

No.: 02/2026/BC-BKS

Ho Chi Minh City, May 15, 2026

**REPORT OF THE SUPERVISORY BOARD
AT THE 2026 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**To: - 2026 Annual General Meeting of Shareholders;
- Protrade Garment Joint Stock Company.**

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

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

The Supervisory Board of Protrade Garment Joint Stock Company respectfully submits to the General Meeting of Shareholders for approval the Supervisory Board's report for 2025, including the following contents:

I. ACTIVITIES OF THE SUPERVISORY BOARD

1. Inspection of operational activities during the period

The Supervisory Board elected by the General Meeting of Shareholders consists of three members:

1. Mr. Le Trong Nghia - Head of the Board.
2. Mr. Hua Tuan Cuong - Member.
3. Ms. Nguyen Thi Kim Phuong - Member

In 2025, the Supervisory Board conducted supervision and control of the activities of Protrade Garment Joint Stock Company (“BDG”) in accordance with the Enterprise Law and the Charter. The Supervisory Board assigned and delegated tasks among its members to focus on supervisory and inspection activities in several areas of the company as follows:

- Supervised the activities of the Board of Directors and the Board of Management in managing business operations and implementing the plans approved by the General Meeting of Shareholders.

- Proposed the selection of an auditing firm for the 2025 financial statements.

- Participated in meetings of the Board of Directors to understand the direction, management, and implementation of the resolutions of the General Meeting of Shareholders.

- Provided feedback and recommendations on management and operations to the Board of Management.

- Appraised the semi-annual financial statements and the 2025 Financial Statements.

2. Supervision of the Board of Directors' activities in 2025

In 2025, the Board of Directors held two direct meetings and conducted two written consultations, issuing 22 resolutions to decide on matters within the Board's authority. Details include the following contents:

Date of Meeting	Content
First Session: June 4, 2025	<ul style="list-style-type: none"> - Unanimous approval of the contents and documents presented at the 2025 Annual General Meeting of Shareholders, including the following: <ul style="list-style-type: none"> + Summary report on the activities of the Board of Directors in 2024 and the operational direction for 2025. + Summary report on business operations in 2024 and the business plan for 2025. + Report on the activities of the Supervisory Board in 2024 and the operational plan for 2025. + Proposal for approval of the audited separate and consolidated financial statements for 2024. + Proposal for the selection of the auditing firm for the 2025 financial statements of Protrade Garment Joint Stock Company. + Proposal for Approval of the Profit Distribution for 2024 and the Profit Distribution Plan for 2025. + Proposal for Approval of Remuneration for the Board of Directors, Supervisory Board, and Company Secretariat for 2024 and the Remuneration Plan for the Board of Directors, Supervisory Board, and Company Secretariat for 2025. + Proposal on the Election of Members to the Board of Directors and Supervisory Board for the 2025–2030 Term. + Proposal on the Regulations for Nomination and Candidacy for Election of Members to the Company's Board of Directors for the 2025–2030 Term. - Unanimous Approval of the Proposal on the Number of Members of the Board of Directors of Protrade Garment Joint Stock Company for the 2025–2030 Term. - Unanimous Agreement to assign the General Director to compile a List of Candidates for the Board of Directors and Supervisory Board for the 2025–2030 term to be submitted to the

