

REPORT
ON THE PERFORMANCE OF THE BOARD OF DIRECTORS IN 2024
AND OPERATIONAL ORIENTATION FOR 2025

**To: The General Meeting of Shareholders of Protrade Garment Joint
Stock Company**

- Pursuant to Circular No. 116/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance providing guidance on certain corporate governance matters applicable to public companies under Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of several articles of the Law on Securities;

- Pursuant to the Charter on Organization and Operation of Protrade Garment Joint Stock Company (the “Company”);

- Pursuant to Resolution No. 01/2024/NQ-DHDCD dated June 28, 2024 of the 2024 Annual General Meeting of Shareholders;

- Pursuant to Resolution No. 18/NQ-HĐQT dated June 4, 2025 of the Board of Directors of Protrade Garment Joint Stock Company;

The year 2025 marks the final year of the 2020–2025 term of the Board of Directors (“**BOD**”) of Protrade Garment Joint Stock Company (“**BDG**” or “the **Company**”). As part of the five-year term review, the Board of Directors respectfully submits to the General Meeting of Shareholders this report on the performance results of 2024 in particular, and of the 2020–2025 term in general, along with the operational orientation for 2025, as follows:

I. ASSESSMENT OF OPERATIONS IN 2024.

In 2024, Vietnam’s textile and garment industry witnessed a positive recovery after a prolonged downturn that lasted from late 2022 through mid-2023. Despite continued uncertainties in the global economy—such as prolonged inflation in major consumption markets, rising trade protectionism, and cost pressure on input materials—many enterprises gradually regained growth momentum thanks to encouraging signs of order relocation and the restructuring of supply chains. In particular, the second half of 2024 saw a wave of orders shifting from countries such as Bangladesh, Myanmar, and partly China to Vietnam. This trend was driven by geopolitical factors and the growing strategy of nearshoring suppliers closer to consumer markets, especially among major global fashion groups. Vietnam continued to be highly regarded for its stable production capacity, skilled workforce, and compliance with green – clean – transparent standards.

According to industry-wide statistics, the total export turnover of the textile and garment sector in 2024 reached approximately USD 44 billion, an increase of 11.26% compared to 2023. The United States remained the largest export market, with an export value of USD 16.71 billion, accounting for nearly 38% of the industry’s total export

turnover. Other markets such as South Korea, the EU, and Japan also showed signs of moderate recovery.

However, in addition to these bright spots, the textile and garment sector still faced significant challenges. The average export price remained stagnant due to intense competition and cautious spending behavior from global consumers. Securing large-scale, high-specification orders continues to require enterprises to comprehensively upgrade their capabilities, from production technology to quality management systems. Moreover, localized labor shortages - especially in key manufacturing hubs - have impacted the production expansion plans of many companies in the industry.

Amid these sector-wide challenges, Protrade Garment Joint Stock Company achieved impressive results in 2024, exceeding the targets set. Sales revenue increased by 16% compared to 2023, reaching 116% of the annual plan. Consolidated after-tax profit, as reported in the audited financial statements, reached 189% of the target, while separate after-tax profit reached 179% of the target assigned by the General Meeting of Shareholders. These results reflect the Company's flexible and determined executive management, alongside the close oversight and timely strategic direction provided by the Board of Directors.

Details of these business activities are presented in the General Director's Report submitted to the General Meeting of Shareholders.

II. SUMMARY OF THE BOARD OF DIRECTORS' PERFORMANCE IN 2024 AND THE 2020–2025 TERM:

The 2020–2025 term of the Board of Directors of Protrade Garment Joint Stock Company took place amidst numerous challenges ranging from global economic fluctuations to domestic market disruptions—most notably, the prolonged impact of the COVID-19 pandemic, global supply chain disruptions, and strong structural shifts within the textile and garment industry. In this context, the Board of Directors made considerable efforts to govern and lead the Executive Board in implementing key strategic decisions aimed at maintaining stable production and business operations, ensuring the interests of shareholders and employees, and laying the groundwork for sustainable growth in the next development phases.

1. Evaluation of the Board of Directors' Performance during the 2020–2025 Term:

a) Achievements:

– Strengthening internal unity and stability:

One of the most notable accomplishments during the term was maintaining and promoting a high level of solidarity and consensus within the Board of Directors as well as between the Board and the Executive Board. This alignment in principles and strategic decisions created favorable conditions for the effective implementation of business programs and reinforced the confidence of employees, partners, and shareholders.

The Board of Directors fulfilled its role in providing oversight and strategic direction without interfering in day-to-day management, respecting the Executive Board's professionalism. At the same time, it maintained close and proactive

coordination to address emerging issues promptly - especially in the face of volatile market conditions.

–Ensuring stable economic efficiency::

Trong 5 năm qua, bất chấp những khó khăn chung của ngành, Công ty vẫn giữ được mức lợi nhuận ổn định và tăng trưởng đều qua từng năm. Tổng lợi nhuận tích lũy trong nhiệm kỳ 2020–2025 đạt mức khả quan, đảm bảo chi trả cổ tức theo đúng cam kết và duy trì các chỉ tiêu tài chính lành mạnh.

Over the past five years, despite the industry's overall difficulties, the Company has maintained stable profitability with consistent year-on-year growth. The total accumulated profit during the 2020 - 2025 term reached a positive level, enabling the Company to fulfill its dividend commitments and maintain healthy financial indicators.

Specifically, after-tax profit in each year either exceeded or closely approached the annual target. Notably, during the post-COVID-19 recovery years, the Company swiftly adapted and capitalized on export opportunities, thereby sustaining market share and stable cash flows. The annual profit figures are as follows:

Unit: VND.

Year	Revenue	Net Profit After Tax (Separate)	Net Profit After Tax (Consolidated)
2020	1,196,255,885,988	96,745,337,061	89,327,616,335
2021	1,147,249,729,141	62,879,780,956	68,184,960,770
2022	1,893,596,844,277	197,897,982,436	217,734,357,055
2023	1,559,925,137,801	119,658,386,575	122,561,311,925
2024	1,816,517,204,060	159,267,592,394	175,633,709,738
Total	7,613,544,801,267	636,449,079,422	673,441,955,823

– Implementation of sound strategic decisions

During the 2020 – 2025 term, the Board of Directors demonstrated a clear strategic leadership role by promptly issuing and implementing numerous long-term oriented decisions, which laid the foundation for the Company's stability and sustainable development. Some notable strategic decisions include:

+ Decision to dissolve Protrade Laundry Joint Stock Company:

Based on a comprehensive assessment of the performance of its subsidiaries, the Board of Directors directed the dissolution of Protrade Laundry Joint Stock Company due to its declining alignment with the Company's strategic positioning and operational efficiency. While this decision was part of a broader restructuring of the Company's business and production model, it significantly contributed to organizational streamlining, reduction of fixed operating costs, and mitigation of internal management burdens and financial risks amid growing volatility in the textile and garment industry.

This reflects the Board's flexible and decisive mindset in addressing underperforming units, thereby allowing the Company to focus its resources on more promising and high-growth subsidiaries.

+Increasing ownership in Fashion Development Corporation (FDC) – Towards building an integrated Garment–Wash production ecosystem:

With the aim of enhancing control and autonomy within the supply chain, the Board of Directors resolved to increase the Company's ownership in Fashion Development Corporation (FDC)—a subsidiary specializing in garment washing and finishing—to 76.08% of charter capital, thereby attaining controlling interest. This was not merely a financial investment decision, but a carefully calculated strategic move reflecting the Company's long-term vision for vertical integration within its production value chain

The acquisition of a controlling stake in FDC brings substantial and lasting benefits, most notably the ability to proactively control the quality of the finishing process—an essential stage that directly influences product image and customer satisfaction. Through this increased ownership, Protrade Garment Joint Stock Company aims to gradually establish a closed-loop production ecosystem, ensuring tight integration between sewing and washing stages. This integration helps shorten production lead times, enhance order responsiveness, and optimize operating costs.

Moreover, in a market increasingly demanding higher standards of quality, transparency, and traceability across the supply chain, owning and synchronizing internal production stages provides a significant competitive advantage. This strategy also lays the groundwork for development plans in the upcoming term—particularly the relocation of the garment factory closer to FDC, within Protrade International Industrial Park, where a fully integrated industrial cluster will be established, optimized in terms of logistics, workforce, and technical infrastructure.

In summary, increasing ownership in FDC is a foundational step that not only reinforces the Company's control but also reshapes its production structure toward a more modern, sustainable, and flexible model, capable of meeting the growing demands of both domestic and international markets.

–Gradually restructuring investments and asset portfolio toward efficiency and sustainability:

During the term, the Board of Directors carried out a comprehensive review and reassessment of the Company's financial investments, fixed assets, and associated projects. Based on this review, investment items deemed inefficient or no longer aligned with the medium- and long-term development strategy were gradually adjusted or transitioned to new operating models.

At the same time, the Board provided direction to focus on assets that generate stable cash flows and have the potential to directly or indirectly support the Company's core production and business activities. The investment portfolio restructuring was implemented prudently, with a clear roadmap to avoid major disruptions while steadily enhancing capital efficiency, increasing return on investment, and reducing accumulated risk.

–Strengthening governance and executive mechanisms:

The Board of Directors oversaw a comprehensive review, update, and progressive systematization of the Company's entire internal governance documentation. The review encompassed foundational documents such as the Company Charter, the Regulation on the Management and Use of Bonus and Welfare Funds, the Internal Expenditure Regulation, and other related operational procedures.

The objective of this initiative was to standardize the governance framework toward clarity, transparency, and consistency, while enhancing compliance and internal control across the Company's operations. The completion of the internal governance framework also laid the foundation for more efficient operations, ensured consistency across management levels, and promoted a professional, transparent working environment aligned with the Company's upcoming development needs.

b) Shortcomings and limitations:

– Lack of a clearly defined long-term core product strategy:

Although the Board of Directors has acknowledged significant market shifts—especially the trend of order relocation, rising sustainability requirements, and digitalization in the textile and garment sector—it has not yet formulated a clear development strategy for the Company's core products in the new era. The absence of a clearly defined strategic product group exposes the Company to the risk of passivity in response to market changes, particularly in areas such as technological investment, machinery upgrades, and appropriate workforce training.

– Slow progress in developing a successor talent pool:

One prominent issue is the lack of a structured plan for building a skilled workforce and a pipeline of mid-level managerial successors. The shortage of qualified personnel at the operational and technical levels may hinder the Company's ability to implement expansion plans or technological innovations in the near future.

The current training efforts remain fragmented, lack a long-term orientation, and are not closely aligned with competency development roadmaps for specific roles. The identification, nurturing, and retention of high-potential employees have yet to be implemented systematically and scientifically.

2. Results of the Board of Directors' Operations in 2024:

- Following its restructuring, the Relocation Subcommittee under the Board of Directors promptly commenced work and developed a relocation plan for Protrade Garment Joint Stock Company, which was approved by the Board of Directors under Resolution No. 06/NQ-HĐQT dated November 6, 2024. As Head of the Relocation Subcommittee, Mr. Nguyen An Dinh – Chairman of the Board of Directors – subsequently established the Project Committee responsible for executing the relocation plan pursuant to Decision No. 01/QĐ-HĐQT dated April 25, 2025. This committee is tasked with coordinating all activities related to the Company's relocation strategy.

- In order to ensure compliance with prevailing legal regulations and based on practical governance and operational needs, the Board of Directors submitted amendments to the Charter of Protrade Garment Joint Stock Company to the 2024 Annual General Meeting of Shareholders for approval. The objective was to enhance organizational structure, improve operational efficiency, and promote transparency in

the decision-making process by clearly delineating responsibilities among corporate governance bodies.

- With the aim of enhancing executive efficiency, ensuring transparency, personal accountability, and stronger interdepartmental coordination, the Board of Directors delegated and subsequently approved specific assignments and authorities for members of the Executive Board.

- In parallel, recognizing that assessing the current status of human resources and building a succession pipeline is of strategic importance to the sustainable development of the Company, the Board of Directors assigned the Executive Board to conduct an assessment of the Company's workforce and formulate a plan for the stabilization and development of human capital. This effort aims to prepare a pool of future leaders with the competence, integrity, and vision necessary to continue and advance the Company's ~~medium- and long-term~~ goals.

- The Board of Directors continued to oversee the dissolution process of Protrade Laundry Joint Stock Company. On September 21, 2024, Protrade Laundry Joint Stock Company received Notification No. 87728/24 dated September 13, 2024, from the Department of Planning and Investment of Binh Duong Province, confirming that the company had completed its dissolution procedures in accordance with the law. Protrade Laundry Joint Stock Company has fulfilled its obligations to shareholders, including the distribution of assets, and fully complied with all legal requirements.

- In addition to core directives, the Board of Directors promptly issued resolutions and meeting conclusions to instruct the Executive Board on arising tasks, thereby ensuring continuous, consistent, and strategically aligned corporate governance and management.

Despite the accomplishments achieved, there remain some outstanding matters that the Board of Directors has yet to complete—most notably, the finalization of personnel appointments to the subcommittees under the Board. In the coming period, the Board of Directors will continue to prioritize strengthening corporate governance capacity, with the aim of enhancing the Company's business efficiency while aligning with international best practices and modern corporate governance standards.

3. Meetings of the Board of Directors in 2024:

In 2024, the Board of Directors (BOD) convened four meetings at the request of the Chairman of the Board, comprising three in-person meetings and one meeting by written consultation. The details are as follows:

No.	Member of the Board of Directors	Number of BOD meetings attended	Attendance rate
1	Mr. Nguyen An Dinh	04/04	100%
2	Ms. Pham Thi Vuong	04/04	100%
3	Mr. Phan Thanh Duc	04/04	100%
4	Ms. Nguyen Thi Truc	04/04	100%
5	Mr. Nguyen Hong Anh	04/04	100%
6	Mr. Nguyen Vinh Bao	04/04	100%

No.	Member of the Board of Directors	Number of BOD meetings attended	Attendance rate
7	Mr. Nguyen Xuan Quan	04/04	100%

Invitees: The Executive Board, members of the Board of Supervisors, and the Company Secretary were all duly invited to attend each of the BOD meetings held in 2024

4. Details of Resolutions/Decisions of the Board of Directors in 2024:

No.	Resolution No.	Date	Content
1	01/NQ-HĐQT	25/04/2024	Extension of the deadline for organizing the 2024 Annual General Meeting of Shareholders (AGM): No later than June 30, 2024. Authorization granted to the General Director to determine the record date for finalizing the list of shareholders and the official date for convening the 2024 AGM, as well as to handle other matters related to the organization of the AGM.
2	02/NQ-HĐQT	25/04/2024	Approval of the Execution of the 2024 Processing Contract between Protrade Garment Joint Stock Company and Fashion Development Joint Stock Company: <ul style="list-style-type: none"> - Approved the execution of the 2024 processing contract between Protrade Garment Joint Stock Company and Fashion Development Joint Stock Company; authorized the General Director of Protrade Garment Joint Stock Company to represent the company in signing the contract and its attached appendices; - Approved the inclusion of payment terms for sample products to Fashion Development Joint Stock Company in the 2024 processing contract; authorized the General Director of Protrade Garment Joint Stock Company to negotiate, decide, and sign the relevant contract appendix on this matter.
3	03/NQ-HĐQT	25/04/2024	Approve the signing of the house lease contract between Protrade Garment Joint Stock Company and Binh Duong Investment and Project Management Company Limited and authorize the General Director of Protrade Garment Joint Stock Company to represent and sign the contract and attached appendices.

