

## PERIODIC DISCLOSURE OF FINANCIAL REPORTS

Dear: Hanoi Stock Exchange

In accordance with the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020, of the Ministry of Finance guiding the disclosure of information on the securities market, Ho Chi Minh City Food Joint Stock Company (CTCP Lương thực thành phố Hồ Chí Minh) will disclose the financial report (BCTC) for the fourth quarter of 2024 to the Hanoi Stock Exchange as follows:

1. Organization Name: Công ty cổ phần Lương thực Thành phố Hồ Chí Minh.

- Stock Code: FCS
- Address: 1610 Vo Van Kiet, Ward 7, District 6, Ho Chi Minh City.
- Tel: (028) 3967 2060 Fax: (028) 3967 2022
- Email: [info@foodcosa.vn](mailto:info@foodcosa.vn) Website: [www.foodcosa.vn](http://www.foodcosa.vn)

2. Content of the Disclosure Information:

- Financial Statements of 2024

Separate Financial Report (the parent company does not have subsidiaries, and the higher-level accounting unit has subordinate units);

Consolidated Financial Report (the parent company has subsidiaries);

Aggregate Financial Report (the parent company has subordinate accounting units with separate accounting systems).

- Cases that require explanation of the reasons:

+ The auditing organization issued an opinion that is not an unqualified opinion on the financial report (for the audited financial report of 2022)

Yes

No

Explanatory document in the case of a positive balance:

Yes

No

+ Net profit after tax in the reporting period has a difference of 5% or more before and after the audit, shifting from a loss to a profit or vice versa (for the audited financial report of 2023)

Yes

No

Explanatory document in the case of a positive balance:

Yes

No

+ Net profit after corporate income tax in the income statement for the reporting period changes by 10% or more compared to the corresponding report of the previous year

Yes

No

Explanatory document in the case of a positive balance:

Yes

No

+ Net profit after tax in the reporting period incurs a loss, shifting from profit in the corresponding report of the previous year to a loss in this period or vice versa:

Yes

No

Explanatory document in the case of a positive balance:

Yes

No

This information was published on the company's electronic information page on: February 27, 2025, at the following link: <https://foodcosa.vn/cong-ty-co-phan-luong-thuc-thanh-pho-ho-chi-minh-cong-bo-thong-tin-bao-cao-tai-chinh-nam-2024-kem-giai-trinh-ket-qua-sxkd/>

**Attached documents:**

- Financial Statements of 2024.
- Explanatory document for the Business Operation Results of 2024

**Representative of the organization**  
Authorized person for information disclosure



**Nguyen Quang Cuong**

Qualified Services  
with Global  
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International Presence

**HO CHI MINH CITY FOOD JOINT STOCK COMPANY**

**AUDITED FINANCIAL STATEMENTS**  
For the year ended 31 December 2024

**HO CHI MINH CITY FOOD JOINT STOCK COMPANY**

**AUDITED FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

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### **STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Ho Chi Minh City Food Joint Stock Company presents this report together with the Company's audited financial statements for the year ended 31 December 2024.

#### **THE COMPANY**

Ho Chi Minh City Food Joint Stock Company (hereinafter referred to as "the Company") was formerly Ho Chi Minh City Food One Member Company Limited, a unit under Vietnam Southern Food Corporation (now known as Vietnam Southern Food Corporation - Joint Stock Company). The company was granted the Enterprise Registration Certificate No. 0300559014 issued by the Department of Planning and Investment of Kien Giang Province for the first time on 31 December 2008, which have been amended for the 19<sup>th</sup> time on 12 April 2024 on change of the Company's legal representative.

English name of the company: HO CHI MINH CITY FOOD JOINT STOCK COMPANY.

The Company's Charter capital under the Certificate of Business Registration number 0300559014 amended for the 19<sup>th</sup> time on 12 April 2024 is VND 294,500,000,000. (*In word: Two hundred and ninety-four billion and five hundred million Vietnamese Dong*).

The Company's stock is currently traded on the UpCOM Stock Exchange with stock code: FCS.

The Company's registered office is located at: No. 1610 Vo Van Kien Street, Ward 7, District 6, Ho Chi Minh City.

#### **BOARDS OF DIRECTORS, SUPERVISORS AND MANAGEMENT**

Members of Boards of Directors, Supervisors and Management who held the Company during the year and at the date of this report are as follows:

##### **BOARD OF DIRECTORS**

Mr. Nguyen Tien Dung	Chairman (Dismissed on 25 April 2024)
Mr. Doan Quang Long	Chairman (Elected on 24 April 2024)
	Member (Dismissed on 25 April 2024)
Mr. Nguyen Quang Tam	Member (Dismissed on 25 April 2024)
Mr. Nguyen Van Linh	Member (Elected on 25 April 2024)
Ms. Ho Thi Cam Van	Member (Elected on 25 April 2024)
Ms. Tran Thi Xuan Mai	Member (Dismissed and re-elected on 24 April 2024)
Ms. Phan Thi Bich Tuyen	Member (Elected on 25 April 2024)
Ms. Nguyen Thu Thu Hien	Member (Dismissed on 25 April 2024)

##### **BOARD OF SUPERVISORS**

Mr. Ngo Thanh Giao	Head of the Board
Ms. Nguyen Ngoc Mai Trinh	Member (Dismissed and re-elected on 24 April 2024)
Ms. Nguyen Thi Cam Nhung	Member

##### **BOARD OF MANAGEMENT**

Mr. Doan Quang Long	General Director (Dismissed on 31 March 2024)
Mr. Nguyen Van Linh	General Director (Appointed on 01 April 2024)
Ms. Tran Thi Xuan Mai	Deputy General Director
Ms. Huynh Thi Phuong	Deputy General Director cum Chief Accountant (Dismissed on 01 October 2024)
Ms. Phan Thi Bich Tuyen	Deputy General Director

##### **SUBSEQUENT EVENTS**

According to the Board of Management, in all material respects, there have been no other significant events occurring after the balance sheet date, affecting the financial position and operation of the Company which would require adjustments to or disclosures to be made in the financial statements for the year ended 31 December 2024.

**STATEMENT OF THE BOARD OF MANAGEMENT (CONTINUED)**

**AUDITORS**

The Company's financial statements for the year ended 31 December 2024 have been audited by CPA VIETNAM Auditing Company limited – An Independent Member Firm of INPACT.

**RESPONSIBILITY OF THE BOARD OF MANAGEMENT**

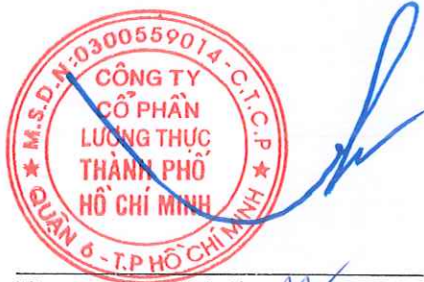
The Company's Board of Management is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024 as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of financial statements. In preparing these financial statements, the Board of Management is required to:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- State clearly whether the Accounting Standards applied to the Corporation are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- Design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Financial Statements are free from material misstatements due to frauds or errors;
- Prepare the Financial Statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the financial statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant legal regulations in preparation and presentation of the financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing the financial statements.

For and on behalf of the Board of Management,



**Nguyen Van Linh**  
**General Director**  
*Ho Chi Minh City, 10 January 2025*

**Head Office in Hanoi:**

8<sup>th</sup> floor, VG Building, No. 235 Nguyen Trai Str.,  
Thanh Xuan Dist., Hanoi, Vietnam

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+84 (24) 3 783 2122    www.cpavietnam.vn

No: 75/2025/BCKT-CPA VIETNAM-HCM

**INDEPENDENT AUDITORS' REPORT**

**To:**                    **Shareholders**  
                          **Boards of Directors, Supervisors and Management**  
                          **Ho Chi Minh City Food Joint Stock Company**

We have audited the accompanying financial statements of Ho Chi Minh City Food Joint Stock Company, prepared on 10 January 2025, from pages 06 to pages 39, including the Balance Sheet as at 31 December 2024, Income Statement, Cash Flows Statements for the year then ended and Notes to the Financial Statements.

**Responsibility of the Board of Management**

The Company's Board of Management is responsible for the true and fair preparation and presentation of these financial statements in compliance with Vietnamese Accounting Standards, Vietnamese Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements, and for the internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Responsibility of Auditors**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. These Standards require us to comply with the Standards and codes of ethics, to plan and perform the audit to obtain reasonable assurance as to whether the Company's separate financial statements are there any significant errors or not.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures are selected based on the auditor's judgment, including the assessment of risks of material misstatement in the financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design appropriate audit procedures to the actual situation, which is not intended to give an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Auditors' Opinion**

In our opinion, the accompanying financial statements gives a true and fair view of, in all material respects, the financial position of Ho Chi Minh City Food Joint Stock Company as at 31 December 2024 and the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements in Vietnam.



*Emphasis of matters*

We would like to draw attention to the following notes:

- As presented in Section d of Note 5.19, in year 2017, the General Meeting of Shareholders approved the plan to reduce charter capital (the State's shareholding) according to Resolution No. 02/NQLT-ĐHĐCĐ dated 29 September 2017. The adjusted reduction in charter capital is VND 39,362,000,000 (equivalent to a reduction of 3,936,200 shares of the State) according to Decision No. 67/QĐ-HĐTV dated 22 August 2017, of the Members' Council of Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company) on approving the second determination of the value of the Entity and the State's shareholding at the point of transformation into a joint stock company (01 September 2016) of Ho Chi Minh City Food One Member Company Limited. As of the financial reporting date, the Company is in the process of completing procedures to change the Enterprise Registration Certificate but has not yet received approval from the competent authority.
- As presented in Note 7.4, in year 2024, the Company incurred a business loss of VND 1,480,043,178. Moreover, as of 31 December 2024, the Company carries accumulated losses of VND 194,327,990,019 VND, and short-term liabilities exceeded short-term assets by VND 42,027,256,671. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.
- As presented in Note 5.10, as of 31 December 2024, the Company is monitoring the value of land use rights for 04 plots of land in Ho Chi Minh City as well as the obligations payable to the state under the item "Intangible Fixed Assets" and the item "Other Long-term Liabilities" with an amount of 561,416,855,000 VND according to Decision No. 67/QĐ-HĐTV dated 22 August 2017, by the Members' Council of Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company) on approving the second determination of the value of the Entity and the State's shareholding at the point of transformation into a joint stock company (01 September 2016) of Ho Chi Minh City Food One Member Company Limited. The value of land use rights as well as the utilization plan for these land plots may change after receiving the official opinion from the People's Committee of Ho Chi Minh City.
- As presented in Note 7.1, the People's Committee of Ho Chi Minh City has not yet issued an official decision on the form of land granting or lease for the plot of land at 270 - 277 Tran Van Kieu Street, Ward 3, District 6, Ho Chi Minh City. Therefore, the Company has no basis to determine the value of the land use rights to recognize the difference in value for support, compensation, and relocation of the plot.