Date of Meeting	Content
	<p>Chairman of the Board of Directors as a basis for approval at the 2025 Annual General Meeting of Shareholders.</p> <ul style="list-style-type: none"> - Unanimous Approval of the Proposal on the approval of transactions and contracts for the sale of goods and services in 2025 between Protrade Garment Joint Stock Company and entities considered "related persons" of members of the Board of Directors/Supervisory Board of the company, specifically as follows: <ul style="list-style-type: none"> + Palm - Song Be Golf Company Limited. + Thuan An General Trading Joint Stock Company.
<p>Second Session: June 26, 2025</p>	<ul style="list-style-type: none"> - Unanimous Election of Mr. Nguyen An Dinh as Chairman of the Board of Directors for the 2025–2030 term. - Unanimous Nomination of Ms. Pham Thi Vuong as Vice Chairperson of the Board of Directors for the 2025–2030 term. - Unanimous Nomination of Mr. Phan Thanh Duc as General Director of the Company for the term of the Board of Directors 2025–2030 and as the Legal Representative from June 20, 2025. - Unanimous Nomination of Mr. Nguyen Xuan Quan as Standing Deputy General Director of the Company for the 2025–2030 term from June 26, 2025. - Unanimous Nomination of Ms. Nguyen Thi Truc Thanh as Deputy General Director of the Company for the 2025–2030 term from June 26, 2025. - Unanimous Nomination of Ms. Le Thi Thanh Thuy as the Person in Charge of Governance cum Company Secretary cum Information Disclosure Officer for the term of the Board of Directors 2025–2030 from June 20, 2025. - Unanimous Appointment of Ms. Nguyen Minh Thuy as Chief Accountant of the Company for the term of the Board of Directors 2025–2030 from June 20, 2025.
Content for Board of Directors' Opinion	
<p>April 17, 2025</p>	<ul style="list-style-type: none"> - Approval of the 13th month salary for employees for 2024 with an estimated cost of VND 43,068,469,742. - Unanimous Approval of the Payment of the remaining portion of the Executive Bonus Fund for 2023.

Date of Meeting	Content
	<ul style="list-style-type: none"> - Unanimous Approval of the Executive Bonus Fund for 2024 at 1.5% of Profit After Tax and Approval of a 90% advance on the Bonus Fund. - Unanimous Nomination of Mr. Le Van Dong to run for the Supervisory Board of Fashion Development Joint Stock Company. - Approval of the credit limit and mortgage/pledge of assets at Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City branch, and Joint Stock Commercial Bank for Foreign Trade of Vietnam – Binh Duong branch for 2025 is VND 150 billion. - Approval of the credit limit and mortgage/pledge of assets at Joint Stock Commercial Bank for Investment and Development of Vietnam – Binh Duong Branch for 2025 is VND 250 billion. - Approval of investment activities and savings deposits and authorization for Mr. Phan Thanh Duc – General Director to sign related documents with BIDV, Vietcombank, Vietinbank from January 2, 2025 to December 31, 2025, with specific savings limits at the banks as follows: BIDV VND 240 billion, Vietinbank HCM VND 60 billion, VCB VND 60 billion. - Approval of authorization for Mr. Phan Thanh Duc to decide on the sale price, sign contracts, and appendices for sales contracts with Rcrv Inc DbA customers. - Approval of the signing of the 2025 wash processing contract with Fashion Development Joint Stock Company, with a contract value of approximately VND 298 billion. Mr. Phan Thanh Duc is authorized to represent and act on behalf of Protrade Garment Joint Stock Company to sign the contract and appendices. - Approval of the signing of the land lease contract between Protrade Garment Joint Stock Company and Protrade International One Member Company Limited, with an estimated contract value of approximately VND 95 billion. Mr. Phan Thanh Duc is authorized to represent and act on behalf of Protrade Garment Joint Stock Company to sign the contract and appendices. - Approval of the investment in machinery and equipment for 2025, approximately VND 6 billion. - Agreement to extend the organization of the 2025 Annual General Meeting of Shareholders no later than June 30, 2025.
July 17, 2025	<ul style="list-style-type: none"> - Approval of the dividend payment for 2024.

Evaluation: The contents of the meeting minutes were consistent with the meeting proceedings, and the contents of the vote counting record for written consultations of the Board of Directors were consistent with the consultation results. The resolutions and decisions of the Board of Directors were issued in accordance with the contents approved at the meetings, complying with legal regulations, the company charter, and the resolutions of the General Meeting of Shareholders.

3. Plans and orientations of the Supervisory Board for 2026

- Supervise the implementation of the Charter and the regulations that have been issued.
- Supervise the development and implementation of the 2026 business and production plan.
- Appraise quarterly, semi-annual, and 2026 Financial Statements.
- Inspect and supervise the activities of the Board of Directors and the Board of Management regarding the implementation of the resolutions set forth by the Annual General Meeting of Shareholders.
- Supervise the issuance of financial regulations, operational regulations, and policy provisions by the Board of Directors and the Board of Management during the year; ensure compliance with legal regulations.
- The Supervisory Board shall conduct other inspection and supervision activities as required by the Owner, the Board of Directors, and such inspections and supervision shall be carried out periodically or unexpectedly as notified by the Head of the Supervisory Board.