No.	Resoluti on No.	Date	Content
4	04/NQ- HĐQT	28/05/2024	<p>1.Approval of the Documents and Agenda Items Presented at the 2024 Annual General Meeting of Shareholders:</p> <ul style="list-style-type: none"> -Report on the activities of the Board of Directors (BOD) in 2023 and the operational plan for 2024; -Report on the business performance in 2023 and the business plan for 2024; -Report of the Supervisory Board on its activities in 2023 and the activity plan for 2024; <p>-Proposal for approval of the audited separate and consolidated financial statements for the year 2023;</p> <p>-Proposal for the selection of an independent audit firm for the 2024 financial statements of Protrade Garment Joint Stock Company;</p> <p>-Proposal on the distribution of profits for 2023 and the profit distribution plan for 2024;</p> <p>-Proposal for approval of remuneration payment for the Board of Directors, the Supervisory Board, and the Company Secretary in 2023, and the remuneration payment plan for 2024;</p> <p>-Proposal on amendments and supplements to certain articles of the Charter of Protrade Garment Joint Stock Company.</p> <p>2.Approval of the proposal on the assignment of duties and powers to the Standing Deputy General Director and the Chief Accountant; authorization for the General Director to implement;</p> <p>3.Approval of the proposal on salary levels for the Standing Deputy General Director and the Chief Accountant; authorization for the General Director to implement;</p> <p>4.Approval of the adjustment of unit prices and related terms for orders that Fashion Development Joint Stock Company has placed with Protrade Garment Joint Stock Company from January 2, 2024 (for orders under the appendices of Contract No. 001/2023/MMBD-PTTT dated February 11, 2023), according to the unit prices and terms of the 2024 contract; authorization for the General</p>

No.	Resolution No.	Date	Content
			Director to sign contract appendices and handle relevant matters.
5	05/NQ-HĐQT (written consultation)	07/08/2024	<ul style="list-style-type: none"> -Approval of the dividend payment for 2023 in cash; -Approval of the remuneration level for 2023 for members of the Board of Directors, the Board of Supervisors, and the Company Secretary.
6	06/NQ-HĐQT	06/11/2024	<ul style="list-style-type: none"> -Approval of the report on business performance for the first nine months of 2024 and the projection for the fourth quarter of 2024. -Approval of the relocation plan proposed by the Relocation Subcommittee. -Agreement on the first working session results of the Board of Supervisors. -Agreement on the report evaluating the current status and orientation for the stabilization and development of human resources, and the current situation of employee resignation due to changes in the one-time social insurance policy. -Approval of the adjustment to the house and asset lease contract with Binh Duong Project Management and Investment One Member Limited Liability Company. -Agreement on the revised and supplemented 2024 investment proposal. -Agreement on the report on investment efficiency in Protrade Laundry Joint Stock Company and the progress of dissolution. -Other matters related to business operations.

II.REMUNERATION AND OPERATING EXPENSES OF THE BOARD OF DIRECTORS AND EACH MEMBER OF THE BOARD OF DIRECTORS.

Pursuant to Resolution No. 01/2024/NQ-ĐHĐCĐ dated June 28, 2024 of the 2024 Annual General Meeting of Shareholders, the total remuneration for the Board of Directors (BOD), the Board of Supervisors (BOS), and the Company Secretary for the year 2024 was approved not to exceed 3.5% of the after-tax profit of 2023.

Based on the business results of 2024, the BOD, BOS, and the Company Secretary have successfully fulfilled their assigned responsibilities. Therefore, the Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the total remuneration for the BOD, BOS, and the Company

Secretary for the year 2024 at 3.5% of the after-tax profit of 2024, equivalent to VND 5,776,544,802.

III. RELATED PARTY TRANSACTIONS:

Details of related party transactions have been reported in the Corporate Governance Report 2024 dated January 23, 2025.

IV. ACTIVITIES OF THE SUB-COMMITTEES UNDER THE BOARD OF DIRECTORS.

In accordance with the Scheme titled “Investigation and assessment of the current situation and proposal of mechanisms and policies to support enterprises located outside industrial parks and clusters in the Southern region to convert land use purposes or relocate into industrial parks and clusters in Binh Duong Province,” approved by the People’s Committee of Binh Duong Province under Decision No. 3210/QĐ-UBND dated October 31, 2019, the Board of Directors of the Company issued Resolution No. 07/NQ-HĐQT dated September 15, 2023 and Resolution No. 26/NQ-HĐQT dated December 29, 2023 to establish and consolidate the Relocation Sub-Committee of Protrade Garment Joint Stock Company, chaired by Mr. Nguyen An Dinh.

In 2024, the Relocation Sub-Committee focused on developing a relocation plan, which was approved by the Board of Directors under Resolution No. 06/NQ-HĐQT dated November 6, 2024.

VI. SUPERVISORY RESULTS OVER THE MANAGEMENT BOARD.

In accordance with the Company Charter and internal corporate governance regulations, the BOD seriously carried out its supervisory role over the Management Board in implementing the Resolutions of the General Meeting of Shareholders and the BOD through methods such as periodic meetings, reporting, and both direct and indirect exchanges, ensuring effective and timely operations. The BOD directed the Management Board to clearly assign responsibilities to each member, establish appropriate policies to ensure stable income and personnel retention, and prepare an assessment report on the current state and development direction of the Company’s human resources, serving as the basis for improving the Personnel – Compensation Sub-Committee. Simultaneously, the BOD requested the Management Board to rectify violations in the appointment process, cost management, and personnel nomination at the subsidiary company FDC. The supervision of the Management Board’s activities was conducted with prudence, transparency, and in the interests of the Company and its shareholders. The Management Board consists of qualified and experienced members who demonstrate a high level of responsibility and have maintained effective business operation meetings while ensuring compliance with legal regulations. Additionally, the BOD closely monitored the Company’s information disclosure process to ensure transparency, completeness, and legal compliance, allowing shareholders and investors to promptly access information via the Company’s website. In 2024, the Management Board made significant efforts to effectively implement the BOD’s resolutions and directives, thereby contributing to the Company’s overall achievements.

VII. PLANS AND OPERATIONAL ORIENTATIONS OF THE BOARD OF DIRECTORS FOR 2025.

1. Business Plan for 2025.

a. Business Plan Based on the 2025 Separate and Consolidated Financial Statements:

Unit: VND.

No.	Indicator	2025 (Separate)	2025 (Consolidated)
1	Charter capital	247,999,200,000	247,999,200,000
2	Production volume, including:	4,275,957	4,275,957
	- <i>Shirts</i>	1,620,835	1,620,835
	- <i>Fashion jeans</i>	1,100,926	1,100,926
	- <i>Basic jeans</i>	1,554,196	1,554,196
3	Total revenue	1,620,294,349,850	1,611,416,798,762
	of which: Revenue from sales of goods and provision of services	1,600,554,349,850	1,600,554,349,850
4	Total expenses	1,512,773,916,155	1,501,223,053,660
5	Profit before tax	107,520,433,695	110,193,745,102
6	Current corporate income tax expense	23,104,086,739	23,104,086,739
	Deferred corporate income tax expense		-3,114,902,429
7	Profit after tax	84,416,346,956	90,204,560,792

b. Profit Distribution Plan for 2025:

No.	Item	Profit Distribution Plan 2025
1	Appropriations to Funds	
	- <i>Development Investment Fund</i>	20% of profit after tax in 2025
	- <i>Bonus and Welfare Fund</i>	5% of profit after tax in 2025
	- <i>Bonus Fund for Executive Board</i>	1,5% of profit after tax in 2025
2	Dividend payment in cash	Not less than 10% of charter capital

2. Strategic orientation for the 2025–2030 term.

Entering a new stage of development, the Board of Directors has identified several core strategic orientations aimed at enhancing competitiveness, adapting to the evolving business environment, and promoting the sustainable growth of the Company:

a) Establishing a Development Strategy Aligned with the Garment –Wash Ecosystem:

For the 2025–2030 term, one of the central strategic directions of Protrade Garment Joint Stock Company (BDG) is to build and develop an integrated production ecosystem in collaboration with Fashion Development Corporation (FDC). This strategic initiative aims to maximize internal capabilities and improve synchronization within the internal supply chain, thereby enhancing the Company's competitive edge in a market increasingly characterized by integration and flexibility.

The development strategy associated with the Garment – Wash ecosystem will be implemented in a focused and coordinated manner, emphasizing the following key areas:

–Identifying high value-added core product lines and targeting new customers

BDG will take the lead in working closely with FDC to conduct a comprehensive review of their outsourced product portfolio. This will include evaluating production capacity, operational efficiency, wash process sophistication, and product trends in key export markets. The analysis will focus on essential aspects such as technical advantages, quality control capabilities, turnaround time, and profit margin for each product group.

Based on this assessment, the two companies will select several core product lines—those offering high added value through complex design, advanced wash processing requirements, stringent quality standards, and customization potential for international brands. These core products will serve as a foundation to approach and present to new partners, thereby expanding the customer base beyond existing orders.

These products will receive targeted investments in research and the application of advanced technologies throughout both production and wash processes. The goal is to shorten processing times, reduce manual labor, and improve consistency and quality control. Through this approach, BDG and FDC aim to develop specialized manufacturing capabilities to fulfill technically demanding orders, thus enhancing their position in the global outsourcing market and increasing contract value.

– Efficiently leveraging FDC’s Wash capabilities to enhance product quality

FDC currently possesses strong expertise and experience in post-garment processing, including industrial washing, garment finishing, and dyeing. By fully utilizing these capabilities, BDG can significantly improve output quality control while expanding its ability to meet the specific requirements of high-end customers—particularly in export-oriented fashion segments, environmentally friendly apparel, and products requiring ESG-compliant standards.

The Garment – Wash ecosystem not only fosters technical linkage between production stages but also enables reductions in internal logistics costs, shorter lead times, and greater flexibility in handling urgent orders. Furthermore, this close coordination facilitates data sharing between the two entities, optimizes resource allocation, and supports the joint development of technological innovations in production processes.

–Restructuring the customer portfolio – Prioritizing strategic partnerships and redefining production methods

To enhance the efficiency of commercial cooperation and align with the growing emphasis on sustainability in the textile and garment industry, the Company has identified the restructuring of its customer portfolio as a key strategic direction in the upcoming period. Specifically, the Company will conduct a comprehensive review and evaluation of its existing customer base using a clear set of criteria, including: order volume stability, profit margin, payment performance, technical and quality requirements, and long-term growth potential.

Based on this assessment, the Company will prioritize the retention and development of relationships with strategic partners—customers with strong financial capacity, long-term commitments, a strong emphasis on quality, and a willingness to collaborate in technological innovation, process improvement, and the pursuit of shared sustainable benefits. At the same time, the Company will gradually reduce reliance on short-term clients who focus heavily on price competitiveness and are subject to high volatility, in order to mitigate risks related to order stability, payment, and production continuity.

Restructuring the customer portfolio will not only enable the Company to optimize production capacity utilization but also support a transformation in operational methods—towards greater specialization, flexibility, and proactivity in negotiation, production planning, order fulfillment, and cash flow management. This is a crucial preparatory step in transitioning the Company's business operations from a model focused on scale to one centered on depth, added value, and long-term competitiveness.

b) Developing a Mid-level successor team to meet emerging business needs:

To support the transition in production models and implement the growth strategy for the new development phase, the Board of Directors has identified the development of a competent mid-level management and technical expert team as a critical and strategic imperative. This initiative is considered a foundational element to ensure operational continuity, strengthen corporate governance, and improve production and business efficiency amid intensifying market competition and a constant demand for innovation. The Board of Directors will instruct the Executive Board to formulate and implement a structured and synchronized plan for talent development, focusing on the following key areas:

– Developing a detailed competency framework for key positions:

The process of building a successor team begins with clearly identifying the competency requirements, technical skills, and managerial attributes for each key position within the mid-level management and technical expert structure. This competency framework will be designed to align not only with the current business and production context, but also with the anticipated future changes, including areas such as project management, technological innovation, human resources governance, and sustainable development. It will also serve as the foundation for training programs, performance evaluations, and successor development initiatives.

– Implementing selective and purpose-driven succession training programs:

Based on the developed competency framework, the Executive Board will implement a series of specialized training programs, on-the-job training, and a combination of mentoring and coaching to build practical skills and experience for high-potential employees. These training initiatives will be tailored to specific successor groups and focus on key capabilities such as production management, innovation, advanced technologies, and human capital management.

In parallel, a system of periodic evaluations will be implemented to track development progress and allow for timely adjustments to the training roadmap to ensure optimal effectiveness.

–Adopting retention and incentive policies linked to long-term development commitments:

Recognizing the critical role of high-quality human resources in driving transformation and growth, the Board of Directors will instruct the development of competitive remuneration and incentive policies, including salary, bonus structures, benefits, and clear career advancement opportunities, to retain capable personnel—particularly potential candidates in the succession pipeline. These policies will also be linked to long-term career development commitments, enabling individuals to fully realize their potential and make sustainable contributions to the Company's development.

– Enhancing knowledge and experience transfer across generations:

To ensure continuity in management and operations, the Board of Directors will direct the Executive Board to promote activities that encourage knowledge and experience sharing between current leaders and the successor team. These initiatives may include mentorship sessions, internal workshops, collaborative projects, and structured personal development programs.

This knowledge transfer process will not only cultivate technical expertise but also instill corporate culture, strategic thinking, and a strong sense of accountability—ultimately building a well-rounded successor workforce capable of assuming critical leadership roles in the future.

c)Relocating the Company's factory to Protrade International Industrial Park – integration with FDC

The relocation of Protrade Garment Joint Stock Company's factory to Protrade International Industrial Park, in proximity to FDC's facilities, is regarded as a pivotal strategic move to optimize production operations and enhance the overall efficiency and management of the Company's integrated manufacturing ecosystem. This decision is grounded in a thorough analysis of geographic advantages, supply chain alignment, and long-term sustainable development requirements. Concentrating both the garment and wash plants within the same area brings several practical benefits, specifically:

– Strengthening integration across production stages in the value chain:

The geographic proximity between the Garment and Wash facilities enables seamless coordination across production stages—from sewing and finishing to packaging and delivery. This enhances product quality consistency, streamlines workflow processes, and reduces potential risks stemming from transportation and communication gaps between departments.

–Significantly shortening delivery lead time and increasing operational flexibility:

The relocation will reduce product transfer time between Garment and Wash processes, thereby shortening the overall production cycle. This allows the Company to respond more swiftly to order changes and improves its adaptability to market fluctuations and customer demands.

–Reducing internal logistics costs and improving financial performance:

Shorter transportation distances result in substantially lower internal logistics expenses, including transport and handling costs. This cost optimization contributes to increased profit margins and creates additional financial resources for further development initiatives.

–Additional strategic advantages at the new location in Protrade International Industrial Park:

It provides a modern, professional working environment that is conducive to attracting and retaining high-quality human resources, supporting the Company's future development goals.

It expands opportunities for collaboration with partners, suppliers, and organizations supporting sustainable development, thereby enhancing the Company's competitiveness and reputation in both domestic and international markets.

In conclusion, the 2020–2025 term marked a period of dedication, unity, and transformation for the Board of Directors of Protrade Garment Joint Stock Company. While certain limitations remain that require continued improvement, the achievements during this term have laid a solid foundation for the Company's stable and sustainable development in the years ahead.

With a clear strategic orientation, focused priorities, and a proactive, adaptive spirit, the Board of Directors is committed to continuing its supervisory and strategic roles, working closely alongside the Executive Board to guide the Company into a new phase of development—more professional, efficient, and sustainable.

Respectfully.

Recipients:

- As above;
- BOD;
- BOS;
- Board of Management;
- Filing: Secretary.

ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN



NGUYEN AN DINH

No: 01/BC-TGD

Binh Duong, June 04, 2025

REPORT

2024 BUSINESS PERFORMANCE REVIEW AND 2025 BUSINESS PLAN.

To: General Meeting of Shareholders of Protrade Garment Joint Stock Company.

- Pursuant to Circular No. 116/2020/TT-BTC dated December 31, 2020, issued by the Ministry of Finance, providing guidance on certain provisions of corporate governance applicable to public companies under Decree No. 155/2020/NĐ-CP dated December 31, 2020, of the Government detailing the implementation of certain provisions of the Law on Securities;

*- Pursuant to the Charter on Organization and Operation of Protrade Garment Joint Stock Company ("**the Company**");*

- Pursuant to Resolution No. 01/NQ-ĐHĐCĐ dated June 28, 2024, of the Annual General Meeting of Shareholders for the year 2024;

- Pursuant to Resolution No. 18/NQ-HDQT dated June 4, 2025 of the Board of Directors of Protrade Garment Joint Stock Company.

The Executive Board of Protrade Garment Joint Stock Company respectfully reports to the General Meeting of Shareholders ("GMS") on the Business Performance in 2024 and Business Plan for 2025 as follows:

I. ASSESSMENT OF 2024 BUSINESS PERFORMANCE:

1. Market Overview

In 2024, the Vietnamese textile and garment industry recorded positive results despite ongoing challenges in the global market. Total export turnover of the entire sector reached approximately USD 44 billion, representing an 11.26% increase compared to 2023. The United States remained the largest export market, with an estimated export value of USD 16.71 billion, up 12.33%, accounting for 37.98% of the industry's total export turnover.

However, alongside these positive growth indicators, the industry continued to face several significant challenges. Notably, access to large-volume orders remained constrained, while unit prices showed no significant improvement, directly impacting business efficiency and limiting the ability to expand profit margins. Moreover, labor market volatility emerged as a critical issue, as many enterprises struggled to maintain a stable workforce, particularly in key production hubs.

In the second half of the year, the market experienced positive shifts, with a notable relocation of orders from countries such as Bangladesh and Myanmar to Vietnam due to geopolitical factors and increasing international demand for diversified supply chains. This trend presented Vietnamese enterprises with valuable opportunities

to increase order volumes, enhance production capabilities, and reinforce their position in the global supply chain. Nonetheless, industry-wide profit margins remained under pressure due to rising production costs, especially labor costs, while selling prices remained stagnant. These dynamics compelled enterprises to improve operational efficiency and optimize cost structures to maintain competitive advantage.

In summary, 2024 marked a year of significant recovery for Vietnam's textile and garment sector following a period of turbulence. There were encouraging signs in terms of production volume and order relocation. However, the industry still faces inherent risks and challenges, necessitating continued agility, proactive adaptation, market diversification, and innovation in product development to ensure sustainable growth.

2. Product Development and Customer Structure at the Company

In the context of persistent fluctuations in the global apparel industry, combined with ongoing cost pressures and stagnant unit prices, the Company proactively capitalized on supply chain shifts and implemented comprehensive solutions to maintain production activities, safeguard employment, and stabilize employee income. Key initiatives included:

- Strengthening relationships with existing customers to ensure long-term cooperation and operational stability.
- Expanding product lines for current clients to meet diverse demands and enhance cooperation value.
- Actively developing new designs and improving design capabilities to align with market preferences.
- Proactively negotiating with customers to share cost burdens and adjust pricing structures, particularly in light of rising input costs, especially labor.
- Developing the domestic market to diversify distribution channels and reduce reliance on export markets.

Despite persisting challenges, the Company demonstrated a strong commitment to maintaining relationships with strategic clients and enhancing its product development capabilities. These efforts reflect a long-term and sustainable partnership approach, aimed at securing stable growth in the coming years.

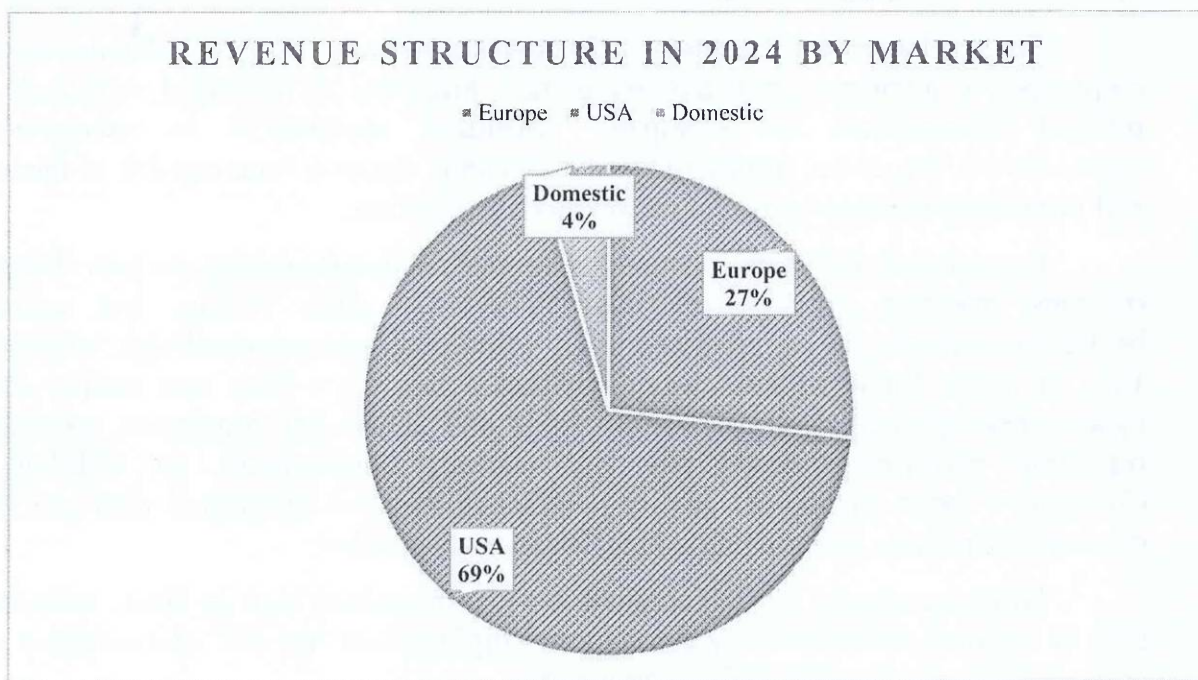
In 2024, the Company continued to operate under two main production models: FOB (Free on Board) and CMT (Cut-Make-Trim). Of these, FOB remained the core model, accounting for 87% of total production volume, while CMT represented the remaining 13%.

The Company's major customers in 2024 include:

No.	Customer	Market	Type	Product	Export Volume (units)	Sales (VND billion)	Weight (%)
1	Olymp	Europe (Germany)	FOB	Shirts	1,523,440	442.6	24%
2	Rock Revival	USA	FOB	Jeans	794,621	744.8	41%
3	Miss me	USA	FOB	Jeans	619,926	358.1	20%

No.	Customer	Market	Type	Product	Export Volume (units)	Sales (VND billion)	Weight (%)
4	Pac sun	USA	FOB	Jeans	206,682	56.7	3%
5	Yody	Vietnam	FOB	Jeans	407,085	75.0	4%
6	Evolution 3	Europe (Germany)	CMT	Jeans	448,704	44.3	3%
7	Eunina	USA	FOB + CMT	Jeans	328,300	88.5	5%
8	Other customers	Vietnam	CMT	Jeans	66,567	6.6	0%
	Total				4,395,325	1,816.5	100%

In 2024, the Company continued to produce Eunina orders under both FOB and CMT models. However, the Company is progressively shifting all Eunina orders to the FOB model in order to enhance added value and improve supply chain autonomy.

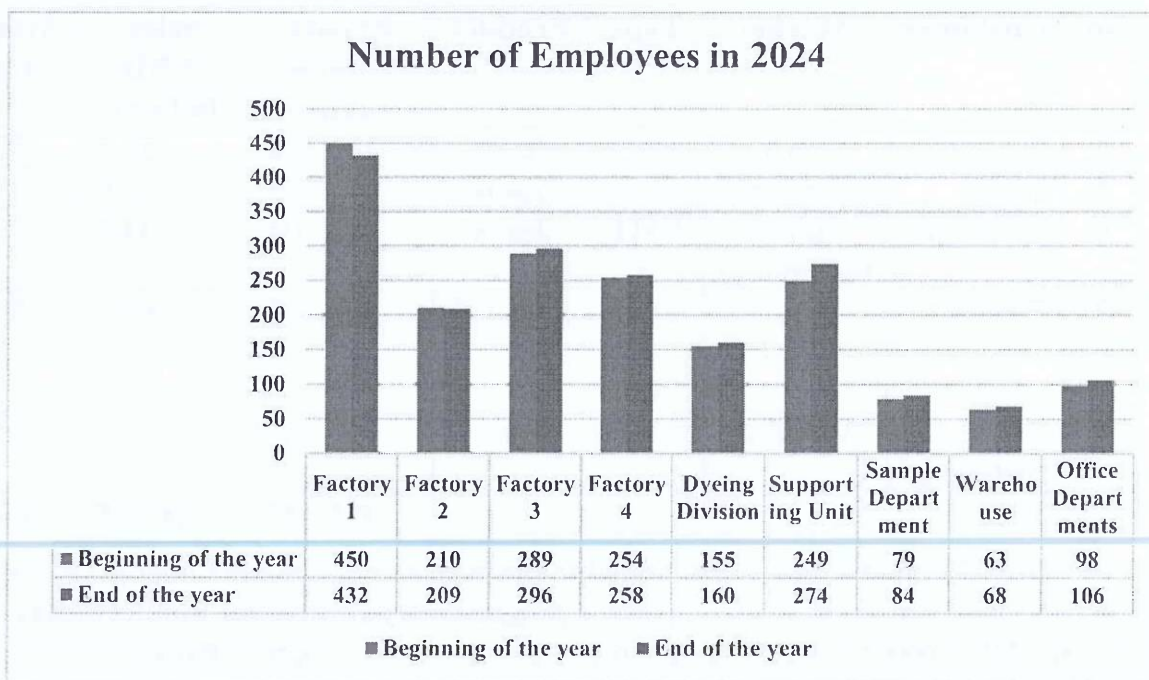


Based on the revenue structure by customer in 2024, the United States remained the Company's key export market, accounting for 69% of total revenue. This was followed by Europe at 27%, and the domestic market at 4%. This structure clearly reflects the Company's strategic focus on exports. Nevertheless, to mitigate the risk of over-reliance on a single market, the Company aims to diversify its export markets and gradually expand to other regions beyond the U.S. in the coming period.

3. Labor – Employee Income and Welfare

3.1. Recruitment and Labor Turnover

As of December 31, 2024, the Company had a total workforce of 1,887 employees, an increase of 40 compared to the beginning of the year (1,847 employees). During the year, 591 employees resigned, and 631 new employees were recruited. Timely replenishment of the workforce helped ensure stable production operations and meet labor demands at various units.



The need for new recruitment in 2024 was modest, mainly for replacing departing employees or adding a small number of new hires due to increased workloads. For indirect departments, the Company prioritized recruitment to strengthen its organizational structure, aiming to build a dynamic, creative team capable of inheriting and promoting the core values of the previous generation.

Recruitment activities encountered several challenges during the year. Despite a rigorous selection process, including interviews, skills testing, and candidate background checks, the resignation or early withdrawal rate remained high, with around 10% of newly hired workers leaving within a few days. This was mainly due to mismatches between candidate expectations and actual job conditions, particularly regarding performance-based pay and working environment. In addition, the Company's focus on product quality requires skilled and committed workers, which presents difficulties in attracting young, inexperienced labor.

Turnover among newly recruited workers remained high in 2024, reflecting a lack of stability and a tendency among new employees to "try out" and compare work environments and benefits before committing.

✦ Primary reasons for resignations include:

- Macroeconomic downturn: Many workers chose to return to their hometowns to lower living expenses in industrial zones or major cities;
- Rising inflation: Eroded real income levels;
- Work pressure: Increasing demands on productivity and product quality led some employees to experience stress and seek less demanding jobs.

Although the Company promptly recruited replacements, training new hires required time, which somewhat affected overall productivity and product quality.

3.2. Training and Development

In 2024, the Company issued an official Training Regulation to serve as a foundation for implementing systematic and comprehensive training activities. The

Company focused on diversifying training targets and adopting flexible training formats.

❖ *Training results in 2024:*

Training quality showed marked improvement, especially among production-line sewing operators. The Human Resources Department collaborated closely with the Industrial Engineering (IE) Department to conduct periodic competency assessments and develop monthly training plans for workers in each production unit.

Besides technical training for direct production workers, the Company also emphasized managerial training, targeting middle managers and line supervisors, with a focus on soft skills and cognitive development. These efforts aim to prepare the workforce to meet higher industry demands amid a volatile market environment.

Various interactive formats such as group discussions, presentations, and teamwork were used to improve both knowledge absorption and practical application. These sessions also helped managers engage, empathize, and share experiences, thereby reducing negative sentiments and fostering a more harmonious corporate culture.

❖ *Challenges in training and workforce development:*

Although some positive results were achieved in training and human resource development in 2024, the implementation process still faced certain difficulties and limitations, specifically as follows:

- Difficulties in multi-skill training at the production stage: The pressure to maintain productivity and product quality led many production units to specialize tasks for workers to ensure income and meet production schedules. As a result, the initiative to implement multi-skill training from the improvement department and the HR Department encountered many obstacles, was passive in nature, and did not achieve the initially expected outcomes.

- Focus on training new workers, lack of proactive upskilling for current workers: Due to significant labor fluctuations, the Company was compelled to prioritize training new workers to promptly fill production lines. This led to insufficient resources and attention given to improving productivity and skills of existing workers. The upskilling of current employees was mostly self-initiated, lacking direction and active support from management levels.

- Limitations in management team training: A dense production schedule and frequent changes in product codes and materials affected managers' ability to fully participate in training programs. Additionally, the uneven skill levels among managers limited the quality of discussions and interactions during training sessions. Most sessions saw active participation from only a few individuals, while the rest attended passively, leading to results that fell short of expectations.

3.3. Salary – Employee Income

The Company consistently complies with labor regulations, ensuring appropriate salary levels, and paying wages in full and on time according to labor contracts and the Collective Labor Agreement.

Notably, from July 2024, the Company implemented a 6% salary increase for employees in accordance with Decree No. 74/2024/ND-CP issued by the Government on June 30, 2024, regarding regional minimum wages. This adjustment aimed to ensure

employee income amidst economic fluctuations, while demonstrating the Company's commitment to improving employees' livelihoods and building a stable, sustainable working environment.

Additionally, to motivate productivity, encourage work spirit, and support employee income, the Company continued to implement incentive policies at the line and team levels, and productivity bonuses for units exceeding planned targets.

❖ *Average Income in 2024:*

- The average income of direct workers working 208 hours/month reached VND 9.8 million/person/month.

- The average income of direct workers working 241 hours/month reached VND 11.4 million/person/month.

- The average income of indirect employees reached VND 14.6 million/person/month.

The Company also provided a 13th-month salary bonus to recognize employees' contributions: For direct production workers: bonus equivalent to 2.3 months of actual salary; For professional staff: bonus equivalent to 2.55 months of actual salary. The total amount paid for the 13th-month salary in 2024 was VND 43.7 billion, contributing to improving employee income, stabilizing their lives, and fostering long-term commitment to the Company.

In addition to ensuring salary policies, in 2024, the Company adjusted Social Insurance, Health Insurance, and Unemployment Insurance contributions for all employees from July 2024. Specifically:

- For direct workers: insurance contributions were adjusted based on skill-based salary levels, reflecting actual qualifications and capabilities. Insurance salary levels ranged from VND 5.6 million to VND 8.4 million depending on skill levels.

