

3.5. REMUNERATION OF BOARD OF SUPERVISORS IN 2024

Board of Supervisors	Position	Remuneration (before PIT)	Other expenses and interest
Mr. Truong Tuan Nghia	Chief	86.400.000	0
Mr. Ko Tae Yeon	Member	86.400.000	0
Mr. Nguyen Dac Huong	Member	86.400.000	0
Total		259.200.000	0

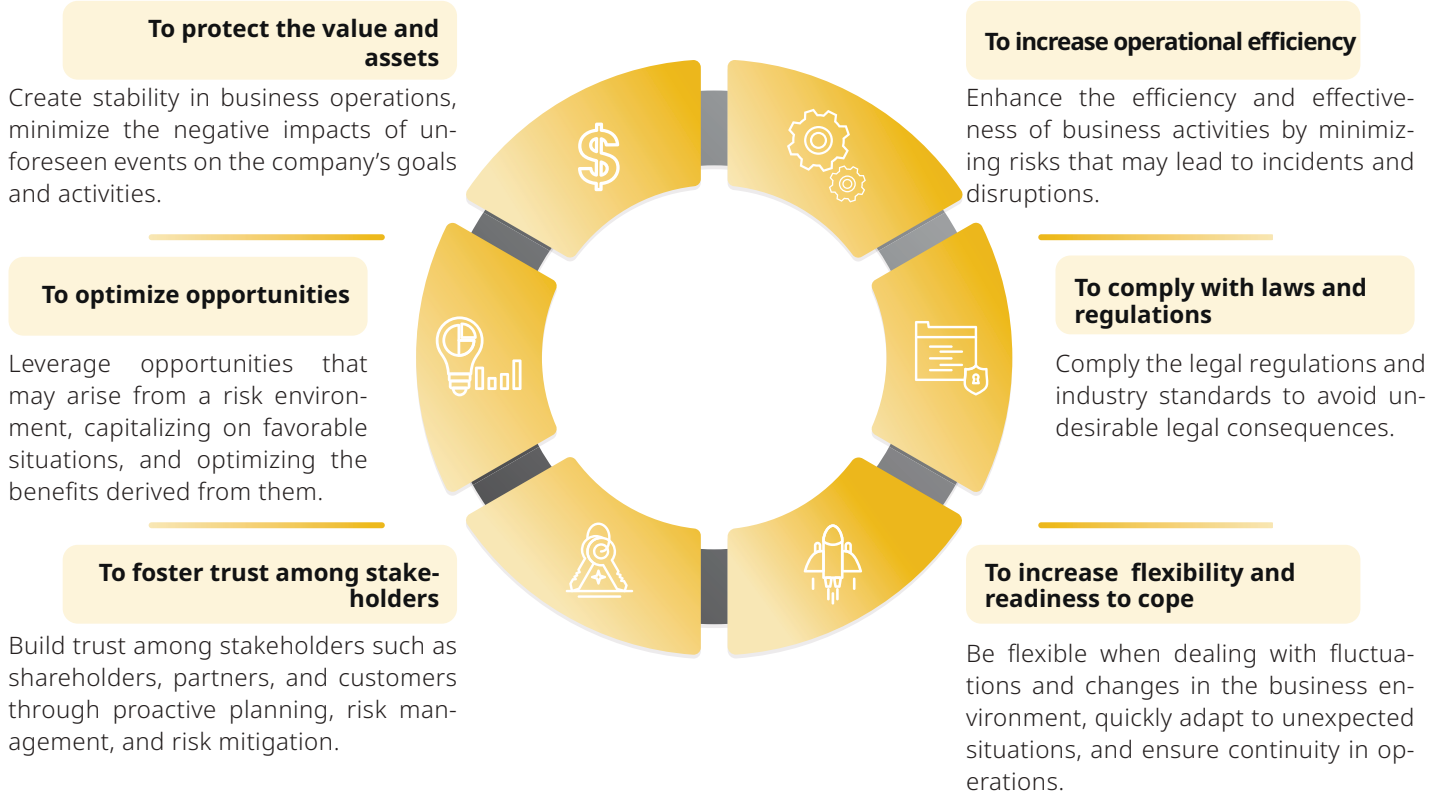
3.6. OPERATION PLAN OF THE BOARD OF SUPERVISORS IN 2025

Based on roles, duties and authorities, the Board of Supervisors determines the operation plan for 2025 as follows:

- Supervise the implementation of resolutions passed by the Annual Shareholders' Meeting 2025.
- Monitor compliance with the law, the company's charter, and regulations in management activities
- Cooperate with the Internal Audit Team, verify the reliability and legality; the integrity and degree of caution in corporate management and administration; and the regularity, consistency, and suitability of accounting, statistical, and financial reporting. In addition, collaborate to develop a shared action plan to assess and promptly address emerging issues and monitor the handling of these issues during and after inspections and audits.
- Coordinate with the Finance and Accounting Team to work more closely with the audit and tax consulting entities to improve the efficiency of financial and accounting work.
- Conduct research and updates on recently announced methods and policies; oversee, and suggest amendments and supplements to inappropriate issues at the Company to guarantee complete and prompt compliance with the provisions of the Law.

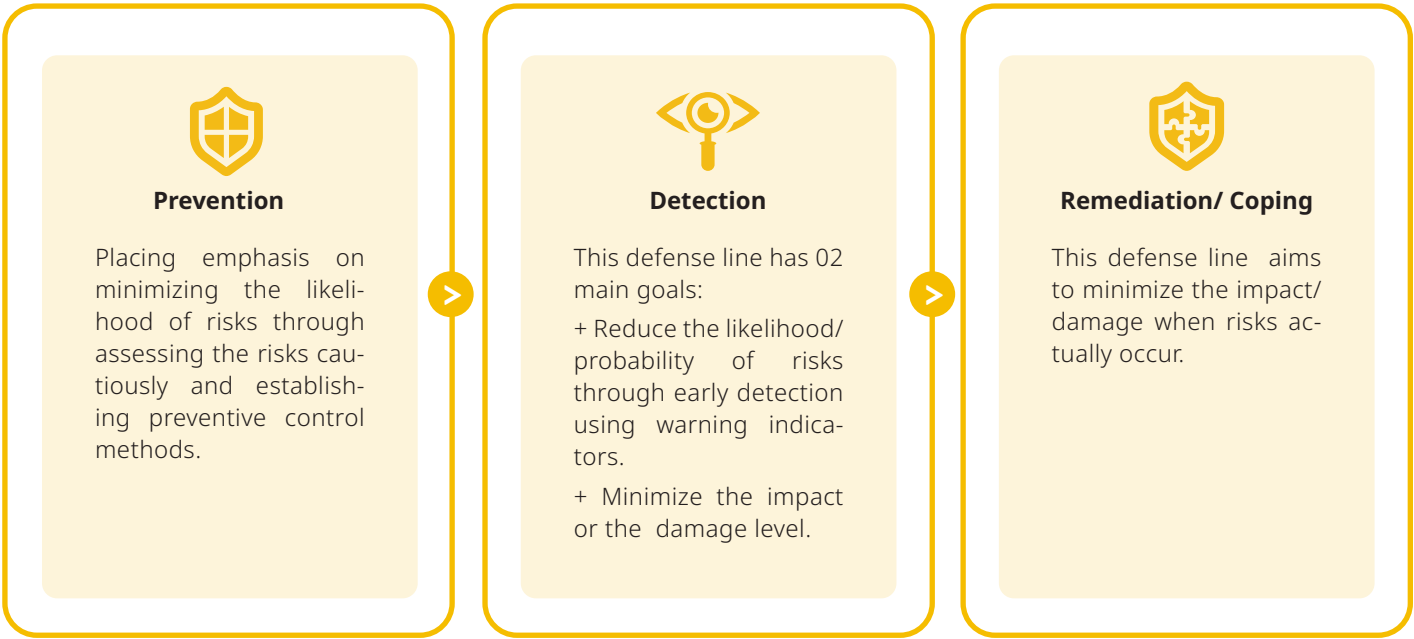
4. RISK IDENTIFICATION AND MANAGEMENT

4.1. PURPOSE



4.2. RISK MANAGEMENT SYSTEM

In addition to building a risk matrix and governance measures according to the Sarbanes-Oxley Act standards with 10 main procedures to ensure that the figures in the financial statements are accurate and reliable, Everpia also built the 3 line of defense model to ensure governance for all company's operating processes.



3 LINES:



BOARD OF DIRECTORS AND BOARD OF SUPERVISORS – THE HIGHEST COMMAND LINE

- Establish the organization's expectations and commitment to risk management
- Be accountable to stakeholders for overseeing the organization, ensuring that all risks are identified, assessed, and controlled in a timely manner
- Ensure integrity, transparency, and accountability in all activities
- Define responsibilities, delegate authority, and ensure resources are available to the Executive management
- Establish and oversee the internal audit function, ensuring its independence, objectivity, and professional competence

CEO AND TEAM LEADER

- Set up a risk matrix for each corporate business process.
- Evaluate and rate the risks after identifying them by the levels of their influence on the Company
- Periodically assess compliance and develop improvement measures to limit risks in each activity.

INTERNAL CONTROL

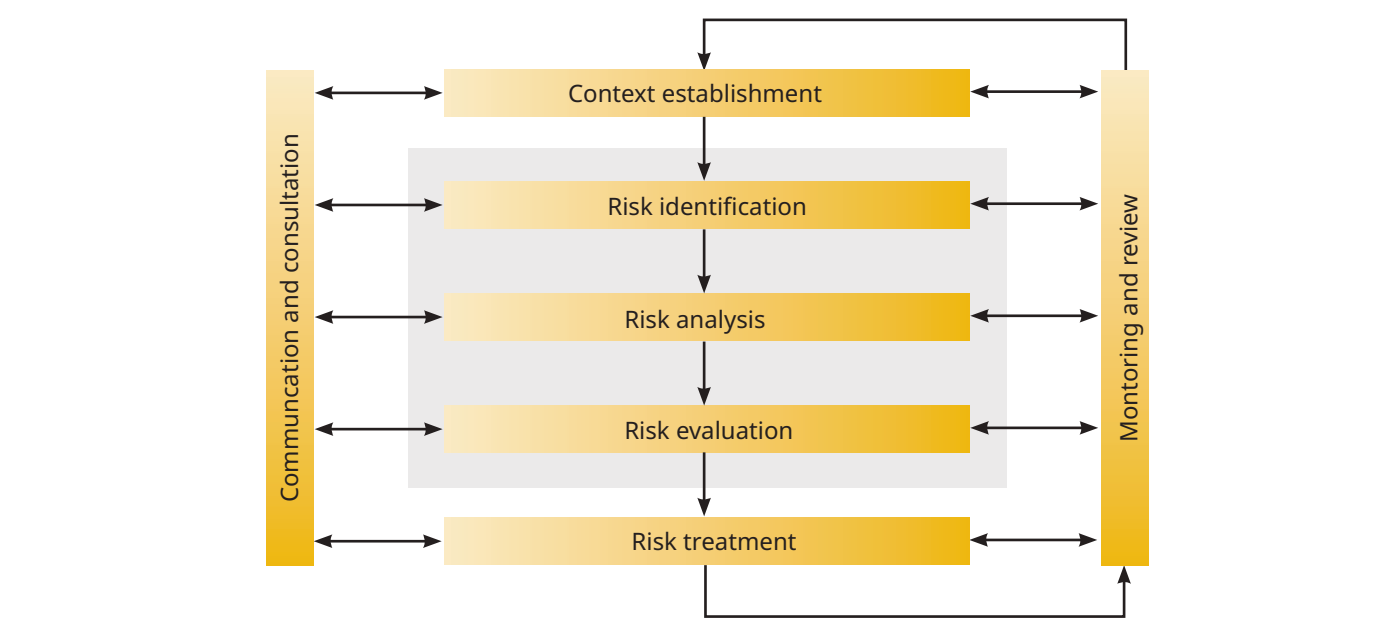
- Monitor and control activities of departments to ensure compliance
- Promptly prevent and handle occurred faults or potential risks

INSPECTION TEAM

- Organize random inspection of production activities at factories
- Ensure factory safety after working hours

Together with the Supervisory Board, line of defense 2 strengthens and increases activities in supporting and consulting for the Company to effectively manage risks.

4.3. RISK MANAGEMENT PROCESS



4.4. RISK MANAGEMENT ACTIVITIES IN 2024

The BOM assessed and identified the major risks in 2024, including external impacts on the company's business operations as well as the interplay between core activities of the company and the environment.

RISK DETECTION	RISK MANAGEMENT
Product quality Not meeting the quality standards.	<ul style="list-style-type: none">Strictly adhere to quality inspection and evaluation procedures of raw materials before importing into the warehouse and finished goods before shipping outRegularly evaluate the quality of the suppliersAutomate certain production processes to reduce manual operations
Inventory Damaged and obsolescent inventory when stored for too long in the warehouse.	<ul style="list-style-type: none">Strictly adhere to minimum inventory requirementsFor products based on orders: only produce when receive at least 50% of the contract valueFor retail products B2C: conduct surveys on the market demand and agents' demand to optimize the storage of fabrics and finished bedding products
New products Not meeting market demands, revenue not meeting target.	<ul style="list-style-type: none">Fully adhere to the evaluation and implementation process for new productsSupport agents in product display and provide product training for sales staffsBuild suitable marketing channels

RISK DETECTION	RISK MANAGEMENT
Unsustainable material usage The primary raw materials that the company uses are fabrics and fibers, while the secondary raw materials are polyester bags and labels – the manufacture of these can contribute to environmental pollution and depletion of natural resources.	<ul style="list-style-type: none">Continue using 100% natural origin fabric as the main fabricGradually replace polyester bags and labels with natural materials or those that are recyclable and reusable
Energy consumption and emissions The primary raw materials that the company uses are fabrics and fibers, while the secondary raw materials are polyester bags and labels – the manufacture of these can contribute to environmental pollution and depletion of natural resources.	<ul style="list-style-type: none">Optimize production and transportation processes to save energy and resourcesFor sewage: construct a wastewater collection system for treatment before release into the environmentFor hazardous and ordinary waste: classify each type of waste and collect at the designated locationsThe company is in the process of asking for permits to install a solar rooftop system for Dong Nai factory
4.5. IDENTIFY RISKS AND SET UP CONTROL METHODS	
Through analysis and evaluation, the company's BOM has identified two fundamental risks that may arise in the pursuit of long-term goals: Strategic Risks and Operational Risks. Strategic Risks relate to fluctuations in the macroeconomic environment and sudden changes in market development that may create obstacles or impact the implementation of business strategies. Operational Risks are uncertainties in daily business operations doe to inadequate or inappropriate systems, policies, or procedures.	
To strengthen the risk management system, under the supervision of the BOS, Everpia builds a risk control system to track feasibility and impact capacity. The risk control system updates any significant movement in the macro environment as well as internal operations, thereby helping the Company to promptly adjust strategy or provide response solutions.	
Risk	Control Method
Strategy risk	
Investment strategy risk	
Inappropriate and ineffective investment strategies will cause loss to the company in terms of human resources, capital, and cash flow. Investment projects in subsidiaries or mergers and acquisitions have many potential risks in terms of efficiency when it is difficult to accurately determine the synergistic values that will bring after the investment. Besides the risk from long-term capital contribution, short-term financial investments also contain risks related to market fluctuations.	Investment decisions are carefully evaluated and verified by the Board of Management and Board of Directors through in-depth analysis reports based on the market situation and the potential of the business. Each investment project must be financially or strategically meaningful in expanding business lines and building an ecosystem for Everon. In addition, the company also has a contingency plan to react promptly to the worst possible cases.
Market strategy risk	
In business activities, grasping market changes in order to promptly adjust and respond can be considered as one of the key factors determining the success of an enterprise. The wrong assessment of the tastes and needs of target customers will lead to wrong decisions on pricing strategy, product strategy, communication strategy leading to sales decline, loss of competitive advantage, inventories increased, unable to take advantage of scale.	The sales and marketing departments conduct annual market research to periodically update market changes, customers’ demand, as well as communication channels, thereby launching high-quality products with eye-catching designs and appropriate communication, promotion and customer service strategies. In addition, the Company also promotes the flexibility to develop sales policies to adapt to different seasons, increase market share as well as optimize costs.

Risk	Control Method
Risks in new product development strategies	
In order to differentiate products and raise the competitiveness of brand positioning, the Company must continuously improve and diversify the new product portfolio to meet the needs of the market. The deployment of a new category generates risks such as the strategy of developing a new category that is not suitable to the market's needs at the time of launch; human resources, supply chain, and finance are not sufficient to effectively support and maintain long-term development.	The company conducts a thorough survey on market demand, competitors, and how to approach target customers; makes a plan to arrange suitable human resources, search for suppliers in advance, cooperate and deploy; prepares financial resources and assesses risks, and makes a full provision plan before launching new products.
Operational risks	
Business risks	
As a textile manufacturing company, bad debt and inventory control are extremely important in the company's operating results. Risks of bad debt and high inventory will affect cash flow and working capital.	Building a principle contract on debt policy, using the ERP system in the statistics of debt indicators, setting up a standard process to evaluate before implementing the project, closely managing the debt of customers upon completion, and making provision for bad debts. In addition, the company has also made efforts to manage the inventory system through the implementation of reasonable production and classification policies, making the inventory target a vital part of the review of KPIs.
Product quality risks	
At Everpia, product quality is always the guideline for all activities of the company. The failure of product quality not only negatively affects customers, but also damages the reputation and image of the brand. Product quality can be affected by input materials, and errors in the production process.	The company has established standards, and procedures to check the quality of input materials and finished output and apply technology and management tools to ensure product quality requirements from customers. In addition, the Company also continuously upgraded the technology platform and automated some production stages to reduce manual operations.
Risk of counterfeit goods and counterfactual information	
Counterfeit and imitation products, unfavorable information on social networks and electronic information sites all significantly affect the brand image, product quality, and the Company's reputation. These risks will reduce the trust of customers, shareholders, partners and the community, leading to financial losses.	The Marketing Department regularly checks and updates the market situation to promptly detect the stores and organizations selling counterfeit products. Moreover, the company regularly improves anti-counterfeiting stamps and operates a barcode system to search and check the genuineness of products. To prevent the spread of counterfactual information, the PR Department regularly checks social network platforms and the Internet to identify counterfactual information and react immediately to ensure the brand image and reputation of the Company.
Exchange rate risk	
The Company's raw materials for production and business activities are mainly polyester fibers and fabrics imported from foreign partners. Fluctuations in exchange rates may affect production costs and profit.	Everpia monitors exchange rate fluctuations, forecasts and implements material purchasing contracts via L / C to prevent the risk of foreign currency shortage, the impact of exchange rate fluctuation.
Legal risks	
In Vietnam, laws and sub-law documents are often changed and not synchronized. The risks include lawsuits, disputes and penalties in contracts and agreements.	The Legal and Compliance department is responsible for updating legal changes and legal impacts on business activities to promptly advise the Board of Directors and the Board of Management; send emails to update the new regulations to the relevant departments. Additionally, this department also develops Contracts to mitigate legal risks.

Risk	Control Method
Human resource risks	
Given the labor-intensive nature of the textile and garment industry—which heavily relies on skilled workers—Everpia faces significant human resource challenges amid labor market fluctuations and high employee turnover rates. The annual recruitment of new workers, who often have uneven skill levels, lack experience, or fail to meet productivity standards, directly affects production efficiency and increases internal training costs. Furthermore, ineffective workforce management can result in labor shortages during peak seasons or surpluses during low seasons, causing operational imbalances, reduced efficiency, and negative impacts on the quality of the company's products and services.	Recognizing the strategic importance of human resources in maintaining stable and sustainable production capacity, the company's Executive Board places great emphasis on long-term workforce planning aligned with its overall development strategy. Everpia regularly reviews and evaluates staffing needs and internal capabilities to ensure balance among departments and remain competitive in talent acquisition. Additionally, the company conducts regular in-depth internal training sessions to improve workers' skills, knowledge, and workplace competencies. These efforts help expand career development opportunities, retain talent, and build a strong, stable human capital foundation for the future
IT system risks	
Information technology plays a critical role across all aspects of Everpia's business management and operations—from production, sales, and finance—accounting to HR and internal control. Any risk to the IT system—such as data loss, virus attacks, software errors, security vulnerabilities, or leaks of sensitive information—can disrupt operations, result in the loss of vital data, and directly impact the company's business performance and reputation. Especially in today's rapidly evolving digital landscape, failure to timely upgrade and protect IT infrastructure may cause the company to fall behind and lose competitiveness in the market.	The company has implemented stringent information security policies and conducts daily data backups to prevent loss of critical information. Core software systems are carefully selected to meet international security standards and provide flexible management capabilities. Additionally, the company regularly updates, tests, and upgrades its software systems, enhances antivirus and malware protection, and applies proper access control measures. These actions help ensure operational continuity, reduce risks, and strengthen the company's ability to safeguard its data assets.
Environmental and climate change risks	
Environmental incidents not only result in significant penalties but also have a significant impact on the company's image and reputation	In terms of overall management, the company strictly follow to the requirements of Environmental Laws and international standards such as Higg FEM, GRS, and ISO 14001.
Preventing pollution	
Currently, the company still uses fossil fuel energy, specifically diesel, for power generators, forklifts, and some trucks. In addition, the production process still generates waste, including solid waste and hazardous waste. The high energy consumption and improper waste management can affect negatively on the ecosystem, like biodiversity loss and climate change.	The company continuously optimizes the production processes to save energy and resources. It has invested in constructing new factory that meets green factory standards. Furthermore, Everpia carries out regular environmental monitoring and reports in written form, in which indicators regarding wastewater, emissions, noise, dust, lighting ... have comply with current regulations. Additionally, the Company issued various policies to protect against pollution risks, such as establishing a periodic ISO Committee to assess compliance with environmental policies in workshops, organizing Innovation competitions to encourage resource conservation and the reduction of plastic waste and solid waste

Risk	Control Method
Reducing impact on water resources	
Everpia's production process does not involve weaving and dyeing, thus minimizing water consumption and the wastewater is primarily domestic sewage. However, the company's water usage has somewhat affected the local water supply and can potentially cause pollution to surface and groundwater if not treated properly.	To minimize risks related to water resources, the Company applies strict water management and monitoring measures at its manufacturing facilities. All wastewater is treated to meet required standards before being discharged into the environment, in full compliance with legal regulations. The Company does not extract groundwater or discharge wastewater directly into rivers or streams, but instead strictly adheres to industrial zone treatment procedures under the periodic supervision of environmental authorities. In addition, Everpia actively explores alternative solutions such as reusing water in production, adopting water-saving technologies, and raising awareness among all employees about the importance of efficient water usage.
Control greenhouse gas (GHG) emissions	
The exploitation and the use of raw materials for production contributes to resource depletion. Moreover, emissions from production and transportation create large amounts of greenhouse gas emissions from fuel combustion.	To reduce greenhouse gas emissions in scopes 1 and 2, Company has implemented comprehensive set of solutions: <ul style="list-style-type: none">i. Eliminating the use of fossil fuels in the production process,ii. Improving energy efficiency by improving processes and equipment,iii. Improving production processes to reduce waste and emissions,iv. Improving recycling and reuse,v. Improving with contractors on installation installing a rooftop solar power system for Dong Nai factory,vi. Optimizing transportation routes,vii. Adding sustainability standards to supplier selection criteria.
Respond to emergency incidents	
Incidents such as explosions, floods, or fires can cause severe damage to the Company's assets, equipment, and infrastructure; disrupt the production and delivery processes, and result in revenue loss and reputation damage. Additionally, it can cause environmental pollution, including air, water and soil pollution, causing can harm ecosystems and human health	To respond to unforeseen events that may occur such as oil spills, natural disasters, fire..., the Company proactively conducts drill programs to raise awareness and provide guidance to employees on how to react promptly in the event of incidents. Regular drills for firefighting, first aid, and emergency evacuation are conducted once a year at all three factories to increase awareness and provide training for all employees on response procedures when an emergency occurs. At each workshop, there is an Emergency Response Plan handbook for all employees to execute



05 | STEADFAST FAITH

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INTRODUCTION



Lee Bang Hyun
Head of Sustainable Development Committee

The year 2024 has passed, leaving an unforgettable mark on us – a year where the darkness of challenges seemed to loom over, but it was also from this darkness that the light of faith, perseverance, and unwavering determination illuminated the path ahead. The lowest business results since our equitization serve as a profound reminder that only by persistently building sustainable value can we overcome challenges and reach new horizons.

Despite facing numerous obstacles, we have always placed our employees at the heart of every decision. In 2024, the company allocated 176 billion VND for welfare programs, of which 39 billion VND was a voluntary contribution to ensure the well-being of our workforce. Moreover, widespread training programs were implemented, from office spaces to production workshops, offering opportunities for development and skill enhancement for all employees. Furthermore, we extended our love to the community through charitable trips to boarding schools in remote areas, where the future generations are in need of nurturing and empowerment.