II. EVALUATION OF MANAGEMENT AND OPERATION OF BUSINESS ACTIVITIES IN 2025

1. Management activities of the Board of Directors

Pursuant to the Company Charter and internal regulations on corporate governance, the Board of Directors has conducted inspections and supervision of the Board of Management and other management personnel in the operation of business activities and the implementation of Resolutions of the General Meeting of Shareholders and the Board of Directors through exchanges, discussions, and questioning of the Board of Management at regular and extraordinary meetings of the Board of Directors, through monthly periodic reports, and through various forms of communication regarding the company's business activities to ensure effectiveness, efficiency, appropriateness, and timeliness. The Resolutions and decisions of the Board of Directors direct the Board of Management in accordance with the authority of the Board of Directors as stipulated in the Company Charter and legal regulations.

The direction and management of the Board of Directors towards the Company's Board of Management are ensured based on the principles of open discussion and transparent decision-making, in compliance with legal regulations.

The Board of Directors has also supervised the implementation of information disclosure in accordance with regulations, ensuring the provision of all important information affecting the legitimate interests of investors or information affecting the company's stock price. The company's website has a dedicated section on Shareholder Relations and provides comprehensive information for investors to easily search and access information.

The Board of Directors has effectively fulfilled its supervisory role over the activities of the Board of Management in accordance with its functions and duties, with caution and transparency, ensuring the interests of the company and shareholders.

In 2025, the Board of Directors focused on addressing key and important issues as well as on implementing objectives for the Relocation Subcommittee (developing a relocation plan for the Company as approved by the 2023 Annual General Meeting of Shareholders). 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 of the three subcommittees: Strategic Subcommittee, Human Resources and Salary Subcommittee, and Internal Audit Subcommittee have not been realized. Consequently, the Supervisory Board recommends that the Board of Directors pay attention to directing the subcommittees to organize activities according to their functions to enhance corporate governance efficiency.

2. Operational activities of the Board of Management

In 2025, the business operations of the Company were significantly impacted by changes in U.S. tax policy starting from April 2025. In this context, the Board of Management made considerable efforts to organize and implement the resolutions and decisions of the Board of Directors (BOD), proactively managing business operations to maintain the Company's stability.

However, alongside the achievements, the Board of Management has not fully implemented certain directives of the BOD, specifically as follows:

- **Regarding cost control:**

Based on Monitoring Report No. 04/BB-BKS-BDG dated October 9, 2025, from the Company's Supervisory Board, recommending that the Board of Management enhance control and rectify the occurrence of invalid and undocumented expenses. Upon reviewing the 2025 records, the Supervisory Board noted that although invalid and undocumented expenses have decreased compared to previous years, they still occur. The Supervisory Board continues to recommend that the Board of Management intensify the review and control of documents and take corrective measures to minimize non-deductible expenses, ensuring compliance with legal regulations and maximizing shareholder benefits.

- **Regarding management personnel:**

According to Article 1 of Resolution No. 08/NQ-HDQT dated June 26, 2025, the BOD assigned the Board of Management to organize the reappointment of

management personnel for the 2025–2030 term, ensuring compliance with the procedures stipulated in the Company Charter and current laws. However, the progress of this task has been slower than required, failing to ensure timeliness in consolidating the management apparatus.

3. Evaluation of the coordination between the Supervisory Board, the Board of Directors, and the Board of Management.

In 2025, the Supervisory Board, the Board of Directors, and the Board of Management closely coordinated their activities. Meetings of the BOD invited the Board of Management and the Supervisory Board to participate and provide input. Resolutions and Decisions of the Board of Directors were fully and promptly provided to the Supervisory Board and the Board of Management. The Board of Directors, Board of Management, and the Company's departments and management staff facilitated the work and provided all necessary information and documents for the Supervisory Board's inspection and supervision.

I. APPRAISAL OF THE 2025 FINANCIAL STATEMENTS

The Supervisory Board concurs with the Separate Financial Statements of Protrade Garment Joint Stock Company, accompanied by Review Report No. 270326.002/BCTC.HCM dated March 27, 2026.