- For indirect staff: insurance contributions were based on monthly salary per labor contract.

This adjustment reflects the Company's commitment to ensuring full social welfare benefits for employees and compliance with current legal regulations.

3.4. Employee Welfare Policy

The Company considers employees as valuable assets and a key factor for sustainable development. In 2024, it implemented comprehensive policies to care for workers' lives, health, and well-being, including:

- Organizing periodic health checks for all employees in compliance with labor laws, ensuring early detection of occupational health issues.

- Providing mid-shift meals at VND 22,000 per portion. The menu changes daily with a variety of dishes from two certified catering units, with food sources strictly monitored according to safety regulations.

- Working environment: The Company annually contracts a specialized unit to conduct workplace environment assessments, ensuring all indicators meet legal safety, hygiene, and friendliness standards.

- Occupational safety and hygiene: The Company provides appropriate personal protective equipment for each department's nature of work. It also regularly inspects, maintains, and upgrades safety systems such as automatic fire protection systems and wastewater treatment systems, ensuring safe and efficient operations.
- Organizing tours and vacations for all employees, with a budget of VND 2.5 million/person (VND 2 million from the Company and VND 500,000 from the Trade Union).
- During the 2024 Lunar New Year, the Company supported transportation costs for employees returning home, showing practical care for their emotional well-being and team bonding.

4. Investment Situation

4.1. Investment in machinery, equipment, and workshop repair:

In 2024, the Company continued to implement investment, repair, and renovation activities aimed at improving production efficiency, ensuring safety, and enhancing working conditions for employees. The total cost of fixed asset investment and workshop repair during the year amounted to VND 21.6 billion, of which VND 17.8 billion was allocated to two major fire protection projects. Specifically:

a) Investment in production machinery and equipment

The Company invested in 8 specialized machines and equipment to replace outdated and ineffective ones. Total investment value: VND 822 million.

b) Investment in transmission equipment and workshop

- Investment in a 300kg/h boiler at the Finishing Workshop to replace an old boiler that no longer met quality standards, valued at VND 205 million.
- Construction of a boiler house with a design that ensures operational efficiency and safety distance, valued at VND 138 million.

c) Investment in the fire prevention and fighting (FPF) system

❖ For buildings constructed before the Fire Protection Law took effect:

Since September 2023, the Company has implemented a fire prevention and fighting system investment project in accordance with Official Document No. 576/PC07-CTPC dated June 12, 2023, issued by the Fire Prevention, Fighting and Rescue Police Division – Binh Duong Provincial Police, providing fire safety solutions for facilities operating prior to the effectiveness of the Law on Fire Prevention and Fighting. The project includes a 700m³ fire water reservoir, wall-mounted fire hydrant system, automatic sprinkler system, and a fire pump station. The total investment for fire safety compliance for pre-law buildings amounts to VND 9.1 billion.

After receiving the conclusion from the Fire Prevention, Fighting and Rescue Police Division – Thuan An City Police confirming that the Company had fully complied with the guidance issued by the Fire Prevention, Fighting and Rescue Police Division – Binh Duong Provincial Police, the Company, in collaboration with the contractor and the supervising consultant, conducted the final acceptance and handover of the completed facility for operational use on March 22, 2024.

❖ For buildings constructed after the Law on Fire Prevention and Fighting took effect (including the Finishing Workshop, Thread-Cutting Zone A, Accessories Warehouse, and Label Sewing Area):

In addition to the implementation of the fire prevention and fighting system for buildings constructed before the Law on Fire Prevention and Fighting came into effect, in 2024, the Company continued reviewing and completing the legal documentation related to fire safety for the remaining facilities, including the Finishing Workshop, Thread-Cutting Zone A, Accessories Warehouse, and Label Sewing Area. These facilities were completed, accepted, and put into operation in August 2024, with a total investment of VND 8.7 billion.

The comprehensive and standardized investment in fire prevention and fighting systems across all operational areas reflects the Company's strong commitment to strict compliance with legal regulations and to ensuring absolute safety for employees, assets, and the production environment.

d) Workshop repair and renovation

Total cost: VND 2.3 billion, including:

- Installation and replacement of the company's camera system;
- Fence repair for the canteen area;
- Renovation of fire-fighting water supply systems in the raw material and finished goods warehouses;
- Toilet repair in Factory 1;
- Relocation and repair of the cooling system in the Finishing Workshop;
- Renovation and construction of internal roads for fire truck access;
- Relocation and installation of a 500kg/h boiler to a safer location in the Finishing Workshop;
- Painting and waterproofing of Factory 1.

4.2. Financial Investment:

a) Protrade Garment Joint Stock Company

According to Resolution No. 08/2021/NQ-HĐQT dated January 22, 2021, the Board of Directors of Protrade Garment JSC approved the closure of Protrade Garment Joint Stock Company, with the deadline being no later than June 30, 2022.

However, due to certain objective reasons related to administrative procedures on the part of the authorities, it was not until September 21, 2024, that Protrade Laundry Joint Stock Company received Notice No. 87728/24 dated September 13, 2024, from the Department of Planning and Investment of Binh Duong Province, confirming that the enterprise had completed the dissolution procedures in accordance with regulations. Protrade Laundry Joint Stock Company also completed the distribution of assets to shareholders, thereby closing its operations and fully fulfilling all legal obligations.

The investment in Protrade Laundry JSC was assessed as effective and aligned with the Company's production development strategy. During its operational period, the investment contributed to securing the supply chain and actively supported production activities, thereby enhancing the Company's overall business efficiency. This

effectiveness was clearly reflected in the increasing profit margin during the 2018–2022 period, underscoring the positive impact of this investment on the Company’s operating performance. Additionally, upon the completion of Protrade Laundry’s dissolution procedures, the Company successfully recovered its entire invested capital, thereby safeguarding financial security and the lawful interests of shareholders.

b) Fashion Development Joint Stock Company (FDC):

Pursuing a sustainable development strategy, Protrade Garment Joint Stock Company currently holds 76.08% of FDC’s total shares.

To effectively manage the invested capital and align development strategies between the two entities, the Board of Directors of the Company transferred and appointed key management personnel to FDC as follows:

- Mr. Nguyen Xuan Quan – Executive Vice General Director of the Company – was appointed as Chairman of the BOD of FDC effective from January 1, 2024.
- Ms. Doan Thi Kim Ngan – formerly Chief Accountant of the Company – was relieved from her position and appointed as Deputy General Director cum Chief Accountant of FDC, also effective from January 1, 2024.

❖ FDC’s 2024 Business Results:

- Sales revenue: VND 250.6 billion, achieving 116% of the annual target.
- Net profit after tax: VND 47.5 billion, reaching 163% of the annual target.

The strengthened governance role of the Garment Company at FDC yielded clear results in 2024, as evidenced by revenue and profit figures exceeding planned targets. This represents a standout highlight among the Company’s 2024 financial investments, contributing to increased equity value for the parent company and laying the foundation for cohesive development among its subsidiaries.

5. Business Performance:

5.1. Performance Indicators (Separate Financial Statements):

No.	INDICATOR	Unit	2024			Compared to 2023	
			Plan	Actual	% Actual / Plan	Actual	% Actual /2023
1	Net revenue from sales of goods and services	VND billion	1,564.6	1,816.5	116%	1,559.9	116%
2	Profit before tax	VND billion	111.4	201.2	181%	152.0	132%
3	Corporate income tax (CIT)	VND billion	22.3	41.9	188%	32.3	130%
4	Profit after tax	VND billion	89.1	159.3	179%	119,7	133%

5.2. Performance Indicators (Consolidated Financial Statements):

No.	INDICATOR	Unit	2024			Compared to 2023	
			Plan	Actual	% Actual/Plan	Actual	% Actual/2023
1	Net revenue from sales of goods and services	VND billion	1,564.5	1,816.5	116%	1,559.9	116%
2	Profit before tax	VND billion	116.1	210.3	181%	158.4	133%
3	Corporate income tax (CIT)	VND billion	22.3	41.9	188%	32.3	130%
4	Deferred corporate income tax	VND billion	-	7.2		3.6	-204%
5	Profit after tax	VND billion	93.8	175.6	187%	122.6	143%
	Of which:						
	- Profit after tax attributable to parent company shareholders	VND billion	86.9	164.3	189%	123.4	133%
	- Profit after tax attributable to non-controlling interests	VND billion	6.7	11.4	163%	-0.8	1384%

In 2024, Vietnam's textile and garment industry witnessed a strong recovery after a volatile period, with positive signals in output and a shift in global order distribution trends. As a result, the Company achieved notable progress in its operations.

Major clients increased their order volumes, particularly for fashion products. Consequently, revenue from sales rose by 16% compared to 2023, fulfilling 116% of the annual plan.

Despite continued pressure on profit margins due to rising production costs, the Company exceeded expectations by effectively implementing the BOD' strategic directions, benefiting from agile management and the dedicated efforts of all employees.

Additionally, increased output and quality control enabled the subsidiary, FDC, to outperform its planned targets. A further boost came from a foreign exchange gain of approximately VND 17 billion in the year, contributing positively to overall results.. Specifically:

- Profit after tax (Separate Financial Statements) exceeded the target by 79%;

- Profit after tax (Consolidated Financial Statements) exceeded the target by 87%.

6. Financial Overview

In 2024, the Company maintained tight financial controls, ensuring liquidity, efficient capital usage, and financial stability. Key financial indicators include:

Indicator (Separate Financial Statements)	2024	2023	Note
1. Liquidity Ratios			
Current Ratio	2.31	2.37	times
Quick Ratio	0.09	0.21	times
2. Capital Structure Ratios			
Total Liabilities/Total Assets	37%	37%	
Total Liabilities/Equity	60%	59%	
3. Efficiency Ratios			
Inventory Turnover	6.85	5.31	times
Receivables Turnover	7.32	7.55	times
Net Revenue / Total Assets	1.99	1.84	times
4. Profitability Ratios			
Net Profit After Tax / Net Revenue	8.77%	7.67%	
Net Profit After Tax / Equity (ROE)	27.80%	23.34%	
Net Profit After Tax / Total Assets (ROA)	17.45%	14.11%	
Operating Profit / Net Revenue	10.34%	8.68%	

6.1. Management of Current Assets and Short-term Liabilities:

- Cash Holdings: Due to a deliberate strategy of short-term financial investments via term deposits, cash on hand at year-end 2024 was lower than in 2023. This move aimed to optimize idle cash and enhance capital efficiency.

- Inventories: Inventories accounted for 26% of current assets, down from 34% in 2023. Average inventory turnover days were 54, a 15-day improvement year-over-year. The inventory turnover ratio reached 6.85 times/year, a notable increase from 5.31 times/year in 2023, indicating effective production and order coordination.

- Trade Receivables: Represented 31% of current assets, slightly up from 29% in the prior year. However, there were no overdue or doubtful debts. The average collection period was 50 days, up 2 days from 2023. The receivables turnover ratio was 7.32 times, slightly lower than 7.55 times the previous year, reflecting order expansion still within safe credit risk limits.

- Short-term Liabilities: Accounted for 37% of total capital, similar to 2023. The Company met all payment obligations to suppliers and employees on time. Bank borrowings increased slightly to optimize working capital for operations. Tax liabilities also rose marginally due to higher profits, resulting in increased corporate income tax provisions.

6.2. Management of Non-current Assets:

At the end of 2024, non-current assets made up 14% of total assets, a 2% increase from 2023. This rise stemmed mainly from continued investments in machinery, factory renovations, and upgrades to the fire protection system, supporting safe and efficient operations.

The Company's non-current assets primarily consist of: Tangible fixed assets directly serving production; Equity investments in subsidiaries to support aligned business development.

The investment and asset management practices were tightly controlled and aligned with medium- and long-term development goals, ensuring no waste or asset loss while improving capital efficiency and supporting sustainable growth.

7. Profit Distribution and Dividend Payment for 2024

Based on Resolution No. 01/2024/NQ-DHDCĐ dated June 28, 2024, from the Annual General Meeting of Shareholders regarding the 2024 profit distribution plan, the Management Board reports as follows:

In 2024, the Company met and exceeded key business targets in terms of revenue, profit, and operational performance. However, to proactively manage financial resources and prepare for the upcoming factory relocation, the Company reviewed and proposed a rational profit distribution plan that both protects shareholders' rights and strengthens financial resilience. Accordingly, the 2024 net profit after tax was allocated as follows:

No.	Item	Plan	Actual	Amount (VND)
***	Charter Capital			247,999,200,000
1	Net Profit After Tax (NPAT)			159,267,592,394
2	Appropriations to Reserves			42,205,911,985
	<i>Development Investment Fund</i>	<i>20% NPAT</i>	<i>20% NPAT</i>	<i>31,853,518,479</i>
	<i>Welfare and Bonus Fund</i>	<i>6% NPAT</i>	<i>5% NPAT</i>	<i>7,963,379,620</i>
	<i>Executive Bonus Fund</i>	<i>1% NPAT</i>	<i>1,5% NPAT</i>	<i>2,389,013,886</i>
3	Cash Dividend Distribution	Not less than 10% of charter capital	25% of charter capital	61,999,800,000
4	Undistributed Net Profit Remaining for 2024			55,061,880,409
5	Retained Earnings Brought Forward from Previous Years			126,654,994,058
6	Total Undistributed Net Profit			181,716,874,467

8. General Assessment of 2024 Management Activities

8.1. Achievements

In 2024, under the close supervision of the Board of Directors, the flexible management of the Executive Board, and the collective efforts of all employees, the Company successfully fulfilled its business targets. In addition to meeting financial indicators, the Executive Board effectively implemented various management and operational tasks, including:

- Flexible production arrangements to adapt to workforce fluctuations and maintain operational stability.
- Strong relationships with long-term customers and continued domestic market engagement to ensure a stable production order pipeline and sustained employment.
- Efficient maintenance of factory quality management systems, with no major quality incidents affecting the Company's reputation.
- Enhanced quality control of washed garments, reducing defect rates and minimizing loss, thereby improving production efficiency.
- Implemented a 6% salary increase in compliance with Decree No. 74/2024/NĐ-CP issued on June 30, 2024, regarding regional minimum wages. This not only complied with legal requirements but also improved employee income and morale, fostering loyalty and productivity. The Company also maintained appropriate and timely welfare and bonus schemes to retain human capital and boost operational efficiency.
- Increased social insurance contributions as required by law, ensuring full social welfare benefits for employees.
- Fully equipped fire safety systems across production areas, maintaining a safe workplace in compliance with legal fire prevention regulations.
- Completed procedures for obtaining the Environmental Permit, officially granted by authorities on December 31, 2024, affirming the Company's commitment to legal compliance and sustainable development.

8.2. Challenges and Limitations

Alongside the positive results achieved, the Management Board has candidly acknowledged several existing challenges and limitations that must be addressed going forward:

- Development of new markets and customers are still limited. The Company's business performance continues to rely heavily on a few traditional customers, which poses risks in terms of order volume amid global economic and demand volatility. Market expansion and customer diversification remain strategic priorities in the upcoming period.
- The Company's organizational structure has yet to be fully streamlined, resulting in limited productivity in some departments and increased labor cost burdens. Although workforce restructuring toward efficiency, cost-effectiveness, and flexibility has been raised, its implementation has not been synchronized or decisive, which has affected overall productivity and resource efficiency.

