

REPORT
ON THE OPERATIONS OF THE BOARD OF DIRECTORS IN 2025
AND ORIENTATIONS FOR 2026

To: 2026 Annual 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 guiding certain provisions on corporate governance applicable to public companies under Decree No. 155/2020/NF-CP dated December 31, 2020, of the Government detailing the implementation of certain provisions of the Securities Law;
- Pursuant to the Charter of Protrade Garment Joint Stock Company (the "Company");
- Pursuant to Resolution No. 01/NQ-DHDCD dated June 26, 2025, of the 2025 Annual General Meeting of Shareholders;
- Pursuant to Resolution No.13/NQ-HDQT dated May 19, 2025, of the Board of Directors of Protrade Garment Joint Stock Company.

The Board of Directors (the "**BOD**") of Protrade Garment Joint Stock Company respectfully reports to the Annual General Meeting of Shareholders (the "**AGM**") on the Business Performance for 2025 and the Orientations for 2026 as follows:

I. ASSESSMENT OF BUSINESS PERFORMANCE IN 2025

In 2025, the Vietnamese textile and garment industry operated amidst a global economic environment fraught with uncertainties due to geopolitical conflicts, trade protectionism trends, supply chain disruptions, and intensifying competition among textile-exporting countries. However, with global inflation trends gradually being controlled and consumer demand in major markets slowly recovering, Vietnam's textile and garment exports showed positive improvement compared to the downturn in 2023 – 2024. According to data from the Vietnam Textile and Apparel Association (VITAS), the export turnover of textiles and garments in 2025 is estimated to reach approximately USD 46 billion, an increase of nearly 5.6% compared to 2024.

Alongside signs of recovery, the textile and garment industry continues to face numerous challenges and competitive pressures. Vietnam must compete directly with countries such as Bangladesh, India, Indonesia, and Cambodia, which have advantages in labor costs and increasingly improved supply capabilities. Additionally, the requirements for sustainable development, traceability, environmental standards, and social responsibility in major export markets are becoming more stringent, necessitating enterprises to continue investing in enhancing management capabilities, production capacity, and market adaptability. Furthermore, recent U.S. trade and tariff policies continue to exert pressure and pose risks for exporting countries, including Vietnam,

requiring enterprises to proactively diversify markets, optimize costs, and enhance competitiveness.

In this context, the year 2025 continues to present numerous challenges for the Company as production costs, labor costs, and operational expenses continue to rise while sales prices face significant competitive pressure. In response to this situation, the Company has proactively implemented various flexible management solutions, such as enhancing collaboration with customers, promoting design development, accepting small-scale orders with fast delivery requirements, and flexibly restructuring production to maintain employment, stabilize operations, and improve the efficiency of production capacity utilization. As a result, the Company's output and revenue have continued to grow despite market volatility.

In 2025, the Company continues to implement both FOB garment production and processing, with FOB activities still accounting for the majority share. The Company maintains stable relationships with traditional customers such as Olymp, Rock Revival, Miss Me, Pacsun, Eunina, Yody, and Evolution 3, while also expanding to new customers like Mek and receiving additional processing orders from domestic partners such as Q&A, Nha Be, and J&B. The total production volume for the year reached approximately 4.2 million products, with revenue amounting to VND 1,762.4 billion.

The Company's customer and market structure continues to reflect its focus on export activities, particularly the U.S. market, which is large in scale, has stable demand, and provides high order value, significantly contributing to the Company's revenue growth over the past year. However, concentrating a large proportion on certain export markets also poses risks due to fluctuations in trade policies, tariffs, and international consumer trends.

For the European market, although the revenue share is not yet large, it continues to maintain stable growth, while increasingly demanding higher standards for quality, sustainability, and traceability. This market is identified as a potential area for the Company to gradually increase its share in the medium and long term by enhancing its capacity to meet technical and environmental standards. Meanwhile, the domestic market currently accounts for a small proportion of the revenue structure but still serves as an important supplementary channel, helping to leverage production capacity, maintain stable employment, and support risk diversification in the context of potential export market fluctuations.

Overall, in 2025, the Company has essentially maintained stability in its business operations and ensured growth in output and revenue despite challenging market conditions. However, the Company's operations also clearly reveal challenges related to cost pressures, increasing competition, and the need to enhance growth quality and sustainability in business operations. This also serves as a basis for the Company to continue reviewing customer structure, market orientation, improving production management efficiency, controlling costs, and developing appropriate management solutions for the next phase.