The Supervisory Board concurs with the Consolidated Financial Statements for 2025, accompanied by Review Report No. 270326.003/BCTC.HCM dated March 27, 2026.

However, readers should note the recommendations of the Supervisory Board mentioned in the reported content and Note 37b of the Explanatory Notes to the Consolidated Financial Statements. Accordingly, during the year, the Company conducted a review and implemented procedures for retroactive payment of mandatory insurance contributions (Social Insurance, Health Insurance, Unemployment Insurance) for 317 employees for the period from April 2021 to June 2024.

II. BUSINESS OPERATIONS STATUS

1. Key indicators of business operation results

❖ Business Results According to the Reviewed Separate Financial Statements

Unit: VND

Indicator	Plan for 2025	Actual for 2025	% Actual vs. Plan
Total production volume	4,275,957	4,176,290	98%
- Shirts	1,620,835	1,546,736	95%
- Fashion Jeans	1,100,926	1,355,572	123%
ROCK	524,612	643,609	123%
MISS ME	576,314	711,963	124%

Indicator	Plan for 2025	Actual for 2025	% Actual vs. Plan
- Basic Jeans	1,554,196	1,273,982	82%
1. Revenue from sales and service provision	1,603,761,873,597	1,765,786,454,641	110%
2. Deductions	3,207,523,747	3,387,808,366	
3. Net revenue from sales and service provision (10 = 01 - 02)	1,600,554,349,850	1,762,398,646,275	110%
4. Cost of goods sold	1,437,470,565,596	1,547,208,485,111	108%
5. Gross profit from sales and service provision (20 = 10 - 11)	163,083,784,254	215,190,161,164	132%
6. Financial income	7,200,000,000	43,772,847,258	608%
7. Financial expenses	(11,974,512,146)	(2,475,587,058)	21%
- In which: Interest expenses	3,600,000,000	5,208,271,166	145%
8. Selling expenses	15,602,836,007	15,697,384,950	101%
9. General and administrative expenses	70,475,026,698	89,292,050,986	127%
10. Net profit from business activities {30 = 20 + (21 - 22) - (24 + 25)}	96,180,433,695	156,449,159,544	163%
11. Other income	12,540,000,000	8,707,455,559	69%
12. Other expenses	1,200,000,000	5,815,310,896	485%
13. Other profit (40 = 31 - 32)	11,340,000,000	2,892,144,663	26%
14. Total accounting profit before tax (50 = 30 + 40)	107,520,433,695	159,341,304,207	148%
15. Current corporate income tax expenses	23,104,086,739	38,642,243,244	167%
17. Profit after corporate income tax (60 = 50 - 51 - 52)	84,416,346,956	120,699,060,963	143%

❖ Business Results According to the Reviewed Consolidated Financial Statements

Unit: VND

Indicator	Plan for 2025	Actual for 2025	% Actual vs. Plan
Total output	4,275,957	4,176,290	98%
- Shirts	1,620,835	1,546,736	95%
- Fashion jeans	1,100,926	1,355,572	123%
- Basic jeans	1,554,196	1,273,982	82%
1. Revenue from sales and service provision	1,603,761,873,597	1,765,786,732,420	110%

Indicator	Plan for 2025	Actual for 2025	% Actual vs. Plan
2. Deductions	3,207,523,747	3,387,808,366	106%
3. Net revenue from sales of goods and provision of services (10 = 01 - 02)	1,600,554,349,850	1,762,398,924,054	110%
4. Cost of goods sold	1,388,215,899,820	1,475,508,740,504	106%
5. Gross profit from sales of goods and provision of services (20 = 10 - 11)	212,338,450,030	286,890,183,550	135%
6. Revenue from financial activities	7,212,000,000	43,854,064,592	608%
7. Financial expenses	9,955,606,210	35,136,302,929	353%
- In which: Interest expenses	9,955,606,210	10,056,977,408	101%
9. Selling expenses	16,804,216,007	17,239,385,273	103%
10. General and administrative expenses	85,047,331,623	107,594,022,475	127%
11. Net profit from business activities {30 = 20 + (21 - 22) - (24 + 25)}	107,743,296,190	170,774,537,465	159%
12. Other income	3,650,448,912	3,277,216,189	90%
13. Other expenses	1,200,000,000	6,639,992,583	553%
14. Other profit (40 = 31 - 32)	2,450,448,912	-3,362,776,394	-137%
15. Total accounting profit before tax (50 = 30 + 40)	110,193,745,102	167,411,761,071	152%
16. Current corporate income tax expenses	23,104,086,739	38,648,344,335	167%
17. Deferred corporate income tax expenses	(3,114,902,429)	(6,552,636,749)	210%
18. Profit after corporate income tax (60 = 50 - 51 - 52)	90,204,560,792	135,316,053,485	150%
19. Profit after tax attributable to the parent company	85,308,376,494	125,019,390,165	147%
20. Profit after tax attributable to non-controlling interests	4,896,184,298	10,296,663,320	210%
21. Basic earnings per share	3,440	5,041	