Our unqualified audit opinion is not modified in respect of these matters.



**Nguyen Thi Mai Hoa**  
**Deputy General Director**  
 Audit Practising Registration Certificate  
 No: 2326-2023-137-1

*Letter of Authorization No: 08/2025/UQ-CPA VIETNAM dated 02 January 2025 of Chairman*

For and on behalf of

**CPA VIETNAM AUDITING COMPANY LIMITED - A MEMBER FIRM OF IMPACT**

*Hanoi, 20 February 2025*

**Le Thanh Tung Lam**  
**Auditor**  
 Audit Practising Registration Certificate  
 No: 5475-2021-137-1

**BALANCE SHEET**  
As at 31 December 2024

ASSETS	Codes	Note	31 December 2024	01 January 2024
			VND	VND
<b>A - CURRENT ASSETS</b> (100 = 110+120+130+140+150)	<b>100</b>		<b>46,894,755,233</b>	<b>38,715,238,578</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5.1</b>	<b>13,218,954,984</b>	<b>20,106,835,374</b>
1. Cash	111		13,218,954,984	20,106,835,374
<b>II. Short-term financial investments</b>	<b>120</b>		-	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>12,789,578,452</b>	<b>8,157,327,211</b>
1. Short-term receivables from customers	131	5.3	1,886,397,660	2,387,935,458
2. Prepayments to sellers in short-term	132	5.4	118,986,814	479,719,558
3. Other short-term receivables	136	5.5	8,016,231,636	2,521,709,853
4. Shortage of assets awaiting resolution	139	5.6	2,767,962,342	2,767,962,342
<b>IV. Inventories</b>	<b>140</b>	<b>5.7</b>	<b>19,035,737,365</b>	<b>8,788,449,069</b>
1. Inventories	141		20,526,680,927	8,788,449,069
2. Allowances for devaluation of inventories	149		(1,490,943,562)	-
<b>V. Other current assets</b>	<b>150</b>		<b>1,850,484,432</b>	<b>1,662,626,924</b>
1. Short-term prepaid expenses	151	5.11	286,009,098	209,544,490
2. Deductible value added tax	152		204,601,520	186,164,081
3. Tax and other receivables from government budget	153	5.14	1,359,873,814	1,266,918,353
<b>B - LONG-TERM ASSETS(200 = 210+220+230</b>	<b>200</b>		<b>670,820,621,652</b>	<b>681,492,950,662</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>646,815,615,589</b>	<b>657,236,754,210</b>
1. Tangible fixed assets	221	5.9	78,515,176,426	88,711,032,884
- <i>Historicals costs</i>	222		612,419,106,725	613,362,401,571
- <i>Accumulated depreciation</i>	223		(533,903,930,299)	(524,651,368,687)
2. Intangible fixed assets	227	5.10	568,300,439,163	568,525,721,326
- <i>Historicals costs</i>	228		574,634,903,793	574,850,451,793
- <i>Accumulated amortization</i>	229		(6,334,464,630)	(6,324,730,467)
<b>III. Investment properties</b>	<b>230</b>		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>5,700,500</b>	<b>5,700,500</b>
1. Construction in progress	242	5.8	5,700,500	5,700,500
<b>V. Long-term investments</b>	<b>250</b>	<b>5.2</b>	<b>18,950,739,429</b>	<b>18,966,522,520</b>
1. Investments in joint ventures and associates	252		5,853,508,822	5,853,508,822
2. Investments in equity of other entities	253		13,769,085,107	13,769,085,107
3. Allowances for long-term investments	254		(671,854,500)	(656,071,409)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>5,048,566,134</b>	<b>5,283,973,432</b>
1. Long-term prepaid expenses	261	5.11	5,048,566,134	5,283,973,432
<b>TOTAL ASSESTS</b> (270= 100+200)	<b>270</b>		<b>717,715,376,885</b>	<b>720,208,189,240</b>

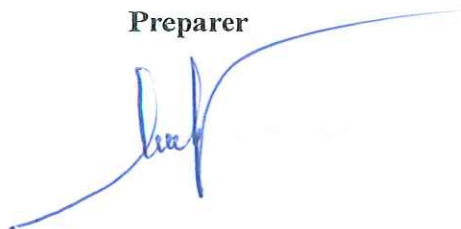
**BALANCE SHEET (CONTINUED)**

As at 31 December 2024

RESOURCES	Codes	Notes	31 December 2024	01 January 2024
			VND	VND
<b>C- LIABILITIES</b> (300 = 310+330)	<b>300</b>		<b>656,905,366,904</b>	<b>657,918,136,081</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>88,922,011,904</b>	<b>89,664,781,081</b>
1. Short-term trade payables	311	5.12	26,449,018,446	25,934,721,309
2. Short-term prepayments from customers	312	5.13	27,809,800	3,550,000
3. Taxes and other payables to government budget	313	5.14	716,767,495	654,888,878
4. Short-term accrued expenses	315	5.15	25,391,605,186	25,512,382,571
5. Short-term unearned revenues	318	5.16	1,020,000,000	1,480,000,000
6. Other short-term payments	319	5.17	34,414,210,977	35,176,638,323
7. Short-term borrowings and finance lease liabilities	320	5.18	900,000,000	900,000,000
8. Bonus and welfare fund	322		2,600,000	2,600,000
<b>II. Long-term liabilities</b>	<b>330</b>		<b>567,983,355,000</b>	<b>568,253,355,000</b>
Other long-term payables	337	5.17	567,983,355,000	568,253,355,000
<b>D- OWNERS' EQUITY</b> (400 = 410+430)	<b>400</b>		<b>60,810,009,981</b>	<b>62,290,053,159</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>5.19</b>	<b>60,810,009,981</b>	<b>62,290,053,159</b>
1. Contributed capital	411		255,138,000,000	255,138,000,000
- Ordinary shares with voting rights	411a		255,138,000,000	255,138,000,000
2. Undistributed profit after tax	421		(194,327,990,019)	(192,847,946,841)
- Undistributed profit after tax brought forward	421a		(192,847,946,841)	(193,860,856,047)
- Undistributed profit after tax for the current period	421b		(1,480,043,178)	1,012,909,206
<b>II. Funding sources and other funds</b>	<b>430</b>		-	-
<b>TOTAL LIABILITIES AND OWNERS' EQUITY (440 = 300+400)</b>	<b>440</b>		<b>717,715,376,885</b>	<b>720,208,189,240</b>

Ho Chi Minh City, 10 January 2025

Preparer



Tran Thi Kim Hong

Chief Accountant



Pham Thi Phuong Lan

General Director



Nguyen Van Linh

**INCOME STATEMENT**  
For the year ended 31 December 2024

ITEMS	Codes	Notes	Year 2024	Year 2023
			VND	VND
1. Revenues from sales and services rendered	01	6.1	405,809,818,698	404,619,732,453
2. Revenue deductions	02		1,520,000	-
3. Net revenues from sales and services rendered (10 = 01-02)	10		405,808,298,698	404,619,732,453
4. Costs of goods sold	11	6.2	338,684,010,011	338,337,649,178
5. Gross revenues from sales and services rendered (20 = 10-11)	20		67,124,288,687	66,282,083,275
6. Financial income	21	6.3	24,399,529	54,961,993
7. Financial expenses	22	6.4	16,041,888	(638,627,566)
<i>In which: Interest expenses</i>	23		-	-
8. Selling expenses	25	6.5	7,257,134,699	6,894,708,260
9. General administrative expenses	26	6.6	62,498,142,456	64,344,358,571
10. Net profits from operating activities {30 = 20+(21-22)-(25+26)}	30		(2,622,630,827)	(4,263,393,997)
11. Other income	31	6.7	1,287,560,106	5,552,314,190
12. Other expenses	32	6.7	144,972,457	276,010,987
13. Other profits (40 = 31-32)	40	6.7	1,142,587,649	5,276,303,203
14. Total net profit before tax (50 = 30+40)	50		(1,480,043,178)	1,012,909,206
15. Current corporate income tax expenses	51	6.9	-	-
16. Deferred corporate income tax expenses	52		-	-
17. Profits after corporate income tax (60 = 50-51-52)	60		(1,480,043,178)	1,012,909,206
18. Basic earnings per share	70	6.9	(58)	40

Ho Chi Minh City, 10 January 2025

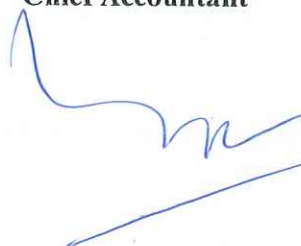
Preparer

Chief Accountant

General Director



Tran Thi Kim Hong



Pham Thi Phuong Lan



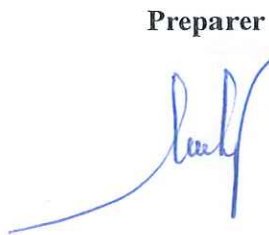
Nguyen Van Linh

(Indirect method)  
For the year ended 31 December 2024

ITEMS	Codes	Notes	Year 2024	Year 2023
			VND	VND
<b>I. Cash flows from operating activities</b>				
1. Proceeds from sales and services rendered and other revenues	01		445,968,015,503	443,997,353,284
2. Expenditures paid to suppliers	02		(390,929,870,074)	(394,910,755,509)
3. Expenditures paid to employees	03		(9,573,962,665)	(10,901,016,823)
4. Other proceeds from operating activities	06		6,182,828,736	15,042,737,715
5. Other expenditures on operating activities	07		(58,618,032,762)	(45,966,024,483)
<i>Net cash flows from operating activities</i>	<b>20</b>		<b>(6,971,021,262)</b>	<b>7,262,294,184</b>
<b>II. Cash flows from investing activities</b>				
1. Proceeds from disposal or transfer of fixed assets and other long-term assets			60,498,946	2,968,710,732
2. Proceeds from interests, dividends and distributed profits	27		22,607,486	-
<i>Net cash flows from investing activities</i>	<b>30</b>		<b>83,106,432</b>	<b>2,968,710,732</b>
<b>III. Cash flows from financial activities</b>				
<i>Net cash flows from financial activities</i>	<b>40</b>		<b>-</b>	<b>-</b>
<b>Net cash flows during the year</b> (50 = 20+30+40)	<b>50</b>		<b>(6,887,914,830)</b>	<b>10,231,004,916</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>20,106,835,374</b>	<b>9,875,580,044</b>
<i>Effect of exchange rate fluctuations</i>	<b>61</b>		<b>34,440</b>	<b>250,414</b>
<b>Cash and cash equivalents at the end of the year</b> (70 = 50+60+61)	<b>70</b>	<b>5.1</b>	<b>13,218,954,984</b>	<b>20,106,835,374</b>

