

## **REPORT OF BOARD OF DIRECTORS**

*To: 2025 Annual General Meeting of Shareholders of  
TNG Investment and Trading Joint Stock Company*

### **LEGAL BASIS**

- Pursuant to Decree No. 155/2020/ND CP dated 31/12/2020;
- Pursuant to Law on Enterprises 2020.
- Pursuant to the Charter of TNG Investment and Trading Joint Stock Company;
- Pursuant to the internal management regulations of TNG Investment and Trading Joint Stock Company
- Pursuant to the situation of production and business activities of the Company.

### **I. ASSESSMENT OF THE IMPLEMENTATION OF THE RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS IN 2024**

- In 2024, TNG will achieve total revenue of VND 7,656 billion, equivalent to 97% of the plan assigned by the General Meeting of Shareholders in 2024 and a growth of 7.86% compared to 2023.

- Profit after tax in 2024 will reach VND 314.82 billion, reaching 101.6% of the plan assigned by the General Meeting of Shareholders in 2024, an increase of VND 92 billion or 41.58% compared to 2023.

- Dividend payment in 2023 of 16% of Charter Capital, of which 8% is in cash and 8% is in shares.

- Remuneration for the Board of Directors in 2024 is 2.4% Profit after tax in 2024

- Selection of DELOITTE VIET NAM Auditing Co., Ltd. as the auditor of the Company's 2024 financial statements.

- Issued shares to pay dividends in 2023 with the number of issued shares is: 9,078,204 shares approved in Official Letter No. 4690/UBCK-QLCB dated 26/07/2024 of the SSC.

- Elected additional members of the Board of Directors for the term 2024-2029.

- Amended and supplemented the Company's charter: The Company's Charter was amended for the 36th time.

Change of business line: Implemented.

- Successfully issued bonds to the public. The bonds issued in 2024 have not been listed.

## II. REPORT ACCORDING TO DECREE 155, COMPANY CHARTER/ LAW ON ENTERPRISES 2023

### 1. Remuneration, operating expenses and other benefits of the Board of Directors as prescribed in Article 280 of Decree 155, the Law on Enterprises and the company's Charter in 2024;

The total remuneration for the Board of Directors is VND 7,555,780,996 for 2024, accounting for 2.4% of profit after tax.

The Board of Directors has members who concurrently hold positions in the Board of Management, so in addition to remuneration, these members receive salaries according to each position.

Incomes include salaries and remunerations of the General Director and members of the Board of Directors in the year as follows:

STT	Full name	Duty	Salary and remuneration - VND
1	Mr. Nguyen Van Thoi	Chairman of the Board of Directors	3.035.179.800
2	Mr. Nguyen Duc Manh	General Director and Member of the Board of Directors	3.632.486.200
3	Ms. Doan Thi Thu	Deputy General Director and Member of the Board of Directors	2.004.573.700
4	Ms. Luong Thi Thuy Ha	Vice Chairman of the Board of Directors Deputy General Director	1.849.389.600
5	Mr. Nguyen Manh Linh	Board Member (appointed April 21, 2024)	180.000.000
6	Mr. Nguyen Hoang Giang	Independent Member of the Board of Directors	180.000.000
7	Ms. Ha Thi Tuyet	Independent member of the Board of Directors (appointed April 21, 2024)	120.000.000
<b>TOTAL INCOME</b>			<b>11.001.629.300</b>

The income of the members of the Board of Directors and the General Director are presented in the audited 2024 Financial Statements.

### 2. To summarize meetings of the Board of Directors and decisions of the Board of Directors;

#### 2.1 Information about members of the Board of Directors (BOD):

Before the 2024 Annual General Meeting of Shareholders

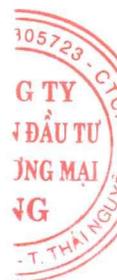
TT	Member of the Board of Directors	Duty	Number of shares owned	Proportion
1	Mr. Nguyen Van Thoi	Chairman of the Board of Directors	21.031.410	18,53%



2	Mr. Nguyen Duc Manh	Member of the Board of Directors	9.097.465	8,01%
3	Ms. Luong Thi Thuy Ha	Vice Chairman of the Board of Directors	748.881	0,66%
4	Mr. Nguyen Manh Linh	Member of the Board of Directors	1.517.812	1,34%
5	Mr. Nguyen Hoang Giang	Independent Member of the Board of Directors	0	0,00%

**After the 2024 Annual General Meeting of Shareholders**

TT	Member of the Board of Directors	Duty	Number of shares owned	Proportion
1	Mr. Nguyen Van Thoi	Chairman of the Board of Directors	21.031.410	18,53%
2	Ms. Luong Thi Thuy Ha	Vice Chairman of the Board of Directors	748.881	0,66%
3	Mr. Nguyen Duc Manh	Member of the Board of Directors	9.097.465	8,01%
4	Mr. Nguyen Manh Linh	Member of the Board of Directors	1.517.812	1,34%
5	Mr. Nguyen Hoang Giang	Independent Member of the Board of Directors	-	0,00%
6	Ms. Doan Thi Thu	Member of the Board of Directors	151.255	0,13%
7	Ms. Ha Thi Tuyet	Independent Member of the Board of Directors	-	0,00%



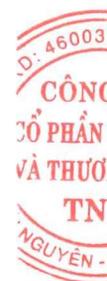
**2.2 Board of Directors meetings:**

TT	Member of the Board of Directors	Number of meetings attended by the Board of Directors	Meeting attendance rate	Reasons for not attending the meeting
1	Mr. Nguyen Van Thoi	29/29	100%	
2	Ms. Luong Thi Thuy Ha	29/29	100%	
3	Mr. Nguyen Duc Manh	29/29	100%	
4	Mr. Nguyen Manh Linh	29/29	100%	
5	Mr. Nguyen Hoang Giang	29/29	100%	
6	Ms. Doan Thi Thu	23/23	100%	
7	Ms. Ha Thi Tuyet	23/23	100%	