We firmly believe that sustainability is not just a responsibility for the present but also a valuable legacy for future generations. As the leading family apparel brand in Vietnam and a trusted supplier in the global textile and outdoor industry, Everpia aims to reduce its environmental impact by half and achieve carbon neutrality by 2030. The Giang Điền factory, which has earned the

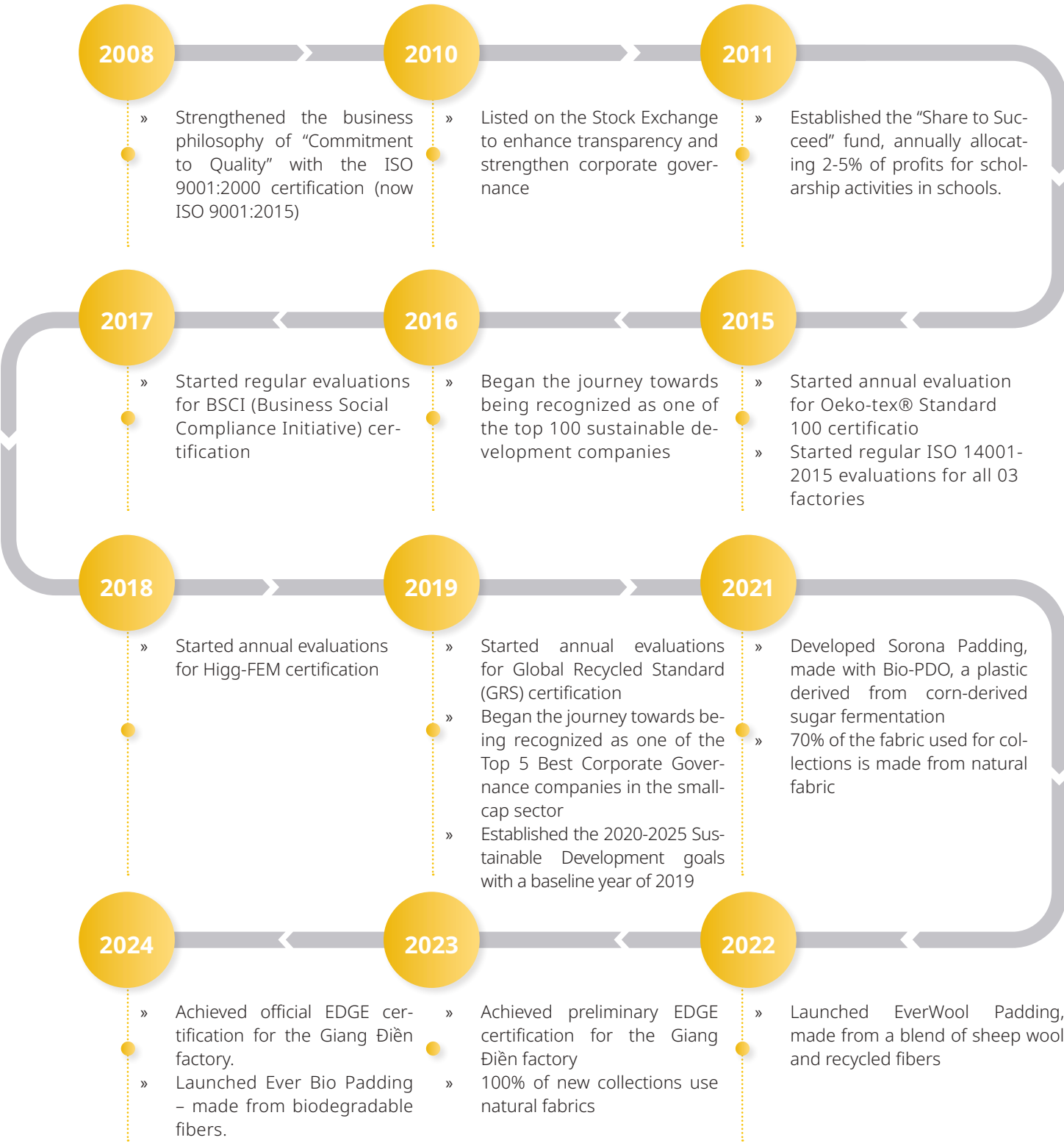
EDGE Advance certification, stands as a clear testament to Everpia's investment and commitment to this journey.

Consistently ranked among the top 5 small-cap listed companies with excellent corporate governance and recognized in the VNCG50 – top 50 pioneering companies in good governance practices, Everpia affirms its pioneering role in governance activities. This is the solid bridge that helps us integrate ESG criteria into our sustainable development strategy, because only when governance is effectively implemented can environmental and social values spread and create lasting sustainable value.

Sustainable development, which is already a part of our name, Everpia, a beautiful world that is everlasting. It serves as the guiding principle for all our decisions and will continue to lead Everpia on its journey ahead. We know that the darkness of challenges will not dissipate soon, but with perseverance, faith, and the sustainable values we've sown, Everpia will not only recover but also rise stronger, ready to embrace new opportunities and write new chapters of pride.

SUSTAINABLE DEVELOPMENT JOURNEY

The journey to build a sustainable and ethical Everpia begins with the selection of raw materials. We prioritize using materials that have minimal impact on the environment and society throughout their entire lifecycle, from production to disposal. At the same time, we work closely with our supply chain to promote the use of environmentally certified materials, aiming to increase the proportion of sustainable materials. Everpia focuses on measurable and controllable factors while implementing the 2020-2025 sustainable development plan with clear criteria for third parties.



CREATE FUTURE VALUE FROM CURRENT COMMITMENTS

The year 2023 marks an important milestone in Everpia’s sustainable development journey – Everpia Giang Điền factory officially achieved EDGE Advance certification, completing half of the Net Zero Carbon journey at Everpia’s largest production facility. With the rebranding and mission to enhance sleep quality for every home through the best products, Everpia not only affirms its position as a leading company in the bedding and cotton industry but also deepens and broadens its commitment and actions toward sustainable development.

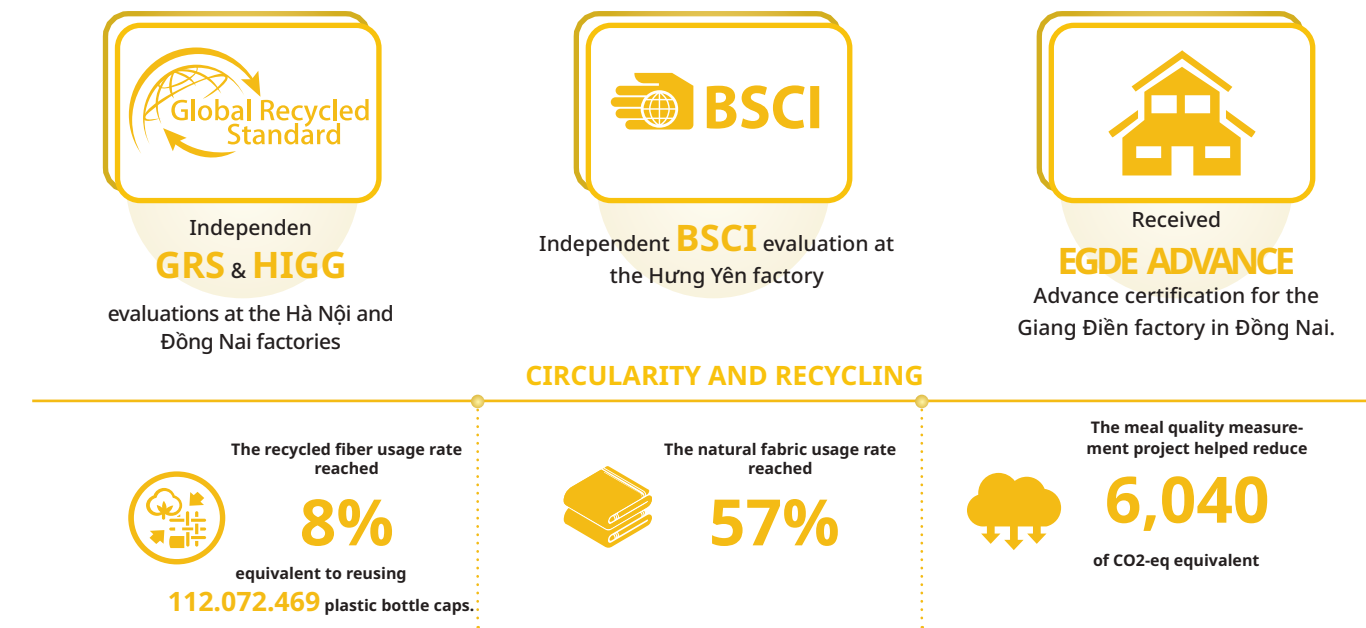
As a prominent Korean company in Vietnam, Everpia not only seeks to fully comply with Environmental, Social, and Governance (ESG) regulations, create a happy working environment for employees and contribute to Vietnam’s national goals, but also wants to positions itself as a leader in sustainable development, actively supporting initiatives that drive meaningful change.

ACTION GOALS ON SUSTAINABLE DEVELOPMENT FOR THE PERIOD 2021-2025 AND RESULT ASSESSMENT OF 2024

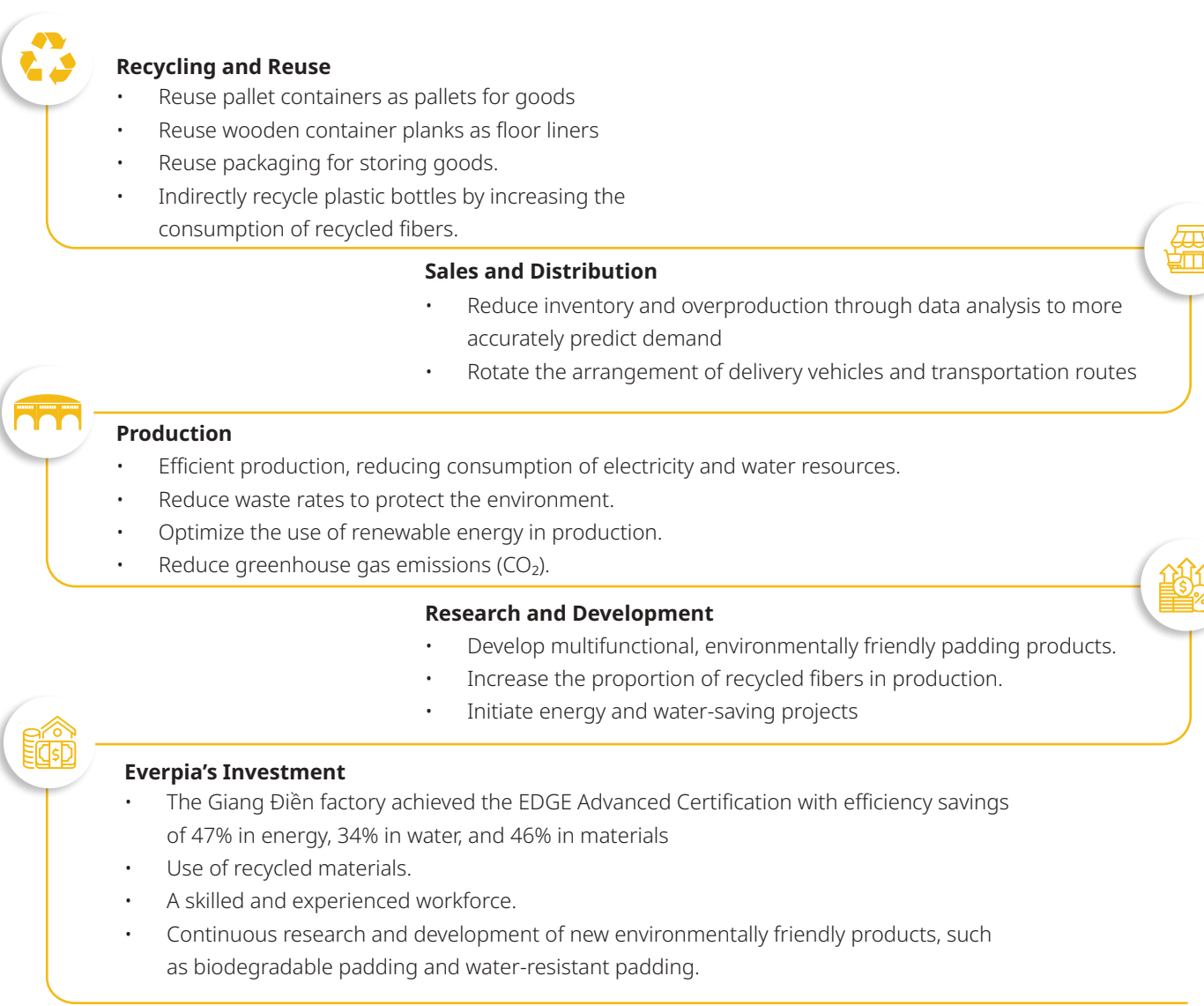
Field	Items	Baseline in 2019	Targets	Year of completion	SDG	2024 results
ENVIRON- MENT	Basic goal		Halve the environ-mental impact by the Company	2025		-Survey and sign con-tract for the installa-tion of solar power system at Giang Điền factory in Đồng Nai. -Survey and sign con-tract for upgrading the wastewater treatment system at Hà Nội and Hưng Yên factories.
	Emissions		Calculate the green-house gas emissions Level 1 and Level 2	2020	12, 13	Started calculating and publishing since 2020
			Calculate the green-house gas emissions Level 3	2025		Study the implementa-tion method through trainings with CAC and self-research
	Energy	7,70 MJ/kg	Reduce energy con-sumption per unit of padding product by 10%	2025	12, 13	Down by 4% Through energy saving solutions
			Access renewable en-ergy resources	2025	12, 13	The entire boiler was converted to renewable Energy The installation of the rooftop solar power system for the factory in Đồng Nai will be com-pleted by April 2025.
		67% total energy	Reduce the propor-tion of energy from diesel and LPG to 50%	2025	12, 13	66% No new investment in technology yet
	Water	Level 1	Achieve Higg Index level 2	2025	12	Higg score 2023: level 1

ENVIRON- MENT	Wastewater	Level A	Maintain wastewater quality at level A	2020	12	Achieved level A according to periodic observation results
	Chemicals	Not yet com-pleted level 1	Complete Higg Index level 1	2020	12	Completed level 1 accord-ing to Higg score 2020
	Materi-als for producing beddings	53% natural fabric	Increase the propor-tion of natural fabric to 70%	2025	12	57% natural fabric 100% of the new collec-tion uses natural fabrics
	Product packagings	0%	Increase the propor-tion of recycled plas-tic in plastic packag-ing to 50%	2025	12	10% Continue searching for the right suppliers
		0%	Replace 20% of plastic packaging with oth-er environmentally friendly materials	2025	12	5% Conducted trial run but have not found a suitable solution for wider application
	Recycling	47%	Increase the propor-tion of recycled fiber to 80% of total fiber input	2023	12	76% recycled fiber
SOCIETY	Basic goal		Improve the lives of local communities and the entire Viet-namese society	2020	8	Every year, company car-ries out scholarship and social charity programs
			Building an inspiring corporate culture	2020	8	Team-building activities and welfare benefits are consistently maintained and regularly expanded.
	Gender equality	39% of senior leaders are female	Increase the propor-tion of female members in the lead-ership apparatus	2025	5	50%
	Career development	4.9 hours of training	Design skill develop-ment programs for all staff levels	2022	8	123,024 hours of traning for cho 932 staffs
	Diversity and equality		Establish a policy to prioritize ethnic mi-norities in the recruit-ment process	2020	8, 10	Issued a recruitment poli-cy with equality
	Community development		Commit to spend 1-2% of profit for community develop-ment activities	2020	10	Spent ~1% of profit for community development activities

OUTSTANDING ACHIEVEMENT IN 2024



CIRCULAR ECONOMY MODEL TOWARDS SUSTAINABLE DEVELOPMENT AT EVERPIA



I – OVERALL MANAGEMENT METHOD

1. METHODS OF MANAGING SUSTAINABLE DEVELOPMENT ISSUES

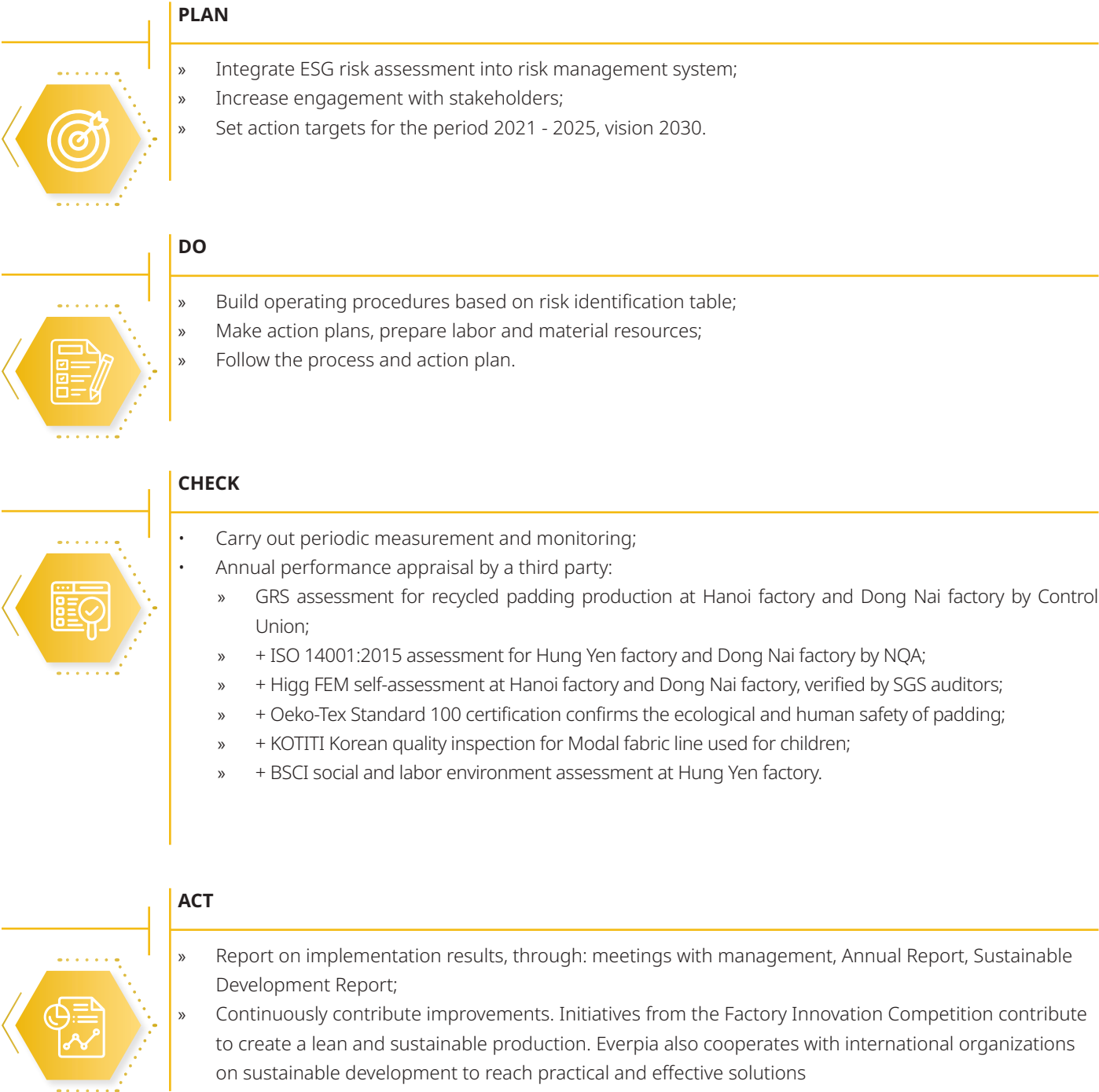
With the belief that sustainable development is the key to prosperous development for businesses and the whole society, from 2022 we re-established the governance structure to address sustainable development issues, as well as clearly define authority and responsibilities at each level in order to ensure that sustainable development remains at the core of every investment decision and associated with all daily business activities of Everpia.

Board of Directors	<ul style="list-style-type: none">» Approve the company's goals, strategies and general direction on sustainable development;» Approve investment plans and investment projects;» Engage with stakeholders.
Sustainability Committee	<ul style="list-style-type: none">» Develop the medium and long-term sustainability goals and strategies;» Monitor the implementation of sustainable development strategies» Report on the implementation of the sustainable development strategies to the Board of Directors;» Engage with stakeholders.
Risk management system	<ul style="list-style-type: none">» Integrate ESG risk management into the company's risk management framework;» Monitor and control the activities of all departments to ensure compliance and effectiveness of the risk management process.
Functional departments	<ul style="list-style-type: none">» Comply with operating procedures of departments;» Implement approved sustainable development goals and strategies;» Together with the Sustainability Committee to research and develop improvement plans.
Staff	<ul style="list-style-type: none">» Perform daily tasks related to sustainability strategies and goals;» Propose actions for improvement.

To ensure that the Board of Directors and managers in charge are regularly updated with knowledge and skills on sustainable development, Everpia always sends representatives to attend training sessions related to sustainable development organized by the State Securities Commission, IFC, VCCI and Vietnam Textile and Apparel Association (VITAS). In addition, specialized departments also proactively learn and update the latest regulations and standards from governmental agencies and industry associations.



“PLAN – DO – CHECK – ACT”

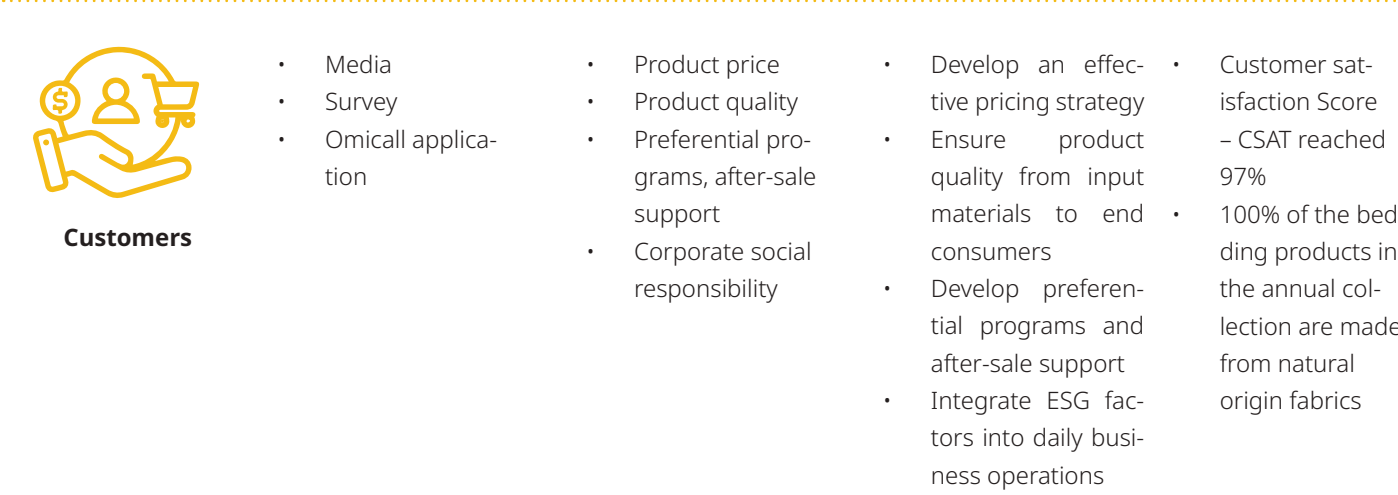


ORGANIZATIONS AND INITIATIVES THAT EVERPIA CURRENTLY PARTICIPATES ARE



2. STAKEHOLDER ENGAGEMENT

Everpia deeply understands that the path toward sustainable development cannot be separated from the collaboration and joint effort of all stakeholders. We analyze the entire value chain of the company to accurately identify the key stakeholders, from which we maintain a two-way dialogue with them. Everpia aims to build sustainable partnerships, where the support, respect, and collaboration from customers, shareholders, partners, employees, communities, the government, and other stakeholders form the foundation for shared prosperity.





Employees

- Periodic conversation
- Training for employees
- Internal website
- Salary, bonus and welfare
- Safe working environment
- Recognition and respect
- Promotion opportunities
- Develop transparent and fair salary, bonus and welfare policies
- Create a working environment according to BSCI standards
- Encourage workers to participate in the Company's Labor Union and have regular dialogue
- Conduct annual employee excellence reviews
- Organize professional and skill trainings
- Annual employee conference.
- 27 employees were awarded as outstanding employees of the year.
- 100% of new employees are professionally trained.
- 123,024 training hours.