Ho Chi Minh City, 10 January 2025

Preparer



Tran Thi Kim Hong

Chief Accountant



Pham Thi Phuong Lan

General Director



Nguyen Van Linh

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2024

**1. COMPANY INFORMATION****1.1 Structure of ownership**

Ho Chi Minh City Food Joint Stock Company (hereinafter referred to as "the Company") was formerly Ho Chi Minh City Food One Member Company Limited, a unit under Vietnam Southern Food Corporation (now known as Vietnam Southern Food Corporation - Joint Stock Company). The company was granted the Enterprise Registration Certificate No. 0300559014 issued by the Department of Planning and Investment of Kien Giang Province for the first time on 31 December 2008, which have been amended for the 19th time on 12 April 2024 on change of the Company's legal representative.

English name of the company: HO CHI MINH CITY FOOD JOINT STOCK COMPANY.

The Company's Charter capital under the Certificate of Business Registration number 0300559014 amended for the 19th time on 12 April 2024 is VND 294,500,000,000. (In word: *Two hundred and ninety-four billion and five hundred million Vietnamese Dong*).

The Company's stock is currently traded on the UpCOM Stock Exchange with stock code: FCS.

The Company's registered office is located at: No. 1610 Vo Van Kien Street, Ward 7, District 6, Ho Chi Minh City.

The total number of the Company's employees as at 31 December 2024 is 103 (at 31 December 2023: 108).

**1.2 Operating industries and principle activities**

Business lines of the Company according to the Business Registration Certificate include:

- Production, processing, and trading of food, foodstuffs, and technological products;
- Petroleum retail agency; retail of consumer goods;
- Warehousing and storage of goods;
- And other businesses as per the Business Registration Certificate.

Main activities of the Company during the year: Production, processing, and trading of food; operation of supermarkets; Consignment goods exploitation.

**1.3 Normal operating cycle**

The Company's normal operating cycle is 12 months.

**HO CHI MINH CITY FOOD JOINT STOCK COMPANY**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**1.4 The Company structure**

The Company's associate and subordinate units as of 31 December 2024 include:

No.	Company Associates	Address	Operation	Voting power (%)	Rate (%)
1	Phu Tam Khoi Joint Stock Company	161 Tran Huy Lieu Street, Ward 08, Phu Nhuan District, Ho Chi Minh City	Wholesale of food and household appliances	40.00%	40.00%

Subordinate units including:

No.	Name of dependent units	Address
1	Foodcomart Sai Gon Branch	No. 1610 Vo Van Kiet Street, Ward 07, District 6, Ho Chi Minh City
2	Foodcomart Tay Ninh Branch	No 194, Tua Hai Street, Quarter 2, Ward 01, Tay Ninh City, Tay Ninh Province
3	Foodcomart Dak Nong Branch	Civil Group 1, Kien Duc Town, Dak Rlap District, Dak Nong Province
4	Saigon Satake Food Factory	No. 176 Nguyen Huu Tri, Tan Tuc Town, Binh Chanh District, Ho Chi Minh City
5	Cuu Long Food Factory	No. 736 National Road No. 91, Thoi Thuan Ward, Thot Not District, Can Tho City
6	Thoi An Food Factory	No. 1693, National Road No. 91, Thuan An Ward, Thot Not District, Can Tho City
7	Phuc Loc Food Factory	Phuc Loc 3 Area, Thanh Hoa Ward, Thot Not District, Can Tho City
8	Thanh Anh Food Factory	Phung Phung Hamlet, Thanh Tien Ward, Vinh Thanh District, Can Tho City
9	My Thoi Food Factory	Dong Thanh Hamlet, My Thanh Ward, Long Xuyen City, An Giang Province
10	Tri Ton Food Factory	Giong Cat Hamlet, Luong An Tra Ward, Tri Ton District, An Giang Province

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**1.5 Statement of information comparability on the financial statements**

The Company ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated December 22, 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the financial statements are comparable.

**2. FISCAL YEAR AND ACCOUNTING CURRENCY****2.1 Fiscal year**

The Company's fiscal year applicable for the preparation of its financial statements starts on 1 January and ends on 31 December of solar year.

The Company's financial statements are prepared for the year ended 31 December 2024.

**2.2 Accounting currency**

The accompanying financial statements are expressed in Vietnamese Dong (VND).

**3. ACCOUNTING STANDARDS AND SYSTEM****3.1 Accounting System**

The Company applied to Vietnamese Accounting System promulgated under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular 200/2014/TT-BTC dated 22 December 2014.

**3.2 Statements for the compliance with Accounting Standards and System**

The Board of Management ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the Financial Statements.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Below are the major accounting policies adopted by the Company in the preparation of the financial statements:

**Basis of preparation of the financial statements**

The attached financial statements are expressed in Vietnamese Dong (VND), under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and legal regulations relevant to the preparation and presentation of financial statements.

The financial statements of the Company are prepared on the basis of the summary of the financial statements of the subordinate units and the financial statements of the Office of the Company. All transactions and balances between the Office of the Company and its subordinate units as well as between the subordinate units have been eliminated when preparing and presenting the Company's separate financial statements.

The accompanying financial statements are not intended to present the consolidated financial position, results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries other than Vietnam.

**Accounting estimates**

The preparation of the financial statements in conformity with Vietnamese Accounting Standards requires the Board of Management to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.

**Cash and cash equivalents**

Cash comprises cash on hand, bank deposits.



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial investments**

*Investments in subsidiaries, associates and other investments*

Investments in associates and joint ventures over which the Company has significant influence are stated at cost method in the financial statements.

Profit distributions that Company received from the accumulated profits of the associates after the Company obtains control right are recognized in separate income statement. Other distributions are considered a recovery of investment and are deducted to the investment value.

Investments in subsidiaries, joint ventures, associates and other investments are presented at cost less allowance for diminution in value (if any) in the separate balance sheet.

*Other investments:* are recorded at cost, including purchase price plus directly attributable acquisition costs. After the initial recognition, these investments are measured at cost less allowance for diminution in value of investments.

*Provision for devaluation of investments*

Provision for devaluation of investments in equity instruments of other entities are recognized when there is reliable evidence showing the devaluation of these investments at the end of the accounting period.

**Receivables**

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties.

**Inventories**

Inventories are measured at the lower of cost and net realizable value.

In regards to cost of inventories classified as food products: comprise costs of direct materials, direct labour, and general operation incurred in bringing the inventories to their present location and conditions.

In regards to cost of inventories classified as petrol and technological products: comprise costs of purchases and other directly relevant costs

The cost of inventories is determined in accordance with the weighted average method.

Net realizable value is the estimated selling price of inventory items less all estimated costs of completion and costs of marketing, selling and distribution. The Company uses the perpetual inventory method and the inventory cost is calculated via average method. The Company's allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Tangible fixed assets and Depreciation**

Tangible fixed assets are stated at history cost less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Tangible fixed assets are depreciated using straight line method over their estimated useful lives. Details are as follows:

	<u>Years</u>
Buildings, structures	10 - 55
Machinery and equipment	05 - 20
Motor vehicles	05 - 10
Office equipment	05 - 10
Other tangible fixed assets	04 - 25

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

**Intangible fixed assets and Amortization**

The Company's intangible assets, including land use rights and accounting software, are stated at history cost less accumulated amortization.

Historical costs of intangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Intangible fixed assets are land use rights for definite term, which are amortized on a straight-line basis over the validity period of the land use right certificates.

Land use rights for indefinite term is not amortized.

The historical cost of intangible fixed assets as land use rights is temporarily recognized at the value approved in Decision No. 67/QĐ-HĐTV dated 22 August 2017, by the Members' Council of Vietnam Southern Food Corporation - One Member Company Limited (now Vietnam Southern Food Corporation - Joint Stock Company). This value of the land use rights may be changed upon receiving the official opinion from the People's Committee of Ho Chi Minh City.

Computer software is amortized using the straight-line method over its estimated useful life from 5 to 10 years.

**Business cooperation contract (BCC)*****The Company as capital contributor***

Cash and asset contributions under BCC are recognized as a receivables in the financial statements.

Revenue and expense recognition according to BCC: The BCC stipulates that other parties participating in the BCC are entitled to a fixed profit.

**Prepaid expenses**

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods. The Company's prepaid expenses includes:

***Tools and supplies***

Tools and supplies are recorded to expenses and depreciated to on a straight-line basis with useful life of not exceeding 36 months.

***Fixed assets repair costs***

Fixed assets repair costs that have a significant amount are allocated to expenses using straight-line method over a period of 36 months or less.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)*****The cost of acquiring land use rights***

The cost of acquiring land use rights represents the transfer payment made for the land the Company is using. The transfer payment for land use rights is allocated to expenses on a straight-line method corresponding to the lease term (548 months).

***Goodwill***

Goodwill is recorded based on the figures stated in the Minutes of Entity Valuation as of 01 September 2016. Goodwill is allocated to expenses on a straight-line method over 10 years.

***Construction in progress***

Construction in progress reflects the Properties in progress for production, leasing, administrative purposes, or for any other purposes are recognized at the historical cost. This cost includes relevant service fees, interest fees in accordance with the Company's accounting policies. Depreciation of these assets is the same as the other assets, commencing from these assets are ready for their intended use.

***Payables***

The account payables are monitored in details by payable terms, payable parties, original currency and other factors depending on the Company's management requirement.