**3. Resolutions/Decisions of the Board of Directors (2024):**

TT	Number of Decision Resolutions	Day	Content	Adoption Rate
1	11/NQ-HDQT	08/01/2024	Resolution of the Board of Directors on the payment of dividends for the 2nd phase of 2023 in cash	5/5
2	14/NQ-HDQT	08/01/2024	Resolution of the Board of Directors on the dissolution of Yen Binh TNG Golf Co., Ltd.	5/5
3	60/NQ-HDQT	01/02/2024	Resolution of the Board of Directors on approving the signing of contracts and transactions with related parties	5/5
4	68/NQ-HDQT	20/02/2024	Resolution of the Board of Directors on the organization of the Annual General Meeting of Shareholders in 2024	5/5
5	88/NQ-HDQT	11/03/2024	Resolution of the Board of Directors on changing the person authorized to disclose information	5/5
6	04.03/NQ-HDQT	08/04/2024	Resolution on introducing candidates and approving the list of candidates for additional election of the Board of Directors for the term	5/5
7	1004.01/NQ-HDQT	10/04/2024	Resolution on amending and supplementing Resolution No. 2612/NQ-HDQT dated 26/12/2023 approving the full text of the plan to	5/5
8	1004.02/NQ-HDQT	10/04/2024	Resolution on approving the dossier of registration for public offering of bonds	5/5
9	190/NQ-DHDCĐ	23/04/2024	Resolution of the Annual General Meeting of Shareholders in 2024	5/5
10	195/NQ-HDQT	23/04/2024	Resolution on the establishment of subcommittees under the Board of Directors	7/7
11	199/NQ-HDQT	24/04/2024	Resolution on the implementation of the plan to issue bonds to the public	7/7
12	1106.01/NQ-HDQT	11/06/2024	Resolution on approving the full text of the plan to issue bonds to the public	7/7
13	1106.03/NQ-HDQT	11/06/2024	Resolution on approving the dossier of registration for public offering of bonds	7/7
14	326/NQ-HDQT	12/06/2024	Resolution on the dismissal of the title of Deputy General Director	7/7
15	354/NQ-HDQT	19/06/2024	Resolution on sale/transfer of shares to reduce the ownership rate in Bac Thai Investment and Construction Joint Stock Company	7/7

TT	Number of Decision Resolutions	Day	Content	Adoption Rate
16	356/NQ-HDQT	19/06/2024	Resolution on the selection of an audit unit to review the financial statements for the semi-annual period and the whole year 2024	7/7
17	455/NQ-HDQT	29/07/2024	Resolution on the increase of charter capital and amendment of the Company's Charter for the 37th time	7/7
18	458/NQ-HDQT	30/07/2024	Resolution on approving the signing of the contract for granting credit lines at BIDV – Thai Nguyen Branch	7/7
19	459/NQ-HDQT	30/07/2024	Resolution on approving loans and opening letters of credit at Vietinbank – Thai Nguyen Branch	7/7
20	470/NQ-HDQT	31/07/2024	Resolution on approving the signing of contracts and transactions with related parties – TNG Land Joint Stock Company	7/7
21	482/NQ-HDQT	05/08/2024	Resolution on the advance payment of dividends for the 1st phase of 2024 in cash	7/7
22	1908.01/NQ-HDQT	19/08/2024	Resolution on amendments and supplements to the Board of Directors' Decree No. 1106.01/NQ-HDQT dated 11/06/2024	7/7
23	1908.02/NQ-HDQT	19/08/2024	Resolution on approving the dossier of registration for public offering of bonds	7/7
24	546/NQ-HDQT	26/08/2024	Resolution on the establishment of LAB branch (TNG Testing Center)	7/7
25	552/NQ-HDQT	27/08/2024	Resolution on approving the signing of contracts and transactions with related parties	7/7
26	607/NQ-HDQT	26/09/2024	Resolution on approving the signing of credit contracts, real estate mortgage contracts, mortgage of movable assets and property rights at	7/7
27	632/NQ-HDQT	30/09/2024	Resolution on the termination of the contract in principle for the transfer of the entire NOTM TNG Village project	7/7
28	654/NQ-HDQT	11/10/2024	Resolution on signing a contract for credit extension/limit lending at Vietinbank – Thai Nguyen Branch	7/7
29	668/NQ-HDQT	22/10/2024	Resolution of the Board of Directors on the advance payment of dividends for the 2nd period of 2024 in cash	7/7
30	701/NQ-HDQT	04/11/2024	Resolution of the Board of Directors on approving the loan at the Vietnam-Russia Joint Venture Bank (VRB)	7/7



TT	Number of Decision Resolutions	Day	Content	Adoption Rate
31	720A/NQ-HDQT	15/11/2024	Resolution of the Board of Directors on the development of the Company's development plan and strategy to 2030	7/7
32	720B/NQ-HDQT	15/11/2024	Resolution of the Board of Directors on approving the loan to implement the project and mortgage assets at Joint Stock Bank for Industry	7/7
33	730/NQ-HDQT	26/11/2024	Resolution of the Board of Directors on the results of the bond offering TNGH2428001 to the public	7/7
34	740A/NQ-HDQT	02/12/2024	Resolution of the Board of Directors on approving the transaction between the Company and related persons	7/7
35	740B/NQ-HDQT	02/12/2024	Resolution of the Board of Directors on closing the list of Bond Holders to register securities at VSDC and register for listing on HNX	7/7
36	783/NQ-HDQT	17/12/2024	Resolution of the Board of Directors on capital contribution to the associated company within the scope of capital contribution commitment upon	7/7
37	825A/NQ-HDQT	30/12/2024	Resolution of the Board of Directors on the advance payment of dividends for the 3rd period of 2024 in cash	7/7
38	825B/NQ-HDQT	30/12/2024	Resolution of the Board of Directors on changing the address of Viet Duc garment branch	7/7



**4. To report on transactions between companies, subsidiaries or companies under the control of more than 50% of charter capital with members of the Board of Directors and related persons of such members; transactions between companies in which members of the Board of Directors are founding members or managers of enterprises in the last 03 years prior to the time of transaction.**

These transactions have been announced by the Company in the 2024 Corporate Governance Report made on January 24, 2025 and the audited 2024 financial statements. The content of the transactions is mainly the provision of services, sales, and capital reduction. The transactions have been announced and approved in accordance with the provisions of law and the Company's charter. For details, please refer to the Corporate Governance Report in 2024 and the Audited Financial Statement in 2024.