II. BUSINESS PLAN FOR 2025:

1. Market Outlook for 2025

Entering 2025, Vietnam's textile and garment industry continues to face significant pressure from global macroeconomic factors, specifically:

- Decline in global demand: Major markets such as the U.S., Europe, and Japan are expected to continue reducing order volumes as consumers tighten spending due to prolonged inflation.
- Unsustainable order structure: Orders remain concentrated in the low-price segment, with small volumes, short lead times, low profit margins, and a lack of stability—making them highly sensitive to global macroeconomic shocks.
- Intensified industry competition: Competition in the textile and garment industry is intensifying, especially from low-cost producers like Bangladesh and Myanmar. This puts pressure on Vietnamese enterprises in both pricing and delivery timelines, while quality standards are becoming increasingly stringent.
- Global economic volatility: Ongoing risks such as inflation, monetary policy adjustments in major economies, and geopolitical instability are likely to negatively impact global demand for textiles and garments as well as domestic input costs.
- Rising inventory at major fashion brands: Inventory levels at global fashion brands are trending upward, potentially resulting in order reductions in the second half of 2025 and adversely affecting the production plans and cash flow of industry players.
- Global supply chain shifts: Amid prolonged U.S.–China trade tensions, many major brands are shifting supply chains away from China to diversify risk. While this presents an opportunity for Vietnam, it also imposes challenges related to competitiveness and meeting global standards.
- Green production trends: Requirements for sustainable development—such as emission reduction and the use of eco-friendly materials—are becoming mandatory industry standards. Enterprises that fail to adapt risk being excluded from global supply chains.
- Trade policy risks: One of the key factors likely to affect Vietnam's textile export outlook in 2025 is the introduction of new tax and trade policies by major markets, particularly the United States—the industry's largest export destination. Specifically, the U.S. has reviewed and implemented retaliatory tariffs on certain Vietnamese exports. These actions, aimed at reducing trade deficits with large-surplus partners such as Vietnam, are part of the broader protectionist trade agenda promoted by the Trump administration to support domestic production amid escalating trade disputes.

These developments are expected to increase export costs; reduce the competitiveness of Vietnamese goods versus countries enjoying more favorable trade agreements with the U.S.; influence international customers' purchasing behavior and strategies. As a result, there is a heightened risk of order decline, particularly for traditional low value-added products—something industry players must proactively prepare for.

2. Company Situation and Customer Structure in 2025

Given the complex outlook for both global and domestic economies—especially the challenges facing the apparel sector—the Company has identified its 2025 strategic orientation as focusing on maintaining production stability, securing employment, optimizing operational efficiency, and proactively responding to market volatility. These objectives aim to ensure sustainable development amid increasing competitive pressure and slowing consumer demand.

In recent periods, to reduce costs and improve product pricing, the Company has cut back on fashion elements in product design. However, this has resulted in less attractive products, which negatively impacted sales. Some of the Company's key clients—such as Rock and Miss Me—have begun expanding their supplier base in Mexico and Vietnam to diversify their supply chains, intensifying competition for the Company.

In 2025, the Company will continue to operate under two main production models: FOB (Free on Board) and CM (Cut-and-Make) to remain flexible in meeting customer needs. However, due to reduced orders from major clients such as Rock and Miss Me in the U.S. market, the Company has had to shift toward more CM orders to maintain operations. As a result, the proportion of FOB orders—which typically carry higher value-added—has significantly declined compared to previous years. This poses a major challenge in maintaining profit margins and overall production efficiency.

Expected export volume in 2025 is as follows:

No.	Client	Market	Type	Products	2024 Volume (units)	2025 Plan (units)	Change (%)
1	Olymp	Europe (Germany)	FOB	Shirts	1,523,440	1,620,835	6%
2	Rock Revival	USA	FOB	Jeans	794,621	524,612	-34%
3	Miss me	USA	FOB	Jeans	619,926	576,314	-7%
4	Pac sun	USA	FOB	Jeans	206,682	201,532	-2%
5	Yody	Vietnam	FOB	Jeans	407,085	185,018	-55%
6	Evolution 3	Europe (Germany)	CMT	Jeans	448,704	721,980	61%
7	Eunina	USA	FOB + CMT	Jeans	328,300	339,567	3%
8	Other clients	Vietnam	CMT	Jeans	66,567	36,099	59%
	Total				4,395,325	4,275,957	-3%

3. Key Business Targets for 2025:

Based on the above market outlook and internal operational assessment, the following goals have been set for 2025:

No.	Item	2025 (<i>Separate Financial Statement</i>)	2025 (<i>Consolidated Financial Statement</i>)
1	Charter Capital	247,999,200,000	247,999,200,000
2	Production Volume. <i>Of which:</i>	4,275,957	4,275,957
	- <i>Shirts</i>	1,620,835	1,620,835
	- <i>Fashion Jeans</i>	1,100,926	1,100,926
	- <i>Basic Jeans</i>	1,554,196	1,554,196
3	Total Revenue	1,620,294,349,850	1,611,416,798,762
	Of which: Sales of Goods and Services	1,600,554,349,850	1,600,554,349,850
4	Total Expenses	1,512,773,916,155	1,501,223,053,660
5	Profit Before Tax	107,520,433,695	110,193,745,102
6	Corporate Income Tax Expense	23,104,086,739	23,104,086,739
	Deferred Corporate Income Tax		-3,114,902,429
7	Net Profit After Tax	84,416,346,956	90,204,560,792
	- <i>Net Profit Attributable to Parent Company</i>		85,308,376,494
	- <i>Net Profit Attributable to Non-controlling Interests</i>		4,896,184,298

In a difficult market environment—particularly with falling orders from major export markets—the Company’s business activities are expected to come under pressure, directly affecting profitability. Specifically:

❖ *Separate Financial Statements (2025):*

- Export Revenue: Decrease of 12% compared to 2024
- Net Profit After Tax: Decrease of 47% compared to 2024

❖ *Consolidated Financial Statements (2025):*

- Export Revenue: Decrease of 12% compared to 2024
- Net Profit After Tax: Decrease of 49% compared to 2024

The above results do not yet reflect the potential impact of new U.S. trade policies, which pose a significant risk to business performance. Should these policies be expanded or intensified, further margin compression and competitiveness erosion may occur.

✚ **Reasons for the Decline in Profit in 2025:**

In addition to the decrease in revenue—particularly from the strategic customer group—the profit decline in 2025 is significantly influenced by the downturn in sales from key accounts. Within the customer portfolio, Rock is a high-margin partner (estimated gross margin of approximately 19%). However, in 2025, revenue from this

customer dropped substantially, leading to a corresponding decrease in profit before tax, which directly impacted the Company's overall business performance.

Additionally, the profit margin in 2025 was negatively affected by various cost-related factors, including:

- Increase in wage expenses: In 2024, the regional minimum wage was adjusted upward by 6% under Decree No. 74/2024/NĐ-CP, but the new rates only applied from July. In contrast, for 2025, the revised wage level applies for the full 12 months, significantly increasing the total wage fund;

- Higher social insurance contributions: Due to the full-year application of the new wage base, corresponding contributions to social insurance have also increased;

- Increase in meal allowance: The Company adjusted the meal allowance upward starting from October 2024, which fully impacts 2025 operating expenses;

- Reduction in provision reversals: In 2025, Fashion Development Corporation (FDC) – a subsidiary – experienced a decline in operational efficiency due to order shortfalls. As a result, the amount of provision reversal from FDC dropped sharply compared to the previous year;

These factors demonstrate that although the Company has made considerable efforts in operational management and cost control, market volatility and rising input costs have directly affected financial performance in 2025.

4. 2025 Profit Distribution Plan:

Based on the 2025 business plan—and considering the challenges posed by market conditions, rising input costs, and declining orders from major customers—net profit after tax (NPAT) for 2025 is projected to decrease by 47% compared to actual 2024 results.

In addition, to implement the relocation plan approved in the Resolution of the General Meeting of Shareholders dated April 26, 2023, the Board of Directors has established a Relocation Subcommittee and is developing a detailed execution plan for the project. In 2025, the Company has leased land for the construction of a new factory, with a total estimated cost of VND 95.3 billion (excluding VAT), and is continuing with the next steps in construction and design. This is a long-term strategic priority, requiring thorough preparation in terms of technical capacity, human resources, and finance.

Therefore, in 2025, the Company must proactively manage its financial resources to: Fulfill its responsibility to shareholders through a prudent profit distribution plan; preserve financial resources for the relocation project and expansion investments, ensuring sustainable growth in subsequent phases

Based on the above, the proposed 2025 profit distribution plan is as follows:

No.	Item	2025 Profit Distribution Plan
1	Appropriations to reserves	
	- <i>Development Investment Fund</i>	20% of 2025 net profit
	- <i>Bonus and Welfare Fund</i>	5% of 2025 net profit
	- <i>Executive Bonus Fund</i>	1.5% of 2025 net profit

No.	Item	2025 Profit Distribution Plan
2	Cash dividend payment	Not less than 10% of charter capital

5. Key Strategic Initiatives for 2025

Facing a challenging 2025—including market pressure, decreased orders from key customers, and rising input costs—the Executive Board has been implementing the following strategic initiatives:

❖ Market and Customer Development

- Maintain strong cooperation with traditional clients, especially as the U.S. market (accounting for nearly 70% of the Company's export revenue) is undergoing shifts in trade policy and consumer behavior. The Company is proactively negotiating win-win arrangements to stabilize volumes, improve product lines, and explore new product categories.

- Expand export markets by targeting new potential markets beyond the U.S., particularly countries with Free Trade Agreements (FTAs) with Vietnam, in order to reduce dependency on traditional markets.

❖ Quality and Production Management

- Strengthen quality control at all stages: internal processes, subcontractors, and subsidiaries.

- Optimize production processes and reduce costs through: Renegotiate supply chain prices; Streamline the management structure to eliminate redundancy; Optimize workforce based on actual demand; Control waste and defects to reduce product rejection and scrap.

- Leverage technology and technical innovation to improve labor productivity, meet delivery deadlines, and enhance product quality.

❖ Strengthening Subsidiary Governance (FDC)

- Reinforce the roles of the capital representative, Board members, and Supervisory Board to improve oversight and strategic alignment at FDC.

- Enhance competitiveness of FDC by: Develop a sustainable quality management system aligned with higher standards; Reducing waste rate and lowering production costs; Improving delivery performance to meet stringent customer requirements.

These measures will not only help FDC sustain operations during difficult times and remain competitive in both price and quality but will also lay a solid foundation for the long-term and sustainable development of both FDC and the Parent Company.

❖ FDC Strategic Directions for the Coming Period

To enhance the operational efficiency and competitiveness of FDC, the key strategic directions include:

- Strengthening leadership and governance: Establish a clear operational framework through the capital representative; increase coordination between the management teams of the Parent Company and FDC to ensure coherent execution of business strategies.

- Market repositioning: Gradually shift customer structure to reduce reliance on the U.S. market and expand denim exports to the EU and other promising markets.
- Modernizing production: Invest heavily in advanced washing technology (e.g., ozone, laser); build a modern R&D and sample development system to improve product quality and meet international client expectations.
- Human resources development: Step up recruitment and specialized training for technical staff, quality control, and management; restructure the Administration – HR department to meet the requirements of the transformation phase.

❖ **Human Resources Strategy**

- Enhancing recruitment efficiency: Diversify recruitment channels and apply digital tools to build a labor database, enabling prompt response to workforce fluctuation.
- Skill enhancement for workers: Provide training on operational techniques to increase productivity, retain workers, and stabilize the production workforce.
- Organizational restructuring: Streamline departmental operations, broaden managerial spans, and promote workforce versatility among indirect staff.
- Training for management and professional staff: Continue organizing skill development programs and fostering strategic thinking to improve leadership capacity and meet the demands of a dynamic market environment.

This concludes the Executive Board's 2024 Operational Report and 2025 Business Plan. We respectfully submit it to the General Meeting of Shareholders for review and feedback.

Distribution:

- As above;
- Board of Directors Members;
- Supervisory Board;
- Executive Management;
- Filing: Administration Department.

CHIEF EXECUTIVE OFFICER



PHAN THANH ĐỨC

No: 02/2025/BC-BKS

Binh Duong, May 15, 2025



**REPORT OF THE BOARD OF SUPERVISORS
AT THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**To: - THE 2025 ANNUAL GENERAL MEETING OF
SHAREHOLDERS.
- PROTRADE GARMENT JOINT STOCK COMPANY.**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly on June 17, 2020;

- Pursuant to the Charter of Protrade Garment Joint Stock Company.

The Board of Supervisors of Protrade Garment Joint Stock Company respectfully submits to the General Meeting of Shareholders the report of the Board of Supervisors for 2024, including the following contents:

I. ACTIVITIES OF THE BOARD OF SUPERVISORS

1. Inspection of operational activities during the period

The Board of Supervisors was elected by the General Meeting of Shareholders and consists of 3 members:

- | | |
|-----------------------------|---------------------|
| 1. Mr Le Trong Nghia | - Chief Supervisor. |
| 2. Mr Hua Tuan Cuong | - Member |
| 3. Ms Nguyen Thi Kim Phuong | - Member |

In 2024, the Board of Supervisors carried out monitoring and control activities of Protrade Garment Joint Stock Company ("BDG") in accordance with the Law on Enterprises and the Charter. The Supervisory Board assigned specific responsibilities to its members focusing on supervision and inspection in the following areas:

- Supervised the activities of the Board of Directors (BOD) and the General Director in managing and operating business activities and implementing the plan approved by the General Meeting of Shareholders.

- Proposed the selection of the auditing firm for the 2024 financial statements.

- Attended BOD meetings to understand directives, operations, and implementation of AGM resolutions.

- Gave suggestions and recommendations on management and operations to the General Director.

- Reviewed the semi-annual and annual financial statements of 2024.

2. Monitoring the activities of the Board of Directors in 2024

In 2024, the the Board of Directors held 3 direct meetings and 1 written consultation, issuing 6 resolutions to decide on matters within its authority. Details are as follows:

Meeting date	Contents
1st Meeting: Date: 25/04/2024	<ul style="list-style-type: none"> - Agreed to extend the deadline for the 2024 AGM to no later than June 30, 2024. - Approved the 2024 processing contract between Protrade Garment Joint Stock Company and Fashion Development Joint Stock Company. - Approved the house lease agreement between Protrade Garment Joint Stock Company and Binh Duong Project Investment and Management Company Limited.
2nd Meeting: Date: 28/05/2024	<ul style="list-style-type: none"> - Approved contents and documents for the 2024 AGM, including: <ul style="list-style-type: none"> + Report summarizing the activities of the Board of Directors in 2023 and operational direction for 2024. + Report summarizing business production activities in 2023 and business production plan for 2024. + Report on the activities of the Board of Supervisors in 2023 and the activity plan for 2024. + Proposal for the approval of the separate and audited consolidated financial statements for 2023. + Proposal for the selection of an auditing firm for the 2024 financial statements of Protrade Garment Joint Stock Company. + Proposal for 2023 profit distribution and 2024 plan. + Proposal for remuneration payments for the Board of Directors, Board of Supervisors and Company Secretary in 2023 and plan for 2024. + Proposal for amending and supplementing the Company Charter of Protrade Garment Joint Stock Company. - Approved the assignment of duties and authorities to Executive Board members, assigned the General Director to organize implementation. - Approved salaries for the Standing Deputy General Director and Chief Accountant, assigned the General Director to organize implementation. - Approved adjustment of pricing and relevant contents for orders from Fashion Development JSC to Protrade Garment Joint Stock Company from Jan 2, 2024 (based on Appendix to Contract No.