The account payables include payables as trade payables, loans payable, intercompany payable and other payables which are determined almost certainly about the recorded value and term, which is not carried less than amount to be paid. They are classified as follows:

- Trade payables: reflect payables of commercial nature arising from the purchase of goods, services, or assets, payables for import through trustees of which the seller is an independent entity with the Company;
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

***Loans and finance lease liabilities***

Loans and finance lease liabilities include loans, financial leases, excluding loans in the form of bonds or preference shares with terms that the issuer is required to repurchase at a certain point in the future.

The Company monitors loan amounts and financial liabilities in details by each type and classifies them into short-term and long-term according to repayment term.

Expenses directly related to the loan are recognized to financial expenses, except for expenses incurred from a separate loan for investment, construction or production in progress, which are capitalized according to Accounting Standard "Borrowing costs".

***Recognition and capitalization of Borrowing costs***

All other borrowing costs are recognised in the Income statement when incurring, except for the borrowing cost capitalized under Vietnamese Accounting Standards "Borrowing cost".

***Accrued expenses***

Accrued expenses are those already recorded in operating expenses in the period/year but not actually paid to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on matching principle between income and expenses.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accrued expenses (Continued)**

The Company recognizes Accrued expenses as follows:

- Rent and land lease expenses payable: Accrued based on the contract performance period;
- Late payment interest: Accrued based on the outstanding principal balance and overdue payment period;
- Other expenses: Accrued based on the estimate files and the volume of completed work.

**Unearned revenues**

Unrealized revenue includes: revenue received in advance such as: The amount of money that customers have paid in advance for one or more accounting periods for asset leasing; interest received in advance for lending capital or purchasing debt instruments.

Periodically, the Company calculates, determines and recognizes the unearned revenue in revenue in the year.

**Owners' equity**

Capital is recorded according to the actual amounts invested by shareholders.

Profit after corporate income tax is distributed to shareholders after setting up funds in accordance with the Company's Charter as well as the provisions of law and approved by the General Meeting of Shareholders.

Dividends payable to shareholders are recognized as payable in the Financial Statements after the Company's Annual General Meeting of Shareholders approves the dividend rate.

**Revenue and other income**

The Company's revenue includes revenue from the sale of rice products, technological products, petroleum, and revenue from rendering services.

**Revenue from sale of goods**

Revenue from sale of goods shall be recognized when it satisfies all the five (5) conditions below:

- The Company has transferred substantially all the risks and rewards of ownership of the products or goods to the buyer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- Costs related to transactions can be determined.

**Revenue from services**

Revenue from services is recognized when the outcome of that transaction can be reliably determined. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in the year by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- Identify the completed work as at the balance sheet date; and
- Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that services.

**Revenue from interest income, other income:**

The revenue is recognized when the Company can obtain economic benefits from the above activities and when it is reliably measured.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cost of goods sold**

Cost of goods sold or services rendered including the cost of products, goods, services during the period is recorded corresponding to revenue of the period. For cost which is over the normal level of inventories is recorded directly into the cost of goods sold.

**Financial expenses**

Financial expenses reflect expenses incurred during the period, mainly including borrowing costs, exchange rate losses when re-evaluating monetary items denominated in foreign currencies at the end of the period or when paying debts, pay, or collect receivables.

**Current corporate income tax expense and deferred corporate income tax expense**

Corporate income tax expenses: is total current and deferred income tax expenses in determining profit or loss of a period.

Current income tax expenses: are corporate income tax payable calculated on taxable profit during the year and current corporate income tax rate. Current income tax is calculated on taxable income and applicable tax rate during the tax period. Difference between taxable income and accounting profit is from adjustment of differences between accounting profit and taxable income in accordance with current tax policies.

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable profits.

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the examination results of the competent tax authorities.

**Earnings per share**

Basic earnings per share are calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

**Related parties**

A party is considered a related party of the Corporation in case that party is able to control the Corporation or to cause material effects on the financial decisions as well as the operations of the Corporation. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

When considering the relationship of related parties, the nature of relationship is focused more than its legal form.

**Segment reports**

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments. The Board of Management believes that the Company operates in business segments, which include trading of rice, technological products, petrol and other goods or services and operates in one only geographical area of Vietnam. Segment reports are prepared in accordance with business segments.

**5. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET**

**5.1 Cash and cash equivalents**

	31 December 2024	01 January 2024
	VND	VND
Cash on hand	1,878,793,000	1,297,752,000
Bank deposits	11,340,161,984	18,809,083,374
<b>Total</b>	<b>13,218,954,984</b>	<b>20,106,835,374</b>

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**5.2 Financial statements**

	Ratio		31 December 2024 (VND)			01 January 2024 (VND)		
	Equity owned	Voting rights	Historical cost	Fair value	Provision	Historical cost	Fair value	Provision
Investments in associates			5,853,508,822		(437,724,796)	5,853,508,822		(437,724,796)
Phu Tam Khoi JSC	40.00%	40.00%	5,853,508,822	(i)	(437,724,796)	5,853,508,822	(i)	(437,724,796)
Investments in other entities			13,769,085,107		(234,129,704)	13,769,085,107		(218,346,613)
Dong Thinh Trading Service Co., Ltd	15.00%	15.00%	10,577,034,161	(i)	-	10,577,034,161	(i)	-
Binh Tay Packaging JSC	4.73%	4.73%	1,923,733,832	(i)	(234,129,704)	1,923,733,832	(i)	(218,346,613)
Saigon Bank for Industry and Trade	0.04%	0.04%	1,268,317,114		-	1,268,317,114		-
<b>Total</b>			<b>19,622,593,929</b>		<b>(671,854,500)</b>	<b>19,622,593,929</b>		<b>(656,071,409)</b>

According to Circular No. 200/2014/TT-BTC dated 22 December 2014, the fair value of investments in associates and investments in other entities at the end of the accounting period needs to be presented, however:

- (i) For investments in unlisted companies or companies with shares traded on the stock market, the Company has not determined the fair value of these financial investments at the end of the accounting period due to current regulations lacking specific guidelines on determining the fair value of financial investments.
- (ii) For investments in listed companies or companies with shares traded on the stock market, the Company has determined the fair value of these investments based on the listed price of shares on the stock exchange and the number of shares held by the Company as of 31 December 2024.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.3 Short-term receivables from customers**

	31 December 2024	01 January 2024
	VND	VND
Pouyuen Vietnam Co., Ltd	640,000,000	600,000,000
Chat Viet Services and Technology JSC	-	979,530,000
Viet International Development Co., Ltd	-	394,300,000
Duc Cong Co-operative	200,000,000	245,429,208
Phu Hoa Food Production Trading Co., Ltd.	574,907,436	-
Others	471,490,224	168,676,250
<b>Total</b>	<b>1,886,397,660</b>	<b>2,387,935,458</b>

**5.4 Prepayments to suppliers**

	31 December 2024	01 January 2024
	VND	VND
VAD Construction Service Trading Co., Ltd	-	380,039,000
Acecook Vietnam JSC	36,152,814	-
Ngoi Sao Viet Construction Architecture Investment Consultancy Co., Ltd	34,234,000	-
Others	48,600,000	99,680,558
<b>Total</b>	<b>118,986,814</b>	<b>479,719,558</b>

**5.5 Other receivables**

	31 December 2024 (VND)		01 January 2024 (VND)	
	Book value	Allowance	Book value	Allowance
Capella Group Holdings Company (a.k.a Ben Thanh Land Investment Corporation) (i)	6.169.253.830	-	2.230.226.626	-
Asia Retail Connection and Service Branding Development Co., Ltd (ii)	1.650.000.000	-	-	-
Others	196.977.806	-	291.483.227	-
<b>Total</b>	<b>8.016.231.636</b>	<b>-</b>	<b>2.521.709.853</b>	<b>-</b>

- (i) The receivable for land lease payments arising from 2022 to 31 December 2024, at the premises of 400 Nguyen Duy Street, Ward 9, District 8, Ho Chi Minh City.
- (ii) The receivable for fixed profit sharing from the business cooperation contract. Accordingly, the Company agreed to cooperate in business with Asia Retail Connection and Service Branding Development Company Limited at the premises of 1610 Vo Van Kiet Street, Ward 7, District 6, Ho Chi Minh City. The contract is valid from 01 October 2024, to 30 September 2025. The Company receives monthly fixed profit sharing. The Company is responsible for handing over the premises and paying land taxes and annual land lease payments to the State at the mentioned premises. Asia Retail Connection and Service Branding Development Company Limited is responsible for organizing, managing, and operating business activities at the mentioned premises.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.6 Shortage of assets awaiting resolution**

	31 December 2024 (VND)		01 January 2024 (VND)	
	Quantities	Amount	Quantities	Amount
Goods		2,767,962,342		2,767,962,342
<b>Total</b>		<b>2,767,962,342</b>		<b>2,767,962,342</b>

- (i) Inventory loss according to the inventory report dated 19 January 2022, at the store located at 1060 Au Co Street, Ward 4, Tan Binh District, Ho Chi Minh City, belonging to the branch of Ho Chi Minh City Food Joint Stock Company - Foodcomart Saigon. On 14 February 2022, the Company filed a criminal complaint to the competent authority regarding the abuse of power and embezzlement of assets by the involved individuals. In year 2024, the Company cooperated with the Ho Chi Minh City Police Department to provide information and documents for the investigation process according to Notice No. 29967/CSKT/Đ6 dated 26 December 2024. As of the financial reporting date, the Ho Chi Minh City Police Department is still continuing the investigation and handling the case.