**5. Evaluation of the role of independent, non-executive board members in 2024**

TT	Name	Areas of responsibility
1	Nguyen Manh Linh Non-executive members of the Board of Directors	Perform the duties of members of the Board of Directors specified in the Charter and Internal Regulations on Corporate Governance;

TT	Name	Areas of responsibility
		<p>Assume the prime responsibility for assisting the Board of Directors in monitoring, supervising and synthesizing the implementation of the following fields: Real estate; invest</p> <p>Other rights and duties as prescribed by law, the Company's Charter and decisions of the Board of Directors.</p>
2	<p>Nguyen Hoang Giang Independent Member of the Board of Directors</p>	<p>Perform the duties of members of the Board of Directors specified in the Charter and Internal Regulations on Corporate governance;</p> <p>Assume the prime responsibility for assisting the Board of Directors in monitoring, supervising and synthesizing the implementation of the following areas: Risk control; internal audit;</p> <p>Other rights and duties as prescribed by law, the Company's Charter and decisions of the Board of Directors.</p>
3	<p>Ha Thi Tuyet Independent Member of the Board of Directors</p>	<p>Perform the duties of members of the Board of Directors specified in the Charter and Internal Regulations on Corporate governance;</p> <p>Assume the prime responsibility for assisting the Board of Directors in monitoring, supervising and synthesizing the implementation of the following areas: Legal, control procedures, Legal.</p> <p>Other rights and duties as prescribed by law, the Company's Charter and decisions of the Board of Directors.</p>

## 6. Supervision results for the Director (General Director);

### Evaluating the implementation of the Resolutions of the Board of Directors in 2024 and the production and business plan in 2024:

The Board of Directors directs the Board of Directors to implement the Resolutions of the General Meeting of Shareholders and the Board of Directors, specifically such as: reviewing and implementing the business plan in 2024; prepare a business plan for 2025 to submit to the Annual General Meeting of Shareholders in 2025; continue to update and upgrade the company's governance system to improve labor productivity, control product quality and increase profits; review production conditions such as factories, warehouses, fire protection systems, wastewater treatment systems, etc. ensure that they are renovated and repaired to meet current regulations; pay cash dividends in 2024 to shareholders; direct the implementation of the plan to offer bonds to the public in 2024, strengthen the bond of interest between employees and the Company; using capital mobilized from the issuance of bonds to the public in the year in accordance with regulations; propose a plan to raise capital to increase capital sources for the Company's business activities and other tasks for business development associated with operational safety.

The Company has successfully implemented the plan to issue bonds to the public according to the Certificate of Registration for Public Offering of Bonds No. 162/GCN-UBCK issued by the SSC on October 29, 2024. The amount mobilized from bonds is 400,000,000,000 VND.

On February 17, 2025, the Board of Directors issued Resolution No. 53/NQ-HDQT on changing the plan to use capital obtained from the issuance of bonds to the public with code TNG124027, whereby the Company has changed the plan to use capital in detail as follows:



TT	Supplier Name	Supplier Name	Pre-adjusted amount	Amount after adjustment
2.1	YKK VIETNAM CO., LTD – HA NAM BRANCH		51.000.000.000	61.453.803.065
2.2	Viet Han TLP Production & Trading Joint Stock Company		30.000.000.000	30.000.000.000
2.3	Trung Dung Manufacturing and Trading Co., Ltd.		10.000.000.000	12.000.000.000
2.4	Branch of Coats Phong Phu Co., Ltd.		5.000.000.000	5.000.000.000
2.5	Avery Dennison Ris Vietnam Co., Ltd.		5.000.000.000	5.000.000.000
2.6	BUILD - UP VIETNAM CO., LTD BRANCH 2		5.000.000.000	4.409.461.813
2.7	VP BINH MINH JOINT STOCK COMPANY		5.000.000.000	5.000.000.000
2.8	Mainetti (Vietnam) Co., Ltd.		5.000.000.000	5.000.000.000
2.9	Maxim Vietnam Label and Packaging Co., Ltd.		5.000.000.000	3.247.566.485
2.10	Tran Hiep Thanh Textile Joint Stock Company		5.000.000.000	5.000.000.000
2.11	BRANCH OF AVERY DENNISON RIS VIETNAM CO., LTD. IN BAC NINH PROVINCE		5.000.000.000	5.000.000.000
2.12	Dolphin Con Aviation Marine Services Joint Stock Company		5.000.000.000	3.957.827.874
2.13	TQT TEXTILE JOINT STOCK COMPANY		4.000.000.000	4.000.000.000
2.14	Hung Thanh General Production and Trading Co., Ltd.		4.000.000.000	2.578.950.036
2.15	Nexgen Vietnam Packaging Co., Ltd.		4.000.000.000	522.304.704
2.16	Global Textile Joint Stock Company		4.000.000.000	3.992.720.725
2.17	HUNG PHAT HN GARMENT ACCESSORIES MANUFACTURING CO., LTD		3.000.000.000	3.000.000.000
2.18	Vietnam Pahi Co., Ltd.		3.000.000.000	3.000.000.000
2.19	THAI BINH NGUYEN VN CO., LTD		2.000.000.000	2.000.000.000
2.20	TAN HUNG NGOC PRINTING AND EMBROIDERY CO., LTD		2.000.000.000	2.000.000.000
2.21	Viet Phu Co., Ltd.		2.000.000.000	-
2.22	MIZA Joint Stock Company		2.000.000.000	2.000.000.000
2.23	Thai Duong Logistics Co., Ltd.		2.000.000.000	670.933.260
2.24	Binh Minh Maritime Investment and Development Joint Stock Company		2.000.000.000	2.000.000.000
2.25	Thai Nguyen Provincial Post Office		2.000.000.000	1.483.423.985
2.28	NATCO VIETNAM CO., LTD		2.000.000.000	1.683.008.053
2.29	DONG TIEN THINH INVESTMENT AND DEVELOPMENT CO., LTD		1.000.000.000	1.000.000.000
2.30	R-PAC VIETNAM CO., LTD		1.000.000.000	1.000.000.000
	<b>Total payment for raw materials and services</b>		<b>176.000.000.000</b>	<b>176.000.000.000</b>