Suppliers

- Visit and assess the company
- Communicate via email/phone
- Survey
- Collaborate to provide quality products and services
- Build long-term cooperative relationship
- Maintain ability to pay on schedule as committed
- Follow the purchasing processes and supplier selection standard
- Ensure the common interests of all parties
- Number of new suppliers increased by 18%
- Business ethics principles are strictly followed



Governmental authorities

- Meeting and inspections
- Periodic reports
- Comply with legal regulations
- Comply with the law
- Regularly update the latest legal regulations
- No penalty during the period



Community

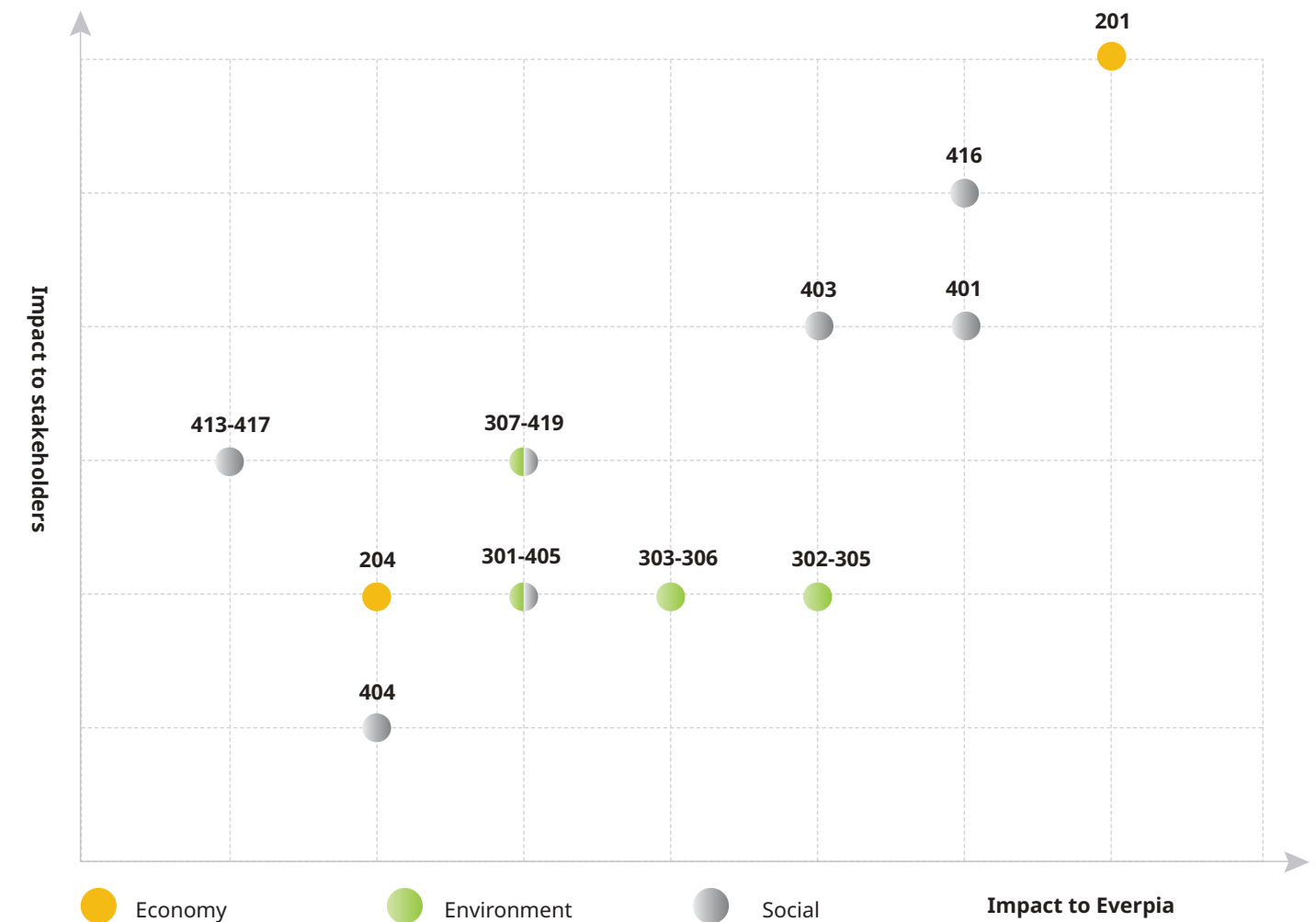
- Community activities
- Media
- Carry out social environmental responsibility
- Address the employment problem
- Support local economic development
- Integrate ESG factors into daily business operations
- Develop appropriate recruitment policies, prioritize recruiting local workers
- Participate in charity and other community activities
- Top 100 sustainable enterprises in Vietnam for the 8th consecutive year

3. MATERIALITY IDENTIFICATION

PROCESS FOR MATERIALITY IDENTIFICATION



MATERIALITY MATRIX



4. ACTION GOALS ON SUSTAINABLE DEVELOPMENT FOR 2021-2025 PERIOD, VISION 2030

To realize its commitment to sustainable development, Everpia sets clear action goals, focusing on three pillars: Environment, Society, and Governance. In the 2021-2025 period, the company prioritizes reducing emissions, optimizing resource use, enhancing employee welfare, and promoting transparent governance. Looking further ahead, the vision for 2030 aims for breakthrough steps, from using renewable energy and significantly reducing greenhouse gases to improving community livelihoods. The following goals reflect Everpia's determination to create a sustainable future, balancing growth with social responsibility.

VISION 2030



GOALS FOR 2021-2025 PERIOD

ENVIRONMENT



- **Emissions**
 - Reduce 30% of greenhouse gas emissions across Scope 1 and Scope 2 by 2025, from the baseline in 2019
 - Conduct monitoring and disclose greenhouse gas reports from 2025
- **Energy**
 - Obtain EDGE Advanced certification for Everpia - Giang Dien factory before 2025
 - Reduce energy consumption per unit of padding product by 10% by 2025, from the baseline in 2019
 - Reduce the proportion of diesel and LPG usage by 50% by 2025, from the baseline in 2019
- **Water and wastewater**
 - Reduce water consumption by 10% by 2025, from the baseline in 2021
 - Maintain wastewater quality at level A
- **Waste**
 - Reduce the amount of hazardous waste by 10% by 2025, from the baseline in 2021
 - Reduce the amount of non-hazardous waste by 50% by 2025, from the baseline in 2021
- **Chemicals**
 - Comply with chemical management according to legal regulations, Higg FEM and customer requirement
- **Materials**
 - Increase the proportion of natural fabrics to 70% by 2025
 - Increase the proportion of recycled fiber usage to 90% by 2025
 - Increase the proportion of environmentally friendly packaging usage to 50% by 2025

SOCIETY



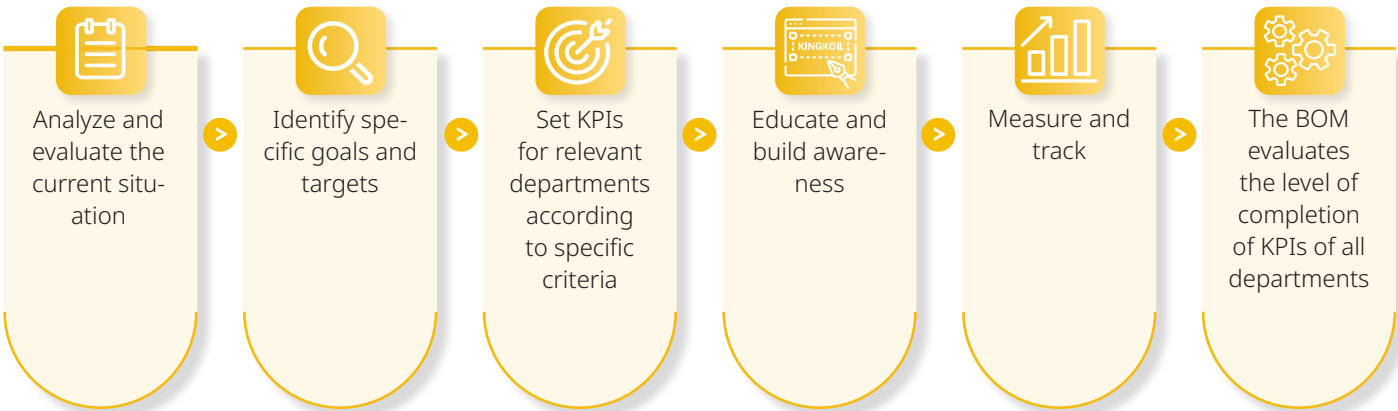
- **Gender equality**
 - Maintain the gap between male and female senior leaders no more than 10%
- **Career development**
 - Design training programs, including improving professional skills and training new skills for all levels of employees
- **Turnover rate**
 - Reduce the turnover rate to 10% by 2025
- **Labor health and safety**
 - Promote and manage the physical and mental health of workers
- **Community contribution**
 - Commit to spend 1~2% of net profits for local development activities

GOVERNANCE









- **Corporate culture**
 - Maintain a people-centered corporate culture
- **Diversity of the Board**
 - Ensure the gender balance and the ratio of independent members and non-executive members of the Board of Directors
- **Risk management**
 - Identify, evaluate, monitor and execute risk mitigation strategies, including ESG risks
- **Regulatory compliance**
 - Fully comply with corporate governance regulations applicable to listed companies
 - Apply corporate governance principles according to the corporate governance code of best practices
- **Procurement practices**
 - Select suppliers that meet the prescribed standards according to the company's procurement process, including compliance and good implementation of environmental and social aspects

5. IMPLEMENTATION METHODS FOR THE PROPOSED SUSTAINABLE DEVELOPMENT GOALS



This entire process is supervised by the Board of Management and the Sustainability Committee to ensure compliance with the sustainable development orientation set by the Company.

	 Economic Sustainable Development Goals	 Environmental Sustainable Development Goals	 Labor - Social Sustainable Development Goals
 Related department	<ul style="list-style-type: none">» Business departments	<ul style="list-style-type: none">» Administration» Supplies» Production departments	<ul style="list-style-type: none">» Labor Union» Human Resources» Production departments
 KPI	<ul style="list-style-type: none">» Monthly sales results in terms of revenue and profit.» Quantity of new customers and markets.	<ul style="list-style-type: none">» Production process and environmental policy.» Supplier selection.» Electric consumption level» Volume of raw materials and materials used.» Water consumption level.» Electric and water costs.» Implementation of electricity and water conservation measures.» Waste, wastewater, and emissions discharge level.» Wastewater and waste treatment costs.	<ul style="list-style-type: none">» Production process and human resources policy.» Recruitment results.» Labor force participation rate.» Training performance results.» Manage costs for training.» Employee turnover rate.» Manage salary and welfare expenses.» Compliance with safety and hygiene policies.» Compliance with labor policies.» Manage expenses of scholarship and welfare funds
 Person in charge of supervision	<ul style="list-style-type: none">» Board of Management» Leaders of business teams» Planning team	<ul style="list-style-type: none">» Board of Management» Factory Director» Head of Administration» Head of Supplies team	<ul style="list-style-type: none">» Board of Management» Factory Director» Labor Union» Head of Human Resources

PROCESS OF IMPLEMENTING A SUSTAINABLE VALUE CHAIN

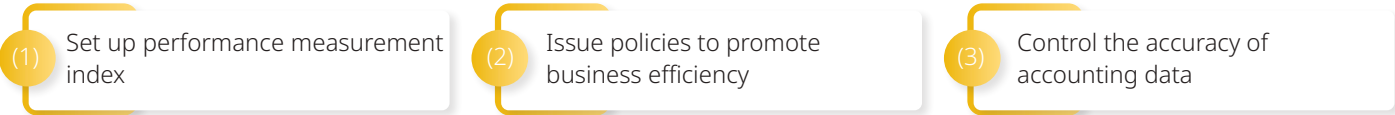
Integrate sustainability factors in the company's operations

 Economic development	 Environmental protection	 Labor and Social Development
<ul style="list-style-type: none">» Arrange production machinery to optimize efficiency for each product line.» Ensure stable machine operation, minimize downtime, machine changes, and cost savings.	<ul style="list-style-type: none">» Design consumption norms of raw materials, energy, and water for 1 unit of product.» Make plans to reuse materials, raw materials, and waste products.» Create a plan for conserving electricity, water and fuel usage.	<ul style="list-style-type: none">» Provide skill trainings and strengthen professional expertise for employees.» Equip workers with safety measures» Use local sources of materials and labor
<ul style="list-style-type: none">» Negotiate prices effectively.» Arrange goods, optimize warehouses and storage space, save costs.	<ul style="list-style-type: none">» Evaluate and select suppliers that meet environmental and social responsibility criteria.» Conduct quality and origin assessments of raw materials.» Repair and reuse tools and equipment	<ul style="list-style-type: none">» Provide training to employees in purchasing and supply teams.» Use local transportation services.
<ul style="list-style-type: none">» Reduce the rate of defective products.» Regular machinery maintenance.» Improve product quality rate.» Develop new value-added products.	<ul style="list-style-type: none">» Conserve electricity and water.» Utilize energy efficiently.» Avoid wasting raw materials.	<ul style="list-style-type: none">» Manage human resources appropriately.» Create opportunities for career advancement and salary increases.» Establish a safe working environment.» Foster a culture of good behavior.» Ensure fairness and equality.
<ul style="list-style-type: none">» Negotiate prices with shipping units, optimize transportation costs.	<ul style="list-style-type: none">» Provide product usage instructions.» Combine freight transportation plans and use transportation methods effectively.» Reuse pallets for deliveries.	<ul style="list-style-type: none">» Provide training in sales, and import - export operations.» Develop an incentive policy when achieving KPIs.» Increase income for local workers.



“ We understand that economic efficiency is the most basic quantitative measure that reflects the influence and responsibility of a business to its stakeholders. The impact of economic efficiency on each stakeholder is measured through indicators of revenue, cost breakdowns, dividends, taxes, and social contributions ,... These indicators are a crucial benchmark, always closely monitored by Everpia to sustain favorable impacts on stakeholders.

Everpia manages economic efficiency through 03 action groups:



Implementing good economic efficiency management helps the Company clearly determine its position and direction, gradually realizing the long-term sustainable development goal.

EVALUATION OF MANAGEMENT METHODS

In the context of a challenging market due to economic decline and complex geopolitical fluctuations globally, Everpia has remained steadfast in pursuing its goal of sustainable growth, ensuring financial balance, and creating conditions for continuous long-term development activities. In 2024, despite facing many difficulties, the company still made efforts to maintain its business strategy, optimize customer engagement approaches to meet market demand, ensure product quality, and gradually maintain its market share both domestically and in exports. Although sales decreased by 6%, and profits turned negative for the first time, Everpia continued to uphold its commitment by ensuring that salaries, bonuses, and benefits were paid on time and in accordance with commitments made to employees. Celebration events and year-end bonuses were held at the company’s headquarters and all its branches. The total salary and benefits paid by the company to employees amounted to 176 billion VND. Additionally, in 2024, the company distributed a 5% dividend in cash for the year 2023 to all shareholders on June 14, 2024, with a total payout of 21 billion VND.

176 billion

Total salary and benefits paid by the company to employees

5 % dividend

Implementation of dividend payment in 2023

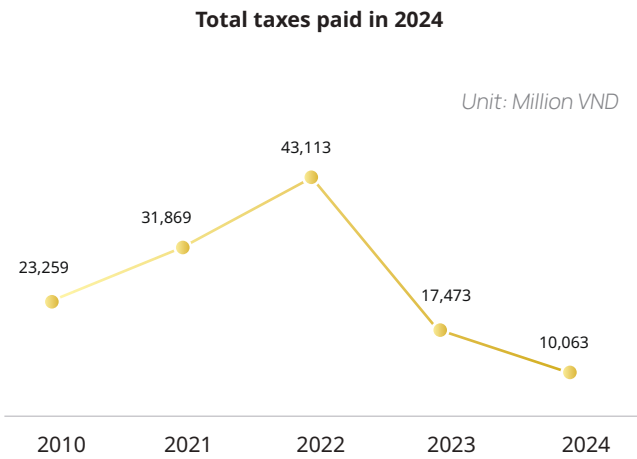
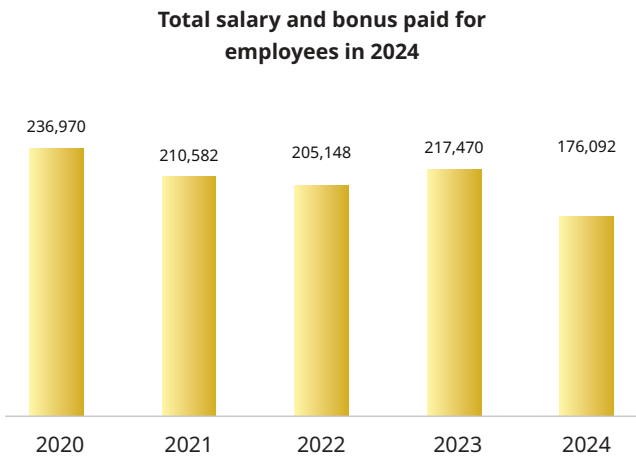
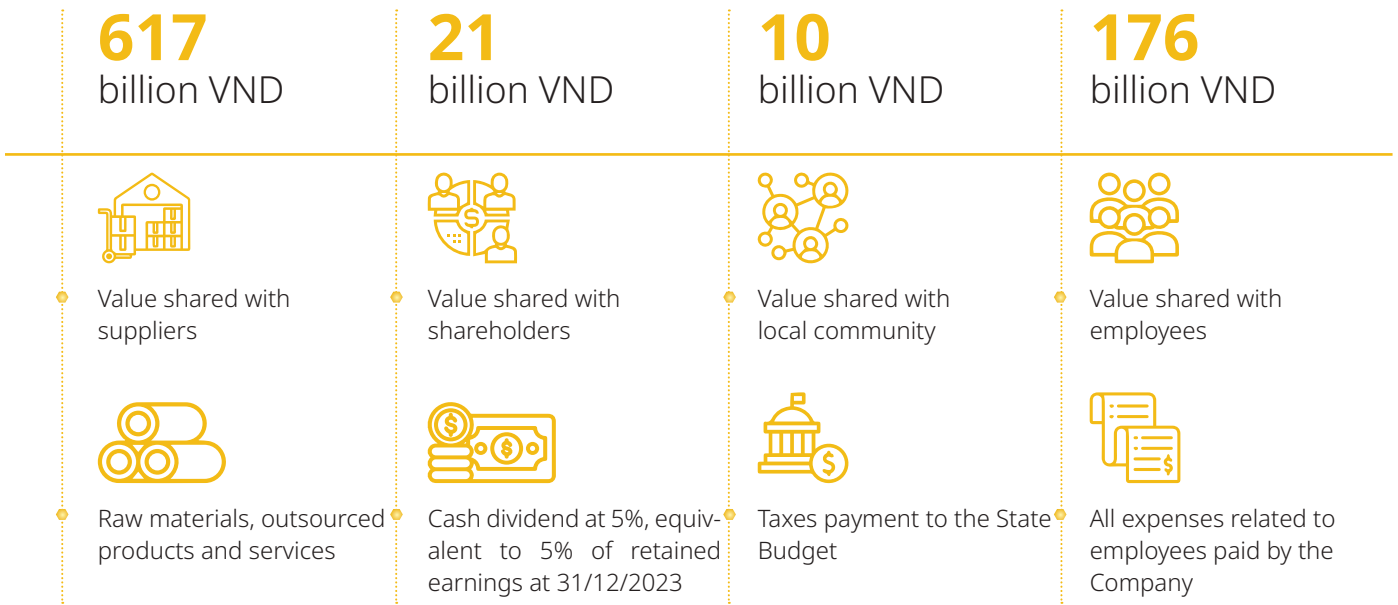
COMPONENTS OF MANAGEMENT APPROACH

Policy	<ul style="list-style-type: none">Revenue and profit targets, Business plan, Sales policyKPI for departmentsSalary payment policy based on KPIPeriodical reporting plan on factory innovation activities
Commit	<ul style="list-style-type: none">Fair competition, all business activities and economic development comply with current lawsComply with regulations on salary and bonus policies
Target	<ul style="list-style-type: none">Increase revenue and profit according to business planSuccessfully implement the Everon rebranding planInnovation activities to increase productivity and reduce costs
Responsibility	<ul style="list-style-type: none">General Director, Board of Management
Resource	<ul style="list-style-type: none">All departments in the company, with their functions and duties, make efforts and contribute to the accomplishment of revenue and profit targets of the company.
Specific actions	<ul style="list-style-type: none">Make daily, weekly, monthly sales reportsSenior leaders have a weekly meeting to update business results and make corresponding decisionsSales campaigns and promotional programs closely follow the business targets

1. ECONOMIC VALUE AND ITS DISTRIBUTION

Unit: Million VND

Items	2022	2023	2024
Revenue	1,046,148	835,384	760,771
Distributed revenue	956,566	817,609	792,614
Operating costs	657,321	522,015	572,268
Cost of employee salary & benefits	204,596	217,470	176,092
Capital expenditures	51,515	60,650	32,639
Payment to State budget	43,113	17,473	10,063
Community investment	20		1,552
Undistributed revenue	89,583	17,775	-31,843



2. OBLIGATIONS UNDER THE MANDATED WELFARE REGIME

Over 32 years of operation, we deeply understand the profound correlation between individual success and the collective achievement of the organization. The consistent efforts of each individual have contributed to building the sustainable Everpia today. Therefore, we always strive to improve our salary policy, implement various incentive programs, and improve working quality to create and maintain motivation for our employees. We aim to ensure that employees enjoy rights and benefits that go beyond the basic thresholds as prescribed by law

In accordance with Resolution 73/2024/NĐ-CP dated 30/6/2024, the Company decided to increase the basic salary for employees, accordingly, the total salary expenses paid to employees increased by 6% compared to 2022. Each skilled garment worker and electro-mechanical staff also received additional monthly allowances of 700,000 VND, 1,000,000 VND or 1,300,000 VND, depending on skills and seniority. Every loading worker working in the warehouse received an additional 200,000 VND/month. The average salary of workers in 2024 is 15 million VND/month.

Items	2022	2023	2024
Number of employees	1,206	1,201	1,000
Total salary before tax	106,555	107,731	88,664
Welfare	16,421	19,066	18,084
Insurance value paid by the company	24,294	20,110	21,024
TOTAL	147,270	146,907	127,772

The Company considered the ratio of the starting salary compared to the regional minimum wage based on the Company's location of Hanoi, Hung Yen and Dong Nai factories.

Wage	Hanoi	Hung Yen	Dong Nai
Regional minimum wage	4.680.000	4,160,000	4,680,000
Lowest salary at Everpia	7.200.000	7,750,000	7,950,000

3. ANTI-CORRUPTION

In order to ensure the sustainable development of the economy and a healthy working environment, the Internal audit team and the Company's Inspection team supervise all payment and shipment activities; organize the work of preventing, propagating, investigating, detecting, and recommending activities to handle cases of fraud, corruption, conflicts of interest and other acts contrary to the Code of Conduct and Core Values of the Company, thereby promoting and enhancing transparency, equality and fair competition for stakeholders in all production and business activities of the Company.

Everpia places great importance on transparency and business ethics, so combating fraud and corruption, as well as preventing conflicts of interest, is always regarded as a top priority. This is concretely reflected through the Code of Ethics, ensuring the legitimate interests of all parties and creating a clean, fair, and healthy competitive business environment for partners, suppliers, and customers, while also bringing the greatest benefits to stakeholders.

Controls	Measures	Channels to receive feedback and report signs of fraud, corruption, or misconduct	Processing and reporting
<ul style="list-style-type: none">» Code of Ethics» Regulations on Anti-Fraud – Corruption» Procedures for receiving and processing complaints and denunciations» Recruitment process - Committed to transparency	<ul style="list-style-type: none">» Publish the Code of Ethics on the company website and send these principles to all suppliers» Awareness training» Email sent to candidates» Integration training for new employees	<ul style="list-style-type: none">» Meet directly with the responsible person (Manager, Director, BOM) to provide feedback.» Call/send letters to the members of BOD, BOS, BOM, ...» Hotline: 18001215» Email: info@everon.com» Send letters or documents directly to the company's head office.» Internal Audit.	<ul style="list-style-type: none">» Fraud investigation» Periodic reports

During the period, no corruption cases were recorded and handled. Recommendations of the Internal audit team and Inspection team were received and implemented seriously and promptly by relevant departments


III – ENVIRONMENTAL SUSTAINABILITY

“ The United Nations Conference on Trade and Development (UNCTAD) has emphasized that the textile industry is ranked as the second-largest polluting industry in the world in terms of wastewater and emissions. In Vietnam, the Vietnam Textile and Apparel Association (VITAS) estimates that the industry releases about 5 million tons of CO₂ annually. In the face of challenges such as climate change, resource depletion, environmental pollution, and increasingly stringent customer demands for sustainable products, businesses are forced to transition to a responsible production model. As a key player in the global textile supply chain, Everpia is deeply aware of the urgency of sustainable development. Responsible production is not only one of our core principles but also a long-term commitment. It is not only a social responsibility but also a business ethic that Everpia consistently follows.




COMPONENTS OF MANAGEMENT APPROACH

We manage environmental issues according to ISO 14001:2015 standards, specifically:




PLAN

- Identify risks and opportunities through assessing environmental aspects at each location, operating and production processes in the offices and 3 factories;
- Set environmental targets for the period 2021 - 2025, vision 2030.