**5.7 Inventories**

	31 December 2024 (VND)		01 January 2024 (VND)	
	Original value	Allowance	Original value	Allowance
Raw materials	1,481,842,760	-	732,396,913	-
Tools and supplies	303,678,033	-	221,118,320	-
Finished goods	7,425,491,331	-	112,373,761	-
Goods	11,315,668,803	(1,490,943,562)	7,722,560,075	-
<b>Total</b>	<b>20,526,680,927</b>	<b>(1,490,943,562)</b>	<b>8,788,449,069</b>	<b>-</b>

**5.8 Construction in progress**

	31 December 2024	01 January 2024
	VND	VND
Project of Nguyen Huu Tri Petrol Station	5,700,500	5,700,500
<b>Total</b>	<b>5,700,500</b>	<b>5,700,500</b>



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**5.9 Tangible fixed assets**

	Buidlings and structures	Machineries, equipment	Vehicles	Office tools and equipment	Other tangible fixed assets	Total
<i>Unit: VND</i>						
<b>HISTORICAL COST</b>						
Balance as at 01 January 2024	396,992,912,156	192,212,881,966	8,364,887,159	12,420,041,077	3,371,679,213	613,362,401,571
Increase in the year	-	-	-	-	-	-
Decrease in the year	-	-	(874,567,573)	(36,000,000)	(32,727,273)	(943,294,846)
Sold and liquidated	-	-	(874,567,573)	(36,000,000)	(32,727,273)	(943,294,846)
Balance as at 31 December 2024	396,992,912,156	192,212,881,966	7,490,319,586	12,384,041,077	3,338,951,940	612,419,106,725
<b>ACCUMULATED DEPRECIATION</b>						
Balance as at 01 January 2024	326,215,226,864	174,810,187,235	8,364,887,159	12,190,118,000	3,070,949,429	524,651,368,687
Increase in the year	5,608,312,097	4,340,356,327	-	150,505,382	96,682,652	10,195,856,458
Charged for the year	5,608,312,097	4,340,356,327	-	150,505,382	96,682,652	10,195,856,458
Decrease in the year	-	-	(874,567,573)	(36,000,000)	(32,727,273)	(943,294,846)
Sold and liquidated	-	-	(874,567,573)	(36,000,000)	(32,727,273)	(943,294,846)
Balance as at 31 December 2024	331,823,538,961	179,150,543,562	7,490,319,586	12,304,623,382	3,134,904,808	533,903,930,299
<b>NET BOOK VALUE</b>						
As at 01 January 2024	70,777,685,292	17,402,694,731	-	229,923,077	300,729,784	88,711,032,884
As at 31 December 2024	65,169,373,195	13,062,338,404	-	79,417,695	204,047,132	78,515,176,426

The cost of tangible fixed assets that have been fully depreciated but are still in use as of 31 December 2024 is VND 218,158,089,400 (as at 01 January 2024: VND 207,714,441,687).

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2024

## 5.10 Increase, decrease in intangible fixed assets

Unit: VND

	Land use rights	Computer software	Total
<b>HISTORICAL COST</b>			
Balance as at 01 January 2024	572,155,015,221	2,695,436,572	574,850,451,793
Increase in the year	-	-	-
Decrease in the year	-	(215,548,000)	(215,548,000)
Write-off of unused assets	-	(215,548,000)	(215,548,000)
Balance as at 31 December 2024	<u>572,155,015,221</u>	<u>2,479,888,572</u>	<u>574,634,903,793</u>
<b>ACCUMULATED AMORTISATION</b>			
Balance as at 01 January 2024	3,629,293,895	2,695,436,572	6,324,730,467
Increase in the year	225,282,163	-	225,282,163
Charged for the year	225,282,163	-	225,282,163
Decrease in the year	-	(215,548,000)	(215,548,000)
Write-off of unused assets	-	(215,548,000)	(215,548,000)
Balance as at 31 December 2024	<u>3,854,576,058</u>	<u>2,479,888,572</u>	<u>6,334,464,630</u>
<b>NET BOOK VALUE</b>			
As at 01 J 2024	<u>568,525,721,326</u>	-	<u>568,525,721,326</u>
As at 31 December 2024	<u>568,300,439,163</u>	-	<u>568,300,439,163</u>

(i) As of 31 December 2024, among the land plots corresponding to land use rights worth VND 572,155,015,221, the Company is recording intangible fixed assets as the value of land use rights for 04 land plots according to the value approved in Decision No. 67/QĐ-HĐTV dated 22 August 2017, by the Members' Council of Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company) on approving the second determination of the value of the Entity and the State's shareholding at the point of transformation into a joint stock company (01 September 2016) of Ho Chi Minh City Food One Member Company Limited. The value of land use rights and the utilization plan for these 04 land plots may change upon receiving the official opinion from the People's Committee of Ho Chi Minh City. The details of the 04 land plots are as follows:

Address of the premises	Square (m <sup>2</sup> )	Temporary cost (VND)
No. 1610 Vo Van Kiet Street, Ward 7, District 6, Ho Chi Minh City	21,680	429,265,980,000
No. 400 Nguyen Duy, Ward 9, District 8, Ho Chi Minh City (*)	13,983	119,323,400,000
No. 491/12 Nguyen Dinh Chieu Street, District 3, Ho Chi Minh City	127	3,889,875,000
No. 175B Tran Tuan Khai Street, Ward 5, District 5, Ho Chi Minh City	294	8,937,600,000
<b>Total</b>	<u>36,084</u>	<u>561,416,855,000</u>

(\*) On 12 March 2018, the Ministry of Finance issued Decision No. 323/QĐ-BTC on the recovery of the property at 400 Nguyen Duy Street (the property at 400 Nguyen Duy Street has a temporarily determined original cost of VND 119,323,400,000, which is part of the total of 04 land plots with a total temporarily determined original cost of VND 561,416,855,000). On 17 September 2018, the People's Committee of Ho Chi Minh City provided written opinion No. 4271/UBND-KT on the reorganization and handling plan for 66 out of 88 properties of the Vietnam Southern Food Corporation - One Member Company Limited (now Vietnam Southern Food Corporation - Joint Stock Company) within the City. As of 31 December 2024, complete legal documents are still unavailable, and the handover has not been completed, so the reduction has not been recorded. The Company will adjust the content once all legal documents are complete.

The cost of intangible fixed assets that have been fully depreciated but are still in use as of 31 December 2024 is VND 2,490,988,572 (as at 01 January 2024: VND 2,635,436,572).

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.11 Prepaid expenses**

	31 December 2024	01 January 2024
	VND	VND
<b>a) Short-term</b>	<b>286,009,098</b>	<b>209,544,490</b>
Repair and renovation costs	9,258,334	56,673,347
Insurances	79,759,026	110,692,236
Software maintenance costs	-	9,600,000
Tools awaiting for allocation	39,882,500	23,687,500
Others short-term preparid expenses	157,109,238	8,891,407
<b>b) Long-term</b>	<b>5,048,566,134</b>	<b>5,283,973,432</b>
Repair and renovation costs	39,508,752	54,956,238
Insurances	-	17,333,330
Software maintenance costs	11,474,992	26,774,998
Cost of internet	33,777,857	11,523,478
Cost of land use right transfer (i)	4,555,402,275	4,683,134,139
Goodwill (ii)	303,770,230	486,032,368
Others long-term preparid expenses	104,632,028	4,218,881
<b>Total</b>	<b>5,334,575,232</b>	<b>5,493,517,922</b>

(i) The cost of acquiring land use rights in Tri Ton District, An Giang Province, totalling VND 5.832 billion, is allocated over 548 months. The purpose is to establish the Tri Ton Food Branch for rice production. The year 2024 is the 13th year of use.

(ii) Goodwill is recognized by the Company according to Decision No. 67/QĐ-HĐTV dated 22 August 2017, by the Members' Council of Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company) on approving the second determination of the value of the Entity and the State's shareholding at the point of transformation into a joint stock company (01 September 2016) of Ho Chi Minh City Food One Member Company Limited. Goodwill is determined to be VND 1.822 billion and is allocated over 10 years from year 2016.

**5.12 Short-term trade payables**

	31 December 2024 (VND)		01 January 2024 (VND)	
	Book value	Repayable amount	Book value	Repayable amount
Vietnam Southern Food Corporation - JSC	24,361,723,614	24,361,723,614	24,361,723,614	24,361,723,614
Others	2,087,294,832	2,087,294,832	1,572,997,695	1,572,997,695
<b>Total</b>	<b>26,449,018,446</b>	<b>26,449,018,446</b>	<b>25,934,721,309</b>	<b>25,934,721,309</b>
<i>In which,</i>				
<i>Trade paybles to related parties (details in Note 7.1)</i>	<i>24,361,723,614</i>	<i>24,361,723,614</i>	<i>24,361,723,614</i>	<i>24,361,723,614</i>
<b>Overdue balances</b>				
Vietnam Southern Food Corporation - JSC	24,361,723,614	24,361,723,614	24,361,723,614	24,361,723,614
<b>Total</b>	<b>24,361,723,614</b>	<b>24,361,723,614</b>	<b>24,361,723,614</b>	<b>24,361,723,614</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.13 Short-term prepayments from customers**

	31 December 2024	01 January 2024
	VND	VND
Others	27,809,800	3,550,000
<b>Total</b>	<b>27,809,800</b>	<b>3,550,000</b>

**5.14 Taxes and other receivables from/payables to the government's budget***Unit: VND*

	01 January 2024	Additions	Paid	31 December 2024
<b>Payables</b>	<b>654.888.878</b>	<b>50.238.349.910</b>	<b>50.176.471.293</b>	<b>716.767.495</b>
Value added tax	654.888.878	5.909.366.933	5.847.488.316	716.767.495
Personal income tax	-	1.521.100	1.521.100	-
Property tax, land rent	-	44.263.109.859	44.263.109.859	-
Environmental and other taxes	-	352.018	352.018	-
Fees, charges, and other payables	-	64.000.000	64.000.000	-
<b>Receivables</b>	<b>1.266.918.353</b>	<b>26.164.582</b>	<b>119.120.043</b>	<b>1.359.873.814</b>
Value added tax overpad	67.044.418	-	16.976.902	84.021.320
Corporate income tax overpad	488.454.009	-	-	488.454.009
Personal income tax overpad	707.246.846	26.164.582	159.581	681.241.845
Property tax, land rent overpad	4.173.080	-	101.983.560	106.156.640

**5.15 Short-term accrued expenses**

	31 December 2024	01 January 2024
	VND	VND
Cost of land leasing	-	372,899,776
Rent for Q3, 2025 at 57 Nguyen Thi Minh Khai Street (ii)	1,062,000,000	1,062,000,000
Interest on equitization payable (iii)	10,466,444,992	10,466,444,992
Late payment interest payable to Vietnam Southern Food Corporation - JSC (iv)	6,438,988,877	6,438,988,877
Others short-term accrued expenses	7,424,171,317	7,172,048,926
<b>Total</b>	<b>25,391,605,186</b>	<b>25,512,382,571</b>
<i>In which,</i>		
<i>Accrued expenses payable to related parties (details in Note 7.2)</i>	<i>16,905,433,869</i>	<i>16,905,433,869</i>

