

PERIODIC FINANCIAL REPORT DISCLOSURE

To: Hanoi Stock Exchange

Pursuant to the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated Nov.16th, 2020 of the Ministry of Finance guiding information disclosure on the securities market, Garmex Saigon Corporation hereby discloses the reviewed semi-annual Financial Statements ("FS") for 2025 to the Hanoi Stock Exchange as follows:

1. Name of organization: GARMEX SAIGON CORPORATION

- Securities code: GMC
- Address: 252 Nguyen Van Luong, Go Vap Ward, Ho Chi Minh City
- Contact telephone: 028-39844822 Fax: 02839844746
- Email: headoffice@garmex.vn Website: <https://www.garmex.vn>

2. Content of Information Disclosure:

• Reviewed semi-annual Financial Statements for 2025

Separate Financial Statements ☒

Consolidated Financial Statements ☒

+ The audit firm issued an opinion that is not a fully accepted opinion on the semi-annual Financial Statements for 2025

Yes ☐

No ☒

Explanation document:

Yes ☐

No ☒

+ Net profit after tax for the semi-annual period of 2025 after review has a difference of 5% or more compared to before review.

Yes ☒

No ☐

Explanation document:

Yes ☒

No ☐

+ Net profit after tax at Business Result Report for the first 6 months of 2025 changed from 10% or more compared to the report for the first 6 months of 2024:

Yes ☒

No ☐

Explanation document:

Yes ☒

No ☐



- + Net profit after tax for the reporting period resulted in a loss, changing from a profit in the same period of the previous year to a loss in this period or vice versa:

Yes ☒

No ☐

Explanation document:

Yes ☒

No ☐

This information was disclosed on the Company's website on August 19th, 2025 at the following link: <https://www.garmex.vn/vi/quan-he-co-dong/>

We hereby commit that the information disclosed above is true and we take full legal responsibility for the content of the disclosed information.

Attached documents:

- The reviewed semi-annual Separate and Consolidated Financial Statements for 2025
- Explanation document No. 91/CV-2025

**Representative of the Organization
Legal Representative
GENERAL DIRECTOR**



NGUYEN MINH HANG



No. 91/CV - 2025

Ho Chi Minh City, August 19th, 2025

*Re: Explanation of profit after tax on
The reviewed semi-annual Separate
and Consolidated Financial Statements
for 2025 along with measures and
a roadmap to remedy losses*

To: - The State Securities Commission
- Hanoi Stock Exchange

Pursuant to information disclosure regulations, Garmex Saigon Corporation (hereinafter referred to as “the Company”) provides the following explanation regarding the profit after tax on the reviewed semi-annual Separate Financial Statements and Consolidated Financial Statements for 2025 along with measures and a roadmap to remedy losses as follows::

1. Explanation of profit after tax difference of 5% or more between before review and after review figures during the reporting period.

Item	Semi-annual Financial Statements 2025 before review (VND)	Semi-annual Financial Statements 2025 after review (VND)	Difference	
			Amount (VND)	Percentage (%)
Net revenue on separate financial statements	896,637,888	896,637,888	-	-
Profit after tax on separate financial statements	-7,264,840,924	-8,842,336,419	-1,577,495,495	21.7%
Net revenue on consolidated financial statements	898,512,903	898,512,903	-	-
Profit after tax on consolidated financial statements	-12,123,346,379	-14,307,930,011	-2,184,583,632	18.0%

- The profit after tax for the 2025 semi-annual period on the separate financial statements after review showed a loss greater than before review by VND 1,577,495,495, corresponding to a difference rate of 21.7%, primarily due to the recognition of a provision of VND 1,577,495,495 for investment in Phu My Corporation.
- The profit after tax for the 2025 semi-annual period on the consolidated financial statements after review showed a loss greater than before review by VND 2,184,583,632, corresponding to a difference rate of 18%, primarily due to the recognition of provisions at subsidiaries and associate companies, including:

- Garmex Quang Nam Co., Ltd. (a subsidiary of the Company) recognized a provision of VND 291,589,038 for advances to suppliers that are overdue for contract performance but are currently not being executed.
- Recognition of a provision for investment in Phu My Corporation amounting to VND 1,577,495,495.
- Recognition of non-deferred income tax expense on the provision for investment in Phu My Corporation amounting to VND 315,499,099.

2. Explanation of losses of profit after tax in the 2025 semi-annual period (6 months of 2025) compared to a profit in the 2024 semi-annual period (6 months of 2024) with a difference exceeding 10% compared to the 2024 semi-annual period:

Item	First 6 months of 2025 (VND)	First 6 months of 2024 (VND)	Difference	
			Amount (VND)	Percentage %
Net revenue on separate financial statements	896,637,888	1,629,461,514	-732,823,626	-45.0%
Profit after tax on separate financial statements	-8,842,336,419	3,386,551,155	-12,228,887,574	-361.1%
Net revenue on consolidated financial statements	898,512,903	358,461,514	540,051,389	150.7%
Profit after tax on consolidated financial statements	-14,307,930,011	755,187,950	-15,063,117,961	-1994.6%