DO

- Establish operating procedures based on the assessment of environmental aspects;
- Develop action plans and assign person in charge of each factor, including energy, emissions, water and wastewater, waste, and chemicals at each factory.



CHECK

- Adopt methods and measures to quantify the consumption level of resources;
- Carry out periodic reviews through internal and independent assessments to ensure governance methods are effective:
 - Internal assessment: The Sustainability Committee conducts quarterly meetings to update the implementation of all issues, and reports to the Board of Directors at the first meeting every year.
 - Independent assessment: carry out reports according to Higg Index's environmental module,
 - GRS, ISO 14001:2015, Oeko-Tex, BSCI certification and hire an independent third party to conduct evaluation and verification through onsite audit



ACT

- Carry out constant improvements through:
 - Green investment project
 - Factory innovation initiatives;
 - Initiatives launched in the 2020 Independent Assessment of Resource Efficient and Cleaner Production (RECP) by the consulting center – Vietnam Cleaner Production Center (VNCPC) for all 03 factories.

EVALUATION OF MANAGEMENT METHODS

Circulation and recycling		Production innovation initiatives	
Percentage of recycled fibers usage 76%	Equivalent to reusing 112,072,469 plastic bottles	Energy consumption reduced 9%	Diesel 81% consumption reduced 23%

- No overflows, spills or leaks of wastewater and waste were recorded.
- The Company's monitoring results on the environmental assessment and its impact on the environment also recorded and were within the allowable limits according to current environmental regulations set by government authorities

1. CHOOSING SUSTAINABLE MATERIALS

Everpia's journey toward sustainable development begins with the selection of raw materials – a critical factor that we can control from the very start. We conduct chemical content testing at the Vietnam Textile Research Institute JSC. and evaluate according to the OEKO-TEX Standard 100, ensuring that no products with chemical content exceeding the allowed thresholds are stored in our inventory. This helps protect consumer health, especially that of young children. At the same time, we actively collaborate with our supply chain to promote the use of environmentally certified materials, aiming to increase the proportion of sustainable materials used in each of our key product categories. Our responsibility regarding raw materials from the input stage not only ensures safety for users but also helps extend the product lifecycle. Careful selection of materials improves durability, maintains quality throughout the usage process, and minimizes textile waste, promoting recycling and contributing to a sustainable circular economy

Consumption quantity of main materials

Materials	Unit	2022	2023	2024
Fabric	Metres	13,183,829	10,499,252	7,521,298
Fiber	Kg	11,740,359	9,117,051	8,546,996
Resin	Kg	1,254,643	9,117,051	73,412
Poly bag	Piece	1,028,885	892,280	728,430
PVC bag	Piece	1,241,113	954,533	991,256
Bag used fabric	Piece	191,545	221,936	206,079
Labels, catalogs	Piece	12,381,125	11,368,894	13,269,983
Carton box	Piece	141,204	104,117	185,785

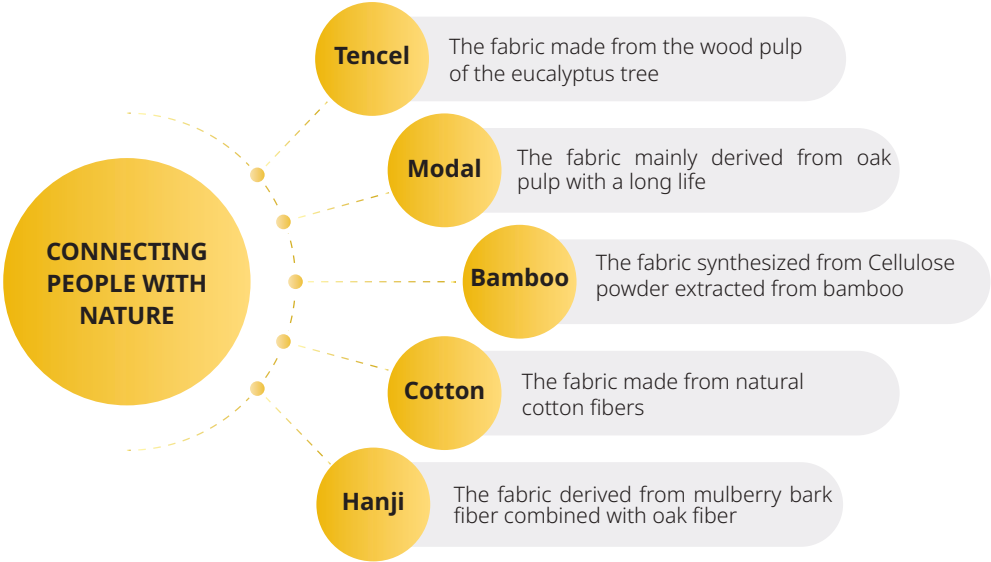


1.1. FABRIC

Due to products’ characteristics and revenue structure, the amount of fabric used for Bedding products accounted for the largest proportion of Everpia’s total fabric consumption. In the bedding industry, the combination of natural and synthetic fabrics not only optimizes product durability but also reduces material costs for each design. Aiming for the goal of **“Connecting people with nature,”** Everpia is gradually increasing the proportion of sustainably sourced natural fabrics in its bedding products. Each pattern on the fabric not only brings a sense of immersion in nature but also allows users to experience closeness to nature through every thread of the fabric. All the main fabrics in the Everon and Artemis collections are 100% natural, providing a soft, user-friendly, and eco-friendly feel. Meanwhile, the K-Bedding brand, a bedding line specifically designed for the online sales channel, is tailored to the budget-friendly shopping habits of customers on digital platforms. Therefore, the fabric used for K-Bedding typically consists of 60% natural fabric and 40% synthetic fabric, striking a balance between quality and cost. In addition, Polyester and CVC fabrics are used as linings and cover for blankets and pillows to help the product fold, limiting creases during use and more long-lasting after washing.



In 2024,
7,5 Million
mil meters of fabric
was used for bedding
products,
of which, **54%**
are natural fabrics with
sustainable origin



To standardize the quality of fabrics, Everpia applies national technical standards on chemical content in products. 100% of the fabrics used for Everpia’s bedding, cleaner, and curtain products must be free of chemicals in the Manufacturing Restricted Substance List (MRSL). Everpia prioritizes fabrics certified by Oeko-Tex, Bluesign, Greenguard, or suppliers with ISO 9001 quality management, and Higg Index verification. For fabrics that do not meet the above criteria, we take the products after production to check the quality according to Fiti

standards for product safety before delivering to consumers Everon is the only bedding brand in Vietnam officially licensed by the Lenzing AG Group (Austria) to use TENCEL™ fabric in its products. This not only affirms the superior quality of the TENCEL™ fabric used by Everon but also highlights the exclusive position and prestige of the brand in the market. TENCEL™ fabric is a premium Lyocell fiber made from natural cellulose, known for its softness, excellent moisture absorption, and eco-friendly properties. The direct collaboration between Eve-

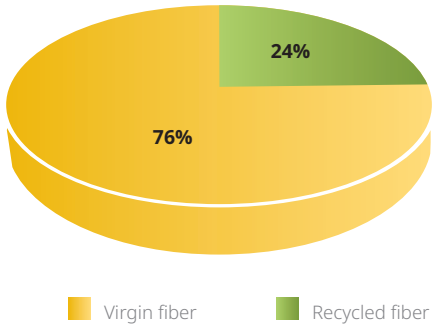
ron and Lenzing AG ensures that every TENCEL™ fiber in Everon products is authentic and imported, providing users with a refined and maximum comfort experience. On the official website of Lenzing AG, Everon is recognized as a direct partner, a position reserved for companies that fully meet the stringent standards set by the group. This is a clear testament to Everon’s commitment to delivering high-quality products while reinforcing its mission of connecting people with nature through every thread of fabric.

1.2. FIBER

One of Everpia’s main business lines is Padding. The product is formed mainly from virgin fibers and recycled fibers.

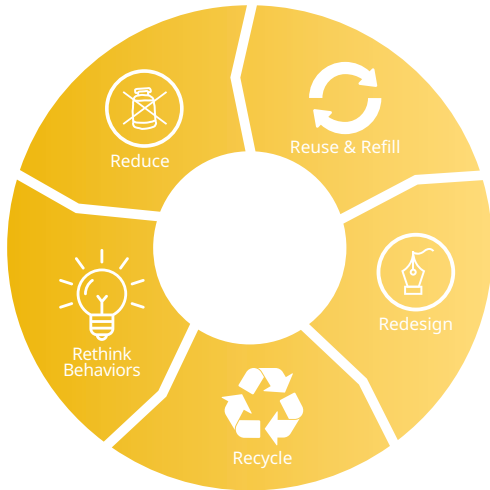
- **Virgin fiber:** 100% virgin fiber is formed during the petrochemical process
- **Recycled fiber:** Recycled fiber is derived from discarded PET bottles and containers In 2024, the amount of recycled fiber used in production is equivalent to recycling 112.072.469 plastic bottle 500ml. To ensure transparency and our commitment to sustainability standards, we apply the Global Recycled Standard (GRS) – one of the most reputable international standards, certified by Control Union. GRS not only confirms the recycled origin of the materials but also strictly controls the production process, chemical management, and environmental and social

impacts. This helps us meet the stringent requirements of export markets and contributes to the global trend of “greening” the textile industry.



1.3. PRODUCT PACKAGING

Packaging plays an important part in preserving Everpia’s products from damage caused by moisture, mold, and keeping the products in good condition when shipped to agents and customers. Currently, polyethylene (PE) and nylon are materials that suit our requirements because of their high durability and capacity to preserve products. The use of plastic packaging has been one of the biggest concerns over the past time because of its impact on the environment. In 2022, we reset the goal of increasing the proportion of environmentally friendly packaging usage to 30% by 2025. In 2024, 20% of PVC bags were replaced with fabric bags, marking a step forward in the transition process. However, searching for a suitable alternative packaging not only requires the ability to protect the product from yellowing or damage but also needs to ensure sufficient durability to prevent tearing or puncturing during transportation. This is a process that requires extensive research and testing, and we are actively collaborating with suppliers and customers to find the most effective solution. Currently, we prioritize choosing suppliers with sustainable production processes. All poly bags chosen from suppliers are certified with ISO 9001 for quality management systems.



PACKAGING INNOVATION – REDUCING WASTE, INCREASING GREEN VALUE

- Reduce

- » Reducing packaging complexity: Developing products in sets instead of packaging individual items separately.
 - » Reducing virgin plastic in production: Using recycled plastic in packaging components (bag handles, zippers, labels).
- Reuse & Refill

- » Reusing pallet containers as pallets for goods
 - » Reusing container wooden boards for flooring
 - » Reusing packaging for storing goods
 - » Expanding the reuse of packaging in the supply chain: Encouraging agents to store goods using reusable packaging instead of discarding it after each shipment
- Redesign

- » Redesigning PVC bags to reduce bag weight, save costs, and decrease virgin plastic usage
 - » Eliminating the use of plastic bags for wrapping products
 - » -Redesigning packaging to switch to using interlining bags
- Recycle

- » Indirectly recycling plastic bottles by increasing the consumption of recycled fibers.
 - » Utilizing production waste: Recovering and recycling fabric scraps and leftover cotton from the manufacturing process to sell back to companies that need it for further processing.
- Rethink Behaviors

- » Raising internal awareness: Organizing training sessions for employees on the environmental impact of packaging and encouraging them to participate in waste reduction initiatives.
 - » Encouraging customers to reuse packaging: Guiding customers on how to reuse canvas bags or product packaging instead of discarding them after receiving the goods.
 - » Communication and promotion: Using the company's media channels to share green packaging initiatives, thereby influencing the attitudes of consumers and partners.



2. RESPONSIBLE PRODUCTION

Each production line at the factory poses different problems in terms of energy consumption, water consumption, chemical management, waste and wastewater control. Therefore, all members of Everpia's Sustainability Committee always coordinate closely to maintain sustainable production in a harmonious manner at all three factories in Hanoi, Hung Yen and Dong Nai.

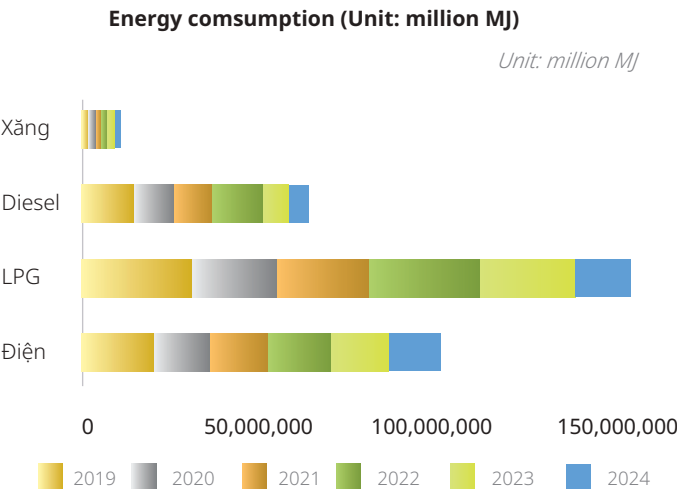
- Thoroughly assess the impact of production and business activities on the environment before implementation, monitor, measure and analyze environmental factors through quarterly monitoring.
- Obtain environmental management certification according to BS EN ISO 140001:2015 standards by the NQA for all 03 factories. All padding factories undergo an annual assessment according to the Higg index. Through these assessments, the Sustainability Committee will

2.1. ENERGY

Maintaining a business requires a huge amount of energy consumption. At Everpia, electricity, liquefied petroleum gas (LPG), diesel, and gasoline are the energy sources used in production and distribution. Among them, LPG used for padding and bedding production is the most consumed energy source. Over the years, we are constantly looking for solutions to make our production and products more energy efficient.

(Unit: MJ)

	Consumption 2022	Consumption 2023	Consumption 2024	Proportion
Electricity	17,347,921	15,504,300	14,108,566	28%
Non-renewable energy	46,225,606	33,530,874	36,118,684	72%
TOTAL	63,573,527	49,035,174	50,227,250	100%



develop strategies to reduce overall greenhouse gas emissions, recycle waste, and establish an environmental management system for the entire supply chain.

- Widely organize the factory innovation programs and environmental impact reduction initiatives to achieve the goal of increasing renewable energy sources, increasing resource efficiency and minimizing water consumption and emissions, discharge until 2023.
- Continue to apply initiatives launched in the 2020 independent Resource Efficiency and Cleaner Production (RECP) assessment by the consulting firm - Vietnam Cleaner Production Center (VNCPC) for all 3 factories.

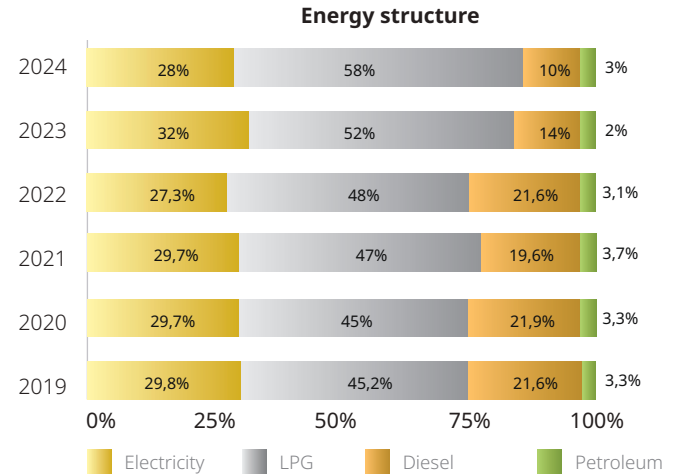
Thanks to diligent management from the Sustainability Committee, in 2024, Everpia did not incur any environmental compliance violations.

From 2021, the Sustainability Committee has changed the method to track energy consumption, specifically:

- Each production line and each workshop are connected with a meter to monitor its electricity consumption
- LPG, diesel and gasoline are tracked based on the workshop code used
- The accounting department keeps track of production costs by each workshop

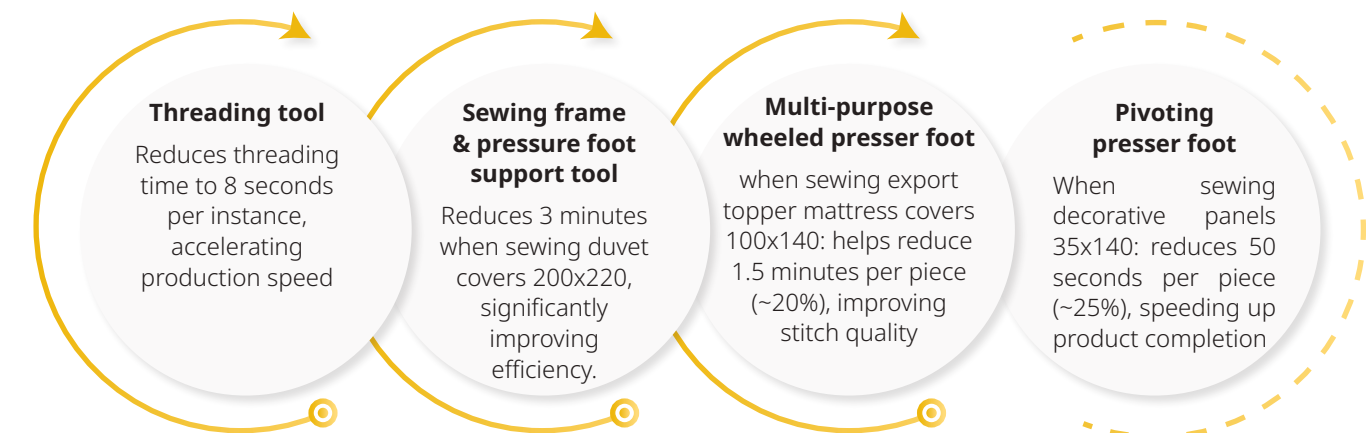
Closely monitoring the performance of each production line helps us make recommendations to the factory directors and workshop managers on options to optimize fuel sources.

In 2024, 3, the energy consumption level decreased by 26% compared to the base year 2019, however, increased 3% compared to 2023 due to increase in fuel consumption by 39%. The main reason is the relocation of the factory from Bien Hoa Industrial Park to Giang Dien Industrial Park in Dong Nai, which has increased the transportation distance for goods and employee commuting. To reduce fuel consumption, we have been implementing several measures, such as: optimizing transportation routes to shorten distances and reduce the number of truck trips, increasing the use of larger trucks to reduce the number of shipments...



Strive for Improvement – Optimizing Energy and Efficiency

Efforts to improve and reduce energy consumption come from the smallest actions such as the habit of responsibly using energyconsuming equipment on a daily basis, from the production department to the office. Understanding the structure and operation of machines allows us to optimize energy consumption for the machinery system, through



2.2. WASTE

In the operating process, waste generation is inevitable. Recognizing the potential waste of the business, we are always careful to minimize the amount of waste at each stage. We classify and manage waste in accordance with ISO 14001:2015 standards on the basis of contract based with waste collection and treatment companies. Waste is categorized into 3 groups:

- Domestic waste: accounted for 78%, originating largely from office, canteens, and lavatories, is collected daily for classification, and delivered to qualified treatment companies as regulated by law.
- Non-hazardous industrial waste: accounted for 11%, most of which are raw materials in the production process such as excess fabric, thread, straps, waste paper and cardboard. These types of waste are collected, sorted daily and sold to the Industrial Waste Collection Company weekly for recycling or other treatments.
- Hazardous industrial waste: accounted for 1%, including fluorescent light bulbs, print cartridges, machine oil and oily rags. All wastes are classified, marked, and stored in a locked area, separate from domestic waste and nonhazardous industrial waste, and they will be collected and transported by qualified agencies for appropriate disposal.
- Towards the long-term goal of increasing the life cycle of machines, enhancing operational efficiency and reducing energy consumption, from 2021, Everpia has changed the frequency of machine maintenance from every 6 months to every 3 months at Hanoi and Hung Yen factory. In addition, we continue to implement improvement measures to

periodic maintenance and selection of high-performance machines.

Not only that, Everpia’s skilled workforce has proactively developed various supporting tools that help reduce labor time, increase productivity, and save on material consumption. Some notable initiatives include:

optimize operations at all three factories, such as applying a real-time machine performance monitoring system, which helps detect early signs of wear or unusual energy consumption, allowing for timely maintenance actions. We are also replacing old motors with energy-efficient ones, particularly variable-frequency motors that can adjust power output according to actual needs.



Type of waste	Hanoi	Hung Yen	Dong Nai	Everpia
Hazardous waste	140	299	118	557
Non-hazardous waste	300	1,020	3,484	4,804
Domestic waste	1,380	3,250	30,660	35,290
Industrial waste	-	1,650	3,051	4,701
Total	1,820	6,219	37,313	45,352

Innovation initiatives to limit waste

- Installing fiber dust shields on machines to significantly reduce the amount of fiber dust dispersion, while optimizing labor by eliminating two machine cleaning positions.
- Adding two high-power ventilation fans to help exhaust cotton dust outside, creating a cleaner working environment and reducing health impacts on employees.
- Investing in a multifunctional floor washing machine with both washing and water suction modes, ensuring cleaner floors, reducing dust, and protecting the quality of goods in storage.
- Replacing plastic conveyor belts with mesh belts with small ventilation holes, helping to reduce dust dispersion, increase airflow, and enhance operational efficiency



2.3. CHEMICAL MANAGEMENT PLAN

Everpia is well aware that the use of chemicals in production is toxic and harmful to the environment and human health if not managed systematically and appropriately.

- 100% Resin used at Everpia has an Oeko-Tex certificate to ensure safety for health. Suppliers are required to provide detailed information, and specific instructions on chemical composition, usage, storage, and methods of responding to chemical incidents in accordance with the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) and refer to advanced international practices such as Restricted Substance List (RSL/MRSL) of ZDHC's restricted.
- All information about chemicals such as chemical types, suppliers, the amount used, MRSL compliance, and expiration dates are tracked through a Chemical List.
- Chemicals are sorted, stored, and protected in a separate warehouse, with spill-proof edges, and accessible only to the persons in charge. The amount of chemicals needed for production for a day is calculated and transferred to a temporary storage area, near the chemical mixing area. In these areas, all information related to the respective chemicals will be clearly displayed, and there will be barriers around the mixing area and lids for mixing tanks.
- Employees working directly with chemicals are trained on chemicals and preparation for potential chemical spills annually, or before working for new employees, and are equipped with full labor protection equipment such as masks, gloves, glasses, and protective clothing.
- We successfully designed a Resin mixer to prevent employee exposure to chemicals and assure higher product quality. Employees no longer physically mix Resin using sticks. The resin is blended more thoroughly, and there are fewer residues.

We are conducting research to reduce the amount of formaldehyde-containing resin used in padding production and reuse excessive glue to minimize the wastewater in the environment. In 2023, we did not record any chemical spills.

2.4. WATER AND WASTE TREATMENT

While there are no dyeing and finishing processes at Everpia – two of the most water-intensive processes in the textile industry, we still understand the importance of consuming and managing wastewater generated from the factories.

Everpia uses water from two water sources: Municipal water from local water suppliers and groundwater treated through an

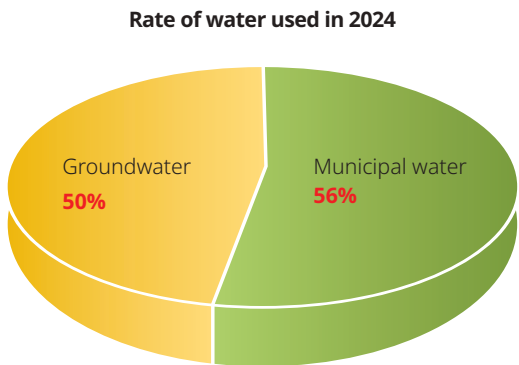
onsite drilled well. Our total water intake for operation used in 2024 is 25.990 m³, of which, municipal water accounted for 56%

Since all Everpia's factories are located in industrial zones, the environmental impact of our water supply to the local communities has been. Everpia's groundwater withdrawal follows the License on underground water exploitation issued by the local Department of Natural Resources and Environment for each factory.

Wastewater quality management is also an important aspect of our responsible production:

- **For Hanoi and Hung Yen factories:** The on-site wastewater treatment system ensures that wastewater from factories do not affect the surface water environment at Everpia's discharge points. Our system meets the national wastewater quality standard No. QCVN 14:2008/ BTNMT according to the test report of the Institute of Occupational and Environmental Health and the 1st Technical Center of Quality Measurement Standards.
- **For Dong Nai factory:** The local industrial zone management treats wastewater through its infrastructure, under the wastewater treatment contract.