	001-2023/MMBD-PTTT dated Feb 11, 2023) pursuant to 2024 contract terms.
Lần 3: Ngày 06/11/2024	<ul style="list-style-type: none"> - Approved the business performance report for the first 9 months and projection for Q4/2024. - Approved relocation plan of the Relocation Subcommittee. - Agreed on the 1st working session of the Board of Supervisors. - Approved assessment report and orientation for workforce development, including employee resignations due to changes in one-time social insurance policy. - Approved adjustment of house and asset lease contract with Binh Duong Project Investment and Management Company Limited. - Approved the 2024 investment proposal (adjusted and supplemented). - Approved investment efficiency report on Protrade Laundry Joint Stock Company and dissolution progress. - Other issues related to business activities.
Subject for the Board of Directors' Consideration	
Date: 07/08/2024	<ul style="list-style-type: none"> - Approved 2023 cash dividend distribution. - Approved 2023 remuneration levels for the Board of Directors, Board of Supervisors and Company Secretary.

Evaluation: The content of the meeting minutes aligns with the proceedings of the sessions. The content of the vote counting minutes for written BOD' opinions also aligns with the results of the opinions gathered. The resolutions and decisions issued by the BOD are consistent with the contents approved during the sessions, adhering to legal regulations, the company's charter, and the resolutions of the General Shareholders' Meeting.

3. Plan and orientation of the Board of Supervisor for 2025

- Supervise the implementation of the Charter and the issued regulations.
- Supervise the development and execution of the 2025 production and business plan.
- Appraise quarterly, semi-annual, and annual financial reports for 2025.
- Inspect and supervise the activities of the BOD and the Executive Board regarding the implementation of the resolutions set by the Annual General Meeting of Shareholders.
- Supervise the issuance of financial regulations, operational regulations, and policies issued by the BOD and the Executive Board during the year; ensure compliance with legal regulations.

- The Board of Supervisors will carry out other inspection and supervision tasks as required by the Owner, the BOD, either periodically or unexpectedly as notified by the Chief Supervisor.

II. EVALUATION OF MANAGEMENT AND OPERATION OF PRODUCTION AND BUSINESS ACTIVITIES IN 2024

1. Management by the BOD

Based on the Company Charter and the internal corporate governance regulations, the BOD has performed inspection and supervision of the Executive Board and other management staff in managing production and business activities and implementing resolutions of the AGM and the BOD through discussions, inquiries, and questions during regular and extraordinary BOD meetings, monthly reports, and various communication methods about the company's operations to ensure effectiveness, efficiency, suitability, and timeliness. Resolutions and decisions of the Board of Directors directing the Executive Board comply with the Board's authority pursuant to the Company Charter and legal regulations.

The BOD's direction and management of the Company's Executive Board follow principles of open and transparent discussion and decision-making in accordance with the law.

The BOD also supervised the disclosure of information as required, ensuring the full provision of important information affecting investors' legal interests or impacting the company's securities price. The company website has a dedicated Investor Relations section with complete information for investors' easy access and search.

The BOD has effectively performed its supervisory role over the Executive Board according to its functions and duties with carefulness and transparency to protect the interests of the company and shareholders.

In 2024, the Board of Directors focused on resolving key and important issues, as well as concentrating on implementing objectives for the Relocation Subcommittee (developing a company relocation plan in accordance with the policy approved by the 2023 Annual General Shareholders' Meeting). During the year, the Board of Directors approved the relocation plan of the Relocation Subcommittee. Therefore, the consolidation of personnel and the implementation of the set objectives for the three subcommittees: Strategy Subcommittee, Human Resources and Salary Subcommittee, and Internal Audit Subcommittee, have not yet been carried out. Thus, the Board of Supervisors recommends that the Board of Directors pay attention to directing these subcommittees to organize their activities to improve corporate governance efficiency.

2. Operations of the Executive Board

In 2024, despite the negative impacts of inflation in the US market and the Russia-Ukraine war affecting company operations, the Executive Board made great efforts to implement the BOD's resolutions and directives for production and business management. However, some directives from the BOD have not yet been fully carried out, specifically: Pursuant to Article 3 of Resolution No. 06/NQ-HĐQT dated November 6, 2026, the BOD requested the General Director to report and propose solutions for reasonable cost control, but unreasonable expenses have not yet been fully resolved. Additionally, pursuant to Article 6 of the resolution, the BOD assigned the Executive Board to coordinate with members of the Advisory Group to develop the Reward and

Welfare Fund Utilization Regulation and the Internal Spending Regulation; however, these regulations have not yet been issued.

3. Evaluation of Coordination among the Board of Supervisors, Board of Directors, and Executive Board.

In 2024, the Board of Supervisors, the Board of Directors, and the Board of Management coordinated closely in their operations. The Executive Board and the Board of Supervisors were invited to attend and contribute opinions at all BOD meetings. Resolutions and decisions issued by the Board of Directors were fully and promptly provided to the Board of Supervisors and the Executive Board. The Board of Directors, the Executive Board, and the Company's departments, divisions, and management personnel created favorable working conditions and provided sufficient necessary information and documents for the inspection and supervision work of the Board of Supervisors.

III. APPRAISAL OF THE 2024 FINANCIAL STATEMENT

The Board of Supervisors agrees with the separate financial statements of Protrade Garment Joint Stock Company accompanied by the review report No. 250325.001/BCTC.HCM dated March 25, 2025.

The Board of Supervisors also agrees with the consolidated financial statements for 2024 accompanied by the review report No. 250325.002/BCTC.HCM dated March 25, 2025.

However, readers should note the Board of Supervisor's recommendations as stated in the report.

IV. BUSINESS PRODUCTION SITUATION

1. Some key indicators of Production and Business Results

❖ **Business results based on the separate financial statements reviewed.**

Unit: VND.

Indicator	2024 Plan	2024 Actual	%Actual/Plan
Total output	4,280,156	4,395,325	103%
1. Revenue from sales and services	1,564,571,662,807	1,821,373,413,251	116%
2. Deductions	0	4,856,209,191	
3. Net revenue from sales and service	1,564,571,662,807	1,816,517,204,060	116%
4. Cost of goods sold	1,391,179,506,575	1,580,437,432,638	114%
5. Gross profit from sales and service	173,392,156,233	236,079,771,422	136%
6. Financial income	8,000,000,000	55,684,848,919	696%
7. Financial expenses	(18,563,546,951)	(3,560,222,911)	19%
- Interest expense	3,600,000,000	3,404,411,392	95%

Indicator	2024 Plan	2024 Actual	%Actual/Plan
8. Selling expenses	14,218,001,985	15,992,518,214	112%
9. Administrative expenses	84,362,664,009	91,575,510,315	109%
10. Net profit from operations	101,375,037,189	187,756,814,723	185%
11. Other income	15,000,000,000	13,610,736,002	91%
12. Other expenses	5,000,000,000	175,671,056	4%
13. Other profit	10,000,000,000	13,435,064,946	134%
14. Total Profit before tax	111,375,037,189	201,191,879,669	181%
15. Current corporate income tax expense	22,275,007,438	41,924,287,275	188%
17. Profit after corporate income tax	89,100,029,751	159,267,592,394	179%

❖ **Business results based on the consolidated financial statements reviewed**

Unit: VND.

Indicator	Plan 2024	Actual 2024	%Actual/Plan
Total output	4,280,156	4,395,325	103%
1. Revenue from sales and services	1,564,571,662,807	1,821,385,866,875	116%
2. Deductions		4,856,209,191	
3. Net revenue from sales and service	1,564,571,662,807	1,816,529,657,684	116%
4. Cost of goods sold	1,325,451,755,186	1,504,153,889,016	113%
5. Gross profit from sales and service	239,119,907,622	312,375,768,668	131%
6. Financial income	8,000,000,000	55,484,199,526	694%
7. Financial expenses	13,862,884,819	41,118,135,008	297%
- Interest expenses	13,862,884,819	11,845,150,484	85%
8. Profit/loss from associates	-		
9. Selling expenses	15,369,431,596	17,171,901,229	112%
10. Administrative expenses	98,521,983,706	105,913,552,852	108%
11. Net profit from business activities	119,365,607,500	203,656,379,105	171%

Indicator	Plan 2024	Actual 2024	%Actual/Plan
12. Other income	1,753,373,571	6,533,865,860	
13. Other expenses	5,000,000,000	(120,228,283)	
14. Other profit (40 = 31 - 32)	(3,246,626,429)	6,654,094,143	(205%)
15. Total accounting profit before tax	116,118,981,071	210,310,473,248	181%
16. Current corporate income tax expense	22,275,007,438	41,924,287,275	188%
17. Deferred corporate income tax expense	-	(7,247,523,765)	
18. Profit after corporate income tax	93,843,973,633	175,633,709,738	187%
19. Profit after tax of the Parent Company	86,876,622,826	164,275,444,455	189%
20. Profit after tax of non-controlling shareholders	6,967,350,807	11,358,265,283	163%

In 2024, the global situation continued to be complex and unpredictable; strategic competition was fierce; conflicts escalated in Ukraine, the Middle East, and the Red Sea, along with increasing tensions on the Korean Peninsula and the Taiwan Strait. Oil and gas prices, basic commodities, and transportation costs fluctuated strongly, while the economy and trade recovered slowly and unsteadily; global aggregate demand and investment decreased; exchange rates and interest rates fluctuated unpredictably. In addition, natural disasters, climate change, energy security, food security, and cybersecurity remained complex. Domestically, we had to flexibly and effectively respond to external impacts, while overcoming long-standing internal limitations and shortcomings. At the same time, much time and resources were spent addressing unexpected and arising issues, especially responding to and overcoming the severe consequences of natural disasters that continued in many localities. However, the Company made great efforts to excellently complete and exceed the targets assigned by the General Shareholders' Meeting. According to the audited separate financial statements, the Company's profit after corporate income tax increased by 79%, and profit after tax on the audited consolidated financial statements increased by 63% compared to the plan set by the General Shareholders' Meeting. However, the Board of Supervisors noted that for many years, the Company's business plan submitted to the General Shareholders' Meeting has not been in line with reality, with the actual performance always exceeding the set plan. Therefore, the Board of Supervisors recommends that the BOD and the Executive Board consider creating a plan that adheres closely to the unit's actual business situation.

❖ Profit distribution situation based on the Audited separate financial statements for 2024

- In 2024, BDG implemented profit distribution pursuant to Resolution No. 01/NQ-ĐHĐCĐ of the 2024 Annual General Shareholders' Meeting dated June 28, 2024. Details of fund allocations are as follows:

Unit: VND.

Indicator	2023 Plan		2023 Actual	
	Value	Ratio	Value	Ratio
1. Reward and Welfare Fund	6,120,000,000	6% of 2023 after-tax profit	7,179,503,195	6% of 2023 after-tax profit
2. Development Investment Fund	20,460,240,000	20% of 2023 after-tax profit	23,931,677,315	20% of 2023 after-tax profit
3. Executive Board Bonus Fund	1,020,000,000	1% of 2023 after-tax profit	1,196,583,866	1% of 2023 after-tax profit
4. Dividend Payment	74,399,760,000	73% of 2023 after-tax profit	61,999,800,000	39% of 2023 after-tax profit

❖ **Liquidity Situation:**

No	Liquidity Indicator	31/12/2023	31/12/2024
1	Liquidity ratio	2.70	2.67
2	Current ratio	2.37	2.31
3	Quick ratio	1.60	1.71
4	Cash ratio	0.21	0.10

- The Company's liquidity ratios in 2024 generally maintained a high and stable level compared to the same period in 2023. Specifically, the cash ratio decreased significantly compared to 2023, mainly because the company reduced cash holdings and increased short-term bank deposits to enhance the efficiency of short-term capital utilization and leverage preferential credit policies from banks. The indicators show good liquidity, ensuring strong payment capability under normal operating conditions and in cases of risks or emergencies.

- The Company has no medium- and long-term debt. Total liabilities are VND 369.2 billion. Of which, loans and financial leases are VND 125.73 billion, and payables to state agencies, partners, and employees are VND 243.47 billion. The Company has no overdue bank debts and no complaints regarding the fulfillment of payment obligations.

❖ **Investment in Fixed Assets and Construction**

- **Construction and transmission equipment investment:** invested VND 138,429,292 for constructing the boiler house and VND 205,000,000 for purchasing a boiler at the Finishing Workshop, implemented in accordance with Resolution No. 06/NQ-HĐQT dated 06/11/2024 by the BOD.

- Machinery and equipment investment: VND 18,592,309,801. Including:

+ Invested VND 17,770,087,301 in the fire protection system, pursuant to Resolutions No. 10/NQ-HĐQT dated 15/09/2023 and No. 25/NQ-HĐQT dated 29/12/2023 by the BOD.

+ Invested VND 822,222,500 in purchasing Kansai machines, shirt hem folding machines, pattern cutting machines, and overlock machines, pursuant to Resolution No. 06/NQ-HĐQT dated 06/11/2024 by the BOD.

- Management equipment investment: VND 934,200,000. Including:

+ Invested VND 300,000,000 in industrial ceiling fans, per Resolution No. 06/NQ-HĐQT dated 06/11/2024 by the BOD;

+ Invested VND 634,200,000 in for an exhaust gas treatment system for the boiler, per Resolution No. 10/NQ-HĐQT dated 15/09/2023.

❖ **Investment in Subsidiaries**

- Fashion Development Joint Stock Company:

As of 31 December 2024, BDG's total investment in FDC was VND 173,291,000,000, representing 76.08% ownership and voting rights. As of the same date, FDC had accumulated losses of VND 97,259,352,710. However, its 2024 business performance improved significantly, with a pre-tax profit of VND 47,486,854,591. This indicates that FDC's operations are gradually stabilizing and developing positively.

- Protrade Laundry Joint Stock Company:

On 09/05/2022, the second Board Meeting of Protrade Laundry JSC approved Resolution No. 02/BB-HĐQT, which resolved to dissolve the company by no later than 30/06/2022. As of the report date, the Company had completed all asset liquidation procedures, land leveling, and cleaning of the factory premises to return the site to Dang Huynh Industrial Park Management and Operation JSC (the lessor). The company officially completed its dissolution on 13/09/2024 as per Announcement No. 87728/24 issued by the Binh Duong Department of Planning and Investment.

❖ **Other outstanding issues**

During supervision activities, the Board of Supervisors noted that in the Corporate Income Tax (CIT) finalization returns for 2022, 2023, and 2024, BDG incurred non-deductible expenses, resulting in additional CIT liabilities. These non-deductible expenses included ineligible expenses and those lacking valid invoices, as detailed below:

No	Year	Invalid Expenses	Expenses without Invoices	Total
1	2022	3,910,650,356	1,007,213,061	4,917,863,417
2	2023	3,790,991,390	1,310,047,626	5,101,039,016
3	2024	3,408,364,557	1,165,736,472	4,574,101,029

These invalid and un-invoiced expenses include: labor referral fees, personal income tax finalization fees, support expenses, entertainment expenses, fire prevention and fighting support, and some other expenses..., which are frequently and continuously incurred over the years. In the first 6 months of 2024, the BOS recommended that BDG Company should rectify and comply with legal regulations. According to the directive of the Board of Directors, the Company submitted Explanatory Report No. 08/BC-TGD dated November 10, 2024, explaining the expenses without invoices or invalid expenses, and the Company committed to being careful in spending, minimizing the aforementioned expenses. However, reviewing the data for the last 6 months of 2024, the Board of Supervisors noted that the Company continued to incur approximately VND 1.2 billion more in invalid and un-invoiced expenses compared to the first 6 months. The main recurring expenses are: labor referral fees, gift expenses, entertainment expenses, fire prevention and fighting support, and other expenses. Given this situation, the Board of Supervisors continues to recommend that the Board of Directors consider and direct the Executive Board to provide explanations and propose specific handling measures to minimize non-deductible expenses and best protect shareholders' interests.