Details of these business activities have been presented in the Report of the Board of Management submitted to the General Meeting of Shareholders.

II. SUMMARY OF THE OPERATION OF THE BOARD OF DIRECTORS IN 2025

The Board of Directors consistently defines the responsibilities and roles of the company's management body, with the obligation to direct and supervise the Board of Management and other management departments and individuals in the company's operations. Concurrently, the Board of Directors ensures compliance with legal regulations, the Company Charter, internal governance regulations, and resolutions of the General Meeting of Shareholders. Additionally, the Board of Directors continues to enhance the governance capacity of the Company, aiming for optimal business efficiency in line with modern governance practices and standards.

In 2025, the Board of Directors convened two meetings as summoned by the Chairman of the Board and conducted two written consultations, with full participation from the Supervisory Board.

1. Board of Directors meetings in 2025

No.	BOD Member	Number of BOD Meetings Attended	Attendance Rate	Reason for Non-Attendance
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	Mr. Nguyen Xuan Quan	04/04	100%	
5	Mr. Nguyen Vinh Bao	04/04	100%	
6	Mr. Nguyen Hong Anh	02/02	100%	End of term
7	Ms. Nguyen Thi Truc Thanh	02/02	100%	End of term

Invitation to Meetings: Members of the Supervisory Board and the Company Secretary were fully invited to attend all Board of Directors meetings in 2025.

2. Details of the Board of Directors' Resolutions/Decisions in 2025 are as follows:

No.	Resolution No.	Date	Content	Approval Rate	Implementation
1	07/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of the 13th-month salary bonus for employees for the year 2024.	100%	Completed
2	08/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of additional Board of Management bonuses for 2023 and approval of the advance from the Board of	100%	Completed

No.	Resolution No.	Date	Content	Approval Rate	Implementation
			Management Reward Fund for 2024.		
3	09/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of the nomination of the Authorized Representative to Stand for Election to the Supervisory Board of Fashion Development Joint Stock Company.	100%	Completed
4	10/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of borrowing from Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch.	100%	Completed
5	11/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of borrowing from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Binh Duong Branch.	100%	Completed
6	12/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of borrowing from Joint Stock Commercial Bank for Investment and Development of Vietnam – Binh Duong Branch.	100%	Completed
7	13/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of certain investment activities and purchase and sale contracts under the authority of the Board of Directors.	100%	Completed
8	14/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of the signing of the 2025 garment processing agreement between Protrade Garment Joint Stock Company and Fashion Development Joint Stock Company, and authorization for the Company's General Director to act as the representative and sign the Contract and its appendices on behalf of the Company.	100%	Completed
9	15/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of the land lease contract between Protrade Garment Joint Stock Company and Protrade International One Member Company Limited, and authorization for the Company's General Director to	100%	Completed

No.	Resolution No.	Date	Content	Approval Rate	Implementation
			act as the representative and sign the Contract and its appendices on behalf of the Company.		
10	16/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Approval of the investment in machinery and equipment for 2025.	100%	Completed
11	17/NQ-HDQT (2020-2025 term)	17/04/2025 (by written consent)	Extension of the time for holding the 2025 Annual General Meeting of Shareholders: No later than June 30, 2025, and authorization for the General Director to decide the record date to finalize the shareholder list, the time, and the form of the 2025 Annual General Meeting of Shareholders at an appropriate time but no later than June 30, 2025.	100%	Completed
12	18/NQ-HDQT (2020-2025 term)	04/06/2025	<p>1. Approval of the contents and documents submitted to the 2025 Annual General Meeting of Shareholders:</p> <ul style="list-style-type: none"> - Report on the operation of the Board of Directors in 2024 and the orientation plan for 2025; - Report on business performance in 2024 and the business plan for 2025; - Report on the operation of the Supervisory Board; - Proposal on the election of Members to the Board of Directors and Supervisory Board of Protrade Garment Joint Stock Company for the 2025-2030 term; - Proposal for the approval of the audited separate and consolidated financial statements for 2024; - Proposal for the distribution of profits for 2024 and the profit distribution plan for 2025; 	100%	Completed