Pursuant to the Water Discharge Permit and Environmental Protection Scheme approved by the State Authority, Everpia conducts domestic wastewater monitoring four times a year to ensure that indicators in wastewater do not exceed the threshold when being discharged into the environment. According to the most recent monitoring results at Everpia's 03 factories, there is no indicator that exceeds the threshold specified in QCVN 14:2008 BTNMT. In 2024, Everpia had no violations regarding water and wastewater



Results of monitoring domestic wastewater

No	Testing indicators	Testing method	Unit	24.803/899/NT/1393	QCVN 14:2008/BTNMT (A*)
1	pH	TCVN 6492:2011	-	8,55	5 ÷ 9
2	BOD ₅ (20°C)	TCVN 6001-1:2021	mg/L	<3,0 (a)	30
3	COD	SMEWW 5220C:2023	mg/L	16,0	-
4	Total suspended solids (TSS)	TCVN 6625:2000	mg/L	14	50
5	Total dissolved solids	SOP - 1.14	mg/L	280	500
6	Phosphat (PO ₄ ³⁻) (calculated on P)	TCVN 6202:2008	mg/L	0,82	6
7	Sunfua (calculated on H ₂ S)	TCVN 6637:2000	mg/L	<0,038	1
8	Amoni (calculated on N)	TCVN 6179-1:1996	mg/L	<0,05	5
9	Animal and vegetable oils and fats	SMEWW 5520B&F:2023	mg/L	<0,6	10
10	Coliform	SMEWW 9221B:2023	MPN/100mL	<2	3
11	Total Surfactants	SMEWW 5540B&C:2023	mg/L	0,090	5



2.5. EMISSIONS

Greenhouse gas emissions

Greenhouse gas emissions are one of the major impacts of the manufacturing industry on the environment. Based on the goal of limiting temperature rise to below 1.5 degrees Celsius under the Paris Agreement and the Government’s commitment to “NetZero emissions”, Everpia sets a target of “net zero emissions” by 2030 for scope 1 and scope 2. Based on the method of GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol), we calculate greenhouse gas emissions as follows:

Determine the scope of operations to find emission sources:

Scope 1: Direct GHG emissions are calculated based on our fuel consumption for on-site combustion and transportation, including diesel, LPG for padding production, and diesel, petrol for transportation, adding the refrigerant.

Scope 2: Indirect emissions from the amount of electricity Everpia uses

Scope 3: We continue to research and participate in training with the Vietnam Textile and Apparel Association and the Climate Action Corps (CAC) to identify and calculate other indirect emission sources. Everpia uses emission coefficients from the IPCC guidelines on greenhouse gas inventories 2019 version and from Vietnam’s electricity grid to measure emissions. .

Results of the greenhouse gas emissions in Scope 1 and Scope 2 at Everpia’s 03 factories are as follows:

Scope	2022	2023	2024
Scope 1: Direct emissions	2.664	2.201	2.350
Scope 2: Indirect emissions	4.078	3.932	3.578
Scope 1&2	6.742	6.133	5.928



Scope 1 and scope 2 emissions in 2024 decreased by 9% over the same period. After analyzing the data, we found that the padding production generated the largest amount of CO2 emissions, accounting for 51% % of the total emissions under Scope 1 and Scope 2. Therefore, we focus on monitoring and managing detailed emissions levels for this segment. With the padding production line, we optimize the production by reducing the no-load time between the different types of products, saving electricity and LPG consumption, and regularly checking the gas pipes to avoid leakage.

Indirect greenhouse gas emissions from energy

- In fact, the Company does not generate emissions because it does not use boilers or coal in production activities.
- Every 3 months, the Company conducts emissions testing in outdoor areas and production areas to take immediate remedial measures when there is emission pollution.
- Controlling vehicles of the Company such as containers, trucks, forklifts, and passenger cars in terms of dust and smoke emissions.
- Regular maintenance of vehicles, machinery, and equipment using gasoline and DO oil to minimize exhaust pollution

Emissions

Monitoring harmful gasses is one of the most significant aspects of environmental monitoring. We understand toxic gas concentrations exceeding the allowable threshold will harm both employees and the company: a polluted environment will harm workers’ health, the company’s productivity will suffer, and the company’s reputation will be ruined. Therefore, we conduct with a regular frequency of 4 times/year.

Everpia’s main source of emissions

- Dust generated from the process of importing goods, transporting, loading, gathering raw materials and products...
- Operation of boilers used in padding production generates dust and pollutant gasses such as SO2, NOx, CO...
- Emissions generated from the operation of transportation vehicles entering and leaving the company areas

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Results of monitoring toxic gas in the factory area

No	Indicators	Testing method	Results					Unit	QCVN 26:2016/BYT
			KK1	KK2	KK3	KK4	KK5		
1	Temperature	QCVN 46:2012/BTNMT	31.6	30.9	30.9	31.8	31.8	oC	18-32
2	Humidity	QCVN 46:2012/BTNMT	51.8	57.9	55.7	60.3	48.8	%	40-80
3	Wind speed	CEECS/01	0.27	0.31	0.63	0.39	0.31	m/s	0,2-1,5
4	Noise level	TCVN 7878-2: 2010	67.8	81.2	84.6	83.9	71.6	dBA	85
5	CO	CEECS/04	<1.16	<1.16	<1.16	<1.16	<1.16	Mg/m³	40
6	SO ₂	TCVN 5971:1995	<0.27	<0.27	<0.27	<0.27	<0.27	Mg/m³	10
7	NO ₂	TCVN 6137:2009	<0.19	<0.19	<0.19	<0.19	<0.19	Mg/m³	10
8	Total dust does not contain silica	QCVN 02:2019/BYT	0.237	0.187	0.319	0.332	0.241	Mg/m³	8

Measures taken to control emissions

- Install ventilation and fume hoods to control I indoor air quality issued from the padding workshop. The system has been maintained annually by the Company’s maintenance team.
- Regularly clean factories and machinery
- For loading and unloading vehicles and trucks, carry out regular maintenance and operate with the correct load to minimize emissions

JOURNEY TOWARDS CARBON NEUTRALITY

Climate change not only creates challenges for the economy and the manufacturing industry but also directly affects consumer behavior. In the Padding and Bedding sectors, Everpia has clearly observed this shift, as rising average temperatures lead to a decrease in demand for cold-weather products, resulting in a drop in revenue

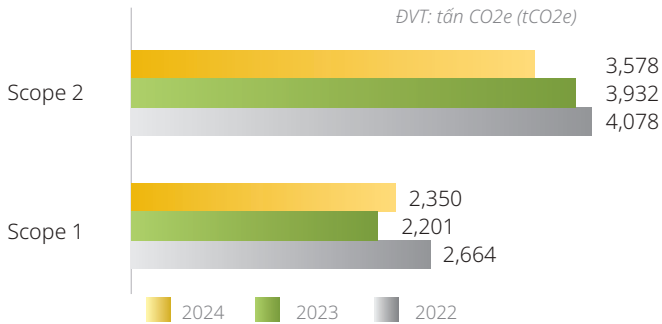
Instead of merely facing risks, we proactively adapt. Everpia is committed to reducing greenhouse gas emissions by half by 2030 and achieving net-zero emissions by 2050 – even as the company continues to grow.

By the end of 2024, we had reduced net GHG emissions by 28% compared to the 2019 baseline. In line with national commitments, Everpia continues to optimize production,

1. The first Bedding factory to achieve Net Zero Carbon

On July 24, 2024, Everpia’s factory located at Lot 16, Roads 10 and 12, Giang Dien Industrial Park, Giang Dien Commune, Trang Bom District, Dong Nai Province, officially received the EDGE ADVANCED certification from the International Finance Corporation, World Bank.

Leveraging a simple design approach to enhance the overall sustainability of the project, the Everpia Giang Điền factory was oriented towards achieving the EDGE Advance green building certification right at the design stage to optimize the factory’s performance in three areas that have the greatest environmental impact: Energy, Water, and Materials. According to the detailed assessment report, the energy-saving performance achieved 47%, water savings at 34%, and



invest in green projects, and collaborate with partners who meet sustainability standards, contributing to the maximum reduction of carbon emissions released into the environment.

material savings at 46%, resulting in a reduction of emissions compared to conventional construction by 407.36 tCO2/year.

Unlike conventional factory standards, Everpia Giang Điền has high energy efficiency due to the installation of XPS insulated wall panels, fiberglass insulation for roof panels, and energy-efficient LED lighting. Additionally, low-flow plumbing fixtures help reduce water consumption.

Currently, we are working with the supplier to install a rooftop solar power system with an output of 1,040kWp/year, which will bring the carbon emissions to Net Zero Carbon balance. The Giang Dien factory is a long-term strategic initiative, requiring the factory’s continuous efforts over five years to successfully achieve the Net Zero Carbon goal.



Energy savings

The factory is designed to optimize energy efficiency through solutions such as reducing the window-to-wall ratio to minimize heat loss, installing external shading devices to reduce the impact of solar radiation, and using energy-efficient LED lighting to reduce electricity consumption



Material savings

The floor structure is constructed with cast-in-place reinforced concrete, while the roof uses steel panels on steel beams to enhance durability. The interior walls are made of autoclaved aerated concrete blocks, which improve thermal insulation. The floor is finished with concrete and ceramic tiles, combined with aluminum window frames, all contributing to the optimization of material usage efficiency.



Water savings

The dual-flush system for the toilet helps minimize water waste, while the water-saving urinals contribute to reducing water usage. Additionally, the aerator for the faucet and the automatic shut-off faucets help control the water flow, further reducing water consumption

2. RECYCLED FIBER PROJECT

Everpia has gradually used virgin fibers with recycled fibers since 2020. In 2024, the proportion of recycled fibers used reached 76%. Using recycled materials, the Company has recycled 112 million plastic bottles, contributing to protection of the ocean from plastic waste, which is one of the urgent environmental issues globally.

Here are the types of Padding products developed by Everpia from recycled fibers

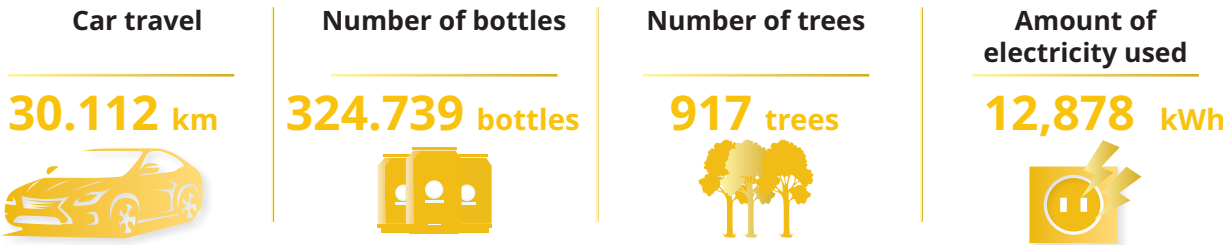
3. MEAL QUALITY MEASUREMENT PROJECT - AI FOOD SCANNER IN CANTEEN

In July 2023, Everpia cooperated with NuviLab - a Korean healthcare solution provider and installed AI food scanner devices at the factory canteen.

By recording meals, the AI food scanner devices measure the nutritional values of each dish and analyze the portion sizes, eating habits and eating speed of employees. This is an effective solution in adjusting diets to balance nutrition, thereby ensuring the health of the laborers. In 2024, by minimizing food waste, Everpia successfully reduced 6,040kg of CO2-equivalent greenhouse gas emissions



THE REDUCTION OF GREENHOUSE GAS EMISSIONS IS EQUAL TO



4. LEVERAGING THE POWER OF THE BRAND AND PRODUCTS

We believe that the journey towards net-zero emissions is not only our responsibility but also requires the collaboration of our customers and partners. By leveraging the power of our brand and improving our products, we aim not only to reduce our carbon footprint but also to enhance the sustainable experience for consumers. Specifically, we are taking the following actions:

- **Optimizing the supply chain:** Collaborating with suppliers committed to reducing emissions, prioritizing the use of recycled materials and renewable energy in production.
- **Improving logistics:** Combining orders to reduce transportation trips, selecting partners with low-

Padding products with 100% recycled PET material

Since 2021, Everpia has replaced part of the traditional fibers with Sorona fibers. Sorona, primarily composed of Bio-PDO, a type of plastic produced through a fermentation process using sugar extracted from corn. This natural fermentation process helps reduce energy consumption by 40% and limits greenhouse gas emissions by approximately 20% compared to using petroleum-based materials.

WOOL ECO is made from a blend of sheep wool and recycled fibers. WOOL ECO offers high thermal retention, excellent durability, and is safe for the skin. It serves as a sustainable input material for high-end fashion products that are eco-friendly.

emission vehicles to minimize greenhouse gases in the distribution process.

- **Revamping packaging:** Eliminating or replacing plastic packaging with recyclable or biodegradable materials, reducing environmental impact from plastic waste.
- **Guiding customers towards sustainable consumption:** Providing information on how to wash and care for products in ways that save water and energy, helping to extend product lifespan and reduce emissions during use.

Through these actions, we not only minimize our environmental impact but also inspire our customers and partners to join us in building a greener future.

IV SOCIAL RESPONSIBILITY

Besides the governance and environment pillars, society is the third most important pillar to orient Everpia towards sustainable development. Social responsibility not only shows the values we bring but also shows our respect for employees, suppliers, consumers, and the community. In addition to the business ethics standards for stakeholders, we apply the Standards of Compliance with Social Responsibility (BSCI) within the business. We build an environment that is about work and opportunities for employees to maximize their potential and achieve maximum efficiency at work; we do not merely manage people; we guarantee they are engaged, motivated, and inspired at work.



Components of management approach

	<div>POLICY</div> <div><ul style="list-style-type: none">» Salary and bonus regime» Reward regulations» Recruitment proposal from departments» Training scheme for new employees and improving skills for sewing staff» Safety - hygiene - labor policy in accordance with GRS 4.0 standards» Regulations on occupational safety in compliance with Decree 44/2016/ND-CP» Procedures and policies of GRS, OEKO – TEX 100, and BSCI systems</div>
	<div>COMMITMENT</div> <div><ul style="list-style-type: none">» Commitment to salary and benefit payment policy in compliance with Decree 90/2019/ND-CP regulating regional minimum wages;» Commit to maintaining a stable income for employees;» Commit to transparency in the recruitment process and ensures a fair and transparent working environment for applicants;» Commit to offering clients high-quality items that are completely safe» Commit to carrying out the responsibility to contribute to the development of the local community</div>

	<div>TARGET</div> <div><ul style="list-style-type: none">» Sustainable growth;» Maintain stable human resources;» Develop stable and highly skilled human resources;» Minimize workplace safety hazards for employees;» Satisfy customer needs and enhance reputation in the market;» Improve income levels, educational levels and living conditions of local workers</div>
	<div>RESPONSIBILITY</div> <div><ul style="list-style-type: none">» General Director, Board of Management</div>
	<div>POWER</div> <div><ul style="list-style-type: none">» Board of Management, Labor Union, Administration - Human Resources Department, Customer Services Department, ESG Department</div>
	<div>SPECIFIC ACTIONS</div> <div><ul style="list-style-type: none">» Publicly announce the salary and bonus regime in 2023 in Group Everpian;» Apply transparency in recruitment;» Conduct internal training programs for 932 staffs» Motivate leaders to pay more attention to employee concerns and company operations along with the business activities by encouraging employees to contribute ideas through discussions with senior managers/ Human Resources / Board of Management, call the hotline, send a letter to the feedback box;» Coordinate with evaluation firms to assess the compliance level, and then get the certificates of GRS, BSCI, OEKO - TEX 100 in 2024» Deploy many activities to prevent and protect consumers against the Everon counterfeiting issues</div>

Evaluation of management approach

- The salary and benefits policy complies with all relevant regulations.
- The KPI bonus policy and performance-based incentives for office staff have been updated.
- Overtime hours have significantly decreased thanks to efficient cost management in each department/production workshop.
- Employees are encouraged to provide feedback, suggestions, and ideas to enhance efficiency and innovation within the company through labor-management dialogue sessions.
- Scholarships and infrastructure support are provided to ethnic minority boarding schools in Dien Bien and Thanh Hoa. Scholarships are also awarded to selected students at the University of Economics in Ho Chi Minh City.

1. CONNECT WITH OFFICIALS AND EMPLOYEES



3 Basic Principles of Everpia's Culture

Throughout its formation and development, culture has always been a valuable asset that the company continually builds and preserves. Everpia's culture is the essence of its history, traditions, core values, and every individual Everpian.

Towards "New Horizons," Everpia recognizes the importance of strengthening collective power and adapting promptly to new directions. Therefore, the company has officially established Everpia's behavioral culture, which serves as a guiding principle for all employees.

RESPECT	QUALITY	CLARITY
Everpia nurtures respect – for oneself, colleagues, the company, and partners – as a part of our collaborative culture.	Everpia maintains and ensures quality not only in products but across all areas, from production processes to employee welfare, in order to create differentiation and assert its leadership position in the industry.	We are steadfast in our integrity and honesty in all activities, continuously enhancing transparency, accountability, and professionalism.

Our Code of Conduct has been widely disseminated to the Board of Directors, the Executive Board, and all employees, and it is transparently published on the company website to affirm our commitment to integrity and excellence in all activities.

1.1 EMPLOYEE LIFE CYCLE

Employee retention determines the health and growth of Everpia. We understand that a high turnover rate will negatively affect the company's performance and reputation. Therefore, our employee retention strategy focuses on increasing the positive employee experience, interaction, and connection with Everpia at each employee lifecycle stage, starting from recruitment until the time of termination of employment.

RECRUITMENT



- Our recruitment information is posted publicly and transparently on the recruitment section on our website "everpia.vn" and Facebook page "Everon recruitment."
- Employees are also recruited from within the company or through employee referrals. However, that doesn't imply that we will give priority to those candidates and skip any recruitment procedures.
- Develop a suitable recruitment process and requirements for each professional position, each target group and each department.
- Individuals belonging to policy families or ethnic minorities mostly have difficult circumstances, especially economically and lacking in facilities. In order to help these people have equal rights with others in society and have opportunities to participate in the labor market, in December 2021, the Human Resources Department presented a proposal for approval by the Board of Directors during the company meeting. Accordingly, we will have a scoring criterion for each candidate on a scale of 100, and candidates from policy families or ethnic minorities will receive a priority bonus of 3-5 points.
- Everpia commits not to use child labor

INTEGRATION – TRAINING – RETENTION



- Creating an ideal working environment is our way of attracting and retaining talent. Regardless of gender, education level, or position, all employees receive equal treatment based on performance and ability to work. Respect for diversity and equal opportunities is affirmed through our corporate culture and even in the recruitment process to effectively manage and operate human resources.
- We always strive to improve the salary policy, issue many innovative bonus programs, and improve working quality in order to create and maintain motivation for employees.
- We always offer our staff professional training and skills through internal training sessions and in-depth training. From the impact of the Covid epidemic, we want to improve the self-learning spirit of employees through the online learning program "Everon Academy" and improve training methods through the new training program "Versatile Employees" – training one person to be able to do many different tasks.
- We establish occupational safety and health standards that are applicable to all employees. We also periodically train employees on occupational safety, inspection, and reporting the execution of rules on standards to guarantee a safe working environment for employees.
- Every year, we provide our workers with a meaningful playground through two major annual events: the year-end party at the end of December and the sports festival at the end of March to strengthen the connection and get a deeper understanding of one another. Members and their families can get together, interact, and participate in these activities.

LABOR TERMINATION



Every employee is a part of the Everpian community and even when they leave, we always feel grateful for their efforts and contributions during their working time.

- For everyone who leaves the job, we conduct a survey as a basis for making improvements to improve the quality of the working environment.
- At Everpia, leaders also act as "career mentors". They are ready to give advice and support employees who are about to leave their jobs in orienting the next path.
- Employees are supported so that the handover procedure is carried out smoothly and the company's obligations to the employee are fully paid before leaving.
- Information on employee departures and records of their contributions will be posted on our Everpian community group.

In accordance with the Board of Directors’ Resolution No. 007/2024/HĐQT/NQ regarding the downsizing of the production and business activities in the Towel product line, while simultaneously developing the recovery and growth plan for 2024-2025, the company has evaluated and reorganized its personnel for the entire company in 2024. As a result, 71 new employees were hired, and 272 employees resigned

* Quantity and ratio of employee new hires by gender and age group

Criteria	Quantity					
	Male			Female		
	<30	30-50	>50	<30	30-50	>50
North area	3	2	1	7	2	
South area	17	12		16	5	2
Total by age	20	14	1	23	7	2
Total by gender	35			36		
TOTAL	71					

* Quantity and ratio of employee turnover by gender and age group

Criteria	Quantity					
	Male			Female		
	<30	30-50	>50	<30	30-50	>50
North area	19	20	9	25	29	2
South area	59	25	16	14	32	22
Total by age	78	45	25	39	61	24
Total by gender	148			124		
TOTAL	272					

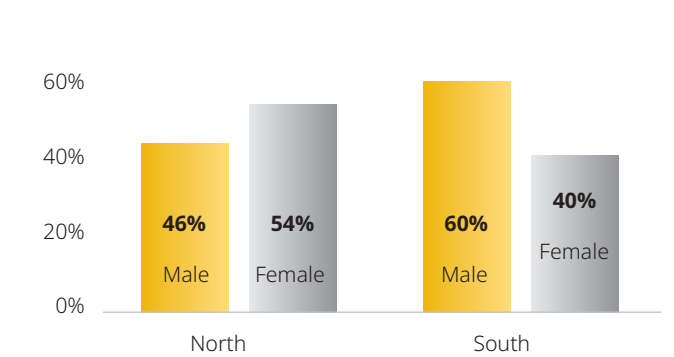
1.2. WELFARE REGIME

Apart from ensuring basic rights for employees in accordance with the regulations including salary, insurance, and allowance regimes, Everpia also proactively offers suitable remuneration policies for employees. When becoming an official employee of Everpia, benefits beyond the basic salary include:

- i. Cars for senior managers, cars for employees on business trips;
- ii. Daily pick-up and drop-off buses for office staff, parking fees support, travel allowance of 10,000 VND per worker;
- iii. Housing rent support of 30,000VND/day for out-of-province staff from May 1, 2022;
- iv. Seniority allowances;
- v. Attendance allowance, Telephone allowance;
- vi. Kid allowance for employees with children under 06 years old 100,000 VND/month/child;
- vii. Sick/wedding/funeral allowance for employees and their families;

- viii. Toxic and dangerous allowances apply to heavy, hazardous, and dangerous labor jobs;
- ix. Allowances for employees under harsh working conditions: providing snacks such as cakes, milk, ice, etc. to serve workers in factories during hot days or overtime.

* Resignation rate by gender and region



Unit: VND

Benefit type	Benefit name	Value (VND)
Obligatory	Social insurance	16,930,663,932
Obligatory	Health Insurance	864,603,729
Obligatory	Unemployment insurance	289,182,243
Obligatory	Union fee	1,593,981,170
Obligatory	Physical examination	148,519,500
Voluntary	Meal allowance	5,949,678,400
Voluntary	Pick up cars & buses	2,899,973,718
Voluntary	Child support allowance	286,450,000
Voluntary	Birthday	163,800,000
Voluntary	Parking support	36,186,000
Voluntary	Awards for excellent staffs	90,500,000
Voluntary	Attendance allowance	2,380,300,000
Voluntary	Traveling support	3,203,077,238
Voluntary	Teambuilding	1,596,029,308
Voluntary	Housing rental support	2,675,970,000
TOTAL		39,108,915,238

The total salary and benefits the Company paid in 2024 is 176 billion VND, of which the total salary is billion VND, accounting for 78%. The voluntary expenses are 39 billion VND. During the year, the company also provided additional benefits to employees through housing support expenses, with a total cost of 2.7 billion VND.

Maternity

Among social welfare regimes, maternity regime is one of the most concerning issues. In 2024, across the company there were 75 employees entitled to maternity benefits, including 60 female employees and 15 male employees. 95% of employees after maternity leave continued working.

Total number of employees who have taken or are currently on maternity leave	75
Total number of employees who returned to work in the year after completing maternity leave	67
Total number of employees who returned to work and were retained within 12 months after completing maternity leave	71

Collective activities

Every year, Everpia has the tradition of organizing two large collective activities: the year-end party on December 31st and the Sports festival on the first Saturday of March. These are the meaningful playgrounds for employees and their families to gather, share and participate in activities to enhance solidarity and better understand each other.

In 2024, Everpia did not organize trips as in previous years but focused more on training programs. Instead of long trips, Everpia flexibly incorporated entertainment activities into the training programs. The classes not only provided professional knowledge but were also designed with interactive games, team challenges, and light physical activities to create a fun atmosphere and reduce stress. This was not only an opportunity for employees to develop themselves but also helped strengthen teamwork and foster connection between departments. Although there were no long trips, with this creative approach, Everpia still offered employees interesting experiences, allowing them to both absorb new knowledge and enjoy meaningful moments of relaxation

1.3. PERSONAL DEVELOPMENT OPPORTUNITIES

In order to attract and develop talent, Everpia aims to implement the following activities:

Enhance recruitment quality and attract talent

Create more career development opportunities and employee retention

Encourage a culture of lifelong learning

At Everpia, the development of people is synonymous with the development of the company. Recognizing the importance of enhancing human resources, we always create opportunities

WELCOMING TALENT

With improvements in the “Onboarding” program, Everpia has provided positive experiences for new employees, helping them quickly integrate and feel proud to become part of the company. Not just a simple introduction program, “Onboarding” also serves as a bridge that helps employees deeply understand the company culture, strengthens connections, and ignites enthusiasm for work from day one.

