

**VIETNAM NATIONAL TEXTILE
AND GARMENT GROUP**

No. 268/VGT-FAD

Re: Explanation of After-Tax Profit
Fluctuations in the Q1st 2025 Financial
Statements compared to Q1st 2024

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Hanoi, April 29, 2025

To:

- State Securities Commission of Vietnam
- Hanoi Stock Exchange

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

Regarding this matter, Vietnam National Textile and Garment Group ("the Group") (Stock Code: VGT) hereby provides an explanation of the fluctuations in after tax profit for the First Quarter of 2025 compared to First Quarter of 2024, as follows:

Separate Financial Statements for the First quarter of 2025:

- After-tax profit for the First Quarter/2025: VND 26,790,834,587
- After-tax profit for the First Quarter/2024: VND 4,353,739,833

Increase: VND 22,437,094,754, equivalent to an increase rate of 515.35% compared to the same period last year.

Consolidated Financial Statements for First Quarter of 2025:

- After-tax profit for First Quarter/2025: VND 250,742,498,747
- After-tax profit for First Quarter/2024: VND 71,898,350,472

Increase by: VND 178,844,148,275, equivalent to an increase rate of 248.75% compared to the same period last year.

Main Reasons:

The increase in after-tax profit of the consolidated and separate financial statements for the First Quarter of 2025 compared to the same period is primarily due to a strong recovery in the garment market. The garment sector sustained its positive recovery trend, marked by notable improvements in both pricing and order volume. The rebound in market demand enabled garment units to increase revenue and improve gross profit margins compared to the same period last year. Although the fiber industry still faces challenges, the entities within the Group

have closely monitored market trends, responded swiftly with accurate forecasts, and secured favorable prices for cotton and fiber at various times. As a result, the yarn segment recorded a return to profitability in Q1/2025 (a significant turnaround from the loss posted in the same period last year).

Additionally, in the early months of 2025, the Vietnam Textile and Garment Group, along with its subsidiaries, has been maximizing opportunities to expedite the fulfillment of orders, increase revenue, and boost export turnover in anticipation of the complex and unforeseen developments in U.S. tariff and countervailing policies. This strategic approach contributed to the growth in performance for Q1/2025 compared to the same period last year.

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

Sincerely,

Recipient:

- As above;
- Archives: CD, FAD.

GENERAL DIRECTOR



Cao Hữu Hiếu