- (i) Accrual of house rent at 57 Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City, owned by Ho Chi Minh City House Trade management Company Limited according to Appellate Judgment No. 1046/2016/KDTM-PT of the People's Court of Ho Chi Minh City dated 13 September 2016. Details of contingency arising from this appellate judgment are presented in Note 7.1.
- (ii) Late payment interest from the proceeds of equitization to be paid to the Enterprise Arrangement Support Fund at Vietnam Southern Food Corporation - Joint Stock Company according to Resolution No. 04/NQ-LT-HĐQT dated 19 August 2020.
- (iii) Late payment interest for rice purchase payment to Vietnam Southern Food Corporation - Joint Stock Company according to Sales Contract No. 01/MB/2017 dated 17 January 2017.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.16 Unearned revenue**

	31 December 2024 VND	01 January 2024 VND
Unearned revenue for warehousing and storage service exploitation	1,020,000,000	1,480,000,000
<b>Total</b>	<b>1,020,000,000</b>	<b>1,480,000,000</b>

**5.17 Other short-term payables**

	31 December 2024 VND	01 January 2024 VND
<b>a) Short-term</b>	<b>34,414,210,977</b>	<b>35,176,638,323</b>
Payable deposits	9,485,046,862	10,237,398,862
Equitization payable (i)	17,222,929,928	17,222,929,928
Payable to the Ministry of Finance for basic construction funding (ii)	7,553,170,410	7,553,170,410
Other short-term payables	153,063,777	163,139,123
<b>b) Long-term</b>	<b>567,983,355,000</b>	<b>568,253,355,000</b>
Long-term deposit payable	1,566,500,000	1,836,500,000
Payable to Capella Group Holdings Company (a.k.a Ben Thanh Land Investment Corporation (iii))	5,000,000,000	5,000,000,000
Other long-term payables	561,416,855,000	561,416,855,000
<b>Total</b>	<b>602,397,565,977</b>	<b>603,429,993,323</b>
<i>In which,</i>		
<i>Other payables to related parties (details in Note 7.2)</i>	<i>17,222,929,928</i>	<i>17,222,929,928</i>
<b>Other overdue short-term payables</b>		
Equitization payable (i)	17,222,929,928	17,222,929,928
<b>Total</b>	<b>17,222,929,928</b>	<b>17,222,929,928</b>

- (i) Payables from equitization to be paid to the Enterprise Arrangement and Support Fund according to Decision No. 67/QĐ-HĐTV dated August 22, 2017, on approving the second determination of the value of the Entity and the State's shareholding at the point of transformation into a joint stock company (01 September 2016) issued by Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company). As of the preparation date of these financial statements, this debt is overdue.
- (ii) Value-added tax on investment assets using funds from the transfer payment of land use rights (basic construction investment projects funded by the State's budget), which is payable to the Ministry of Finance.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.17 Other short-term payables (Continued)**

- (iii) Payable to Ben Thanh Land Investment Corporation is for the business cooperation under Contract No. 86/BTL-HĐKT-2010 dated 18 August 2010, regarding "Business cooperation in building a commercial center". Accordingly, both parties cooperate to implement the project of a complex high-rise commercial center - service, office for lease, and apartment at 400 Nguyen Duy Street, Ward 9, District 8, Ho Chi Minh City. The Company contributes capital with the value of assets on the land and the business advantage of the premises at 400 Nguyen Duy Street, Ward 9, District 8, Ho Chi Minh City, while Ben Thanh Real Estate Investment Joint Stock Company contributes all investment capital to implement the project (estimated at VND 992.9 billion). The Company is allocated a fixed profit regardless of the financial results of the project. After fulfilling the profit payment obligations to the Company, Ben Thanh Land Investment Corporation will enjoy all the profits from the business operation and exploitation of the project. As of 12 March 2018, the Ministry of Finance issued Official Letter No. 323/QĐ-BTC on the recovery and handover of the property at 400 Nguyen Duy Street to the People's Committee of Ho Chi Minh City. On 17 September 2018, the People's Committee of Ho Chi Minh City provided written opinion No. 4271/UBND-KT on the reorganization and handling plan for 66 out of 88 properties of the Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company) within the city. Accordingly, the project at 400 Nguyen Duy Street will be reclaimed at the request of the Ministry of Finance. As of 31 December 2024, the Company has not yet completed the legal documents and has not handed over the premises at this location to the People's Committee of Ho Chi Minh City.
- (iv) Land allocated with land use fee: The value of the land use rights, after being calculated according to Decision No. 50/2014/QĐ-UBND dated 24 December 2014, and Decision No. 51/2014/QĐ-UBND dated 31 December 2014, issued by the People's Committee of Ho Chi Minh City on the regulations of land prices in Ho Chi Minh City applied from 01 January 2015 to 31 December 2019, is temporarily added to the enterprise value and temporarily increases the liabilities. See details in Note 5.10.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.18 Borrowings and finance lease liabilities**

	31 December 2024 (VND)		In the period (VND)		01 January 2024 (VND)	
	Carrying value	Repayable amount	Increase	Decrease	Carrying value	Repayable amount
<i>Short-term borrowings</i>						
Viet Commercial Real Estate JSC (i)	900,000,000	900,000,000	-	-	900,000,000	900,000,000
	900,000,000	900,000,000	-	-	900,000,000	900,000,000
<b>Total</b>	<b>900,000,000</b>	<b>900,000,000</b>	<b>-</b>	<b>-</b>	<b>900,000,000</b>	<b>900,000,000</b>

(i) Short-term loan under loan contract No. 07/2013/HĐVT dated 28 January 2013, and Addendum No. 09/2013/PL-HĐVT dated 11 March 2013, with a total loan amount of VND 900,000,000. The purpose of the loan is to supplement working capital, the loan term is 12 months, the loan interest rate is 0%, and the form of security is an unsecured loan.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.19 Owners' equity****a. Changes of owners' equity***Unit: VND*

	Contributed capital	Undistributed profit after tax	Total
Balance as at 01 January 2023	255.138.000.000	(193.860.856.047)	61.277.143.953
Net profit for the previous year	-	1.012.909.206	1.012.909.206
Balance as at 31 December 2023	255.138.000.000	(192.847.946.841)	62.290.053.159
Balance as at 01 January 2024	255.138.000.000	(192.847.946.841)	62.290.053.159
Net profit for the current year	-	(1.480.043.178)	(1.480.043.178)
Balance as at 31 December 2024	255.138.000.000	(194.327.990.019)	60.810.009.981

**b. Details of owners' equity**

	As at 31 December 2024			As at 01 January 2024		
	Shares	Rate	Shares value at par value (VND)	Shares	Rate	Shares value at par value (VND)
Vietnam Southern Food Corporation - JSC	15,250,900	59.78%	152,509,000,000	15,250,900	59.78%	152,509,000,000
Song Moc Investment JSC	7,040,914	27.60%	70,409,140,000	9,640,914	37.79%	96,409,140,000
Other shareholders	3,221,986	12.62%	32,219,860,000	621,986	2.43%	6,219,860,000
<b>Total</b>	<b>25,513,800</b>	<b>100%</b>	<b>255,138,000,000</b>	<b>25,513,800</b>	<b>100%</b>	<b>255,138,000,000</b>

**c. Capital transactions with shareholders and appropriation of profits and dividends**

	Year 2024 VND	Year 2023 VND
<b>Shareholders' capital</b>		
As at the beginning of the year	255,138,000,000	255,138,000,000
Additions of legal capital in the year	-	-
Deductions of legal capital in the year	-	-
As at the end of the year	373,399,290,000	373,399,290,000



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.19 Owners' equity (Continued)****d. Shares**

	31 December 2024	01 January 2024
	Shares	Shares
Quantity of registered shares	25,513,800	25,513,800
Quantity of issued shares	29,450,000	29,450,000
Common shares	28,899,000	28,899,000
Preferrable shaers	551,000	551,000
Quantity of treasury shares	-	-
Quantity of shares in the process of revokation	3,936,200	3,936,200
Common shares	3,936,200	3,936,200
Preferrable shaers	-	-
Outstanding shares	25,513,800	25,513,800
Common shares	24,962,800	24,962,800
Preferred shares	551,000	551,000
<i>Par value of outstanding shares (VND per shares)</i>	<i>10,000</i>	<i>10,000</i>

(i) This is the number of shares recovered corresponding to the State's reduced capital portion owned by Vietnam Southern Food Corporation - One Member Company Limited (now Vietnam Southern Food Corporation - Joint Stock Company). Accordingly, in year 2017, the General Meeting of Shareholders approved the plan to reduce charter capital (the State's shareholding) according to Resolution No. 02/NQLT-ĐHĐCĐ dated 29 September 2017. The adjusted reduction in charter capital is VND 39,362,000,000 (equivalent to a reduction of 3,936,200 shares of the State) according to Decision No. 67/QĐ-HĐTV dated 22 August 2017, of the Members' Council of Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company) on approving the second determination of the value of the Entity and the State's shareholding at the point of transformation into a joint stock company (01 September 2016) of Ho Chi Minh City Food One Member Company Limited. As of the financial reporting date, the Company is in the process of completing procedures to change the Enterprise Registration Certificate but has not yet received approval from the competent authority.