Since 2023, Everpia has implemented the “Onboarding” program with a structured plan that lasts for the first two weeks of employment. Each new employee receives a welcome email upon joining, tours the office and factory, and is directly

HUMAN RESOURCE DEVELOPMENT

Everpia is making a strong investment in training in 2024, with 123,024 hours of training for both office staff and direct workers at the production workshops. The training strategy is built on principles that comprehensively and reasonably meet needs, ensuring effectiveness, flexibility, and purposefulness.

The training needs for employees are identified comprehensively, based on the required competencies and skills for each job position and the company's development direction. The training content is systematically designed, updated with the latest knowledge, and divided into the following areas:

for all employees to receive training in professional knowledge, labor skills, and soft skills through internal training sessions, specialized training with experts, and seminars

introduced to relevant departments and teams. Notably, they will have the opportunity to receive hands-on training at the production workshops, where they can witness the production process and the unique aspects that contribute to Everpia's product quality.

The program not only helps employees quickly familiarize themselves with their work but also creates a connection between people and the organization, helping them understand their value within the broader picture of Everpia. This is a solid starting point, preparing every new employee to accompany and grow with the company.

- Occupational Safety Training/Standards – Systems: Ensuring that employees comply with occupational safety regulations.
- Professional Training: Enhancing knowledge and professional skills for various job functions.
- Skills Training: Creating versatile workers who can perform multiple job roles.

No	Training contents	No. of training sessions	Number of training hours (hours)	Number of participants (people)
1	Company policy	4	16	113
2	Office software and AI applications	3	12	103
3	Human resources software HRIS and enterprise resource planning software ERP	4	16	86
4	Fabric and quality standards	1	4	42
5	Production process	4	16	122
6	Finished products and quality	8	32	189
7	Occupational safety training and productivity improvement	7	28	262
8	Training sewing workers to operate embroidery lines so that workshops can support each other when needed	2	8	15
Total		33	132	932

SELF-STUDYING SPIRIT

Through a pilot e-learning program called “Everon Academy” on the Company's internal software, we hope to build a spirit of self-learning in the entire Everpia community. Accordingly, the content of lectures by foreign experts will be recorded and uploaded to the system along with related documents. Most

POTENTIAL CREATIVITY

At Everpia, workers are not only those who directly produce but also creators who contribute to the continuous development of the company. In 2024, many groundbreaking initiatives were proposed and implemented by the staff, bringing noticeable results in the production process:

- Automatic fabric cutting hanging table: The design of the hanging table, which can be raised and lowered automatically, helps reduce physical labor, creates a more convenient working environment, and increases productivity.
- Improvement in mattress cover process: The previous time for covering the mattress was 6 minutes 46 seconds, which has now been reduced to 2 minutes 30 seconds - a 62% reduction, significantly optimizing production time..
- Reorganization of the pocket spring mattress production layout: The related processes have

REWARD SYSTEM

- Periodic evaluation of sewing workers' skills: Every quarter, sewing workers at the workshop are evaluated on their skills and sewing abilities by seasoned senior leaders at the company. If they pass the evaluation test, they will receive a subsidy ranging from 700,000 VND to 1,300,000 VND, corresponding to each skill level in line with their job grade.
- Every 6 months, Everpia organizes a Innovation conference, where each department presents their work improvement initiatives to the BOM. The top 5 initiatives, based on scores given from the BOM, will be awarded

of the lesson content is related to the process and innovative options for the production department. For other departments, self-study is also conducted through online training sessions with experts and attending seminars held by organizationsc.

been arranged closer together, reducing product movement time and enhancing work efficiency.

- Improvement in the process of sewing mattress topper covers for export (100x140 cm): Previously, using a regular presser foot caused wrinkles in the seams and took 7.5 minutes per unit. After switching to a multifunctional wheel presser foot, sewing time was reduced to 6 minutes per unit- a 20% reduction - while also improving the seam quality.
- Optimization of the sewing process for decorative panels (35x140 cm): placing the regular presser foot with a guiding presser foot helped reduce sewing time from 3 minutes 20 seconds to 2 minutes 30 seconds, saving 50 seconds per unit— equivalent to a 25% reduction.

and recognized as a way to acknowledge the continuous efforts of departments and individuals.

At the end of the year, all employees are evaluated on their work performance, and the best employee and department are selected through a transparent and fair voting process. For management staff, evaluations are conducted twice a year through two steps:

- Self-assessment
- Line manager's evaluation and ranking of performance.



1.4. A FAIR, CIVILIZED AND DEMOCRATIC WORKPLACE

“ Creating an ideal working environment is essential for Everpia, as it is the key to attracting and retaining talent. We want every employee who comes to Everpia to feel that this is where they truly belong. All staff members are treated fairly based on their performance and capabilities, regardless of gender, educational background, or position. Respect for diversity and equal opportunity is upheld throughout our corporate culture, recruitment process, and human resource management and operations.

Diversity of management and employees

Type of labor	Male				Female			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Staff	46	202	66	314	99	384	78	561
Manager	0	28	16	44	0	42	4	46
Senior manager	0	13	7	20	0	13	2	15
TOTAL	46	243	89	378	99	439	84	622

Due to the nature of Everpia's business in the garment industry, the proportion of female employees under the age of 50 is high at the staff level. However, at the management level (from department head upwards) and senior management level (from division head upwards), the ratio of men to women is quite balanced. This reflects the company's fair and transparent policies in evaluating and appointing personnel. Everpia also applies a uniform salary and compensation policy for both men and women, ensuring there is no discrimination in income.



Policies and Benefits for Female Workers

Everpia implements policies and regulations related to female workers in an open and transparent manner, based on the principle of ensuring the highest benefits and interests for female workers, providing them with a comfortable working environment and opportunities for comprehensive development. At the same time, Everpia strictly adheres to legal regulations regarding female workers, ensuring there is no gender discrimination in recruitment, training, and promotion.

Female workers at Everpia are entitled to full maternity benefits as per regulations, and are provided with favorable conditions to balance work and family care. The company applies a flexible working hours policy and special leave provisions specifically for female workers. Additionally, to increase benefits and show care for female employees, Everpia also supports maternity allowances during maternity leave and monthly childcare subsidies.

Policies to protect employee rights

- Everpia commits to not employing workers under the age of 18 and does not use forced labor. This has been confirmed by BSCI experts.
- Training and awareness raising: The HR department and Trade Union regularly organize workshops on human rights, answer questions, and share experiences to enhance employees' understanding of their rights..




Democratic regulations and dialogue in the workplace

At Everpia, employees are valued and empowered through clear regulations regarding workplace democracy.

- Employees have the right to express opinions and decide on the content of the collective labor agreement negotiations, and are encouraged to participate in Trade Unions and other professional organizations.
- Quarterly dialogues are held between the management team and employees, or a Workers' Conference is organized to collect feedback. Opinions on updates regarding business operations, discussions about labor contracts, collective labor agreements, working conditions, and other employee or employer demands are updated to the Trade Union.
- In case of any arising issues where either party requests an ad-hoc dialogue, both parties must arrange a meeting within 10 working days from the date of the request.
- Maintains a suggestion box and an internal hotline for employee feedback.


1.5. OCCUPATIONAL SAFETY AND HEALTH

Everpia is willing to do every possible way to create a safe and healthy environment for all employees. We set occupational safety and health standards that apply to all Everpia employees.




LABOR HEALTH

- Besides the officer in charge of overall occupational safety and health in the Sustainability Committee, Everpia also established an occupational safety and health team (OHS) at 03 factories, in which each factory appoints 1-2 representatives to ensure occupational safety and health is implemented and closely monitored.
- Every Tuesday, the OHS team collaborates with the Factory Innovation Team to check the implementation of 5S cleaning at the facilities.
- Every 06 months or in case of emergency, the OHS will report the situation to the Board of Directors and Trade Union and notify the Sustainability Committee to agree on the implementation, and direction, and provide quick and timely solutions.
- Health checks are provided to all employees once a year, or twice a year for employees doing laborious or toxic work. The original health records are delivered to each employee in sealed envelopes. General information is transferred in hard copy to the Human Resources Department and is kept confidential in a locked file cabinet, directly managed by the Head of the Department.



LABOR SAFETY

- The Trade Union develops provisions specifying the responsibilities and obligations of employees and employers regarding occupational safety issues in the Collective Bargaining Agreement.
- When a health and safety-related accident occurs, an Investigation Team, presented by a Board of Management representative, the Chairman of the Trade Union, the Medical Department leader, and the Officer in charge of OHS, will be immediately formed, and the occupational accident investigation process will be activated. Our Medical Department will provide support to contractors working at Everpia.
- Reviews of the entire production process and working environment are conducted at all factories, potential impacts on the environment and employees are assessed, and occupational safety and health risks are classified.
- Communication and training for each employee are conducted on an annual basis and before starting work, at the same time protective equipment is provided and the safety compliance of employees is strictly supervised.
- Training on fire prevention and fight and first aid are provided.
- Place warning signs in high-risk areas.
- Every Saturday morning, before starting work, gather workers for training and remind them to follow occupational safety regulations.



LABOR ACCIDENTS

As a manufacturing company with 77% direct labor, Everpia always prioritizes occupational safety and continually implements measures to protect the health and lives of workers. We continuously remind, train, and monitor to ensure all employees strictly adhere to safety regulations.

However, it is regrettable that in 2024, the company recorded one workplace accident during machine cleaning at the Hanoi factory, resulting in a 73% injury rate. This incident serves as an important reminder, motivating us to further enhance safety measures to minimize labor risks.

In addition to the measures that have been implemented for many years, such as:

- Provide adequate labor protection equipment for employees, and ensure working areas are always clean and safe.
- Regularly check working equipment and tools to ensure they are in good condition and do not pose any danger to workers.
- Analyze and assess occupational risks to have appropriate prevention solutions.
- Regularly inspect and supervise to ensure that occupational safety is fully and effectively implemented.
- Raise awareness and responsibility of employees, educate and train employees on occupational safety

We have implemented the following additional measures:

- Organizing emergency response drills to help workers react quickly in the event of an incident.
- Strengthening safety supervision during shifts to ensure workers adhere to proper equipment operation procedures.

2. STRATEGIC PARTNERSHIP WITH SUPPLIERS

In order to spread the values of sustainable development towards the goal of reducing greenhouse gas emissions and building a diversified and balanced ecosystem in the supply chain, from 2022, Everpia has added 02 criteria in its supplier selection including:

- **Innovation and development:** Suppliers need to be innovative and progressive to provide Everpia with the latest products and services, in line with the market demands
- **Compliance with environmental regulations and business ethics:** Suppliers need to comply with environmental regulations and business ethics to ensure consumer safety and protect customers' right..

Besides, there are 04 basic criteria including:

- **Credibility:** A supplier's credibility is reflected in their legal status, policies, methods, procedures control, and compliance. This is demonstrated by suppliers' legal records and transaction history with other partners
- **Quality, cost, and delivery:** Quality is always the most important aspect of Everpia's supplier selection, especially when it comes to materials as it has a direct impact on our products. Reasonable costs and on-time delivery are also other key factors since they enable us to lessen the burden of prime cost and avoid the risk of materials scarcity
- **Financial capacity:** The financial stability of the supplier determines whether the supplier continues to be a reliable partner of Everpia and whether the supply of products and services will not be disrupted due to the financial risk.
- **Long-term relationship:** Everpia believes that to build a long-term relationship, both parties must work toward the mutual goal of supplying the best products to customers, not only through product and service quality assurance but also through supply chain sustainability practices.

How does Everpia collect supplier information?

- Information is collected through direct interaction, referencing the existing partner network, or searching the internet.



- Prior to the transaction, or at least once a year for Principle Contracts, the content of price and delivery time will be negotiated. If an issue arises, Everpia and the supplier will discuss and agree on a solution based on the idea of interest harmonization.
- Raw material traceability is mostly accomplished through OekoTek certification and direct interviews with suppliers.

Does Everpia prefer Vietnamese suppliers or foreign suppliers?

In 2024, Everpia partnered with 240 suppliers, ensuring a stable supply chain for production and business operations. Of these, 85% are domestic suppliers, reflecting our commitment to supporting and promoting the development of the accessories industry in Vietnam. The total transaction value with suppliers, including raw materials, products, and outsourced services, reached 617 billion VND. However, due to high quality requirements to meet the strict standards of the market, all major raw materials such as fabric and fiber are still imported from South Korea and China. For accessories such as elastic, threads, interlining, and resin, Vietnamese suppliers dominate. Everpia is constantly seeking optimal solutions to ensure product quality while increasing the localization rate in the supply chain. We prioritize cooperation with domestic suppliers who meet quality standards, in order to enhance resource independence and promote the sustainable development of the Vietnamese textile industry. We believe that, with the growth of the domestic supply chain, the participation of Vietnamese suppliers in Everpia's value chain will become increasingly significant.



3. RESPONSIBILITY TO CONSUMERS

As a consumer goods manufacturer, it is not only our responsibility but also our purpose to protect our consumers' health and safety. Everpia rigorously researches the impact of each product line on consumers' health at each stage.



- Regarding the initial control stage, the R&D department of each business unit takes responsibility. This section will create new features for items to fulfill various customer requirements through research and market demand analysis. The finished product will be made available immediately after several testing and improvement phases.
- Regarding the production stage and after finishing, all raw materials, semi-finished products, and finished products are stored under standard temperature and humidity conditions. Output products must pass the final quality check before being stored and delivered to consumers, including metal detection, iron filings in cotton, spring elasticity mattress testing, as well as other product quality standards. Everpia is the first manufacturer in Vietnam to equip a curtain steaming machine with Korean technology, which can create and sustain waves for curtains while destroying 99.9% of bacteria such as staphylococcus aureus and bacilli.
- Regarding the obligation to provide product information for customers, 100% of Everpia's output meets this criterion. For semi-finished goods of padding, quilting, and fabrics, we standardize and comply with the product specifications in each contract; the manufacturer will also have full information to provide to the end users. For bedding, curtains, and cleaner that is distributed directly to users, apart from presenting all the necessary information on product labels, we also create videos and articles about the use of each fabric, or each product, as well as instructions for proper use and care, and widely disseminated through social networks to provide more information to customers.

Customer feedback is a reliable and valuable source of information for us to evaluate product impact and make reasonable adjustments. Customers are encouraged to send their feedback after using the product to Everpia through our store system, hotline, website, or social media accounts.

No	Label type	Content
1	Product information	(i) Product name (ii) Specifications: material, size...; (iii) Instructions for use and maintenance; (iv) Name, address, and phone number of Everpia.
2	Brand	The brand name is printed on packages or attached to the products, for the purpose of recognition and preventing counterfeiting
3	Quality inspection stamps	Confirmation of passing the final inspection and eligibility for circulation
4	Product barcode	Including product name and internal code, listed selling price
5	Anti-counterfeiting stamps	The company logo, applies the technology of broken-stamp & ice-testing techniques 6.0, allowing SMS verification to authenticate the genuine products.
6	Warranty	Red company stamps and the information fields need to be provided for the warranty

MEASURES TO PREVENT AND COMPLETELY SOLVE THE COUNTERFEITING ISSUES

Everon bedding is frequently imitated, seriously harming the interests of consumers. In light of how severe it is, the firm has put in place a number of steps to prevent and address the issue of fake and counterfeit items:

1. Inform on all channels owned by Everon: actively promote on social media to warn customers to be aware of fake and counterfeit products and to avoid falling into tricks of counterfeit goods sellers.
2. Call for the participation of the press: The cases handled by the law due to the production and sale of Work with representatives of e-commerce platforms: Everpia has been working with representatives of the Shopee e-commerce site to regularly review and handle accounts selling fake products, imitating Everon brand.
3. Coordinate with authorities to dismantle organizations selling fake and counterfeit goods: With the cases of selling fake and counterfeit goods with sophisticated details and remarkable scale, Everpia has coordinated with the authorities to promptly handle them.
4. Actively participate in anti-counterfeiting events: Recently, a representative of Everpia participated in the seminar “The current situation and solutions to identify counterfeit goods and intellectual property violations from the perspective of Korean enterprises with the desire to raise the issue of fake and counterfeit goods, while simultaneously calling for a more synchronous and drastic intervention from the authorities.

CUSTOMER INFORMATION SECURITY

The number of customers shopping at the company's online shopping platform is constantly increasing, up to now, more than 520,000 customers have created accounts at the online sales website www.everon.com, Facebook Everon has 141,000 people. Facebook K-Bedding has 30,000 followers. Security of customer data is not only fulfilling the commitments made to customers but also creating a healthy and sustainable business environment. To ensure the security of customer information, Everpia synchronously implements the following measures:

1. Apply a strict security system to prevent unauthorized people from accessing customer information
2. Educate employees about information security to ensure employees understand the importance of protecting customer information and know how to apply effective information security measures.
3. Check and evaluate the information security policy regularly to ensure its effectiveness and enhance the company's capacity to respond in safeguarding consumer information.



AGENT SYSTEM

Everpia applies a strict evaluation and monitoring process for each distributor to ensure they fully meet the company's standards. Specifically, the evaluation criteria include:

- **Product quality:** All distributed products must be genuine, meeting full standards for quality, safety, and clear origin. Everpia is committed to preventing counterfeit and substandard goods from entering the system.
- **Organizational and management capacity:** Everpia requires its partners to have a well-structured organization, management, and personnel operations system, ensuring stable operations and the provision of professional services to customers.
- **Customer service and consumer rights protection:** Agents must strictly adhere to Everpia's service, warranty, and customer care policies, which include:
 - » Providing transparent information about products, clear return and warranty policies.
 - » Ensuring a quick and effective process for receiving and resolving complaints.
 - » Assisting customers during product use, offering detailed advice on how to store and use the products correctly.
- **Protection of customer information:** Everpia requires all agents to protect customers' personal information in accordance with regulations, ensuring that data is not used for commercial purposes without customer consent.

In addition to quality supervision, Everpia also implements various training programs and support for agents to enhance the customer experience. These activities include: improving sales consultation skills, guiding the handling of complaints, and ensuring that products are always available on shelves in the best storage conditions. With these commitments, Everpia continuously improves its distribution system to provide a safe, convenient, and reliable shopping experience for consumers.

4. RESPONSIBILITY TO THE COMMUNITY

As a business entity in society, Everpia is aware of its role and responsibility towards the community. By contributing to the local community as well as to Vietnamese society, we play an active role in fostering community prosperity and development, empowering the success of community members, and strengthening community connections.

In 2024, Everpia contributed a total of 2 billion VND to social activities, including disaster aid, educational support, and improving the lives of its employees. These contributions demonstrate Everpia’s strong commitment to building a sustainable community where every individual has the opportunity to rise and improve their quality of life.

• Disaster Aid and Emergency Relief

After the devastation caused by Typhoon No. 3 – Super Typhoon Yagi in the northern provinces, Everpia quickly launched a fundraising campaign to support the affected areas. With the spirit of “mutual assistance,” Everpia’s employees joined hands to donate cash, food, milk, and essential supplies such as clothing, blankets, and school supplies. Company representatives personally visited households affected by



the storm, delivering meaningful gifts and offering words of encouragement to help the people overcome their difficulties.

• Educational Support – Investing in the Future Generation

Everpia believes that education is a crucial foundation for the sustainable development of society. Therefore, the company has implemented several educational support programs, including:

- » Awarding scholarships and providing bedding products for the student dormitories at Pô Nhữ Ethnic Boarding School (Dien Bien Province), Nguyễn Chí Secondary School, and Thanh Hóa Ethnic Boarding School to assist students from disadvantaged backgrounds and help them have better living and learning conditions
- » Awarding scholarships to students at the University of Economics Ho Chi Minh City to encourage and support outstanding students in continuing their academic journey.

• Caring for Employee Well-being

At the end of the year, the company’s trade unions at branches organized a special Tet gift program for 20 employees facing difficult circumstances, helping them have a warmer and more fulfilling Tet holiday.



V. GRI INDEX

This sustainability report is one of Everpia’s tools for informing the public about the management and advancement of our sustainability activities.

Everpia’s Sustainability Report has been prepared according to GRI standards, the core option - a widely recognized international standard from the Global Reporting Initiative (GRI), for the fiscal year from January 1st 2024 to December 31st 2024. General standards and information disclosure standards are presented in accordance with the guidelines at GRI 2021, which take effect from January 1st 2023.

Unlike the Consolidated Financial Statements in Chapter 6 with reports on the scope of the Company and Subsidiaries, the Sustainability Report covers the entire Everpia Joint Stock Company (excluding Subsidiaries), where production activities occur and have significant effects on the environment, labor, and society. This report also highlights Everpia’s dedication to aligning with the United Nations’ Sustainable Development Goals.

Everpia adheres to the principles of honesty, accuracy, and transparency when disclosing figures in reports by third parties:

- Operational processes, compliance with regulations on the working environment, performance indicators (policy on environmental compliance - safety - labor, labor policies, welfare, salary, and bonus and commitments on social responsibility, number of recycle chips used, recycle volume produced) are standardized into SOPs and guaranteed by GRS, Higg Index.

- The social responsibility index is periodically evaluated by several customers who are leading fashion brands in the world.
- Information about products and non-toxic production processes such as the origin of raw materials, materials, and quantities of materials used in production are guaranteed by Oekotex100.
- ¾ Information about the results of measurement and testing of the working environment (indices of microclimate, light, noise, dust concentration, toxic gas) is guaranteed by the National Working Environment Monitoring Station.
- Information on waste treatment (wastewater and solid waste volume and treatment costs) is confirmed by specialized companies providing wastewater and hazardous waste disposal services.
- Information on waste treatment (wastewater and solid waste volume and treatment costs) is confirmed by specialized companies providing wastewater and hazardous waste disposal services
- Information on the results of occupational workplace assessments (microclimate index, light, noise, dust concentration, toxic gas) is guaranteed by Dai Nam Environment Joint Stock Company.
- Financial information (revenue, profits, taxes, bonus and welfare fund) is audited by Ernst & Young.

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EVERPIA JOINT STOCK COMPANY

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

GENERAL INFORMATION

THE COMPANY

Everpia Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam following a change in legal form from a 100% foreign-owned company, Everpia Vietnam Co., Ltd., in pursuant to the Investment Certificate No. 011033000055 issued by Hanoi Department of Planning and Investment on 27 April 2007, and the subsequent amended Investment Certificates, with the latest, being the 21th Amended Investment Registration Certificate, dated 28 April 2022.

The shares of the Company have been listed (under ticker of EVE) on the Ho Chi Minh City Stock Exchange since 17 December 2010.

The principal activities of the Company are to produce, distribute (wholesale and retail) and export bedding-related products and other activities as registered in the investment certificate.

The Company has its head office located at Duong Xa Commune, Gia Lam District, Hanoi and seven branch offices located in Hung Yen, Ho Chi Minh City, Hoa Binh, Dong Nai, Binh Duong, Da Nang and Khanh Hoa, respectively.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Cho Yong Hwan	Chairman	
Mr Lee Jae Eun	Member	
Mr Yu Sung Dae	Member	
Mr Le Kha Tuyen	Independent member	
Mr Yi Seung Mok	Independent member	Appointed on 24 April 2024

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr Truong Tuan Nghia	Head of Board of Supervision
Mr Ko Tae Yeon	Member
Mr Nguyen Dac Huong	Member

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Mr Lee Jae Eun	General Director
Mr Cho Yong Hwan	Deputy General Director in charge of Ho Chi Minh City Branch
Mr Yu Sung Dae	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Lee Jae Eun, General Director of the Company.

AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

REPORT OF MANAGEMENT

Management of Everpia Joint Stock Company (“the Company”) is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2024.