V. COMMENTS, EVALUATIONS AND RECOMMENDATIONS

1. Comments and Evaluations

In 2024, the global economy experienced numerous fluctuations that significantly affected the Company's management and business operations. However, the Executive Board made considerable efforts to operate the business effectively to meet the objectives set out by the 2024 AGM, according to the separate financial statements, the Company recorded a post-tax profit of VND 159 billion, representing a 79% increase compared to the planned target.

2. Recommendations

The year 2025 is forecast to remain challenging, with complex developments in politics, international relations, and global and domestic economic-financial conditions. Therefore, it is recommended that the BOD and the Executive Board need to:

- The BOD and the Board of Management continue to manage and operate the Company based on strict adherence to legal regulations, the Charter, and internal rules and procedures.
- Enhance the operation and efficiency of subcommittees under the BOD.
- Strengthen the effectiveness of the internal control system, risk management, and early warning in the company through the activities of the Internal Audit Subcommittee.
- Recommend that the Executive Board promptly develop and submit to the BOD for approval and issuance of internal management regulations, including: debt management regulations, financial regulations, sales regulations, reward and welfare fund utilization regulations, to help the Company control business operations more effectively. The failure to issue these regulations is significantly affecting the control of cost prices and cost management, causing difficulties in the operational and management process, and impacting the Company's operational efficiency and business results.

- Recommend BDG rectify revenue and expenditure reasonably, and payment records must be complete, reasonable, and in compliance with accounting and tax standards.

- Regularly review, analyze, and assess debt payment capability, promptly identify difficulties in paying due debts to have timely solutions, avoiding the occurrence of overdue payables.

- Continue efforts in business operations for the Company to successfully achieve the targets assigned for 2025.

The above is the report on the implementation of duties in 2024 and the 2025 action plan by the Supervisory Board of Protrade Garment Joint Stock Company, respectfully submitted to the Annual General Meeting of Shareholders for approval.

Sincerely./.

Recipients:

- AGM;
- BOD, Executive Board;
- Archive: BOD Secretary, BOS.

BOARD OF SUPERVISORS

CHIEFT SUPERVISORS



LE TRONG NGHIA

MEMBER



HUA TUAN CUONG

MEMBER



NGUYEN THI KIM PHUONG

**PROTRADE GARMENT JOINT
STOCK COMPANY**

No.: 02/TTr-HĐQT

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

Binh Duong, June 04, 2025

PROPOSAL

Re: Approval of the 2024 Audited Separate and Consolidated Financial Statements

**To: THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS
PROTRADE GARMENT JOINT STOCK COMPANY**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020 (the “**Law on Enterprises**”);

- Pursuant to the Charter on Organization and Operation of Protrade Garment Joint Stock Company (“**the Company**”);

- Pursuant to Resolution No. 01/2024/NQ- ĐHĐCĐ dated June 28, 2024 of the 2024 Annual General Meeting of Shareholders;

- Pursuant to the 2024 audited separate financial statements, which were audited by the AASC Auditing Firm Company Limited – Branch and disclosed by the Company on its website on March 26, 2025

- Pursuant to the 2024 audited consolidated financial statements, which were audited by the AASC Auditing Firm Company Limited – Branch and disclosed by the Company on its website on March 27, 2025;

- Pursuant to Resolution No. 18/NQ-HĐQT dated June 4, 2025 of the Board of Directors of Protrade Garment Joint Stock Company.

The Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the 2024 audited separate and consolidated financial statements of the Company, which were audited by AASC Auditing Firm Company Limited and officially issued on March 25, 2025.

We respectfully submit this to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

Recipients:

- As above;
- BOD;
- BOS;
- BOM;
- Filing: Secretary.

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN



NGUYEN AN DINH

No.: 03/TTr-HĐQT

Binh Duong, June 04, 2025

PROPOSAL

*V Re: Approval of the 2024 Profit Distribution and
the 2025 Profit Distribution Plan*

**To: THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS
PROTRADE GARMENT JOINT STOCK COMPANY**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020 (the “Law on Enterprises”);

- Pursuant to the Charter on Organization and Operation of Protrade Garment Joint Stock Company (“the Company”);

- Pursuant to Resolution No. 01/2024/NQ- ĐHĐCĐ dated June 28, 2024 of the 2024 Annual General Meeting of Shareholders;

- Pursuant to the 2024 audited financial statements;

- Pursuant to Resolution No. 18/NQ-HĐQT dated June 4, 2025 of the Board of Directors of Protrade Garment Joint Stock Company.

The Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the 2024 profit distribution plan and the 2025 profit distribution plan as follows:

1. The 2024 Profit Distribution Plan:

No.	Item	Planned Allocation of 2024 Net Profit	Actual Allocation of 2024 Net Profit	Amount (VND)
1	Net profit after tax			159,267,592,394
2	Fund allocation			42,205,911,985
-	Development Investment Fund	20% of 2024 net profit	20% of 2024 net profit	31,853,518,479
-	Bonus and Welfare Fund	6% of 2024 net profit	5% of 2024 net profit	7,963,379,620
-	Executive Board Bonus Fund	1% of 2024 net profit	1,5% of 2024 net profit	2,389,013,886
3	Cash dividend payment	Not less than 10% of charter capital	25% charter capital (2,500 VND/share)	61,999,800,000
4	Remaining undistributed 2024 net profit			55,061,880,409

No.	Item	Planned Allocation of 2024 Net Profit	Actual Allocation of 2024 Net Profit	Amount (VND)
5	Accumulated undistributed net profit as of the end of the previous year			126,654,994,058
6	Total accumulated undistributed net profit			181,716,874,467

2. The 2025 Profit Distribution Plan::

No.	Item	2025 Profit Distribution Plan
1	Fund allocation	
-	Development Investment Fund	20% of 2025 net profit
-	Bonus and Welfare Fund	5% of 2025 net profit
-	Executive Board Bonus Fund	1,5% of 2025 net profit
2	Cash dividend payment	Not less than 10% of charter capital

We respectfully submit to the General Meeting of Shareholders for consideration and approval, and propose that the General Meeting authorizes the Board of Directors to organize the implementation of the dividend payment.

Sincerely./.

Recipients:

- As above;
- BOD;
- BOS;
- BOM;
- Filing: Secretary.

ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN



NGUYEN AN DINH

PROPOSAL

Re: Approval of the 2024 remuneration payment for the Board of Directors, the Board of Supervisors, and the Company Secretary, and the 2025 remuneration payment plan for the Board of Directors, the Board of Supervisors, and the Company Secretary

**To: THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS
PROTRADE GARMENT JOINT STOCK COMPANY**

- Pursuant to the Charter on Organization and Operation of Protrade Garment Joint Stock Company (“the Company”);

- Pursuant to Resolution No. 01/2024/NQ- ĐHĐCĐ dated June 28, 2024 of the 2024 Annual General Meeting of Shareholders;

- Pursuant to the business performance results for 2024 and the business plan for 2025;

- Pursuant to Resolution No. 18/NQ-HĐQT dated June 4, 2025 of the Board of Directors of Protrade Garment Joint Stock Company.

The Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the remuneration payment for the Board of Directors, the Board of Supervisors, and the Company Secretary in 2024, as well as the remuneration payment plan for 2025, as follows:

1. Remuneration for the Board of Directors (“BOD”), the Board of Supervisors (“BOS”), and the Company Secretary in 2024

Pursuant to Resolution No. 01/2024/NQ- ĐHĐCĐ dated June 28, 2024 of the 2024 Annual General Meeting of Shareholders, the total remuneration for the Board of Directors, the Board of Supervisors, and the Company Secretary in 2024 was planned to not exceed 3.5% of the 2024 net profit after tax.

Based on the 2024 business performance results, the Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the remuneration amount for the BOD, BOS, and Company Secretary in 2024 at the rate of 3.5% of the 2024 net profit after tax, equivalent to VND 5,776,544,802.

2. Remuneration for the Board of Directors, the Board of Supervisors, and the Company Secretary in 2025:

Based on the Company’s 2025 business plan, the Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the 2025 remuneration plan for the Board of Directors, the Board of Supervisors, and the Company Secretary, with the total amount not exceeding 3.5% of the 2025 net profit after tax.

The 2025 Annual General Meeting of Shareholders authorizes the Chairman of the Board of Directors to determine the specific remuneration amounts for each member of the Board of Directors, the Board of Supervisors, and the Company Secretary.

We respectfully submit this to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

Recipients:

- As above;
- BOD;
- BOS;
- BOM;
- Filing: Secretary.

ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN



NGUYEN AN DINH

No.: 01/2025/TTr-BKS

Binh Duong, June 04, 2025

PROPOSAL

*Re: Selection of the Auditing Firm for the 2025 Financial Statements
of Protrade Garment Joint Stock Company*



**To: THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS
PROTRADE GARMENT JOINT STOCK COMPANY**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020 (the “Law on Enterprises”);

- Pursuant to the Charter on Organization and Operation of Protrade Garment Joint Stock Company (“the Company”);

To achieve the objective of enhancing professionalism in management and transparency in the business operations of Protrade Garment Joint Stock Company, the Board of Supervisors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the selection of an independent auditing firm to audit the Company’s 2025 financial statements, with details as follows:

1. Objective of selecting an auditing firm:

The selected auditing firm must meet the following criteria:

- Be a reputable independent auditing firm approved by the State Securities Commission to audit issuing organizations, listed companies, and securities business organizations;
- Have extensive experience in auditing financial statements in accordance with Vietnamese accounting standards;
- Have no related person relationships with the Company as defined under the Law on Enterprises;
- Have no conflicts of interest in performing the audit of the Company’s financial statements;
- Offer reasonable and competitive audit service fees;
- Having previously audited the Company and its subsidiaries shall be considered an advantage.

2. Proposed recommendation

The Company proposes to select one of the following three auditing firms:

1. AASC Auditing Firm Company Limited (AASC);
2. VACO Auditing Company Limited (VACO);
3. NVA Auditing Company Limited (NVA).

Based on the selection criteria and the audit results of financial statements in recent years, the Board of Supervisors respectfully submits to the 2025 Annual General Meeting of Shareholders for consideration and approval the selection of AASC Auditing Firm Company Limited to conduct the review of the semi-annual financial statements for the first six months of 2025 and the audit of the 2025 annual financial statements of the Company.

The Board of Supervisors respectfully submits this to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

ON BEHALF OF THE BOARD OF SUPERVISORS
HEAD OF THE BOARD OF SUPERVISORS ✓

Recipients:

- *As above;*
- *BOD;*
- *BOS;*
- *BOM;*
- *Filing: Secretary.*



LE TRONG NGHIA

**THE REGULATIONS ON NOMINATION, CANDIDACY, AND
ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS
AND MEMBERS OF THE BOARD OF SUPERVISORS OF
THE COMPANY FOR THE 2025–2030 TERM.**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;
- Pursuant to Law No. 03/2022/QH15 dated January 11, 2022 on amendments and supplements to a number of articles of the Law on Public Investment, the Law on Investment under Public-Private Partnership, the Law on Investment, the Law on Housing, the Law on Bidding, the Law on Electricity, the Law on Enterprises, the Law on Special Consumption Tax, and the Law on Enforcement of Civil Judgments;
- Pursuant to the Law on Securities No. 54/2019/QH14 dated November 26, 2019;
- Pursuant to Decree No. 155/2020/ND-CP dated December 31, 2020 providing detailed regulations for the implementation of a number of articles of the Law on Securities;
- Pursuant to the Charter of Protrade Garment Joint Stock Company (as amended for the fourth time on June 28, 2024);
- Pursuant to the Regulations on the Operation of the Board of Directors issued together with Decision No. 70/QD-BOD dated June 24, 2021;
- Pursuant to the Internal Corporate Governance Regulations issued together with Decision No. 71/QD-BOD dated June 24, 2021;
- Pursuant to the Regulations on the Operation of the Board of Supervisors issued together with Decision No. 72/QD-BOD dated June 24, 2021.

CHAPTER I
GENERAL PROVISIONS

Article 1. Purpose, scope of regulation, and subjects of application

1.1. This Regulation is established to specify the principles and procedures for the nomination, candidacy, and election of members of the Board of Directors (BOD) and members of the Board of Supervisors (BOS) for the 2025–2030 term of the Protrade Garment Joint Stock Company at the 2025 Annual General Meeting of Shareholders.



1.2. This Regulation applies to all shareholders holding shares of the Protrade Garment Joint Stock Company (*according to the finalized shareholder list as of May 26, 2025*).

Article 2. Rights and obligations of shareholders and authorized representatives attending the 2025 Annual General Meeting of Shareholders

2.1. Each shareholder or authorized representative attending the General Meeting shall receive 01 (one) ballot for electing members of the Board of Directors and 01 (one) ballot for electing members of the Board of Supervisors. Each ballot shall include a section indicating the total number of voting shares (including both owned and authorized shares) and a section indicating the total number of votes in accordance with the cumulative voting method used for the election.

2.2. Shareholders must comply with the conditions and procedures set forth in this Regulation, as well as the instructions of the Election Committee and the Chairperson of the Meeting.

CHAPTER II

REGULATIONS ON THE NOMINATION AND CANDIDACY OF MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS FOR THE 2025–2030 TERM

Article 3. Number, term, and qualifications of members of the Board of Directors

3.1. The number of members of the Board of Directors to be elected is **05** members,.

3.2. The term of office for a member of the Board of Directors shall not exceed five (05) years; members may be re-elected for an unlimited number of terms.

3.3. Qualifications and conditions for a member of the Board of Directors (BOD):

(1) Must not fall into the categories specified in Clause 2, Article 17 of the Law on Enterprises;

(2) Must possess professional qualifications and experience in business administration or in the Company's lines of business and operations, and are not necessarily required to be shareholders of the Company, unless otherwise provided in the Company's Charter;

(3) The member of the BOD of the Company may concurrently hold the position of a BOD member in no more than 05 (five) other companies.

Article 4. Number, term, and qualifications of members of the Board of Supervisors

4.1. — The number of members of the Board of Supervisors to be elected is **03** members.

4.2. The term of office for a member of the Board of Supervisors shall not exceed five (05) years and members may be re-elected for an unlimited number of terms

4.3. Qualifications and conditions for a member of the Board of Supervisors:

(1) Must not fall into the categories specified in Clause 2, Article 17 of the Law on Enterprises 2020;

(2) Must have received training in one of the following fields: economics, finance, accounting, auditing, law, business administration, or other fields relevant to the Company's business activities;

(3) Must not be a person with family relationships to members of the Board of Directors, the Director or General Director, or other managers;

(4) Must not be a manager of the Company; is not required to be a shareholder or employee of the Company unless otherwise provided by the Company Charter;

(5) Must not have family relationships with the managers of the parent company; nor be a representative of state capital or enterprise capital in the parent company or in the Company.

(6) Must not fall into any of the following cases:

- Working in the Company's accounting or finance department;
- Being a member or employee of the independent auditing firm that audited the Company's financial statements during the past three (03) consecutive years.

Article 5. Nomination and candidacy rights for Members of the Board of Directors

5.1. Shareholders or groups of shareholders holding ordinary shares have the right to pool their voting rights to nominate candidates for the Board of Directors, specifically as follows:

No.	Shareholding Ratio of Shareholders or Shareholder Groups / Total Voting Shares	Number of Candidates Eligible for Nomination
1	From 10% to less than 15%	01
2	From 15% to less than 35%	Up to 02
3	From 35% to less than 45%	Up to 03
4	From 45% to less than 55%	Up to 04
5	From 55% to less than 65%	Up to 05
6	From 65% to less than 75%	Up to 06
7	From 75% to less than 85%	Up to 07
8	From 85% to less than 95%	Up to 08

Candidates who self-nominate or are nominated (hereinafter referred to as candidates) must submit a valid application dossier within the prescribed time frame.