The year 2025 marked a relatively clear recovery of the Vietnamese textile and garment industry following a prolonged downturn during 2023–2024. The improvement in consumer demand in major export markets such as the United States, EU, Japan, and South Korea contributed to the growth in orders, enabling enterprises in the industry to gradually restore capacity and stabilize production activities. According to data from the Vietnam Textile and Apparel Association (VITAS), the total export turnover of the industry reached approximately USD 46 billion, an increase of nearly 5.6% compared to the previous year, reflecting a positive recovery trend that is not yet fully sustainable.

However, the business environment still harbors many adverse factors. Increasing competitive pressure from regional countries such as Bangladesh, India, Indonesia, and Cambodia - nations with labor cost advantages - continues to erode the competitive margin of Vietnamese enterprises. Additionally, the heavy reliance on imported raw materials causes input costs to fluctuate with international markets. Furthermore, cost factors such as labor, logistics, and energy remain high, exerting direct pressure on the profit margins of the entire industry.

In this context, Protrade Garment Joint Stock Company has maintained a stable operational foundation and achieved business results exceeding the set targets. Specifically, according to the separate financial statements, revenue in 2025 reached 110% of the plan, and profit reached 143% of the plan. These results reflect the company's flexible management capabilities, ability to maintain relationships with traditional customers, and good adaptability to market fluctuations.

❖ Profit Distribution Situation Based on the Audited Separate Financial Statements for 2025

- In 2025, BDG executed profit distribution according to Resolution No. 01/NQ-DHDCD of the 2025 Annual General Meeting of Shareholders on June 26, 2025. Details of fund allocations are as follows:

Unit: VND.

Indicator	2024 Plan	Implementation for 2024 recorded in 2025	
		Value	Ratio
1. Reward and Welfare Fund	6% of profit after tax for 2024	31,853,518,479	5% of profit after tax for 2024
2. Development Investment Fund	20% of profit after tax for 2024	2,389,013,886	20% of profit after tax for 2024
3. Executive Bonus Fund	1% of profit after tax for 2024	61,999,800,000	1.5% of profit after tax for 2024
4. Dividend Distribution	No less than 10% of charter capital		25% of charter capital

❖ Liquidity Situation

No.	Payment Indicator	31/12/2025	31/12/2024
1	Overall Solvency	2.67	2.67
2	Current Solvency	2.02	2.31
3	Quick Solvency	1.46	1.71
4	Immediate Solvency	0.07	0.10

- The company's liquidity indicators in 2025 generally maintained a high and stable level. The current, quick, and immediate liquidity ratios decreased compared to 2024, primarily due to the company reducing cash and bank deposits to optimize the efficiency of working capital use amid rising loan interest rates. The indicators demonstrate a good ability to ensure liquidity under normal operating conditions and in cases of risk or emergency.

- The company has no medium to long-term debt. Total liabilities amount to VND 399.2 billion, of which loans and financial lease liabilities are VND 148.79 billion, and payables to state agencies, partners, and employees are VND 250.49 billion. The company has no overdue bank debt and no complaints regarding the fulfillment of payment obligations.