THE MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Company and its subsidiaries and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing these consolidated financial statements, the management is required to:

- » select suitable accounting policies and then apply them consistently;
- » make judgements and estimates that are reasonable and prudent;
- » state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- » prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and its subsidiaries and for ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY THE MANAGEMENT

The management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprises Accounting System and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

Hanoi, Vietnam
24 March 2025

Thay mặt Ban Tổng Giám đốc:

Lee Jae Eun
General Director

Reference: 11453398/68482221

INDEPENDENT AUDITORS’ REPORT

To: The Shareholders of Everpia Joint Stock Company

We have audited the accompanying consolidated financial statements of Everpia Joint Stock Company (“the Company”) and its subsidiaries as prepared on 22 March 2025 and set out on pages 5 to 45, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management’s responsibility

Management of the Company is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as the management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ responsibility

Our responsibility is to express an opinion on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company’s preparation and fair presentation of the consolidated 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 Company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

Nguyen Manh Hung
Deputy General Director
Audit Practising Registration
Certificate No. 2401-2023-004-1
Hanoi, Vietnam 26 March 2025

Le Thi Thu
Auditor
Audit Practising Registration
Certificate No. 5606-2020-004-1

CONSOLIDATED BALANCE SHEET

as at 31 December 2024

B01-DN/HN
Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		740,856,476,417	770,385,094,402
110	I. Cash and cash equivalents	4	19,500,426,548	40,858,611,052
111	1. Cash		18,905,252,130	39,012,957,587
112	2. Cash equivalents		595,174,418	1,845,653,465
120	II. Short-term investments		299,099,369,509	223,235,937,241
123	1. Held-to-maturity investments	5	299,099,369,509	223,235,937,241
130	III. Current accounts receivables		154,559,767,472	182,263,347,093
131	1. Short-term trade receivables	6.1	155,003,878,405	167,122,003,180
132	2. Short-term advances to suppliers	6.2	8,630,730,843	9,806,656,928
136	3. Other short-term receivables	7	20,603,115,713	34,081,683,482
137	4. Provision for doubtful short-term receivables		(29,677,957,489)	(28,746,996,497)
140	IV. Inventories	9	253,459,104,730	318,859,392,606
141	1. Inventories		307,370,576,767	350,972,238,074
149	2. Provision for obsolete inventories		(53,911,472,037)	(32,112,845,468)
150	V. Other current assets		14,237,808,158	5,167,806,410
151	1. Short-term prepaid expenses	13	3,164,429,740	3,171,222,115
152	2. Value-added tax deductible		11,073,378,418	1,996,584,295

CONSOLIDATED BALANCE SHEET (continued)

as at 31 December 2024

B01-DN/HN
Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		543,331,520,296	585,485,974,868
210	I. Long-term receivables		2,863,666,309	3,114,021,409
216	1. Other long-term receivables	7	2,863,666,309	3,114,021,409
220	II. Fixed assets		315,335,836,967	352,165,213,136
221	1. Tangible fixed assets Cost Accumulated depreciation	10	313,979,656,197	351,190,821,438
222			768,295,145,114	774,106,278,847
223			(454,315,488,917)	(422,915,457,409)
227	2. Intangible fixed assets Cost Accumulated amortisation	11	1,356,180,770	974,391,698
228			42,337,241,798	41,721,106,292
229			(40,981,061,028)	(40,746,714,594)
240	III. Long-term assets in progress		-	1,019,733,800
242	1. Construction in progress		-	1,019,733,800
250	IV. Long-term investments	12	64,626,454,734	60,556,466,482
252	1. Investments in associates		11,590,390,000	11,590,390,000
253	2. Investments in other entities		9,966,200,000	10,356,200,000
254	3. Provision for diminution in value of long-term investments		(12,550,390,000)	(12,985,341,499)
255	4. Held-to-maturity investment		55,620,254,734	51,595,217,981
260	V. Other long-term assets		160,505,562,286	168,630,540,041
261	1. Long-term prepaid expenses	13	138,196,114,161	146,002,881,797
262	1. Deferred tax assets	26.3	22,309,448,125	22,627,658,244
270	TOTAL ASSETS		1,284,187,996,713	1,355,871,069,270

CONSOLIDATED INCOME STATEMEN

for the year ended 31 December 2024

B02-DN/HN
Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		335,689,501,995	355,899,753,750
310	I. Current liabilities		232,635,718,734	233,682,771,214
311	1. Short-term trade payables	14.1	42,703,524,145	41,219,860,824
312	2. Short-term advances from customers	14.2	16,898,909,483	19,186,940,891
313	3. Statutory obligations	15	2,813,430,211	7,329,424,459
314	4. Payables to employees		21,735,914,151	25,802,587,704
315	5. Short-term accrued expenses		1,921,422,779	978,892,917
319	6. Other short-term payables	16	1,997,167,120	1,563,083,690
320	7. Short-term loans	17	144,565,350,845	137,601,980,729
330	II. Non-current liabilities		103,053,783,261	122,216,982,536
337	1. Other long-term liabilities	16	22,236,301,034	19,899,500,309
338	2. Long-term loans	17	80,817,482,227	102,317,482,227
400	D. OWNERS' EQUITY		948,498,494,718	999,971,315,520
410	I. Owners' equity		948,498,494,718	999,971,315,520
411	1. Issued share capital	18	419,797,730,000	419,797,730,000
411a	- Shares with voting rights		419,797,730,000	419,797,730,000
412	2. Share premium	18.2	184,195,877,847	184,195,877,847
417	3. Foreign exchange differences reserve		(3,728,916,371)	(3,689,666,922)
420	4. Other funds belonging to owners' equity		4,593,921,095	5,057,441,212
421	5. Undistributed earnings	18.1	331,476,711,882	383,538,969,799
421a	- Undistributed earnings by the end of prior year		361,662,776,799	365,713,574,357
421b	- (Loss)/undistributed earnings of current year		(30,186,064,917)	17,825,395,442
429	6. Non-controlling interests		12,163,170,265	11,070,963,584
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,284,187,996,713	1,355,871,069,270

Hanoi, Vietnam 24 March 2025

Nguyen Thi Bao Ngoc
Preparer

Nguyen Thi Bao Ngoc
Chief Accountant

Yu Sung Dae
Deputy General Director
In charge of Finance



Lee Jae Eun
General Director

CONSOLIDATED INCOME STATEMEN

for the year ended 31 December 2024

B02-DN/HN
Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods	20.1	743,880,737,377	787,684,319,980
02	2. Deductions	20.1	(2,639,048,715)	(830,413,831)
10	3. Net revenue from sale of goods	20.1	741,241,688,662	786,853,906,149
11	4. Cost of goods sold	21	(508,146,070,624)	(535,771,595,934)
20	5. Gross profit from sale of goods		233,095,618,038	251,082,310,215
21	6. Finance income	20.2	27,902,860,012	49,447,504,304
22	7. Finance expenses	22	(16,234,798,414)	(22,641,932,270)
23	In which: Interest expenses		(11,220,864,986)	(14,493,574,387)
25	8. Selling expenses	23	(176,095,588,564)	(167,439,134,031)
26	9. General and administrative expenses	23	(94,936,293,601)	(92,954,672,832)
30	10. Operating (loss)/profit		(26,268,202,529)	17,494,075,386
31	11. Other income	24	1,649,801,593	7,709,837,988
32	12. Other expenses		(4,157,247,182)	(957,185,127)
40	13. Other (loss)/profit		(2,507,445,589)	6,752,652,861
50	14. Accounting (loss)/profit before tax		(28,775,648,118)	24,246,728,247
51	15. Current corporate income tax expense	26.1	-	(5,654,976,192)
52	16. Deferred tax (expenses)/income	26.3	(318,210,119)	50,020,587
60	17. Net (loss)/profit after tax		(29,093,858,237)	18,641,772,642
61	18. Net (loss)/profit after tax attributable to share-holders of the parent		(30,186,064,917)	17,825,395,442
62	19. Net profit after tax attributable to non-controlling interests		1,092,206,680	816,377,200
70	20. Basic (loss)/earnings per share	28	(719)	425
71	21. Diluted (loss)/earnings per share	28	(719)	425

Hanoi, Vietnam 24 March 2025

Nguyen Thi Bao Ngoc
Preparer

Nguyen Thi Bao Ngoc
Chief Accountant

Yu Sung Dae
Deputy General Director
In charge of Finance



Lee Jae Eun
General Director

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2024

B03-DN/HN
Currency: VND

Code	ITEMS	Notes	Current year	Previous year
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	(Loss)/profit before tax		(28,775,648,118)	24,246,728,247
02	Depreciation of tangibles fixed assets and amotisa- tion of intangible fixed assets		38,071,627,052	31,561,833,164
03	Provision/ (reversal of provision)		28,126,914,068	(12,871,795,614)
04	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		(1,382,589,844)	(2,245,902,542)
05	Profit from investing activities		(23,028,528,693)	(38,519,437,458)
06	Interest expenses	22	11,220,864,986	14,493,574,387
08	Operating profit before changes in working capital		24,232,639,451	16,665,000,184
09	Decrease in receivables		15,231,183,534	35,765,060,712
10	Decrease in inventories		37,769,383,301	42,207,945,772
11	Increase/(decrease) in payables		317,009,903	(17,220,755,262)
12	Decrease/(increase) in prepaid expenses		7,813,560,011	(8,563,514,471)
13	Decrease in held-for-trading securities		-	108,759,627,374
14	Interest paid		(11,292,688,653)	(14,615,663,328)
15	Corporate income tax paid		(3,784,864,819)	(14,055,880,895)
17	Other cash outflows from operating activities		(1,395,617,449)	(693,847,464)
20	Net cash flows from operating activities		68,890,605,279	148,247,972,622
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchase, construction of fixed assets and other long-term assets		(2,618,840,264)	(141,327,210,278)
22	Proceeds from disposals of fixed assets and other long-term assets		1,430,544,445	9,306,557,357
23	Loans to other entities, short-term investment		(359,332,369,509)	(500,732,881,250)
24	Collections from borrowers, short-term investments		279,313,937,241	531,707,808,178
27	Interest and dividends received		24,889,899,125	30,094,615,304
30	Net cash flows used in investing activities		(56,316,828,962)	(70,951,110,689)


CONSOLIDATED CASH FLOW STATEMENT (continued)


for the year ended 31 December 2024



B03-DN/HN
Currency: VND


Code	ITEMS	Notes	Current year	Previous year
III. CASH FLOWS FROM FINANCING ACTIVITIES				
33	Drawdown of borrowings		296,880,493,381	506,335,490,719
34	Repayment of borrowings		(310,672,123,265)	(552,985,647,857)
36	Dividends paid to shareholders		(20,984,923,228)	(46,131,788,152)
40	Net cash flows used in financing activities		(34,776,553,112)	(92,781,945,290)
50	Net decrease in cash for the year		(22,202,776,795)	(15,485,083,357)
60	Cash and cash equivalents at the beginning of the year		40,858,611,052	54,780,353,092
61	Impact of exchange rate fluctuation		844,592,291	1,563,341,317
70	Cash and cash equivalents at the end of the year	4	19,500,426,548	40,858,611,052

Hanoi, Vietnam 24 March 2025


Nguyen Thi Bao Ngoc
Preparer


Nguyen Thi Bao Ngoc
Chief Accountant


Yu Sung Dae
Deputy General Director
In charge of Finance


Lee Jae Eun
General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2024 and for the year then ended

B09-DN/HN

1. CORPORATE INFORMATION

Everpia Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam following a change in legal form from a 100% foreign-owned company, Everpia Vietnam Co., Ltd., in pursuant to the Investment Certificate No. 011033000055 issued by Hanoi Department of Planning and Investment on 27 April 2007, and the subsequent amended Investment Certificates, with the the latest being the 21th Amended Investment Registration Certificate, dated 28 April 2022.

The shares of the Company have been listed (under ticker of EVE) on the Ho Chi Minh City Stock Exchange since 17 December 2010.

The principal activities of the Company are to produce, distribute (wholesale and retail) and export bedding-related products and other activities as registered in the investment certificate.

The Company’s normal course of business cycle is 12 months.

The Company’s head office is located at Duong Xa Commune, Gia Lam District, Hanoi and seven branch offices located in Hung Yen, Ho Chi Minh City, Hoa Binh, Dong Nai, Binh Duong, Da Nang and Khanh Hoa respectively.

The number of employees of the Company and its subsidiaries as at 31 December 2024 is 1,011 (31 December 2023: 1,205).

Company structure

As at 31 December 2024, the Company has 2 subsidiaries (31 December 2023: 2 subsidiaries), with below details:

No	Name	Equity interest	Voting rights	Address	Principal activities
1	Everpia Korea Joint Stock Company	100%	100%	A408-Hyeondae Knowledge Industry Centre, No. 3 Godeung Ro, Sujeong Gu, Seongnam Si, Gyeonggi Do, Seoul, Korea	Trading of materials for production of bedding products.
2	Mirae Asset Vietnam Opportunity Fund (“MAOF”)	80%	80%	38 th floor, Keangnam Landmark Hanoi Tower, Area E6, Cau Giay New Urban Area, Me Tri Ward, Nam Tu Liem District, Hanoi	Invest in securities and investment management.

As at 31 December 2024, the Company also has an investment in associate as disclosed in Note 12.1.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Company and its subsidiaries (“the Group”), which are expressed in Vietnam Dong (“VND”), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting

Standards (Series 2);

- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam’s accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and the consolidated results of operations and the consolidated cash flows of the Group in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2024 and for the year then ended

B09-DN/HN

2.2 Applied accounting documentation system

The Company’s applied accounting documentation system is General Journal system

2.3 Fiscal year

The Company’s fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

2.4 Accounting currency

The consolidated financial statements are prepared in VND which is also the Company’s accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2024.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of subsidiary, without a loss of control, is recorded in undistributed earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories

Inventories are measured at their historical costs. The cost of inventories comprises cost of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories

to their present location and condition.

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of the business less the estimated costs to complete and the estimated costs necessary to make the sale. The perpetual method is used to record inventories, which are valued as follows:

Materials, merchandise - cost of purchase on a weighted average cost basis

Finished goods, work in progress - cost of finished goods, semi products on a weighted average basis.

Provision for obsolete inventories

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company and its subsidiaries, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold and service rendered account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

3.3 Receivables

Receivables are presented in the consolidated balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the separate income statement. When bad debts are determined as unrecovered and written off, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

Receivables are presented in the consolidated balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the separate income statement. When bad debts are determined as unrecovered and written off, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2024 and for the year then ended

B09-DN/HN

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use and the costs of dismantling and removing the asset and restoring the site on which it is located, if any.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

3.5 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Company is the lessee

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

3.6 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

3.7 Depreciation and amortization

Depreciation of tangible fixed assets and amortization of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings, structures	10 - 30 years
Machinery and equipment	5 - 15 years
Office equipment	6 - 8 years
Motor vehicles	9 - 10 years
Others tangible fixed assets	4 - 20 years
Trademark	6 - 16 years
Distribution channels	15 years
Computer software	4 years
Other intangible fixed assets	4 - 10 years

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

3.9 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortized over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

Prepaid land rental

Prepaid land rental is classified as long-term prepaid expenses for allocation to the separate income statement over the remaining lease period.

3.10 Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination

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nation over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiaries acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

3.11 Investments

Investments in associate

The investment in associate is accounted using the equity method of accounting. An associate is an entity in which the Company and its subsidiaries have significant influence that is neither subsidiaries nor joint ventures. The Company and its subsidiaries generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Company and its subsidiaries' share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Company and its subsidiaries. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company and its subsidiaries.

Held-for-trading securities and investments in other entities

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

Provision for diminution in value investments

Provision for diminution in value of the investment is made when there are reliable evidence of the diminution in value of those investments at the balance sheet date. Increases and

decreases in the provision balance are recorded as finance expense in the consolidated income statement.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the consolidated income statement and deducted against the value of such investments.

3.12 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company and its subsidiaries.

3.13 Accrual for severance pay

The Company and MAOF

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months at the Company and MAOF. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each accounting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decrease to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 46 of the Labour Code.

Everpia Korea Joint Stock Company

The severance allowance payable to all employees employed by the subsidiary is calculated at the rate of one month's salary for each year of service in the Company up to balance sheet date in accordance with the law of the country of residence.

3.14 Foreign currency transactions

Transactions in currencies other than the Company's reporting currency (VND) are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks

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- designated for payment;
- Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the consolidated balance sheet dates which are determined as follows:

- Monetary assets are revaluated at buying exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly; and
- Monetary liabilities are revaluated at selling exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly.

All foreign exchange differences are taken to the consolidated income statement.

Conversion of the financial statements of a foreign operation

Conversion of the financial statements of the Company's subsidiaries which maintains their accounting records in other currency rather than the Company's accounting currency of VND, for consolidation purpose, is as follows:

- Assets and liabilities are converted into VND by using the buying and selling exchange rates, respectively, as announced by the commercial banks where the Company frequently conducts its transactions at the consolidated balance sheet date;
- Revenues, other income and expenses are converted into VND by using the average exchange rate of accounting period if the average exchange rates do not exceed +/-2% the transactional exchange rates; and
- All foreign exchange differences resulting from the conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange differences reserve" on the consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.

3.15 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.

Share premium

Share premium is the difference between the par value and the issuance price of the shares, minus the actual expenses incurred for the issuance of the shares.

Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the consolidated income statement upon purchase, sale, re-issue or cancellation of the Group's own equity instruments.

3.16 Appropriation of net profits

Net profit after tax (excluding negative good will arising from bargain purchase) is available for appropriation to shareholders after approval in the annual shareholders' meeting, and after making appropriation to reserve funds in accordance with the Charter of the Company and its subsidiaries and Vietnam's regulatory requirements.

The Company and its subsidiaries maintain the following reserve funds which are appropriated from the Company and its subsidiaries' net profit as proposed by the Board of Directors and approved at the annual shareholders' meeting.

Other fund belonging to owners' equity

This fund is set aside for other purposes of the Company and its subsidiaries's operation following the resolution of the annual shareholders' meeting. According to resolution of shareholders' meeting, the Board of Directors and Management are authorised to use this fund for the Company's business activities in order to maximize the Company's operating results.

3.17 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Interest

Interest is recognized on an accrual basis based on the time and actual interest rate for each period.

Dividend and profit distribution income

Dividend and profit distribution income are recognized when Company is entitled to receive dividends or when the Company are entitled to receive profits from its capital contributions.

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3.18 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiaries to set off current tax assets against current tax liabilities and when the Company and its subsidiaries intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purpose.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled by the Company and its subsidiaries and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and tax-

able profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each consolidated balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are reassessed at each consolidated balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiaries to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- either the same taxable entity; or
- when the Company and its subsidiaries intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.19 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.20 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

Group's business segment is derived mainly from sales of blan

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kets, sheets, pillows, mattresses and padding products. Management defines the Group's geographical segments to be based on the location of the clients geographic..

3.21 Related parties

Parties are considered to be related parties of the Group if one party has the ability to, directly or indirectly, control the other

party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families

4. CASH AND CASH EQUIVALENTS

Currency: VND		
	Ending balance	Beginning balance
Cash on hand	145,032,099	152,408,091
Cash at banks	18,760,220,031	38,860,549,496
Cash equivalents	595,174,418	1,845,653,465
TOTAL	19,500,426,548	40,858,611,052

5. SHORT-TERM INVESTMENTS

Currency: VND				
	Ending balance		Beginning balance	
	Cost	Carrying value	Cost	Carrying value
Term deposits (i)	294,944,369,509	294,944,369,509	210,235,937,241	210,235,937,241
Other investments (ii)	4,155,000,000	4,155,000,000	13,000,000,000	13,000,000,000
TOTAL	299,099,369,509	299,099,369,509	223,235,937,241	223,235,937,241

(i) Balance as at 31 December 2024 includes includes bank deposits with remaining terms from 1 month to 10 months, which earn interest at rates ranging from 2.8% to 6.1% per annum (as at 31 December 2023: 5.2% to 10.5% per annum).

(ii) Listed bonds issued by Vingroup Joint Stock Company with no collaterals, term of 2 years, due on 31 August 2025 and earn interest at rates of 8.675% (31 Decemeber 2023: 14.5%). Interest is receivable semi-annually.

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6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

Currency: VND		
	Ending balance	Beginning balance
Welcron Global Vietnam JSC	4,025,444,362	4,098,926,010
Essenlue Co., Ltd.	2,760,867,506	4,085,420,563
Lavender Tourism Joint Stock Company	2,105,302,104	3,805,302,104
MM Mega Market Vietnam Co., Ltd	1,752,062,877	3,359,880,825
Other customers	144,360,201,556	151,772,473,678
TOTAL	155,003,878,405	167,122,003,180
Provision for doubtful debts	(18,224,964,872)	(17,294,003,880)

6.2 Short-term advances to suppliers

Currency: VND		
	Ending balance	Beginning balance
Nuri Flex Vietnam Co., Ltd.	4,017,600,000	-
Guoxin Infu Co., Ltd	-	2,367,423,883
Ha Trang Interior Co., Ltd.	-	1,390,583,712
Other suppliers	4,613,130,843	6,048,649,333
TOTAL	8,630,730,843	9,806,656,928

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7. OTHER RECEIVABLES

Currency: VND

		Ending balance	Beginning balance
Short-term			
Shortage of assets awaiting resolution		11,452,992,617	11,452,992,617
Value added tax waiting for refund		-	10,672,683,336
Interest receivable		6,557,287,803	9,500,694,874
Advance to employees		1,361,543,211	2,017,353,944
Other short-term receivables		1,231,292,082	437,958,711
TOTAL		20,603,115,713	34,081,683,482
Provision for doubtful other short-term receivables		(11,452,992,617)	(11,452,992,617)
Long-term			
Long-term deposits		2,863,666,309	3,114,021,409
TOTAL		2,863,666,309	3,114,021,409

8. BAD DEBTS

Currency: VND

	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Trade receivables	22,632,753,448	4,407,788,576	26,477,342,223	9,183,338,343
Shortage of assets awaiting resolution	11,452,992,617	-	11,452,992,617	-
TOTAL	34,085,746,065	4,407,788,576	37,930,334,840	9,183,338,343

9. INVENTORIES

Currency: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Goods in transit	10,906,297,305	-	5,666,521,174	-
Raw materials	147,311,084,270	(41,088,375,439)	167,162,003,830	(19,011,394,539)
Finished goods	146,625,391,892	(12,823,096,598)	174,852,749,155	(13,101,450,929)
Merchandise	2,527,803,300	-	3,290,963,915	-
TOTAL	307,370,576,767	(53,911,472,037)	350,972,238,074	(32,112,845,468)

Movements of provision for obsolete inventories:

Currency: VND

	Current year	Previous year
Beginning balance	32,112,845,468	29,027,131,064
Add: Provision made during the year	27,630,904,575	8,145,326,452
Less: Utilization of provision during the year	(5,832,278,006)	(5,059,612,048)
Ending balance	53,911,472,037	32,112,845,468

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10. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures	Machinery and equipment	Means of transportation	Office equip-ment	Others	Total
Cost:						
Beginning balance	370,179,987,801	22,264,009,773	44,805,271,238	16,736,058,676	20,120,951,359	774,106,278,847
- New purchase	-	1,661,970,808	-	235,590,000	53,836,456	1,951,397,264
- Disposal	-	(869,585,715)	(2,996,295,279)	(2,793,164,580)	-	(6,659,045,574)
- Foreign exchanges differences arising from conversion of financial statements of oversea subsidiary	(1,058,263,505)	-	-	(29,078,400)	(16,143,518)	(1,103,485,423)
Ending balance	369,121,724,296	323,056,394,866	41,808,975,959	14,149,405,696	20,158,644,297	768,295,145,114
In which:						
Fully depreciated	26,678,392,925	209,717,397,431	11,618,179,072	11,576,436,811	14,511,938,827	274,102,345,066
Accumulated depreciation:						
Beginning balance	89,978,661,619	273,238,413,848	26,312,336,475	15,111,067,411	18,274,978,056	422,915,457,409
- Depreciation for the year	16,302,957,636	16,400,195,293	3,358,441,388	1,086,723,367	688,962,934	37,837,280,618
- Disposal	-	(662,189,285)	(2,855,183,903)	(2,793,164,580)	-	(6,310,537,768)
- Foreign exchanges differences arising from conversion of financial statements of oversea subsidiary	(86,494,136)	-	-	(26,075,172)	(14,142,034)	(126,711,342)
Ending balance	106,195,125,119	288,976,419,856	26,815,593,960	13,378,551,026	18,949,798,956	454,315,488,917
Net carrying amount:						
Beginning balance	106,195,125,119	288,976,419,856	26,815,593,960	13,378,551,026	18,949,798,956	454,315,488,917
Ending balance	262,926,599,177	34,079,975,010	14,993,381,999	770,854,670	1,208,845,341	313,979,656,197

As at 31 December 2024, certain tangible fixed assets were pledged as collaterals for loans as presented in Note 17.

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11. INTANGIBLE FIXED ASSETS

Currency: VND

	Trademark	Distribution channel	Computer software	Others	Total
Cost:					
Beginning balance	24,566,385,000	7,831,500,000	7,928,284,189	1,394,937,103	41,721,106,292
- New purchase	-	-	667,443,000	-	667,443,000
- Foreign exchanges differences arising from conversion of financial statements of oversea subsidiary	-	-	-	(51,307,494)	(51,307,494)
Ending balance	24,566,385,000	7,831,500,000	8,595,727,189	1,343,629,609	42,337,241,798
In which:					
Fully amotized	23,494,500,000	7,831,500,000	6,866,430,149	686,893,687	38,879,323,836
Accumulated amortization:					
Beginning balance	24,566,385,000	7,831,500,000	7,661,935,907	686,893,687	40,746,714,594
- Amortization for the year	-	-	234,346,434	-	234,346,434
Ending balance	24,566,385,000	7,831,500,000	7,896,282,341	686,893,687	40,981,061,028
Net carrying amount:					
Beginning balance	-	-	266,348,282	708,043,416	974,391,698
Ending balance	-	-	699,444,848	656,735.922	1,356,180,770

12. LONG-TERM INVESTMENTS

Currency: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Investment in associate (Note 12.1)	11,590,390,000	(11,590,390,000)	11,590,390,000	(11,590,390,000)
Investment in other entities (Note 12.2)	9,966,200,000	(960,000,000)	10,356,200,000	(552.,091,513)
Held-to-maturity investments (Note 12.3)	55,620,254,734	-	51,595,217,981	(842,859,986)
TOTAL	77,176,844,734	(12,550,390,000)	73,541,807,981	(12,985,341,499)

Company's management is unable to determine the fair value of these investments investments as these entities are not listed on the stock market.