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On March 19, 2025, the Board of Directors issued Resolution No. 111/NQ-HDQT on the use of deposit interest obtained from the issuance of bonds TNG124027 to the public. Accordingly, on March 20, 2025, the Company has completed the use of proceeds from the issuance of bonds to the public in accordance with regulations.

## **7. Activities of subcommittees of the Board of Directors:**

### **A, Human Resources Subcommittee - Salary and Bonus**

- Comment on proposals on the appointment of members of the Board of Directors or members of the Board of Directors
- Establish criteria for the qualifications and competencies of members of the Board of Directors or members of the Board of Directors
- Drafting or evaluating draft content on the processes for appointing members of the Board of Directors or members of the Board of Directors
- Direct the preparation and writing of documents on the company's labor regulations
- Perform other tasks related to the company's personnel policy, entrusted by the Board of Directors.

### **B. Subcommittee on Development Policy**

- Identify development strategies, goals and plans, as well as the company's basic performance indicators
- Identify operational priorities
- Develop organizational policies
- Evaluate long-term productivity in company operations

### **C, Subcommittee on Sustainable Development**

- Develop a long-term development plan of the company in the direction of sustainable development
- Inspect and supervise all company activities in terms of production and business activities, finance, human resources, environment, etc. in order to ensure that the company has sustainable production and business activities, finance, sustainable human resources and an improved working environment
- Monitoring and evaluating the preparation of annual Sustainable Business Reports in accordance with GRI standards
- Close to and evaluate the implementation of enterprise assessment according to VCCI's CSI Sustainable Business Index;

### **D. Shareholder Relations Subcommittee:**

- Providing information about the company's operation on the media, in which the main information channel is TNG's official website: [www.tng.vn](http://www.tng.vn) . This is an online portal that provides

the fastest and most complete information about TNG's operation, including some basic contents such as: Monthly/quarterly/annual financial statements; Resolutions of the Board of Directors, General Meeting of Shareholders; Expected investment and annual capital needs.

- Receive and respond to questions and requests for information from investors interested in TNG, and at the same time connect investors and the Board of Directors and the Board of Directors of the company;

- Advising on the organization of the General Meeting of Shareholders in accordance with the provisions of law and the charter;

- Responsible for legal issues related to procedures for issuing securities to increase charter capital, pay bonus shares, pay dividends in shares; advise the Company's leaders to select appropriate consulting units;

#### **E. Audit Committee**

Refer to the report of the Audit Committee

The Board of Directors directly directs the Board of Directors to implement a number of main contents as follows:

- Promulgating undocumented production and business operation processes

- Request the Board of Directors to analyze the report on business results and outstanding points, thereby making recommendations to overcome and implement to ensure the completion of the 2023 revenue and profit plan assigned by the General Meeting of Shareholders.

- Formulate, evaluate and analyze the financial situation and efficiency of production and business activities on a monthly basis and publish the monthly report on production and business results as prescribed;

- Focus on reviewing the business processes being implemented throughout the company, thereby updating, modifying and rewriting business processes to unify and coordinate activities between departments.

#### **8. Future plans.**

##### **Strategies and plans**

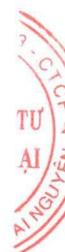
- Continue to invest in and put into operation the 70-hectare Son Cam industrial cluster.

- Continue to improve Corporate Governance according to ERP technology, digitization on software for control.

- Investing in solar power systems in factories at TNG

- Continue to invest in renovating all TNG factories according to GREEN factory standards and Sustainable Business Development.

- Conducting greenhouse gas inventories



- Continue to invest in the application of new technologies in production and business to improve investment efficiency.

## 9. Production and business plan 2025

### a. Plan:

- Revenue: 8,100 billion VND
- Profit after tax: 340 billion VND

### b. The main solution is to implement

#### *About Corporate Governance*

- Consolidate the internal audit system according to the standards specified in Decree 05/2019/ND-CP dated January 22, 2019 on internal audit activities.

- Operate the risk control and management system, continue to upgrade the ERP enterprise management system.

#### *Production Operations*

- Increase investment in machines and automation systems to help improve labor productivity, towards the application of 4.0 technology

#### *Business and market development*

- Continue to improve and re-evaluate sets of KPIs suitable for the work of each production and business unit, considering this as a control point in many operational links of the risk management system.

- Upgrade and complete the ERP enterprise management software system to meet the changes of the business environment, associated with the development of the strong industrial revolution 4.0.

- Managing all activities associated with assessing the benefits to be achieved as well as costs, risks as well as measures to control risks in the acceptable area.