**5.20 Off Balance Sheet Items****a. Assets under custody**

As of 31 December 2024, the Company has unused assets awaiting liquidation, to be handed over to Vietnam Southern Food Corporation - One Member Company Limited (now known as Vietnam Southern Food Corporation - Joint Stock Company) according to Decision No. 67/QĐ-HĐTV dated 22 August 2017, on approving the second determination of the value of the Entity and the State's shareholding at the point of transformation into a joint stock company (01 September 2016) of Ho Chi Minh City Food One Member Company Limited. Details are as follows:

	Cost VND	Accumulated depreciation VND	Net book value VND
Machineries, equipment	41,804,306,894	41,541,017,678	263,289,216
Vehicles	412,589,720	412,589,720	-
Office equipment	1,157,761,629	1,157,581,788	179,841
<b>Total</b>	<b>43,374,658,243</b>	<b>43,111,189,186</b>	<b>263,469,057</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**5.20 Off Balance Sheet Items (Continued)****b. Doubtful Debts written off**

	Bad debts written off		Period of written off
	31 December 2024	01 January 2024	
	VND	VND	
Bad debts written off	115,691,157,772	115,691,157,772	Year 2021

**c. Foreign currencies**

	31 December 2024	01 January 2024
EUR	-	149.31

**6. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE INCOME STATEMENT****6.1 Revenue from sales of goods and provision of services****Revenues from sales and services rendered**

	Year 2024	Year 2023
	VND	VND
Sales of goods and products	349,071,432,773	348,304,596,212
Revenue from services rendered	56,738,385,925	56,315,136,241
<b>Total</b>	<b>405,809,818,698</b>	<b>404,619,732,453</b>

*In which,*

<i>Revenue from related parties (details in Note 7.2)</i>	<i>54,920,383,333</i>	<i>21,443,230,000</i>
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**Revenue deductions**

	Year 2024	Year 2023
	VND	VND
Sales returns	1,520,000	-
<b>Total</b>	<b>1,520,000</b>	<b>-</b>

**Net revenues from sales and services rendered**

	Year 2024	Year 2023
	VND	VND
Sales of goods and products	349,069,912,773	348,304,596,212
Revenue from services rendered	56,738,385,925	56,315,136,241
<b>Total</b>	<b>405,808,298,698</b>	<b>404,619,732,453</b>

**6.2 Cost of goods sold**

	Year 2024	Year 2023
	VND	VND
Cost of goods and products sold	337,193,066,449	338,481,513,548
Allowance of devaluation of inventories	1,490,943,562	(143,864,370)
<b>Total</b>	<b>338,684,010,011</b>	<b>338,337,649,178</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**6.3 Financial income**

	Year 2024 VND	Year 2023 VND
Bank and loan interest	24,275,691	54,415,550
Gains on foreign exchange rates arising in the year	89,398	296,029
Gains on foreign exchange rates at revaluation of balances denominated in foreign currencies	34,440	250,414
<b>Total</b>	<b>24,399,529</b>	<b>54,961,993</b>

**6.4 Financial expenses**

	Year 2024 VND	Year 2023 VND
Provision/(Reversal) of allowances for devaluation of financial investments	15,783,091	(638,945,715)
Losses on foreign exchange rates arising in the year	258,797	318,149
<b>Total</b>	<b>16,041,888</b>	<b>(638,627,566)</b>

**6.5 Selling expenses**

	Year 2024 VND	Year 2023 VND
Employee expenses	2,834,571,728	3,063,019,834
Materials and packaging expenses	256,165,113	351,818,069
Tools, supplies	280,330,373	78,474,268
Depreciation and amortization	1,084,708,824	1,111,422,474
Outsourcing expenses	2,126,730,621	1,693,170,551
Other cash expenses	674,628,040	596,803,064
<b>Total</b>	<b>7,257,134,699</b>	<b>6,894,708,260</b>

**6.6 General and administrative expenses**

	Year 2024 VND	Year 2023 VND
Employee expenses	9,659,005,741	10,743,404,884
Materials expenses	297,501,918	298,965,161
Office supplies expenses	208,291,927	129,404,816
Amortization and Depreciation expenses	9,126,539,826	10,109,313,299
Charges and fee	38,737,257,706	39,002,821,851
Outsourcing expenses	1,693,812,351	1,323,214,083
Other cash expenses	2,775,732,987	2,737,234,477
<b>Total</b>	<b>62,498,142,456</b>	<b>64,344,358,571</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**6.7 Other profits**

	Year 2024 VND	Year 2023 VND
<b>Other income</b>	-	-
Sales and liquidation of fixed assets	57,726,218	2,804,892,550
Sales bonus, support, and display	1,020,344,249	1,936,955,834
Others	209,489,639	810,465,806
<b>Total</b>	<b>1,287,560,106</b>	<b>5,552,314,190</b>
<b>Other expenses</b>		
Administrative fines	142,399,580	-
Others	2,572,877	276,010,987
<b>Total</b>	<b>144,972,457</b>	<b>276,010,987</b>
<b>Other profits</b>	<b>1,142,587,649</b>	<b>5,276,303,203</b>

**6.8 Production and business expenses by factors**

	Year 2024 VND	Year 2023 VND
Raw material expenses	99,411,146,144	27,809,682,008
Employee expenses	12,747,041,530	13,989,599,088
Depreciation, amortization	10,421,138,621	11,372,253,839
Outsourcing expenses	4,292,920,251	3,144,286,417
Other cash expenses	42,098,607,756	42,336,859,392
<b>Total</b>	<b>168,970,854,302</b>	<b>98,652,680,744</b>

**6.9 Current corporate income tax expense**

	Year 2024 VND	Year 2023 VND
<b>Total net profit before tax</b>	<b>(1,480,043,178)</b>	<b>1,012,909,206</b>
<i>Additions</i>	<i>144,549,304</i>	<i>1,671,957,157</i>
<i>Non-deductible expenses</i>	<i>144,549,304</i>	-
<i>Other additions</i>	-	<i>1,671,957,157</i>
<i>Deductions</i>	<i>(3,976,903)</i>	<i>(1,769,138,665)</i>
Other deductions	(3,976,903)	(1,769,138,665)
<b>Taxable income to corporate income tax</b>	<b>(1,339,470,777)</b>	<b>915,727,698</b>
<i>Losses carried forward</i>	-	<i>(915,727,698)</i>
<b>Assessable income to corporate income tax</b>	<b>(1,339,470,777)</b>	-
<i>Corporate income tax rate</i>	<i>20%</i>	<i>20%</i>
<b>Total corporate income tax expense</b>	<b>-</b>	<b>-</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**6.10 Basic earnings per share**

	Year 2024	Year 2023
	VND	VND
<b>Profits or loss after corporate income tax (VND)</b>	<b>(1.480.043.178)</b>	<b>1.012.909.206</b>
Adjustments for	-	-
<b>Profits or losses attributable to shareholders holding common shares (VND) (i)</b>	<b>(1.480.043.178)</b>	<b>1.012.909.206</b>
<b>Weighted average number of common shares outstanding for the year (shares)</b>	<b>25.513.800</b>	<b>25.513.800</b>
<b>Basic earnings per share (VND per share)</b>	<b>(58)</b>	<b>40</b>

**7. OTHER INFORMATION****7.1. Contingent liabilities, commitments, and other financial information****a. Commitments**

The Company signs land lease contracts in Ho Chi Minh City, An Giang Province, Can Tho City, Dong Thap Province, Lam Dong Province, Tay Ninh Province, and Dak Nong Province for the purpose of establishing factories, stores, and supermarkets. According to these contracts, the Company is required to pay land lease fees until the contract expiration date in accordance with current State regulations.

**b. Regarding the compensation value and relocation support for the land at 270-277 Tran Van Kieu Street, Ward 3, District 6, Ho Chi Minh City**

According to Decision No. 3318/QĐ-UBND dated 06 July 2015, of the People's Committee of Ho Chi Minh City; Ho Chi Minh City Food One Member Company Limited (now known as Ho Chi Minh City Food Joint Stock Company) handed over the land at 270-277 Tran Van Kieu Street, Ward 3, District 6, Ho Chi Minh City, to Viet Gia Phu Business Investment Real Estate Limited Company to invest in the construction of a commercial - service - apartment residential area. The handover of the land was carried out according to the handover and receipt record dated 31 December 2015.

To ensure the relocation of assets on the land, the parties, including Ho Chi Minh City Food Joint Stock Company, Viet Gia Phu Business Investment Real Estate Limited Company, and Viet Commercial Real Estate Joint Stock Company, signed Agreement No. 02/2015/BBTT-VCR on 04 December 2015. According to the agreement, the relocation support cost was determined to be 12.5% of the total land use rights value. The value of the land use rights is determined as follows:

- If the State allocates land for the project, the land use rights value is the land price approved by the People's Committee of Ho Chi Minh City for the land transfer to implement the project.
- If the State leases land for the project, the land use rights value is the land price appraised by the valuation organization hired by the parties.

In both cases, the land price must not be lower than the land use rights value of the same type according to Decision No. 51/QĐ-UBND dated 31 December 2014, of the People's Committee of Ho Chi Minh City (24.9 million VND per m<sup>2</sup>).

On 31 December 2015, Viet Commercial Real Estate Joint Stock Company transferred VND 10.799 billion to the Company, and the Company recognized this relocation support amount as other income in the 2015 Income Statement and recognized the related relocation expenses. The remaining difference will be recognized by the Company once there is an official decision from the People's Committee of Ho Chi Minh City on whether to implement the land allocation with a land use fee or land lease for the mentioned land plot.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**7.1. Contingent liabilities, commitments, and other financial information (Continued)****c. Office rental fee at 57 Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City**

From 30 September 2015, and backwards, Ho Chi Minh City Food One Member Company Limited leased premises from Ho Chi Minh City Management and Business House One Member Company Limited at 57 Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City, to establish its headquarters as the Company's office. According to the house lease contract between the two parties and the attached appendices expiring on 31 December 2014, the rent until the contract's expiration was VND 206 million per month.

On 12 August, 2015, Ho Chi Minh City House Trade management Company Limited issued notice No. 1886/QLKDN-KD adjusting the rent from 01 January 2015, to 31 December 2015, to VND 560 million per month due to the People's Committee of Ho Chi Minh City changing the house rental unit price according to Decision No. 35/2015/QĐ-UBND dated 14 July 2015, on the rental price adjustment coefficient for year 2015 in Ho Chi Minh City. Accordingly, Ho Chi Minh City Food One Member Company Limited was required to pay the difference between the old and new unit prices from 01 January 2015 to 30 September 2015, totalling VND 3.186 billion.

Ho Chi Minh City Food One Member Company Limited disagreed with the new rental price, leading to a lawsuit filed by Ho Chi Minh City House Trade management Company Limited at the People's Court of District 6, Ho Chi Minh City.

In the first instance judgment No. 05/2016/KDTM-ST dated 22 April 2016, the People's Court of District 6, Ho Chi Minh City, concluded: Dismissing the lawsuit request of Ho Chi Minh City Management and Business House One Member Company Limited, whereby Ho Chi Minh City Food One Member Company Limited was not required to pay the VND 3.168 billion difference.

In the appellate judgment No. 1046/2016/KDTM-PT dated 13 September 2016, the People's Court of Ho Chi Minh City concluded: Ho Chi Minh City Food One Member Company Limited was not required to pay the difference for the first and second quarters of 2015, but was required to pay Ho Chi Minh City House Trade management Company Limited the rental price difference for the third quarter of 2015, amounting to VND 1.062 billion. To ensure prudence, the Company accrued the entire cost into the 2016 business results.