❖ **Situation of Basic Construction Investment and Procurement of Fixed Assets**

With the approval pursuant to Resolution No. 06/NQ-HDQT dated November 6, 2024, and Resolution No. 16/NQ-HDQT dated April 17, 2025, the Company has invested in the acquisition of fixed assets amounting to VND 9,557,767,242. Specifically, investment in machinery and equipment is VND 8,427,830,779, transportation means and transmission equipment is VND 552,000,000, factory buildings is VND 212,614,125, and management equipment is VND 365,321,684. Details are as follows:

No.	Asset Name	Quantity	Original Price
	I- TANGIBLE FIXED ASSETS		
	Machinery and Equipment		
1	Juki LH-3578AGF-7-WB/SC920/CP18A	4	262,787,356
2	Juki LH-3588AGF-7-WB/SC920/CP18A	4	277,702,642
3	JUKI MO6914S-BE6-44H/SV-860A-SM7 3570JK3B-PATK	4	163,622,316
4	Kansai Special DLR-1509SPF	2	102,936,700
5	JUKI LK-1900BNWS/MC-672KNN	1	65,696,839
6	JUKI LK-1900BNWS/MC-672KNN	1	65,696,839
7	JUKI LK-1900BNWS/MC-672KNN	8	525,574,712
8	EASTMAN EC-700N Circular Cutting Machine	1	111,972,540
9	Brother RH-982A-02-L2230 Buttonhole Machine	1	269,535,000
10	XLS125 GERBER Automatic Fabric Spreader	1	730,595,652
11	JUKI DMN-5420NFA-7-WB/SC920/CP18A	2	166,052,500
12	GRAPHTEC FC9000-160 Pattern Cutting Machine	1	180,000,000
13	Kansai Special FBX1106P	1	83,439,000
14	JUKI DLN-9010ASS-WB/SC-920/CP-180A/RACING	5	409,901,250

No.	Asset Name	Quantity	Original Price
15	JUKI DDL8000ASMSNBAKK/RACING	5	206,585,000
16	JUKI LBH-1790ANB/MC-672KNN	2	226,255,748
17	JUKI DMN-5420NFA-7-WB/SC920/M92/CP18A	2	169,612,800
18	JUKI DMN-5420NFA-7-WB/SC920/M92/CP18A	2	169,612,800
19	Kansai Special FBX1106P	2	167,862,000
20	Pegasus W664P-21ABX100/MS100/UT333/Y2205 Overlock Machine	1	137,757,214
21	PEGASUS MXT3244-A04/435K-5X3X4/KH9B Three-Needle Six-Thread Overlock Machine	2	104,726,160
22	JUKI LK-1900CHS000K	1	75,530,700
23	Golden Wheel CSU-4150BT Single-Needle Walking Foot Machine	8	436,670,640
24	Golden Wheel CSU-4250BT Double-Needle Walking Foot Machine	3	192,356,028
25	VIBEMAC V263 Hemming Machine	1	396,414,151
26	VIBEMAC VM03 Hemming Machine	3	658,970,400
27	VIBEMAC VM03 Hemming Machine	1	219,656,800
28	JIAKE DKJ-M603 Automatic Button Press Machine	2	389,980,000
29	VIBEMAC VM12 Leather Label Programming Machine	1	241,824,000
30	Nisho Brand Decorative Programming Machine Model NAS-2015XZ-CB 3020	1	271,113,960
31	Nisho Brand Decorative Programming Machine Model NTS-G2010	2	186,541,680
32	VIBEMAC 3022BHE Trouser Hemming Machine	1	241,582,176
33	VIBEMAC 3022BHE Trouser Hemming Machine	1	241,582,176
34	Brother RH-982A-02 Eyelet Buttonhole Machine	1	277,683,000
Total		78	8,427,830,779
	Management Equipment		
1	System Fan Sax-7300 Industrial Ceiling Fan	4	230,232,000
2	RF Init Machine Card Issuer	1	135,089,684
Total		5	365,321,684

No.	Asset Name	Quantity	Original Price
	Transport Means + Transmission Equipment		
1	Fusheng SA22A 30HP (3P-380V) High-Pressure Screw Air Compressor	1	207,580,000
2	Lode Star LD30HA Dryer	1	31,420,000
3	Fusheng SA37 50HP (3P-380V) High-Pressure Screw Air Compressor	1	275,000,000
4	Lode Star LD30HA Dryer	1	38,000,000
	Total	4	552,000,000
	Factory		
1	Boiler House (Finishing Factory)		212,614,125
	Total	0	212,614,125
	TOTAL INCREASE IN TANGIBLE FIXED ASSETS	87	9,557,766,588