2.1. The Profit after tax for the first 6 months of 2025 showed a loss, whereas the first 6 months of 2024 showed a profit with a difference exceeding 10% compared to the first 6 months of 2024 in the reviewed semi-annual separate financial statements. The reasons are as follows:

- Revenue in the first 6 months of 2025, the Company generated revenue from pharmaceutical business, service revenue and business cooperation revenue. However, there was no revenue from the sale of liquidated used machinery, unlike the first 6 months of 2024 (where revenue from the sale of used machinery was VND 1.4 billion). Consequently, total revenue for the first 6 months of 2025 still decreased by VND 732,823,626 compared to the first 6 months of 2024.
- Financial income decreased due to a reduction in interest from deposits.
- Other income decreased by VND 4.6 billion due to a reduction in income from liquidation.
- Cost of goods sold decreased due to reduced revenue from the sale of liquidated machinery.
- Financial expenses increased significantly compared to the first 6 months of 2024 because during the first 6 months of 2025, the Company did not have a reversal of investment provision in a subsidiary (in the first 6 months of 2024, the reversal of investment provision in a subsidiary was VND 9.8 billion). Furthermore, in the first 6 months of 2025, the Company recognized an additional provision for investment in Phu My Corporation amounting to VND 1,577,495,495.
- Enterprise management expenses decreased compared to the first 6 months of 2024 because the Company continued to save costs. However, management expenses remain high compared

to revenue because the Company still needs to maintain warehouse personnel and indirect operational staff thus incurring salary expenses, depreciation expenses, land lease expenses, security service expenses and other costs.

- Implementing the resolution of the General Meeting of Shareholders and the Board of Directors, the Company continued to offer for sale unused assets during the first 6 months of 2025, however, the successful sale results were not much.

Based on the above factors, the Parent Company's profit after tax for the first six months of 2025 resulted in a loss, whereas it was a profit in the first six months of 2024, specifically: The profit after tax on the separate financial statements showed a loss of VND 8,842,336,419 (equivalent to a loss 361.1% higher than the same period).

2.2. The profit after tax for the first six months of 2025 resulted in a loss, while it was a profit in the first six months of 2024 with a difference exceeding 10% compared to the first six months of 2024 as stated in the reviewed semi-annual consolidated financial statements.

The reasons are as follows:

- Revenue in the first six months of 2025 increased by VND 540,051,389 compared to the first six months of 2024 due to the generation of revenue from pharmaceutical business and business cooperation in the first six months of 2025, whereas the Company had no such revenue in the first six months of 2024.
- Financial revenue decreased due to a reduction in deposit interest.
- Other income decreased by VND 6.9 billion due to a reduction in liquidation income (liquidation income in the first six months of 2025 was VND 1.8 billion compared to VND 8.7 billion in the first six months of 2024).
- Cost of goods sold increased due to arising of cost of sales from the pharmacy business.
- Financial expenses decreased compared to the first six months of 2024 due to the reversal of investment provision and the absence of exchange rate differences arising from the consolidation of Blue Saigon LLC's financial statements in the United States.
- A loss from an associate company (Phu My Corporation) was incurred in the first six months of 2025.
- Enterprise management expenses decreased compared to the first six months of 2024, primarily because the Company continued to save costs. However, management expenses remain high compared to revenue because the Company still needs to maintain warehouse personnel and indirect operational staff thus incurring salary expenses, depreciation expenses, land lease expenses, security service expenses and other costs.
- Deferred corporate income tax expense increased by VND 12.007 billion due to:
 - The emergence of deferred income tax expense from the investment provision in Phu My Corporation, amounting to VND 315,499,099.
 - In the first six months of 2024, Blue Saigon LLC completed dissolution procedures and tax declarations in the United States, so Garmex Saigon Corporation accounted for a reduction in deferred tax expense related to the uncollectible debt that Blue Saigon LLC was unable to pay to Garmex Saigon Corporation upon consolidation of financial statements. In the first six months of 2025, the Company did not incur this expense.
- Pursuant to the resolutions of the General Meeting of Shareholders and the Board of Directors, the Company continued to offer unused assets for sale in the first six months of 2025; however, the successful sales results were not much.

Based on the above factors, the consolidated profit after tax for the first six months of 2025 resulted in a loss, whereas it was a profit in the first six months of 2024 with a difference exceeding

10% compared to the first six months of 2024, specifically: The profit after tax on the consolidated financial statements showed a loss of VND 14,307,930,011 (equivalent to a loss 1994.6% higher than the same period).

3. Measures and roadmap to remedy the loss situation

As of now, the Company continues to have no orders for garment manufacturing. The Company is still conducting research to invest in new industries according to trends to develop the Company in the medium and long term. In addition, the Company focuses on:

- Continuing to reduce costs.
- Proceeding with the liquidation of unused assets.
- Continuing to monitor and urge partners to deliver goods.
- Monitoring and urging Phu My Corporation to complete the Phu My Housing Project to sell products and recover investment capital.
- Operating the pharmacy at 213 Hong Bang.
- Exploiting the Company's existing premises.

The above is the explanation from Garmex Saigon Corporation.

Sincerely.

Recipient:

- As above.
- Archived: Company Office

**LEGAL REPRESENTATIVE
GENERAL DIRECTOR**



NGUYEN MINH HANG