Disagreeing with this judgment, on 01 October 2016, the Company submitted a request for a cassation review procedure No. 149/LT-TCHC dated 04 October 2016, requesting: Cancellation of the appellate judgment of the People's Court of Ho Chi Minh City, upholding the first instance judgment of the People's Court of District 6, Ho Chi Minh City. As of now, the Company has not received any information from the High People's Court of Ho Chi Minh City.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**7.2. Information of related parties**

List of major related parties with which the Company had transactions during the period:

<b>No.</b>	<b>Related parties</b>	<b>Relationship</b>
1	Vietnam Southern Food Corporation - JSC	Parent Company
2	Song Moc Investment JSC	Major shareholder
3	Phu Tam Khoi JSC	Associate
4	Ben Tre Food Company	Dependant unit of the Parent Company
5	Soc Trang Food Company	Dependant unit of the Parent Company
6	An Giang Food Company	Dependant unit of the Parent Company
7	Tra Vinh Food Company	Dependant unit of the Parent Company
8	Dong Thap Food Company	Dependant unit of the Parent Company
9	Binh Dong Flour Company	Dependant unit of the Parent Company
10	Song Hau Food Company	Dependant unit of the Parent Company
11	Tra Vinh Agricultural Food Company	Dependant unit of the Parent Company
12	Long An Food Company	Dependant unit of the Parent Company
13	Bac Lieu Food Company	Dependant unit of the Parent Company
14	Vinh Long Food Company	Dependant unit of the Parent Company
15	Tien Giang Agricultural Food Company	Dependant unit of the Parent Company
16	Tien Giang Food Company	Dependant unit of the Parent Company
17	Vietnam Southern Food Corporation - JSC - Thot Not Branch	Dependant unit of the Parent Company
18	Sai Gon Food JSC	Fellow subsidiary
19	The Southern Central Food JSC	Fellow subsidiary
20	Safoco Foodstuff JSC	Fellow subsidiary
21	Tien Giang Packaging JSC	Fellow subsidiary
22	Camau Agricultural Products & Foodstuff Import-Export JSC	Fellow subsidiary
23	To Chau JSC	Fellow subsidiary
24	Binh Dinh Food JSC	Fellow subsidiary
25	Hau Giang Food JSC	Fellow subsidiary
26	Mechannics Construction And Foodstuff JSC	Fellow subsidiary
27	Quang Ngai Food Company	Fellow subsidiary
28	Kien Giang Import & Export JSC	Fellow subsidiary
29	Members of the Boards of Directors, Supervisors, Management, other managers, and close member within the families of these persons	Significant influence

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**7.2. Information of related parties (Continued)****a. Income from the approved salaries of each member of the Boards of Directors, Management, and Supervisors, and others**

<b>Name</b>	<b>Position</b>	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Mr. Nguyen Tien Dung	Chairman of the Board of Directors (Dismissed on 25 April 2024)	-	36,000,000
Mr. Nguyen Quang Tam	Member of the Board of Directors (Dismissed on 25 April 2024)	-	36,000,000
Mr. Doan Quang Long	Chairman of the Board of Directors (Elected on 25 April 2024), General Director (Dismissed on 31 March 2024)	264,000,000	325,575,000
Mr. Nguyen Van Linh	Member of the Board of Directors (Elected on 25 April 2024), General Director (Appointed on 01 April 2024)	193,050,000	-
Ms. Tran Thi Xuan Mai	Member of the Board of Directors, Deputy General Director	227,700,000	292,162,500
Ms. Phan Thi Bich Tuyen	Member of the Board of Directors, Deputy General Director	227,700,000	-
Ms. Nguyen Thi Thu Hien	Member of the Board of Directors, Deputy General Director (Dismissed on 27 June 2023)	-	61,950,000
Ms. Huynh Thi PhuMr.	Deputy General Director (Dismissed on 01 October 2024)	170,775,000	254,100,000
Ms. Do Ngoc Nga	Member of the Board of Directors Deputy General Director (Dismissed on 01 February 2023)	-	12,000,000
Mr. Ngo Thanh Giao	Head of the Board of Supervisors	237,600,000	267,300,000
Ms. Nguyen Ngoc Mai Trinh	Member of the Board of Supervisors	-	24,000,000
Ms. Nguyen Thi Cam Nhung	Member of the Board of Supervisors	-	24,000,000
Mr. Nguyen Quang Cuong	Secretary of the Board of Directors, the person in charge of corporate governance	-	-
<b>Total</b>		<b>1,320,825,000</b>	<b>1,333,087,500</b>



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**7.2. Information of related parties (Continued)****b. Transactions with related parties**

<u>Related parties</u>	<u>Relations</u>	<u>Nature of transaction</u>	<u>Year 2024 VND</u>	<u>Year 2023 VND</u>
<b><u>Purchasing</u></b>				
Tien Giang Food Company	Dependant unit of the Parent Company	Goods	23,580,557	22,501,476
<b><u>Selling</u></b>				
Vietnam Southern Food Corporation - JSC	Parent Company	Rice	54,920,383,333	21,443,230,000
Vietnam Southern Food Corporation - JSC - Thot Not Branch	Dependant unit of the Parent Company	Services	54,502,050,000	21,443,230,000
			418,333,333	-

**c. Balances with related parties**

<u>Related parties</u>	<u>Relations</u>	<u>31 December 2024 VND</u>	<u>01 January 2024 VND</u>
<b><u>Short-term trade payables</u></b>			
Vietnam Southern Food Corporation - JSC	Parent Company	24,361,723,614	24,361,723,614
<b><u>Short-term accrued expenses</u></b>			
Vietnam Southern Food Corporation - JSC	Parent Company	16,905,433,869	16,905,433,869
<b><u>Other paybles</u></b>			
Vietnam Southern Food Corporation - JSC	Parent Company	17,222,929,928	17,222,929,928

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**7.3. Segment reporting**

*Segment report for the year ended 31 December 2024*

**FINANCIAL RESULTS OF SEGMENTS**

	Rice	Technological Products	Oil and Petrol	Others	Total
Net revenue	73,855,514,840	109,793,323,101	165,410,352,545	56,749,108,212	405,808,298,698
Cost of sales	73,567,151,366	107,551,561,925	157,509,251,807	56,044,913	338,684,010,011
Gross profit from operating activities	288,363,474	2,241,761,176	7,901,100,738	56,693,063,299	67,124,288,687

*Segment report for the year ended 31 December 2023*

**FINANCIAL RESULTS OF SEGMENTS**

	Rice	Technological Products	Oil and Petrol	Others	Total
Net revenue	50,938,080,265	144,607,158,173	152,759,357,774	56,315,136,241	404,619,732,453
Cost of sales	48,701,154,856	142,737,222,006	146,861,609,120	37,663,196	338,337,649,178
Gross profit from operating activities	2,236,925,409	1,869,936,167	5,897,748,654	56,277,473,045	66,282,083,275

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

For the year ended 31 December 2024

**7.4. Going concern assumption**

In year 2024, the Company incurred a business loss of VND 1,480,043,178. Moreover, as of 31 December 2024, the Company carries accumulated losses of VND 194,327,990,019 VND, and short-term liabilities exceeded short-term assets by VND 42,027,256,671. The assumption of the Company's going concern depends on the restructuring plan by the Board of Management, in which the Company focuses on effective business fields, liquidates unnecessary assets, and maximizes the utilization of existing assets and property rights. Therefore, the financial statements for the year ended 31 December 2024, are still presented on the basis of the assumption of going concern.

**7.5. Comparative figures**

Comparative figures are taken from the financial statements for the year ended 31 December 2023, which have been audited by CPA VIETNAM Auditing Company Limited - A Member Firm of INPACT.

*Ho Chi Minh City, 10 January 2025*

**Preparer**

**Chief Accountant**

**General Director**

**Tran Thi Kim Hong**

**Pham Thi Phuong Lan**



**Nguyen Van Linh**

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Explanation of business performance results in  
2024

24/02/2025

To: State Securities Commission of Vietnam  
Hanoi Stock Exchange

Pursuant to the request of the State Securities Commission of Vietnam and Hanoi Stock Exchange to explain the business results in the finance statement of 2024, Ho Chi Minh City Food Joint Stock Company respectfully reports as below reasons:

1) General situation

The Company has been facing the shortage of working capital in the business activities so we have temporarily taken full advantage of current resources and tried the best to use of short term revenue sources. Besides that we also have been facing a lot of difficulties as big depreciation, large fixed costs, high labor costs...

With the determination to closely follow the actual planning targets registered with the owner and submitted to the General Meeting of Shareholders and the Board of Directors; therefore, the Company's Board of managing directors have found many feasible solutions to continue implementing, including: evaluating and classifying the urgent solutions that need to be implemented firstly and in the coming time with the goal of striving to achieve the most optimal results. Accordingly, each affiliated unit of the Company has been active in business activities, service, processing, etc. However, due to the current general difficulties, the income have decreased as well as the agent fee, supports, bonuses from suppliers went down leading to the Company's business results in 2024 not being profitable.

2/ The company 's business result in 2024.

According to the finance statement of 2024, the business results after corporate income tax of Ho Chi Minh City Food JSC lost: 1.480.043.178 VNĐ (in comparison with the business result of the same period in 2023, profit 1.012.909.206 VNĐ, the profit reduction is 2.492.952.384 VNĐ.

3./ The main reasons affecting to the business results of 2024:

In 2024, the Company has been facing a lot of difficulties in financial activities, working capital is still negative and has not received capital support from any organization. To implement the 2024 plan, the Company has closely followed the goal of not chasing revenue but focusing on the business efficiency of products (rice, technological products, etc.), service activities, manufacturing and processing... . The other income and the others as agent fee, supplier's bonus... have not offset the costs. Therefore, the Company's business results (after corporate income tax) in 2024 lost: 1.480.043.178 VNĐ due to provision for inventory price reduction with the amount 1.490.943.562 VNĐ and other incomes decreased is 1.002.008.722 VNĐ. This led to a decrease in profit of 2.492.952.384 VNĐ in the Company's business results in 2024 compared to the same period of 2023.

In 2024, the Company has made great efforts to implement solutions to improve business efficiency such as: promoting the retail of rice, petrol, technological products, etc. Continuing to enhance the services, thoroughly reducing costs, and preventing waste. The Company will strive to continue to reduce losses and operate effectively in 2025.

Best Regards

**DIRECTOR**



**Nguyễn Văn Linh**