❖ Capital investment situation at Fashion Development Joint Stock Company

Fashion Development Joint Stock Company with a total investment capital of VND 173,291,000,000, holding a benefit and voting ratio of 76.08%. As of December 31, 2025, the subsidiary has an accumulated loss of VND 54.21 billion. However, in 2025 alone, the subsidiary achieved a pre-tax profit of VND 43.05 billion, exceeding the profit target of VND 24 billion by 79%. Thus, the subsidiary's business activities are gradually stabilizing and developing well, with income progressively offsetting the accumulated losses incurred since its establishment.

❖ Other outstanding issues

Upon reviewing the records and inspection conclusions from the relevant authorities in the first nine months of 2025, the Supervisory Board noted that the Company incurred additional collections and late payment penalties from the Ho Chi Minh City Social Insurance and the Ho Chi Minh City Tax Department, specifically as follows:

- Regarding taxes, based on the Tax Inspection Record dated September 23, 2025, concerning the tax obligations inspection for the period 2020–2024 for Protrade Garment Joint Stock Company, the Company was subject to additional collection and penalties totaling **VND 1,284,114,121**, including:

+ Administrative violation penalty: VND 176,700,490.

+ Additional corporate income tax collection from 2020-2024: VND 863,502,452.

+ Late tax payment penalty: VND 243,911,179.

- Regarding social insurance, based on the Working Record dated August 30, 2025, between the Company and Ho Chi Minh City Social Insurance, the Company was subject to additional social insurance collection for **308 current employees**, with a

supplementary payment amounting to **VND 22,788,173,742** (*Of which: Company contribution: VND 15,182,497,771, Employee contribution: VND 7,606,661,781*), along with **late payment penalties** amounting to **VND 4,631,902,159**. The Supervisory Board recommends that the Company enhance its control and compliance with the law, particularly in fulfilling tax and social insurance obligations, to mitigate legal and financial risks in subsequent periods.

III. COMMENTS, ASSESSMENTS, AND RECOMMENDATIONS

1. Comments and assessments

In 2025, the global economy experienced significant fluctuations that greatly impacted the management and business operations of the unit. However, the Board of Management made considerable efforts in operating business activities to achieve the objectives set by the 2024 Annual General Meeting of Shareholders, according to the separate financial statements, with post-tax profit reaching VND 159 billion, an increase of 79% compared to the planned target.

2. Recommendations

- The Board of Directors and the Board of Management shall continue to manage and operate the Company's activities in compliance with the law, the Company Charter, internal regulations, processes, and the resolutions of the General Meeting of Shareholders.

- It is proposed that the Board of Directors and the Board of Management continue to promote a sense of responsibility and strive in management and operation to ensure the Company meets the production and business targets for 2026.

- It is recommended that the Company enhance supervision, management, and operation at Fashion Development Joint Stock Company to help this unit stabilize operations, leverage competitive advantages, improve business efficiency, and create added value for shareholders.

- It is recommended that the Board of Management promptly develop and submit to the Board of Directors for issuance the internal management regulations, including: Debt Management Regulations, Financial Regulations, and Sales Regulations. The issuance of these regulations is necessary to enhance cost management efficiency, control pricing, and support transparent and effective operations. The delay in issuance is currently affecting the Company's management and operational results.

- It is recommended that the Board of Management develop and issue the Representative Capital Management Regulations at subsidiaries to enhance responsibility, authority, and control mechanisms in investment activities and capital management.

The above is the report on the implementation of tasks in 2025 and the operational plan for 2026 of the Supervisory Board of Protrade Garment Joint Stock Company, respectfully submitted to the 2025 Annual General Meeting of Shareholders for approval.

Respectfully./.

Recipients:

- AGM;
- Board of Directors, Board of Management;
- Archived: BOD Secretariat, Supervisory Board.

SUPERVISORY BOARD

HEAD OF THE BOARD



LE TRONG NGHIA

MEMBER



HUA TUAN CUONG

MEMBER



NGUYEN THI KIM PHUONG