ON BEHALD OF BOD  
CHAIRMAN



NGUYEN VAN THOI

## **REPORT OF THE BOARD OF GENERAL DIRECTOR**

*To: 2025 Annual General Meeting of Shareholders of  
TNG Investment and Trading Joint Stock Company*

### **1. Legal basis**

- Pursuant to Decree No. 155/2020/ND CP dated 31/12/2020;
- Law on Enterprises 2020.
- Pursuant to the Charter of TNG Investment and Trading Joint Stock Company;
- Pursuant to the internal management regulations of TNG Investment and Trading Joint Stock Company
- Based on the situation of production and business activities of the Company.

### **2. Structure of the Board of General Directors:**

- Nguyen Duc Manh                      General Director
- Luong Thi Thuy Ha                    Deputy General Director
- Tran Minh Hieu                        Deputy General Director
- Doan Thi Thu                          Deputy General Director
- Luu Duc Huy                            Deputy General Director
- Pham Thanh Tuan                      Deputy General Director (Retired on 12/06/2024)
- Nguyen Thi Phuong                    Deputy General Director
- Le Xuan Vi                              Deputy General Director
- Tran Thi Thu Ha                        Chief Accountant

### **3. Results of production and business activities in 2024:**

#### **3.1 Some indicators of production and business activities in the last 3 years**

<b>QUOTA</b>	<b>YEAR 2022</b>	<b>IN 2023</b>	<b>IN 2024</b>
Total Asset Value	5.291.843.839.200	5.230.414.452.595	5.816.875.229.408
Net sales	6.772.345.206.702	7.095.204.710.246	7.655.752.759.635
Net profit from business activities	372.633.970.045	291.963.176.068	400.866.133.017
Other Holes	-13.838.058.561	-20.897.439.287	- 10.386.808.530
Total accounting profit before tax	358.795.911.484	271.065.736.781	390.479.324.487
Profit after tax	292.996.521.233	219.442.316.421	314.824.208.164
Dividend payout ratio	16%	16%	Expected 20%

#### **3.2 Results of implementation of production and business targets**

STT	QUOTA	Residents	2023	2024	COMPARE %
1	Total export turnover	Million USD	349	353	1,15%
2	Total import turnover	Million USD	144	164	14,12%
3	Total Revenue	Billion VND	7.095	7.656	7,90%
4	Profit before tax	Billion VND	271	390,48	44,09%
5	Profit after tax	Billion VND	219	314,82	43,75%
6	Profit after tax/Revenue	%	3,09%	4,11%	33,08%
7	Remittance to the state budget	Billion VND	95,72	124,86	30,44%
8	Average working average	Person	18.174	19.052	4,83%
9	Number of sewing lines	Lines	322	336	4,35%
10	Printing Line Number	Lines	124	126	1,61%
11	Cotton Line Number	Lines	3	3	0,00%

### 3.3 Financial situation

Unit: billion VND

QUOTA	AT 31/12/2023	DENSITY %	ON 31/12/2024	DENSITY %	INCREASE/ DECREASE (VND)	GROWTH
<b>I. SHORT-TERM ASSETS</b>	<b>2.073</b>	<b>40,27%</b>	<b>2.621</b>	<b>45,06%</b>	<b>548</b>	<b>26,43%</b>
1. Cash and cash equivalents	283	5,50%	445	7,64%	161	56,92%
2. Short-term financial investments	15	0,29%	260	4,47%	245	1633,33%
3. Short-term receivables	745	14,48%	723	12,44%	-22	-2,94%
4. Inventory	888	17,26%	1.068	18,36%	180	20,25%
5. Other short-term assets	141	2,74%	125	2,15%	-16	-11,61%
<b>II. LONG-TERM ASSETS</b>	<b>3.074</b>	<b>59,73%</b>	<b>3.196</b>	<b>54,94%</b>	<b>122</b>	<b>3,96%</b>
1. Long-term receivables	11	0,21%	11	0,18%	0	0,00%
2. Fixed assets	2.193	42,60%	2.117	36,40%	-76	-3,46%
3. Investment real estate	325	6,31%	300	5,16%	-25	-7,63%
4. Long-term unfinished assets	271	5,26%	476	8,18%	205	75,48%
5. Long-term financial investment	140	2,72%	140	2,41%	0	0,00%
6. Other long-term assets	135	2,62%	152	2,62%	18	13,18%
<b>Total assets</b>	<b>5.147</b>	<b>100,00%</b>	<b>5.817</b>	<b>100,00%</b>	<b>669</b>	<b>13,01%</b>
<b>I. LIABILITIES</b>	<b>3.421</b>	<b>66,46%</b>	<b>3.924</b>	<b>67,47%</b>	<b>503</b>	<b>14,71%</b>
1. Short-term debt	2.541	49,37%	2.751	47,29%	210	8,25%
2. Long-term debt	880	17,09%	1.173	20,17%	294	33,37%
<b>II. EQUITY</b>	<b>1.726</b>	<b>33,54%</b>	<b>1.892</b>	<b>32,53%</b>	<b>166</b>	<b>9,62%</b>

QUOTA	AT 31/12/2023	DENSITY %	ON 31/12/2024	DENSITY %	INCREASE/ DECREASE (VND)	GROWTH
1. Owner's contributed capital	1.135	22,05%	1.226	21,08%	91	8,00%
2. Surplus of share capital	41	0,80%	41	0,70%	0	0,00%
3. Other capital of the owner	0	0,00%	0	0,00%	0	0,00%
4. Development Investment Fund	271	5,26%	291	5,00%	20	7,39%
5. Other funds belonging to the owner's equity	102	1,99%	112	1,93%	10	9,78%
6. Undistributed after-tax profits	177	3,44%	222	3,82%	45	25,61%
<b>Total Funding</b>	<b>5.147</b>	<b>100,00%</b>	<b>5.817</b>	<b>113,01%</b>	<b>669</b>	<b>13,01%</b>

#### 4. Analysis of production and business results in 2024:

In 2024, in general, Vietnam's textile and garment industry has recorded positive signals in the context of the global market gradually recovering after a long period of being affected by the economic recession and declining consumer demand. Particularly for TNG Investment and Trading Joint Stock Company, it has had a strong year, explored new opportunities and especially successfully completed the tasks set out by the General Meeting of Shareholders in terms of revenue and profit.