No.	Resolution No.	Date	Content	Approval Rate	Implementation
			<ul style="list-style-type: none"> - Proposal for the approval of remuneration for the Board of Directors, Supervisory Board, and Company Secretary for 2024 and the remuneration plan for the Board of Directors, Supervisory Board, and Company Secretary for 2025; - Proposal for the selection of the audit firm for the 2025 financial statements of Protrade Garment Joint Stock Company; - Proposal on the Regulations for nomination, self-nomination, and election of members to the Board of Directors and Supervisory Board for the 2025-2030 term; <p>2. Approval of the Proposal on the number of members of the Board of Directors and Supervisory Board of Protrade Garment Joint Stock Company for the 2025-2030 term.</p>		
13	20/NQ-HDQT (2020-2025 term)	04/06/2025	<p>Approval of transactions and contracts for the purchase and sale of goods and services in 2025 between Protrade Garment Joint Stock Company and entities classified as "Related Parties" of members of the Board of Directors/Supervisory Board of the Company. Specifically:</p> <ul style="list-style-type: none"> - Palm - Song Be Golf Company Limited; - Thuan An General Trading Joint Stock Company. <p>The General Director is authorized to represent and act on behalf of the Company to decide/execute specific contracts and agreements for each transaction.</p>	100%	Completed

No.	Resolution No.	Date	Content	Approval Rate	Implementation
12	01/QD-HDQT (2020-2025 term)	25/04/2025	Decision to establish the Project Committee for the implementation of the relocation plan of Protrade Garment Joint Stock Company. The Project Committee is tasked with organizing and executing tasks related to the relocation policy of Protrade Garment Joint Stock Company.		
13	02/QD-HDQT (2020-2025 term)	12/06/2025	Decision to establish the Organizing Committee for the 2025 Annual General Meeting of Shareholders.		
14	03/QD-HDQT (2020-2025 term)	16/06/2025	Decision to approve the list of candidates for members of the Board of Directors and Supervisory Board of Protrade Garment Joint Stock Company for the 2025-2030 term.		
15	01/NQ-HDQT (2025-2030 term)	26/06/2025	Unanimously elected Mr. Nguyen An Dinh, Member of the Board of Directors, to the position of Chairman of the Board of Directors of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025.	100%	Completed
16	02/NQ-HDQT (2025-2030 term)	26/06/2025	Unanimously elected Ms. Pham Thi Vuong, Member of the Board of Directors, to the position of Vice Chairman of the Board of Directors of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025.	100%	Completed
17	03/NQ-HDQT (2025-2030 term)	26/06/2025	Unanimously appointed Mr. Phan Thanh Duc, Member of the Board of Directors, to the position of General Director of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025.	100%	Completed

No.	Resolution No.	Date	Content	Approval Rate	Implementation
18	04/NQ-HDQT (2025-2030 term)	26/06/2025	Unanimously appointed Mr. Nguyen Xuan Quan, Member of the Board of Directors, to the position of Standing Deputy General Director of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025.	100%	Completed
19	05/NQ-HDQT (2025-2030 term)	26/06/2025	Unanimously appointed Ms. Nguyen Thi Truc Thanh to the position of Deputy General Director of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025 until retirement age as stipulated by the Labor Code.	100%	Completed
20	06/NQ-HDQT (2025-2030 term)	26/06/2025	Unanimously appointed Ms. Le Thi Thanh Thuy to the position of Corporate Governance Officer cum Company Secretary cum Information Disclosure Officer of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025.	100%	Completed
21	07/NQ-HDQT (2025-2030 term)	26/06/2025	Unanimously appointed Ms. Nguyen Minh Thuy to the position of Chief Accountant of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025.	100%	Completed
22	08/NQ-HDQT (2025-2030 term)	26/06/2025	<ul style="list-style-type: none"> - Unanimously assigned Mr. Nguyen An Dinh, Member of the Board of Directors, to preside over the development of the Regulations of the Board of Directors for the 2025-2030 term, and to allocate specific tasks to each member. - Assigned the Board of Management to report on the plan for renewing employment 	100%	<p>Incomplete, currently in progress.</p> <p>Renewal of contracts with the Board of Management for the new term has been</p>