5.2. In the event that the number of candidates nominated and self-nominated is insufficient, the incumbent Board of Directors shall nominate additional candidates or organize nominations in accordance with the Company Charter, the Internal Corporate Governance Regulations, and the Regulations on the Operation of the Board of

Directors. The nomination of additional candidates by the incumbent Board of Directors must be clearly disclosed prior to the voting at the General Meeting of Shareholders, in accordance with applicable laws.

Article 6. Nomination and candidacy rights for members of the Board of Supervisors

6.1. Shareholders or groups of shareholders holding ordinary shares have the right to pool their voting rights to nominate candidates for the Board of Supervisors, specifically as follows:

No.	Shareholding Ratio of Shareholders or Shareholder Groups / Total Voting Shares	Number of Candidates Eligible for Nomination
1	From 10% to less than 15%	01
2	From 15% to less than 35%	Up to 02
3	From 35% to less than 45%	Up to 03
4	From 45% to less than 55%	Up to 04
5	From 55% to less than 65%	Up to 05
6	From 65% to less than 75%	Up to 06
7	From 75% to less than 85%	Up to 07
8	From 85% to less than 95%	Up to 08

Candidates who self-nominate or are nominated (hereinafter referred to as candidates) must submit a valid application dossier within the prescribed time frame.

6.2. In the event that the number of nominated and self-nominated candidates for the Board of Supervisors is insufficient, the incumbent Board of Supervisors may nominate additional candidates or organize nominations in accordance with the Company Charter, the Internal Corporate Governance Regulations, and the Regulations on the Operation of the Board of Supervisors. The nomination of additional candidates by the incumbent Board of Supervisors must be clearly disclosed prior to the voting at the General Meeting of Shareholders, in accordance with applicable laws.

Article 7. Application dossier for nomination and candidacy to the BOD and BOS

7.1. The application dossier for nomination or candidacy to the BOD, the BOS shall include:

- a) Nomination or candidacy application form to join the BOD or BOS (Form No. 1 or Form No. 2);
- b) Curriculum vitae (CV) completed by the candidate, with photo attached;
- c) Certified copy of Citizen Identity Card (CIC) or Passport;

d) Certified copies of diplomas, certificates, and other documents verifying educational background and professional qualifications;

e) Power of attorney and/or group meeting minutes (if the candidate is nominated by a group of shareholders).

7.2. The nomination or candidacy dossier must be submitted to Protrade Garment Joint Stock Company no later than 4:00 PM, June 13, 2025, at the following address: 7/128 Binh Duc 1 Quarter, Binh Hoa Ward, Thuan An City, Binh Duong Province, Vietnam, Tel: +84 274 3755 143, Email: info@protradegarment.com

In case the dossier is initially submitted in scanned form, the original documents must be submitted before the General Meeting of Shareholders officially begins.

CHAPTER III

ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS

Article 8. Selection of candidates

- Only nomination or candidacy dossiers that meet all nomination and candidacy conditions, and only candidates who satisfy the qualifications for members of the BOD and the BOS, shall be included in the list of candidates announced at the General Meeting of Shareholders.

- Based on the nomination and candidacy applications submitted by shareholders or groups of shareholders, along with the accompanying documents, the incumbent BOD shall prepare a list of candidates who fully meet the eligibility criteria for election to the BOD and the BOS.

Article 9. Election principles

The election of members of the Board of Directors and the Board of Supervisors shall be conducted in accordance with the following principles:

- Elections must comply with the law, the Company's Charter, and this Regulation, ensuring democracy and the lawful rights and interests of all shareholders.

- Elections must be conducted in a public and democratic manner through secret ballot.

Article 10. Voting eligibility

Eligible voters at the General Meeting of Shareholders shall be shareholders holding shares or persons authorized by shareholders to attend the meeting (based on the finalized list of shareholders as of May 26, 2025) who are present at the 2025 Annual General Meeting of Shareholders.

Article 11. Voting form and method

11.1. The election of members of the BOD and the BOS shall be conducted directly and by secret ballot at the General Meeting using the cumulative voting method (as stipulated in Clause 3, Article 148 of the Law on Enterprises No. 59/2020/QH14)

11.2. After the General Meeting of Shareholders approves the list of candidates for the BOD and BOS and adopts the election procedures, each shareholder attending the Meeting shall be provided by the Organizing Committee with two ballots: one for electing members of the BOD and one for electing members of the BOS. Shareholders are responsible for verifying the information on their ballots and must immediately notify the Organizing Committee of any errors.

11.3. Each ballot shall clearly indicate the list of candidates arranged in alphabetical order (A, B, C), the shareholder code, the number of shares owned or represented, the number of voting shares, and shall bear the Company's official seal.

11.4. Each shareholder shall have a total number of votes equivalent to the number of voting shares owned (including ownership shares and/or authorized representatives) multiplied by the number of members of the Board of Directors or the Board of Supervisors to be elected. The voting formula is as follows:

a) Election of members of the Board of Directors:

$$\text{Total number of votes} = \frac{\text{Total number of voting shares}}{\text{Total number of voting shares}} \times \text{Number of BOD members to be elected}$$

b) Election of members of the Board of Supervisors:

$$\text{Total number of votes} = \frac{\text{Total number of voting shares}}{\text{Total number of voting shares}} \times \text{Number of BOS members to be elected}$$

11.5. Shareholders are entitled to allocate all of their votes to one or more candidates, provided that the total number of votes cast for the selected candidate(s) does not exceed the total number of voting rights that the shareholder possesses.

(Detailed instructions shall be provided in the Voting Guide.)

Article 12. Election Committee

12.1. Number and eligibility of the Election Committee members:

a) The Election Committee shall consist of 03 members, including 01 Head and 02 members, elected by the General Meeting of Shareholders based on nominations from the Meeting.

b) . Members of the Election Committee must not be listed as candidates for the BOD or the BOS.

12.2. The Election Committee must ensure honesty, objectivity, and confidentiality regarding the vote counting and election process.

12.3. Duties of the Election Committee:

a) Verify and announce the list of BOD and BOS candidates.

b) Submit the election regulations and procedures to the General Meeting of Shareholders for approval;

c) Guide shareholders on voting procedures and organize the election process.

d) Distribute and collect the ballots.

e) Conduct vote counting, prepare the vote counting minutes, and announce the results to the General Meeting of Shareholders.

f) Together with the Chairperson of the Meeting, review and resolve any complaints or denunciations related to candidates or election results (if any), and report to the General Meeting of Shareholders for a final decision.

g) The Election Committee shall bear full responsibility before the law and the General Meeting of Shareholders for compliance with this Regulation and the accuracy of the vote counting results.

Article 13. Voting and vote counting

13.1. Voting shall commence once the distribution of ballots is completed and shall end when the last shareholder or authorized representative present at the General Meeting casts their ballot into the ballot box.

13.2. The Election Committee shall inspect the ballot box in the presence of the shareholders before the voting begins.

13.3. Vote counting shall be conducted by the Election Committee in the designated vote counting room/area immediately after the voting process concludes

Điều 14. Cases of Invalid Ballots

14.1. The ballot is not in the format prescribed by the Company or does not bear the Company's official seal;;

14.2. The ballot contains erasures, corrections, or additions, or includes names not on the list of candidates approved by the General Meeting of Shareholders prior to the election;

14.3. The ballot is not signed by the shareholder or the authorized representative of the shareholder;

14.4. The total number of votes allocated to candidates exceeds the number of voting rights owned or authorized to the shareholder;

14.5. The ballot votes for more candidates than the number of Board of Directors members to be elected as approved by the General Meeting of Shareholders;

14.6. The ballot is submitted to the Election Committee after the voting session has ended and the ballot box has been sealed.

Article 15. Election principles for members of the BOD and the BOS

15.1. Candidates elected as members of the BOD or BOS shall be those receiving the highest number of votes, ranked in descending order from the candidate with the most votes until the required number of BOD or BOS members is reached.

15.2. In the event that two or more candidates receive the same number of votes for the final seat on the BOD or BOS, a re-vote shall be conducted among those candidates, or a selection shall be made based on the criteria set forth in the Election Regulations or the Company Charter.

Article 16. Preparation and announcement of the Vote Counting Minutes

16.1. After the vote counting is completed, the Election Committee must prepare the Vote Counting Minutes.

16.2. The Vote Counting Minutes must include the following key contents:

- Total number of shareholders attending the meeting and total number of shareholders who cast votes;
- The percentage of voting rights of shareholders who cast votes compared to the total voting rights of shareholders attending the meeting (based on the cumulative voting method);
- Number and percentage of valid ballots, invalid ballots, and blank ballots;
- Number and percentage of voting rights received by each candidate for the BOD and the BOS;
- List of elected members of the Board of Directors and the Board of Supervisors, arranged in descending order based on the number of votes received;
- Signatures of the members of the Election Committee.

16.3. The Vote Counting Minutes must be publicly announced by the Head of the Election Committee at the General Meeting of Shareholders..

Article 17. Right to question and complain

Shareholders or authorized representatives of shareholders have the right to raise questions or complaints regarding the election and vote counting process. The Chairperson of the Meeting and the Election Committee are responsible for providing explanations and clarifications on the issues raised by shareholders or their authorized representatives. All such discussions must be recorded in the Minutes of the General Meeting of Shareholders.

Article 18. Effectiveness of the Regulation

This Regulation shall take effect immediately upon approval by the General Meeting of Shareholders and shall apply exclusively to the nomination, candidacy, and election of members of the BOD and the BOS for the 2025–2030 term at the 2025 Annual General Meeting of Shareholders of Protrade Garment Joint Stock Company.

Recipients:

- As above;
- BOD;
- BOS;
- BOM;
- Filing: Secretary.

**ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN**



NGUYEN XUAN QUAN

APPENDIX
GUIDELINES ON CUMULATIVE VOTING
Instructions for Completing the Ballot for the Election of Members of
the Board of Directors and the Board of Supervisors of Protrade
Garment Joint Stock Company for the 2025–2030 Term

1. Type of Ballot:

Ballot for election of members of the BOD, the BOS.

2. Voting procedure:

Shareholders or authorized representatives shall cast their ballots for BOD and BOS members into the ballot box at the General Meeting.

3. Instructions for Completing the Ballot:

+ Each shareholder shall have a total number of votes equivalent to the number of voting shares they own or are authorized to represent, multiplied by the number of BOD or BOS members to be elected.

+ The total number of votes per shareholder will be indicated on the ballot.

+ Shareholders may distribute their total votes among all candidates, or concentrate all votes on one or several candidates, provided that the total number of votes cast does not exceed the total number of votes indicated on the ballot.

Example: Assume that the General Meeting of Shareholders approves the election of 07 members to the Board of Directors from a total of 08 candidates. Shareholder Mr. Nguyen Van A holds 1,000 voting shares (including both owned and authorized shares). Accordingly, Mr. Nguyen Van A will have a total of: $1,000 \times 7 = 7,000$ votes to allocate for electing members of the Board of Directors.

Mr. Nguyen Van A may allocate his votes using the following cumulative voting method:

➤ **Case 1:** Mr. Nguyen Van A distributes his total votes equally among 07 candidates for the Board of Directors.

No.	Candidate Name	Number of Votes
1	Candidate 1	1,000
2	Candidate 2	1,000
3	Candidate 3	1,000
4	Candidate 4	1,000
5	Candidate 5	1,000
6	Candidate 6	1,000
7	Candidate 7	1,000
8	Candidate 8	0
	Total Votes	7,000

- ***Case 2: Mr. Nguyen Van A allocates all of his total votes to one candidate.***

<i>No.</i>	<i>Candidate Name</i>	<i>Number of Votes</i>
<i>1</i>	<i>Candidate 1</i>	<i>7,000</i>
<i>2</i>	<i>Candidate 2</i>	<i>0</i>
<i>3</i>	<i>Candidate 3</i>	<i>0</i>
<i>4</i>	<i>Candidate 4</i>	<i>0</i>
<i>5</i>	<i>Candidate 5</i>	<i>0</i>
<i>6</i>	<i>Candidate 6</i>	<i>0</i>
<i>7</i>	<i>Candidate 7</i>	<i>0</i>
<i>8</i>	<i>Candidate 8</i>	<i>0</i>
	<i>Total Votes</i>	<i>7,000</i>

- ***Case 3: Mr. Nguyen Van A distributes his votes unevenly among 08 candidates.***

<i>No.</i>	<i>Candidate Name</i>	<i>Number of Votes</i>
<i>1</i>	<i>Candidate 1</i>	<i>1,000</i>
<i>2</i>	<i>Candidate 2</i>	<i>500</i>
<i>3</i>	<i>Candidate 3</i>	<i>600</i>
<i>4</i>	<i>Candidate 4</i>	<i>400</i>
<i>5</i>	<i>Candidate 5</i>	<i>500</i>
<i>6</i>	<i>Candidate 6</i>	<i>2,000</i>
<i>7</i>	<i>Candidate 7</i>	<i>1,000</i>
<i>8</i>	<i>Candidate 8</i>	<i>1,000</i>
	<i>Total Votes</i>	<i>7,000</i>

- ***Case 4: Mr. Nguyen Van A does not use all of his available votes when allocating votes to the candidates.***

<i>No.</i>	<i>Candidate Name</i>	<i>Number of Votes</i>
<i>1</i>	<i>Candidate 1</i>	<i>1,000</i>
<i>2</i>	<i>Candidate 2</i>	<i>500</i>
<i>3</i>	<i>Candidate 3</i>	<i>0</i>
<i>4</i>	<i>Candidate 4</i>	<i>0</i>
<i>5</i>	<i>Candidate 5</i>	<i>600</i>
<i>6</i>	<i>Candidate 6</i>	<i>400</i>
<i>7</i>	<i>Candidate 7</i>	<i>2,000</i>
<i>8</i>	<i>Candidate 8</i>	<i>500</i>
	<i>Total Votes</i>	<i>5,000</i>

(*) The election of members of the BOS shall be conducted in the same manner as the election of members of the BOD, with the only difference being the number of candidates and the number of members to be elected to the BOS.

No.: 05/TTr-HĐQT

Binh Duong, June 04, 2025

PROPOSAL

Re: Approval of the Regulations on nomination, candidacy, and election of members of the Board of Directors and members of the Board of Supervisors of the Company for the 2025–2030 Term

**To: THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS
PROTRADE GARMENT JOINT STOCK COMPANY**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020 (the “**Law on Enterprises**”);
- Pursuant to the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019 (the “**Law on Securities**”);
- Pursuant to Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government providing detailed regulations for the implementation of a number of articles of the Law on Securities;
- Pursuant to Circular No. 116/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance providing guidelines on corporate governance applicable to public companies under Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government providing detailed regulations for the implementation of a number of articles of the Law on Securities;
- Pursuant to the Charter on Organization and Operation of Protrade Garment Joint Stock Company (as amended for the fourth time on June 28, 2024);
- Pursuant to actual requirements for the governance and operation of Protrade Garment Joint Stock Company;
- Pursuant to Resolution No. 18/NQ-HĐQT dated June 4, 2025 of the Board of Directors of Protrade Garment Joint Stock Company.

The Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for approval the contents of the Regulations on nomination, candidacy, and election of members of the Board of Directors and members of the Board of Supervisors of the Company for the 2025–2030 term.

Attached to this Proposal is the Draft Regulations on nomination, candidacy, and election of members of the Board of Directors and members of the Board of Supervisors.

We respectfully submit this to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

Recipients:

- As above;
- BOD;
- BOS;
- Board of Management;
- Filing: Secretary.

ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN



NGUYEN AN DINH