In particular, the main reasons that directly affect production and business activities as well as help TNG achieve positive results in 2024 are:

In the face of the development trend of the garment industry increasingly focusing on factors of green production and green consumption, in addition to focusing on building a system of clear, transparent, and synchronous processes and regulations, TNG has made a strong shift to ESG (Environment - Society - Governance) criteria to ensure that all production activities are aimed at meeting the most important set of criteria for measuring sustainable development.

Throughout the operation, with the strength of maintaining a stable workforce, TNG always meets all customer order schedules. The company also always maintains good policies on salaries, bonuses, and improving the best working environment for employees, especially different from traditional garment enterprises, TNG commits to employees about the policy of ending work at 17:30 every day. does not apply the overtime policy but still ensures a stable income for employees, thanks to which TNG has the trust as well as long-term sustainable cohesion of employees for the Company.

Increase investment in technology, modern machinery and equipment in the garment industry, thereby improving labor productivity and product quality. TNG always strives to bring more value to customers, exceeding customer expectations through practical activities such as: participating in product development, material development, product improvement; strictly manage quality, orders, delivery dates, etc. as a result, even when the economy is difficult, volatile, and orders decrease, customers still prioritize orders for TNG, sticking to TNG.

TNG continues to maintain contracts and orders from large foreign customers thanks to brand reputation and product quality as well as focusing on exploiting new product lines of existing customers. Especially in 2024, TNG will continue to increase exports to the main market in the US and recorded an export rate of 47.13%, an increase of 1.05% compared to 2023, followed by the French market with an export rate of 14.60%. At the same time, TNG also seeks opportunities and strengthens the development of new customers in Russia, Korea, Asian countries, Studioray and Purple door customers (US market).

## **5. Evaluation of activities implemented in 2024**

### **5.1 Production operation**

In 2024, all TNG's factories and garment branches will operate stably and continuously, ensuring jobs for 19,052 employees. Production sales in 2024 will increase by 17% compared to 2023. The product tracing project has been upgraded and widely applied on most factories at TNG to help strictly manage the entire closed production process of products from input materials to finished products.

### **5.2 Research and development**

In 2024, TRE Branch has signed contracts with 5 new customers (including customers outside the textile and garment sector), bringing the total number of customers that TRE provides software solutions to 15 partners and customers with outstanding products: Smart warehouse management. Asset management software, Ai automatic job assignment, Digital office...

August 2024 marks a new beginning when the AGV system - Robot operated by TNG has been put into operation at factories. Notably, the AGV - Robot system has been significantly improved when adding the function of self-operation up and down the elevator, allowing synchronous coordination of many AGVs operating at the same time effectively. At the same time, TNG also researches and manufactures more AGVs - traction robots.

In 2024, marking a pioneer on the journey to find superior and environmentally friendly materials, the birth of Microfiber 0.6D cotton is considered a breakthrough solution, a perfect replacement for traditional feathers. With a microfiber structure, Microfiber 0.6D provides excellent filling, creating a natural, smooth puffing effect without causing heaviness and urgency. At the same time, this is an effective solution to protect the environment, reduce the use of feathers, and contribute to animal conservation.

### **5.3 Human resource development management**

In 2024, in order to improve the efficiency of recruitment, the Company has issued policies to launch recruitment emulation for units such as: bonus policy of VND 1,000,000 for 01 technology worker increased in the month, after the employee is signed a contract.

In 2024, the number of recruits will reach 5,862 people, higher than in 2023, contributing to improving the number of human resources for the Company, ensuring stable production.

TNG is using the Competency Assessment system, applied to professional employees of the Company or higher to assess the ability to meet the job. In 2024, 100% of the Company's blocks,

departments and branches will implement capacity assessment to the level of Professional Staff for over 1,000 people.

The Department of Administrative Organization has advised to promulgate the Training Regulation, especially updated from year to year to be in line with the Company's development orientation. Notably, in 2024, the Department of Administrative Organization has successfully implemented internal training programs, helping to motivate and train skills and orientation for employees.

#### **5.4 Business activities - media marketing**

Transparency is considered one of TNG's top criteria to connect and create trust in shareholders and customers. TNG always ensures the full, accurate and truthful disclosure of information according to regulations on different platforms and websites. On April 29, 2024, TNG was voted "Listed Enterprises with the Most Favorite IR Activities by Investors", according to the results announced at the IR Awards 2024 co-organized by Vietstock, the Vietnam Association of Financial Administrators (VAFE) and Fili Magazine.

In 2024, TNG has successfully approached and developed new customers such as: G-III, Centric. Develop more Softshell product lines for Studio customers. Signed an off-season FOB order with Victory time customers.

Especially in 2024, TNG has met the criteria for implementing 100% bilingual Vietnamese-English disclosure, better meeting the disclosure work according to international standards.

#### **5.5 Capital construction investment activities**

In 2024, TNG has relocated Viet Duc Garment Branch from 160 Minh Cau Street, Phan Dinh Phung Ward, Thai Nguyen City to Son Cam Industrial Park, Son Cam Commune, Phu Luong District, Thai Nguyen City, Thai Nguyen Province. The total investment of Viet Duc factory is up to more than 400 billion.

In order to meet environmental criteria on the journey of sustainable development, in 2024, TNG has upgraded the wastewater treatment plant system of Son Cam Industrial Park to expand the scope of standards for receiving input wastewater. Especially in 2024, TNG has invested in installing an automatic monitoring environment system at all factories.