No.	Resolution No.	Date	Content	Approval Rate	Implementation
			contracts for the new term; organize the reappointment of management personnel for the 2025-2030 term; study, review, and propose a plan to increase the number of legal representatives of the Company from one to two; search for and select personnel for the position of Deputy General Director to serve the goal of market expansion and customer development; review, report, and propose solutions to address the recommendations of the Supervisory Board; study and consider the application of artificial intelligence (AI) in corporate governance and management.		<p>completed; the plan to increase the number of legal representatives of the Company from one to two has been studied, and specific reports on the recommendations of the Supervisory Board have been made; the remaining items are incomplete, specifically:</p> <p>1. Organization of the reappointment of management personnel for the 2025–2030 term: Currently, the Company is in the process of reviewing and restructuring its organizational structure; the new organizational chart has not yet been approved by the competent authority and requires further study and completion, thus the reappointment of management personnel has not been carried out.</p> <p>2. Search for and selection of personnel for the position of Deputy General Director to serve the goal of market expansion and customer development. The Company has initiated recruitment postings; however, no suitable candidates have been found to meet the actual requirements to date.</p> <p>3. Study and consideration of the application of artificial intelligence (AI) in corporate governance and management. In 2025, the Company established a</p>

No.	Resolution No.	Date	Content	Approval Rate	Implementation
					Research Committee and is currently in the process of developing and completing standard procedures for governance and business management. Based on research results and actual implementation, the Board of Management will continue to report and propose to the Board of Directors for consideration in the near future.
23	01/QD-HDQT (2025-2030 term)	26/06/2025	Decision to appoint Mr. Phan Thanh Duc as General Director of Protrade Garment Joint Stock Company for the 2025-2030 term, Legal Representative, effective from 26/06/2025.		
24	02/QD-HDQT (2025-2030 term)	26/06/2025	Decision to appoint Mr. Nguyen Xuan Quan as Standing Deputy General Director of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025.		
25	03/QD-HDQT (2025-2030 term)	26/06/2025	Decision to appoint Ms. Nguyen Thi Truc Thanh as Deputy General Director of Protrade Garment Joint Stock Company for the 2025-2030 term, effective from 26/06/2025 until retirement age as stipulated by the Labor Code.		
26	09/NQ-HDQT (2025-2030 term)	17/07/2025 (by written consent)	Approval of the dividend payment for 2024.	100%	

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

In 2025, the General Meeting of Shareholders agreed to pay the Board of Directors' remuneration for 2024 according to Resolution No. 01/NQ-DHDCD dated June 26, 2025, with an amount of VND 5,776,544,802.

Based on Resolution No. 01/NQ-DHDCD dated June 26, 2025, the remuneration plan for the Board of Directors, Supervisory Board, and Company Secretary for 2025 shall not exceed 3.5% of the after-tax profit.

Based on the 2025 business performance, the Board of Directors respectfully submits to the 2026 Annual General Meeting of Shareholders for approval the remuneration for the Board of Directors, Supervisory Board, and Company Secretary for 2025 at 3.5% of the after-tax profit for 2025, amounting to VND 4,377,686,149.

IV. RELATED TRANSACTIONS:

Detailed reports have been provided in the 2025 Corporate Governance Report dated January 21, 2026.

V. OPERATIONS OF THE SUB-COMMITTEES UNDER THE BOARD OF DIRECTORS

In 2025, the Company experienced a transition between two terms of the Board of Directors. Accordingly, during the 2020–2025 term, the Board of Directors established several assisting committees, including the Strategy Committee, the Human Resources and Remuneration Committee, and the Internal Audit Committee. However, due to the unique nature of the transitional year and the Board's focus on addressing the Company's critical and urgent issues, as well as implementing the relocation plan as approved, these committees were not fully staffed and did not engage in activities during the first half of 2025.

As of June 26, 2025, the Board of Directors for the 2025–2030 term commenced operations. Consequently, the assisting committees from the 2020–2025 term concluded with the end of their term, and the new Board of Directors did not establish any assisting committees.

Therefore, in the first six months of 2025, the assisting committees of the Board of Directors did not engage in activities while the 2020–2025 Board of Directors was still in effect. Furthermore, the 2025–2030 Board of Directors did not establish any assisting committees, resulting in no committee structure during the last six months of 2025.