12. LONG-TERM INVESTMENTS (continued)

12.1 Investments in associate

As at 31 December 2024, the Company has 1 associate as follow:

Name	Location	Principal activities	Ownership	Voting rights
Texpia JSC	Bien Hoa 1 Industrial Zone, An Binh Ward, Bien Hoa, Dong Nai Vietnam	Manufacture of cotton fab-rics, yarn and knitwear	44 %	44 %

As at 31 December 2024, Texpia JSC was in process of liquidation.

Currency: VND

Texpia JSC	
Cost of investment:	
Beginning balance	11,590,390,000
Ending balance	11,590,390,000
Accumulated share in post-acquisition loss of the associates:	
Beginning balance	(11,590,390,000)
Ending balance	(11,590,390,000)
Net carrying amount:	
Beginning balance	-
Ending balance	-

12.2 Investment in other entities

Currency: VND

	Ending balance	Beginning balance
Bac Ninh Pharmaceutical JSC	4,014,200,000	4,014,200,000
Hyojung Soft Tech JSC	960,000,000	960,000,000
Kalon Investment Asset Co., Ltd	4,992,000,000	5,382,000,000
TOTAL	9,966,200,000	10,356,200,000

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12.3 Held-to-maturity investments

Currency: VND

	Ending balance			Beginning balance		
	Cost	Carrying amount	Fair value	Cost	Carrying amount	Fair value
PC1 Group JSC bonds (i)	29,120,254,734	29,120,254,734	(*)	29,120,254,734	29,120,254,734	(*)
Masan Group JSC bonds (ii)	16,500,000,000	16,500,000,000	16,524,806,100	-	-	-
F88 Business JSC bonds (iii)	10,000,000,000	10,000,000,000	(*)	-	-	-
Vingroup bonds				5,000,000,000	5,000,000,000	5,000,000,000
Lien Viet Post Bank bonds	-	-	-	10,010,034,247	9,208,329,000	(*)
Lien Viet Post Bank bonds	-	-	-	4,000,000,000	4,000,000,000	9,208,329,000
Vietnam Bank for Agriculture and Rural Development bonds	-	-	-	3,464,929,000	3,423,774,261	3,423,774,261
TOTAL	55,620,254,734	55,620,254,734	16,524,806,100	51,595,217,981	50,752,357,995	17,632,103,261

(*) The bonds are not listed on the stock market and therefore, the management is unable to determine their fair value for disclosure.

(i) Bonds with term of 5 years, due on 19 May 2027 and earn interest at rates of 10.7% per annum. Interest is payables on a semi-annual period. The bonds are secured by ordinary shares of PC1 Group which is listed on Ho Chi Minh City Stock Exchange.

(ii) Listed bonds with collaterals, term of 7 years, due on 28 February 2029 and earn interest rates of 9.6% for the 1st period. Interest is payable annually

(iii) Bonds with term of 7 years, due on 15 September 2030 and earn interest at rates 9.1%. Interest is payable annually.

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13. PREPAID EXPENSES

Currency: VND

	Ending balance	Beginning balance
Short-term		
Prepaid rental	2,033,018,235	1,329,222,027
Others	1,131,411,505	1,842,000,088
TOTAL	3,164,429,740	3,171,222,115
Long-term		
Prepaid land rental (*)	112,647,990,776	116,148,113,508
Prepaid rental	8,568,104,906	8,211,669,244
Tools in use	7,016,501,686	7,470,557,862
Furniture in use	4,442,292,839	3,938,749,652
Office renovation fee	4,168,848,865	7,537,998,071
Others	1,352,375,089	2,695,793,460
TOTAL	138,196,114,161	146,002,881,797

(*) Mainly includes prepaid land rental of the factory in Giang Dien Industrial Park, Dong Nai province, which is pledged as collateral for long-term loan as presented in Note 17.

14.SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

14.1 Short-term trade payables

Currency: VND

	Ending balance		Beginning balance	
	Amount	Amount payable	Amount	Amount payable
Tongxiang Huibo Import & Export Co., Ltd.	5,323,928,750	5,323,928,750	2,983,616,136	2,983,616,136
Osun Co., Ltd.	2,605,830,928	2,605,830,928	2,675,327,372	2,675,327,372
Other suppliers	34,773,764,467	34,773,764,467	35.560.917.316	35,560,917,316
TOTAL	42,703,524,145	42,703,524,145	41,219,860,824	41,219,860,824

14.2 Short-term advances from customers

Currency: VND

	Ending balance	Beginning balance
General Technology JSC	3,402,892,800	-
KTD Vina Co., Ltd	-	1,100,003,000
Thanh Thuy Hot Spring JSC	-	2,484,512,816
Other customers	13,496,016,683	15,602,425,075
TOTAL	16,898,909,483	19,186,940,891

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15. STATUTORY OBLIGATIONS

Currency: VND

	Beginning balance	Payable in the year	Payment in the year	Ending balance
Value added tax	2.081.565.965	9.641.143.038	(10.172.330.584)	1.550.378.419
Import duties	-	2.779.225.029	(2.779.225.029)	-
Corporate income tax	3.784.864.819	-	(3.784.864.819)	-
Personal income tax	1.364.654.612	9.783.206.884	(10.053.148.897)	1.094.712.599
Other taxes	98.339.063	1.127.903.947	(1.057.903.817)	168.339.193
TOTAL	7.329.424.459	23.331.478.898	(27.847.473.146)	2.813.430.211

16. OTHER PAYABLES

Currency: VND

	Ending balance	Beginning balance
Short-term		
Interest payable	147,715,939	219,539,606
Trade union fee	201,311,392	178,522,088
Others	1,648,139,789	1,165,021,996
TOTAL	1,997,167,120	1,563,083,690
Long-term		
Provision for severance allowances	20,626,298,034	19,389,500,309
Others	1,610,003,000	510,000,000
TOTAL	22,236,301,034	19,899,500,309

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2024 and for the year then ended B09-DN/HN

17. LOANS

Currency: VND

	Beginning balance		Movement during the year		Foreign exchange difference	Ending balance	
	Balance	Payable amount	Increase	Decrease		Balance	Payable amount
Short-term							
Loans from banks (Note 17.1)	127,821,980,729	127,821,980,729	296,880,493,381	(289,172,123.265)	-	135,530,350,845	135,530,350,845
Current portion of long-term loans (Note 17.2)	9,780,000,000	9,780,000.000	-	-	(745,000,000)	9,035,000,000	9,035,000.000
	137,601,980,729	137,601,980,729	296,880,493,381	(289,172,123,265)	(745,000,000)	144,565,350,845	144,565,350,845
Long-term							
Loans from banks (Note 17.2)	102,317,482,227	102,317,482,227	-	(21,500,000,000)	-	80,817,482,227	80,817,482,227
	102,317,482.227	102,317,482,227	-	(21,500,000,000)	-	80,817,482,227	80,817,482,227
TOTAL	239,919,462,956	239,919,462,956	296,880,493,381	(310,672,123,265)	(745,000,000)	225,382,833,072	225,382,833,072

17.1 Short-term loans from banks

Currency: VND

Bank	Ending balance	Principal and interest repayment term	Interest rate per annum	Description of collateral
Joint Stock Commercial Bank for Foreign Trade of Vietnam	111,543,643,560	6 months, due in June 2025. Interest is payable monthly	3,7% - 4,6%	Plants, machineries and equipment of Hung Yen factory and right to collect receivables.
Joint Stock Commercial Bank for Investment and Development of Vietnam	15,892,947,335	179 days, due in June 2025. Interest is payable monthly.	4,0%	Unsecured
Woori Bank Vietnam	8,093,759,950	6 months, due in February 2025. Interest is payable monthly.	4,175%	Unsecured
TOTAL	135,530,350,845			

17. LOANS (continued)

17.2 Long-term loans from banks

Currency: VND					
Banks	31 December 2024		Principal and interest payment term	Interest rate per annum	Description of collateral
	VND equivalent	Original currency			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	80,817,482,227	80,817,482,227	7 years, due on November 2029. Interest is payable monthly.	6,6%	Land use rights and fixed assets of the Company at Giang Dien factory in Dong Nai Province, funded by the loan.
KEB Hana Bank	9,035,000,000	KRW 500,000,000	Due on 3 March 2025. Interest is payable monthly.	3,64%	Everpia Korea Company Office premises at A408-Hyeondae knowledge Industry Centre, No. 3 Godeung Ro, Sujeong Gu, Seongnam Si, Gyeonggi Do, Seoul City, South Korea.
TOTAL	89,852,482,227				
In which:					
Current portion	9,035,000,000				
Non-current portion	80,817,482,227				

18. OWNERS' EQUITY

18.1 Increase and decrease in owners' equity

Currency: VND

	Share capital	Share premium	Foreign exchange reserve	Other fund belonging to owners' equity	Undistributed earnings	Non-controlling interest	Total
Previous year							
Beginning balance	419,797,730,000	184,195,877,847	(4,000,628,280)	1,169,532,841	416,424,104,094	10,254,586,384	1,027,841,202,886
Profit for the year	-	-	-	-	17,825,395,442	816,377,200	18,641,772,642
Appropriation	-	-	-	4,578,741,723	(4,578,741,723)	-	-
Dividends declared	-	-	-	-	(46,131,788,014)	-	(46,131,788,014)
Foreign exchanges differences arising from conversion of financial statements of oversea subsidiary	-	-	310,961,358	3,014,112	-	-	313,975,470
Other decrease	-	-	-	(693,847,464)	-	-	(693,847,464)
Ending balance	419,797,730,000	184,195,877,847	(3,689,666,922)	5,057,441,212	383,538,969,799	11,070,963,584	999,971,315,520
Current year							
Beginning balance	419,797,730,000	184,195,877,847	(3,689,666,922)	5,057,441,212	383,538,969,799	11,070,963,584	999,971,315,520
Loss for the year	-	-	-	-	(30,186,064,917)	1,092,206,681	(29,093,858,236)
Appropriation to other fund belonging to owner's equity (*)	-	-	-	891,269,772	(891,269,772)	-	-
Dividends declared (*)	-	-	-	-	(20,984,923,228)	-	(20,984,923,228)
Foreign exchanges differences arising from conversion of financial statements of oversea subsidiary	-	-	(39,249,449)	40,827,560	-	-	1,578,111
Other decrease	-	-	-	(1,395,617,449)	-	-	(1,395,617,449)
Ending balance	419,797,730,000	184,195,877,847	(3,728,916,371)	4,593,921,095	331,476,711,882	12,163,170,265	948,498,494,718

(*) In accordance with the Resolution No. 03/DHDCD2024/NQ dated 24 April 2024 of Annual Meeting of General Shareholders, the Company was approved for (i) cash dividends at 5% of par value (VND 500 per share); and (ii) appropriation of 5% profit after tax of 2023 to Other fund belonging to owners' equity.

18.2 Contributed charter capital

Currency: VND				
	Ending balance		Beginning balance	
	Total	Ordinary shares	Total	Ordinary shares
Share capital	419,797,730,000	419,797,730,000	419,797,730,000	419,797,730,000
Share premium	184,195,877,847	184,195,877,847	184,195,877,847	184,195,877,847
TOTAL	603,993,607,847	603,993,607,847	603,993,607,847	603,993,607,847

18. OWNERS’ EQUITY (continued)

18.3 Dividends

Currency: VND		
	Current year	Previous year
Dividends declared during the year	20,984,923,228	46,131,788,014
Dividends on ordinary shares		
Dividends for 2023: VND 500 per share (2022: VND 1,100 per share)	20,984,923,228	46,131,788,014
Dividends declared after the date of reporting period and not yet recognized as liability as at 31 December 2024	-	-

18.4 Shares

Currency: VND		
	Shares	
	Ending balance	Beginning balance
Issued shares	20,984,923,228	46,131,788,014
Issued and paid-up shares	41,979,773	41,979,773
Ordinary shares	41,979,773	41,979,773
Treasury shares	-	-
Ordinary shares	-	-
Shares in circulation	41,979,773	41,979,773
Ordinary shares	41,979,773	41,979,773

The par value of share in circulation during the year is 10,000 VND/share (2022:10,000 VND/share).

19. OFF BALANCE SHEET ITEMS

	Ending balance	Beginning balance
United States Dollars (“USD”)	278,432	272,069
Euro (“EUR”)	16,449	184,740
Korean Won (“KRW”)	11,813,450	20,352,582

20. REVENUE

20.1 Revenue from sale of goods

Currency: VND		
	Current year	Previous year
Gross revenue	743,880,737,377	787,684,319,980
In which:		
Sales of finished goods	743,880,737,377	787,684,319,980
Deductions		
Sales return	(2,639,048,715)	(830,413,831)
Net revenue	741,241,688,662	786,853,906,149

20. REVENUE (continued)

20.2 Finance income

Currency: VND		
	Current year	Previous year
Interest income	21,491,110,054	30,896,876,339
Foreign exchange gain	5,956,367,958	7,686,951,457
Reversals of provisions for trading securities	-	10,307,916,508
Dividends income	455,382,000	555,760,000
TOTAL	27,902,860,012	49,447,504,304

21. COST OF GOODS SOLD

Currency: VND		
	Current year	Previous year
Cost of goods sold	508,146,070,624	535,771,595,934
TOTAL	508,146,070,624	535,771,595,934

22. FINANCE EXPENSES

Currency: VND		
	Current year	Previous year
Interest expenses	11,220,864,986	14,493,574,387
Foreign exchange losses	4,581,024,941	7,670,054,961
Loss from investing activities	-	453,291,079
Other finance expenses	432,908,487	25,011,843
TOTAL	16,234,798,414	22,641,932,270

23. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

Currency: VND		
	Current year	Previous year
Selling expenses		
Labour costs	74,769,961,130	79,211,369,816
Raw materials	2,532,487,045	2,918,467,966
Depreciation and amortisation	1,280,587,511	1,056,217,964
External services	68,505,238,556	60,715,407,183
Others	29,007,314,322	23,537,671,102
TOTAL	176,095,588,564	167,439,134,031
General and administrative expenses		
Labour costs	52,308,187,491	59,664,655,151
Provisions	2,141,617,240	3,658,899,208
Depreciation and amortisation	10,099,092,471	6,383,732,992
External services	21,683,539,088	16,656,654,750
Others	8,703,857,311	6,590,730,731
TOTAL	94,936,293,601	92,954,672,832

24. OTHER INCOME AND EXPENSES

Currency: VND		
	Current year	Previous year
Other income		
Gains from disposal of assets	1,082,036,639	7,066,801,119
Others	567,764,954	643,036,869
Other expenses		
Unsued-asset write off	3,375,981,102	-
Others	781,266,080	957,185,127
NET OTHER PROFIT (LOSS)	(2,507,445,589)	6,752,652,861

25. PRODUCTION AND OPERATING COSTS

Currency: VND		
	Current year	Previous year
Materials cost	369,607,413,453	405,745,037,451
Labour cost	199,789,241,497	231,308,624,762
Expenses for external services	103,346,835,167	87,439,470,693
Depreciation and amortization	38,071,627,052	31,561,833,164
Other expenses	40,135,478,357	31,220,559,209
TOTAL	750,950,595,526	787,275,525,279

26. CORPORATE INCOME TAX

The statutory corporate income tax (“CIT”) applicable to the Company is 20% of taxable profits.

Everpia Korea Co., Ltd. has obligation of CIT payment in accordance with local regulation (Korea) at 9.9% of taxable income.

MAOF is not liable to pay CIT. Any subsequent dividend payment to investors is subject to deduction tax rate of 20%.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

26. CORPORATE INCOME TAX (continued)

26.1 CIT expenses

Currency: VND		
	Current year	Previous year
Current CIT expenses	-	5,654,976,192
Deferred tax expense/(income)	318,210,119	(50,020,587)
TOTAL	318,210,119	5,604,955,605

The reconciliation between CIT expenses and the accounting profit multiplied by CIT rate is presented below:

Currency: VND		
	Current year	Previous year
(Loss)/Profit before tax	(28,775,648,118)	24,246,728,247
At CIT rate of 20%	(5,755,129,624)	4,849,345,649
Adjustments:		
Expenses not eligible for CIT deduction	4,293,281,241	1,016,159,635
Difference in CIT tax rate of subsidiary	(1,092,206,680)	(502,683,873)
Dividends income	(61,920,000)	(111,152,000)
Unrecognized deferred tax assets relating to caried forward tax losses	3,113,501,959	307,481,580
Other adjustments	(179,316,777)	45,804,614
CIT expense	318,210,119	5,604,955,605

26.2 Current tax

The current tax payable is based on taxable profit for the current year. The taxable profit of the Company and its subsidiaries for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. Liability for current tax of the Company and its subsidiaries is calculated using tax rates that have been enacted by the balance sheet date.

26. CORPORATE INCOME TAX (continued)

26.3 Deferred tax

The following are the deferred tax assets and deferred tax liabilities recognized by the Company and its subsidiaries, and the movements thereon, during the current and previous years.

Currency: VND

	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Deferred tax assets				
Provision for doubtful debts	10,121,498,799	12,205,275,684	(2,083,776,885)	253,410,693
Provision for obsolete inventories	7,321,305,289	6,422,569,094	898,736,195	617,142,880
Accrual for severance pay	2,816,880,165	2,786,415,974	30,464,191	(164,668,747)
Unrealised profit in inventories	1,166,583,562	1,287,451,290	(120,867,728)	15,371,198
Other expenses	1,071,788,319	325,819,111	745,969,208	(481,826,276)
	22,498,056,134	23,027,531,153	(529,475,019)	239,429,748
Deferred tax liabilities				
Unrealised foreign exchange gain of cash and trade receivables	(188,608,009)	(399,872,909)	211,264,900	(189,409,161)
	(188,608,009)	(399,872,909)	211,264,900	(189,409,161)
Net deferred tax assets	22,309,448,125	22,627,658,244		
Net deferred tax (charged)/credit to consolidated income statement			(318,210,119)	50,020,587

26.4 Tax loss carried forward

The Company is entitled to carry tax loss forward to offset against taxable income arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Company had aggregated accumulated tax losses available for offset against future taxable income. Details are as follows:

Currency: VND

Originating year	Can be utilized up to	Tax loss amount	Utilized up to 31 December 2024	Forfeited	Unutilized at 31 December 2024
2024	2029	14,271,197,835	-	-	14,271,197,835
TOTAL		14,271,197,835	-	-	14,271,197,835

Estimated tax loss as per the Company's corporate income tax declaration for the year ended 31 December 2024 has not been audited by the local tax authorities as of the date of these consolidated financial statements.

No deferred tax assets were recognised on such tax loss carried forward as at 31 December 2024 (as at 31 December 2023: 0) because future taxable income cannot be ascertained at this stage.

27. SEGMENT INFORMATION

The primary segment reporting format is determined to be geographical segments as the Company and its subsidiaries's risks and rates of return are affected predominantly by differences in the locations where the Company and its subsidiary sell their products. The operating businesses are organised and managed separately according to the locations where the Company and its subsidiaries operate, with each segment representing a strategic business unit that offers different products.

Geographical segment

The following table presents revenue, expenditure and certain asset information regarding to the Company and its subsidiary's geographical segments.

27. SEGMENT INFORMATION (continued)

Currency: VND

	Domestic	Export	Total
As at 31 December 2024 and for the year ended			
Revenue			
Sales of goods	580.426.806.986	160.814.881.676	741.241.688.662
Cost of goods sold	(355.542.565.252)	(130.804.878.803)	(486.347.444.055)
Results			
Segment net profit before tax	224.884.241.734	30.010.002.873	254.894.244.607
Unallocated expenses			(283.669.892.725)
Profit before tax			(28.775.648.118)
CIT expenses			(318.210.119)
Net profit after tax			(29.093.858.237)
Other segment information			
Segment assets	101.798.544.520	23.527.376.396	125.325.920.916
Unallocated assets			1.158.862.075.797
Total assets			1.284.187.996.713
Unallocated liabilities			335.689.501.995
Total liabilities			335.689.501.995
As at 31 December 2023 and for the year ended			
Revenue			
Sales to external customers	569.099.050.810	217.754.855.339	786.853.906.149
Cost of goods sold	(361.880.406.465)	(170.805.475.065)	(532.685.881.530)
Results			
Segment net profit before tax	207.218.644.345	46.949.380.274	254.168.024.619
Unallocated expenses			24.246.728.247
Profit before tax			(5.604.955.605)
CIT expenses			18.641.772.642
Other segment information			
Segment assets	113.251.537.137	23.527.376.396	136.778.913.533
Unallocated assets			1.147.409.083.180
Total assets			
Unallocated liabilities			355.899.753.750
Total liabilities			355.899.753.750

27. SEGMENT INFORMATION (continued)

Unallocated income/(expenses) mainly include provision or reversal of provision for inventory, financial income, financial expenses, administrative expenses, selling expenses, other income and other expenses.

All of the Company's assets and liabilities except for trade receivables, which are common shared among segments, so they cannot be allocated by segments.

28. TRANSACTIONS WITH RELATED PARTIES

Information on related parties, who are members of Board of Directors (“BOD”), Board of supervision and Management, is presented in General Information.

Significant transactions of the Company with related parties during the year were as follows:

Transactions with other related parties

Remuneration to members of the Board of Directors, Board of Management and Board of supervision:

Currency: VND			
Individuals	Position	Current year	Previous year
Board of Directors/Management			
Mr Cho Yong Hwan	Chairman/Ho Chi Minh City Branch Deputy General Director	2,748,289,114	2,643,781,770
Mr Lee Jae Eun	Member of Board of Directors/General Director	5,809,203,999	5,544,416,003
Mr Yu Sung Dae	Member of Board of Directors/Deputy General Director	2,778,464,304	2,651,815,208
Mr Le Kha Tuyen	Member of Board of Directors	86,400,000	86,400,000
Mr Yi Seung Mok	Member of Board of Directors (from 24 April 2024)	57,600,000	-
Board of supervision			
Mr. Truong Tuan Nghia	Head of Board	86,400,000	86,400,000
Mr. Ko Tae Yeon	Member	86,400,000	86,400,000
Mr. Nguyen Dac Huong	Member	86,400,000	86,400,000
TOTAL		11,739,157,417	11,185,612,981

29. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

Currency: VND		
	Current year	Previous year
Net (loss)/profit after tax attributable to ordinary equity holders for basic earnings	(30,186,064,917)	17,825,395,442
Net (loss)/profit attributable to ordinary equity holders adjusted for the effect of dilution	(30,186,064,917)	17,825,395,442
Weighted average number of ordinary shares for basic earnings per share	41,979,773	41,979,773
Weighted average number of ordinary shares adjusted for the effect of dilution	41,979,773	41,979,773
Basic (loss)/earnings per share	(719)	425
Diluted (loss)/earnings per share	(719)	425

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

30. COMMITMENTS

Operating lease commitment

As at the reporting date, commitment on future minimum lease payments under showroom (operating) lease contracts are presented as below:

Currency: VND		
	Ending balance	Beginning balance
Less than 1 year	14,608,568,526	11,487,183,432
From 1 to 5 years	27,336,552,096	15,583,038,145
Above 5 years	4,894,769,379	6,397,028,760
TOTAL	46,839,890,001	33,467,250,337

31. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Company and its subsidiaries.

Hanoi, Vietnam 24 March 2025

Nguyen Thi Bao Ngoc
Preparer

Nguyen Thi Bao Ngoc
Chief Accountant

Yu Sung Dae
Deputy General Director
In charge of Finance



Lee Jae Eun
General Director

List of Abbreviations		
1	ASM	Annual Shareholders' Meeting
2	B2B	Business to business
3	B2C	Business to customer
4	BOD	Board of Directors
5	E&Y	Ernst & Young Audited Firm
6	EPS	Earnings per share
7	FS	Financial Statement
8	GRI	Global Reporting Initiative
9	HOSE	Hochiminh Stock Exchange
10	IFRS	International Financial Reporting Standards
11	NPAT	Net profit after tax
12	OECD	Organization for Economic Cooperation and Development
13	VAS	Vietnamese Accounting Standard
Note to readers		
<ul style="list-style-type: none">• All herein financial information originated from the Audited consolidated Financial Statement in 2024 of Everpia JSC.• Herein marketing & production capacity information is from Everpia's internal report. All cautiously analyzed statement are appropriate as of the publication date according to our subjective assessments.		