In 2024, investment in expanding the production system will continue to increase to meet the the best demand for supplying goods for the export market. The total number of sewing lines in 2024 is 336 sewing lines, an increase of 14 sewing lines compared to 322 sewing lines in 2023.

#### **5.6 Corporate Culture Activities**

The Alo 108 program - The voice of TNG employees was born with the concerns, concerns, and desire to contribute to the development of TNG, the desire of TNG employees to complete their daily contracting work well, to have a better income.

The questions and situations raised in the program revolve around daily stories, incidents arising in the production and business process, problems of employees; questions about topics such as labor

law, trade union law, wages, labor regulations, anti-sexual harassment, collective labor agreements, etc. With the desire that through the trade union organization, organizational departments of units and companies, the employee care department will always go hand in hand with employees, create conditions and help workers be confident and progressive.

## **6. The 2025 plan and implementation solutions:**

### **6.1 Plan for 2025:**

- Revenue: 8,500 billion VND
- Profit after tax: 350 billion VND

### **6.2 Implementation method:**

#### *Production Operations*

- Optimize the production process

Standardized workflows: Develop detailed and standardized workflows to avoid duplication and minimize errors in production.

Proper work assignment: Ensure that each worker has a clear and well-placed job, thereby minimizing waiting time and increasing efficiency.

- Use automation technology

Applying automatic machinery, investing in modern machines such as automatic sewing machines, automatic cutting machines, automatic buttoning machines, etc. to minimize production time and increase accuracy.

- Inventory management and optimization

Strict control of raw materials: Ensure that the supply of raw materials is always sufficient and timely to avoid production interruptions.

Warehouse optimization: Use warehouse management software to track and organize materials scientifically, helping to reduce the time to find and transport materials.

#### *Research and development*

- Research and development of new products

Sustainable and environmentally friendly products: Invest in research and development of garments that use recycled, organic, or more sustainable materials. The sustainable fashion market is growing strongly, and the demand for these products is increasing.

#### *Human Resource Development Management*

- Professional training and development

- Build a positive working environment: Encourage creativity and innovation, motivate work, ensure fairness in evaluation.

- Recruitment of highly qualified personnel, reasonable remuneration: including reasonable salaries, health insurance benefits, vocational training, and promotion opportunities.

#### *Business and market development*

- Research and expand international markets

- Product and model diversification
- Optimize distribution and logistics channels
- Participate in international fairs and exhibitions
- Improve quality management and control capabilities

*Investment in capital construction*

- Increase investment in machines and automation systems to help improve labor productivity, towards the application of 4.0 technology.
- To invest in and renovate and repair material foundations at modern factories and workshops to meet production conditions.

**FOR AND ON BEHALF OF THE  
BOARD OF GENERAL DIRECTOR  
GENERAL DIRECTOR**



No. : 03/BC-TNG-GDCĐ2025

Thai Nguyen, March 25, 2025

## **REPORT OF THE AUDIT COMMITTEE**

**To: 2025 Annual General Meeting of Shareholders of TNG Investment and Trading Joint Stock Company**

### **LEGAL BASIS**

- Pursuant to Decree No. 155/2020/ND-CP dated 31/12/2020;
- Pursuant to the Law on Enterprises 2020.
- Pursuant to the Charter of TNG Investment and Trading Joint Stock Company;
- Pursuant to the internal management regulations of TNG Investment and Trading Joint Stock Company
- Based on the situation of production and business activities of the Company.
- Pursuant to Decree No. 05/2019/ND-CP dated 22/01/2019

### **1. Information about members of the Audit Committee (hereinafter referred to as "Audit Committee")**

- Before 23/04/2024
  - + Mr. Nguyen Hoang Giang                      Chairman
  - + Mr. Nguyen Manh Linh                      Member
- After 23/04/2024
  - + Mr. Nguyen Hoang Giang                      Chairman
  - + Ms. Ha Thi Tuyet                              Member
  - + Mr. Nguyen Manh Linh                      Member

### **2. Remuneration, operating expenses and other benefits of the Audit Committee in 2024**

Members of the BOD and members of the Audit Committee receive remuneration under the title of Member of the Board of Directors. The remuneration of members of the BOD has been announced in detail in the Company's audited financial statements for 2024.

### **3. Summary of meetings of the Audit Committee**

<b>TT</b>	<b>Time</b>	<b>Meeting content</b>
1	11/03/24	Examining and reviewing separate and consolidated financial statements in the fourth quarter and the whole year of 2023; Evaluation of the production and business plan in 2024 submitted by the General Director to the Board of Directors; Develop an internal audit plan and an independent audit plan in 2024.

TT	Time	Meeting content
2	08/04/24	Examine and review the audited separate and consolidated financial statements in 2023; Review the preparation of personnel and prepare documents for the 2024 Annual General Meeting of Shareholders; Preparation of the report of the Audit Committee at the 2024 Annual General Meeting of Shareholders
3	19/06/24	Review business results for the 1st quarter of 2024 and the progress of implementing production and business targets set out to 5/2024; Review the company's information disclosure obligations in the first 5 months of 2024. Proposal for the unit to review the 2024 semi-annual financial statements and audit the 2024 financial statements
4	21/10/24	Review of financial statements for the 3rd quarter of 2024; Review overdue debts and inventory that are slow to circulate to make a financial reserve plan for 2024; Evaluate the implementation of production and business for 9 months according to the plan set out at the 2024 Annual General Meeting of Shareholders and review the plan to develop a production and business plan in 2025

**4. Supervisory activities of the Audit Committee over the Board of Directors, the Board of Management and shareholders:**