VI. SUPERVISION RESULTS FOR THE BOARD OF MANAGEMENT

Pursuant to the Company Charter and internal governance regulations, the Board of Directors (“BOD”) has performed its governance, inspection, and supervisory functions over executive operations through organizing meetings, obtaining written opinions, and issuing resolutions and decisions within its authority to ensure the Company's operations are conducted in a timely manner, in accordance with the strategic direction and legal regulations. In 2025, the BOD issued numerous resolutions and decisions related to business operations, human resources, corporate governance, investment, finance, credit, and the organization of the General Meeting of Shareholders.

Regarding business operations and finance, the BOD reviewed and approved several important matters such as borrowing plans from credit institutions, investment in machinery and equipment, contracts for purchase, processing, land leasing, and transactions within the BOD's authority to support business operations and the Company's development direction. Additionally, the BOD also reviewed and approved policies related to employees and the Board of Management, such as the 13th-month salary bonus for 2024, reward disbursement, and advance from the Board of Management Reward Fund to contribute to personnel stability and motivation in executive operations.

In terms of governance and organizational structure, the BOD directed the implementation of matters related to the Company's relocation plan, established a Project Committee to execute the relocation policy, and directed the consolidation of governance and human resources after the 2025 Annual General Meeting of Shareholders. Based on the election results for the 2025–2030 term, the BOD elected the Chairperson, Vice Chairperson of the BOD, and appointed key management positions including the General Director, Deputy General Directors, Chief Accountant, and the Corporate Governance Officer cum Company Secretary in accordance with authority and legal regulations.

Additionally, the Board of Directors has tasked the Board of Management with researching, developing, and implementing various initiatives to enhance corporate governance quality, such as reviewing the plan for renewing employment contracts for the new term, reappointing management personnel, exploring options to increase the number of legal representatives, recruiting personnel to support market expansion and customer development goals, and researching the application of artificial intelligence (AI) in corporate governance and management.

The Board of Directors' oversight operations are conducted regularly through reports, inspections, and discussions with the Board of Management and related units to promptly direct the resolution of arising issues, ensuring that management operations are conducted transparently, effectively, and in alignment with the Company's governance orientation. The Board of Directors also regularly monitors information disclosure activities to ensure that information is disclosed fully, promptly, and in compliance with securities and stock market regulations.

Overall, in 2025, the Board of Management has diligently implemented the resolutions, decisions, and directives of the Board of Directors, contributing to maintaining stable business operations, ensuring corporate governance, and achieving the objectives and plans approved by the General Meeting of Shareholders and the Board of Directors.

VI. PLANS AND OPERATIONAL ORIENTATIONS OF THE BOARD OF DIRECTORS FOR 2026.

1. Business Plan for 2026

a. Business Plan on Separate and Consolidated Financial Statements for 2026:

Target	Plan for Separate Financial Statements for 2026	Plan for Consolidated Financial Statements for 2026
Total Revenue	1,789,545,431,964	1,783,470,431,964
+ <i>Net Revenue from Business Operations</i>	1,772,037,431,964	1,772,037,431,964
+ <i>Revenue from Financial Activities</i>	6,000,000,000	6,075,000,000
+ <i>Other Income</i>	11,508,000,000	5,358,000,000
Total Expenses	1,662,240,092,979	1,651,010,088,356
Profit Before Tax	127,305,338,985	132,460,343,608
Profit After Corporate Income Tax	101,244,271,188	113,173,593,501

b. Profit Distribution Plan for 2026:

- Appropriation of Funds and Dividend Payments:

Indicator	Profit Distribution Plan for 2026
Development Investment Fund	20% of Profit After Tax for 2026
Bonus and Welfare Fund	5% of Profit After Tax for 2026
Executive Bonus Fund	1.5% of Profit After Tax for 2026
Cash Dividend Payment	Not less than 10% of Charter Capital

c. Remuneration for the Board of Directors, Supervisory Board, and Company Secretary

Based on the Company's business plan for 2026, the Board of Directors anticipates remuneration for the Board of Directors, Supervisory Board, and Company Secretary for 2026 not exceeding 3.5% of the profit after tax for 2026.