- At least annually, receive and review the Independent Audit Report.
- Examine audited quarterly financial statements and annual financial statements with the Board of Management and independent auditors
- Discuss to releases on company profits, as well as financial information and guide the reading of profit figures for credit rating and analysis agencies.
- Use legal consultancy services, accountants or other external consultants when necessary
- Discuss policies on risk assessment and management
- Weekly, monthly, quarterly, private meetings with the Board of Management, Internal Audit and Independent Audit
- Conduct annual self-assessment of the Audit Committee's operating results.
- Conduct a self-assessment of the results of information disclosure according to the Ministry of Finance's Circular No. 96/2020/TT-BTC dated November 16, 2020 guiding information disclosure on the securities market.
- The Audit Committee directs the Internal Audit Committee to audit 2 projects

**5. An assessment report on transactions between a company, a subsidiary or a company in which a public company controls more than 50% of charter capital and members of the**

**Board of Directors, the General Director (Director), other executives of the enterprise and related persons of such subjects; transactions between companies in which members of the Board of Directors, General Directors (Directors) and other executives of the enterprise are founding members or managers of the enterprise in the last 03 years prior to the time of transaction;**

These transactions have been announced by the Company in the 2024 Corporate Governance Report made on January 24, 2025 and the audited 2024 financial statements. The content of the transactions is mainly the provision of services, sales, and capital reduction. The transactions have been announced and approved in accordance with the provisions of law and the Company's charter. For details, please refer to the Corporate Governance Report in 2024 and the Audited Financial Statement in 2024.

## **6. Results of supervision of the financial statements, operation and financial situation of the Company**

The Company has prepared and published periodic Financial Statements in accordance with the provisions of law. The 2024 financial statements are audited by an independent auditing firm, Deloitte Vietnam Auditing Co., Ltd. in accordance with current regulations.

In 2024, TNG will achieve total revenue of VND 7,656 billion, equivalent to 97% of the plan assigned by the General Meeting of Shareholders in 2024 and a growth of 7.86% compared to 2023. Profit after tax in 2024 will reach VND 314.82 billion, reaching 101.6% of the plan assigned by the General Meeting of Shareholders in 2024, an increase of VND 92 billion or 41.58% compared to 2023.

## **7. Results of evaluation of the company's internal control and risk management system**

The internal audit and risk management activities evaluated the implementation of comprehensive processes across all aspects of the Company's operations.

- Evaluate the process of developing a production and business plan in 2024 for the whole Company.

- Evaluate the implementation process of the Company's Capital and Asset Inventory annually;

- Evaluate the process of organizing the 2024 General Meeting of Shareholders in accordance with the company's Charter and the Law on Enterprises 2020;

- Evaluate the Company's investment process for procurement of fixed assets in 2024;

- Evaluate the process of managing machinery and equipment, rotating machinery and equipment in the Company;

- Evaluate the management of records and archive records of recruited employees;

- Evaluate the process of managing shift vehicle costs and gasoline allowances

In 2024, the Internal Audit Committee has conducted 12 audits at departments and

factories in the following areas: machinery and equipment management; regulations on dossiers and archiving of employee records; manage the cost of shift vehicles and gasoline allowances; management of inventory components, the process of finalization and VAT refund of imported goods...

At the same time, in 2024, the Audit Committee has also audited 2 investment projects: Viet Thai factory construction investment project (Son Cam) and TNG Phu Binh factory expansion project.

## **8. Results of supervision of the Board of Directors, the General Director (Director) and other executives of the enterprise;**

+ The Board of Directors, the General Director and other executives have managed the Company's activities in accordance with the objectives set by the General Meeting of Shareholders. The People's Committee has not recorded any cases of violation of regulations on responsibilities and obligations of business executives.

+ The Board of Directors and the General Director have implemented a number of contents recorded in the Resolutions of the General Meeting of Shareholders and the Board of Directors. The results of the implementation of the approved contents according to the Resolution of the General Meeting of Shareholders are fully reported by the Board of Directors.

+ The Board of Directors has supervised through the ERP system the daily production and business activities.

## **9. Coordination between the Audit Committee on the activities of the Board of Directors, the Board of Directors and shareholders**

In 2024, the Audit Committee will receive close coordination and favorable conditions to perform its supervisory tasks from the Board of Directors, the General Director and the Company's managers, through being provided with full and accurate information, reports and documents related to the company's governance, business activities and financial situation. The Chief Internal Audit Officer has unlimited access, communicating directly with the Audit Committee, including private meetings with the Audit Committee without the presence of the Executive Board or the General Director.

## **10. Conclusions and recommendations**

- Through the supervision and inspection of the Audit Committee, it is found that the Board of Directors implement the spirit of the Resolution of the 2024 General Meeting of Shareholders, the Company's governance regulations, the Company's charter, on the basis of the benefits of the Company and shareholders.

In order to continue to maintain and develop and successfully complete the 2025 targets, and at the same time enhance publicity, transparency, and limit errors and risks in the process of

operating the company's production and business activities, the Audit Committee recommends the Board of Directors and the Board of Management some of the following contents:

1. Pushing the supervision of the observance of the provisions of law, the company's charter, the implementation of the Resolutions of the General Meeting of Shareholders and the BOD of the Company.

2. Continue to implement and control business administration and management activities in the company.

3. Maintain the review and appraisal of the Company's financial statements, coordinate activities between the Board of Directors, the Executive Board and the Control Board.

4. Continue to promote the training and development of human resources, develop reasonable personnel policies and personnel rotation, in accordance with the current and development needs of the company.

5. Maintaining the operation of the Asset Management Authority in accordance with regulations on the principle of risk management.

The above is the 2024 Report of the Internal Audit Committee. Submission to the 2025 Annual General Meeting of Shareholders.

**ON BEHALF OF INTERNAL AUDIT COMMITTEE  
CHAIRMAN**

  
**NGUYỄN HOÀNG GIANG**