2. Orientations of the Board of Directors for 2026

Based on the 2025 operational results and the strategic orientations for the 2025–2030 term, the Board of Directors ("BOD") identifies 2026 as a year focused on consolidating governance foundations, enhancing competitive capacity, and gradually restructuring business operations towards greater specialization, flexibility, and sustainability. In the context of ongoing volatility in the international textile market, increasing competitive pressures, and heightened sustainability requirements, the BOD will focus on directing the Board of Management to implement several key orientations as follows:

a. Continue to perfect the Garment – Wash ecosystem model between BDG and FDC

The BOD identifies the development of a closed-loop production ecosystem model between Protrade Garment Joint Stock Company ("BDG") and Fashion Development Joint Stock Company ("FDC") as a strategic orientation throughout the 2025–2030 term. Accordingly, in 2026, the BOD will focus on directing the Board of Management to review and reassess the entire existing production chain to optimize the

integration between garment manufacturing and washing operations, enhance quality control, shorten delivery times, and increase product value.

The Company will focus on developing high value-added product lines that require advanced technical and wash processing technology, while continuing to effectively leverage FDC's washing capabilities to enhance product quality and meet the increasingly stringent demands of international customers, particularly concerning sustainability and ESG standards.

In addition, the Board of Directors directs the Board of Management to continue restructuring the customer portfolio by prioritizing strategic partners with stability, efficiency, and long-term cooperation orientation, gradually reducing reliance on short-term orders that primarily compete on price, in order to enhance growth quality and long-term operational efficiency.

b. Focus on implementing the plan to relocate the factory to Protrade International Industrial Park

In 2026, the Board of Directors will focus on directing the Board of Management to implement tasks related to the plan to relocate the Company's factory to Protrade International Industrial Park as per the approved policy. This is identified as a key task to lay the foundation for restructuring production activities, strengthening the integration between Garment and Wash operations, and enhancing operational efficiency across the entire system.

The relocation of the factory is expected to contribute to optimizing production processes, shortening the turnaround time between stages, reducing internal logistics costs, and increasing flexibility in order processing. Additionally, the new production environment at Protrade International Industrial Park will facilitate the Company's investment in technological improvements, enhance working conditions, and attract and stabilize a high-quality workforce to serve the long-term development strategy.

c. Enhance corporate governance quality and operational efficiency

The Board of Directors will continue to review and complete the internal governance regulations, assigning specific tasks to each member of the Board of Directors and the Board of Management to enhance professionalism, efficiency, and accountability in corporate governance. Concurrently, the Board of Directors will strengthen the inspection and supervision of the implementation of resolutions, business production plans, cost management, and capital utilization efficiency to ensure the Company's operations are aligned with the strategic direction and effectively control arising risks.

Simultaneously, the Board of Directors directs research and gradual application of technology and artificial intelligence (AI) in governance, operations, and production management to enhance operational efficiency, increase data connectivity, and support decision-making in the context of digital transformation becoming an inevitable trend.

d. Develop a successor workforce and stabilize human resources

To meet development requirements in the new phase, the Board of Directors identifies human resource development, particularly the successor and middle management team, as one of the key tasks in 2026. The Board of Directors will direct the Board of Management to review the personnel structure, build competency

frameworks for key management positions, and implement training, nurturing, and development programs for personnel towards specialization, in line with the requirements of transforming the production model and enhancing the Company's competitive capacity.

In addition, the Company will continue to research and refine salary, welfare policies, and the working environment to stabilize human resources, attract quality personnel, and retain experienced employees in the context of the highly competitive textile labor market.

e. Strengthen financial control, optimize costs, and enhance operational efficiency

In the context of increasing production costs, labor expenses, and order competition, the Board of Directors shall focus on directing the Board of Management to enhance cost management, control investment efficiency, improve the utilization of machinery and equipment, and optimize existing production capacity. Concurrently, the Company shall proactively review its revenue structure, enhance customer development efficiency, and develop additional high-value orders to improve profit margins and enhance sustainability in business operations.

With the aforementioned orientations, the Board of Directors expects that 2026 will be a year in which the Company continues to consolidate its governance foundation, gradually perfecting its operational model according to the strategic orientations for the 2025–2030 term, laying the groundwork for a more stable, efficient, and sustainable development phase in the following years.

Respectfully submitted.

Recipients:

- As above;
- Members of the BOD;
- Supervisory Board;
- Board of Management;
- Filed at: Secretariat.

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN



NGUYEN AN DINH

