

**EDUCATIONAL BOOK JOINT STOCK COMPANY
IN HO CHI MINH CITY**

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**CONSOLIDATED FINANCIAL
STATEMENTS**

QUARTER IV OF 2024

CONSOLIDATED BALANCE SHEET
Quarter IV/2024

Form B 01 – DN/HN
Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
A. CURRENT ASSETS	100		50,048,762,178	48,131,259,776
I. Cash and cash equivalents	110	5	1,969,766,512	2,905,231,687
1. Cash	111		1,969,766,512	2,905,231,687
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		1,369,400,477	1,162,605,733
1. Trading securities	121	6.a	2,342,446,821	2,342,446,821
2. Provision for diminution in value of trading securities	122	6.a	(973,046,344)	(1,179,841,088)
III. Short-term receivables	130		8,627,703,140	10,218,681,126
1. Short-term trade receivables	131	7	6,848,432,616	7,766,341,335
2. Short-term prepayments to suppliers	132	8	1,438,491,991	844,268,907
3. Short-term loan receivables	135	9	1,600,000,000	2,450,000,000
4. Other short-term receivables	136		481,482,396	786,374,259
5. Provision for doubtful debts	137	10	(1,740,703,863)	(1,628,303,375)
IV. Inventories	140	11	37,518,312,130	33,325,169,716
1. Inventories	141		37,921,533,300	34,172,935,451
2. Provision for decline in value of inventories	149		(403,221,170)	(847,765,735)
V. Other current assets	150		563,579,919	519,571,514
1. Short-term prepaid expenses	151		14,296,596	13,900,231
3. Taxes and amounts receivable from the State	153		527,790,988	505,671,283
B. NON-CURRENT ASSETS			37,553,976,088	38,442,986,093
I. Long-term receivables	210		-	-
II. Fixed assets	220		12,192,752,396	12,151,232,318
1. Tangible fixed assets	221	12	5,717,651,083	5,659,464,337
- Cost	222		16,463,897,100	15,975,501,516
- Accumulated depreciation	223		(10,746,246,017)	(10,316,037,179)
2. Intangible fixed assets	227	13	6,475,101,313	6,491,767,981
- Cost	228		6,595,856,872	6,595,856,872
- Accumulated amortisation	229		(120,755,559)	(104,088,891)
III. Investment property	230	14	11,362,323,271	11,465,668,083
- Cost	231		12,488,084,119	12,292,528,563
- Accumulated depreciation	232		(1,125,760,848)	(826,860,480)
IV. Non-current assets in progress	240		77,865,000	215,351,297
1. Long-term work in progress	241		-	-
2. Construction in progress	242		77,865,000	215,351,297
V. Long-term financial investments	250		7,914,133,384	8,614,394,710
1. Investments in associates and joint ventures	252	6.b	7,914,133,384	8,614,394,710
2. Investments in other entities	253		-	-
VI. Other non-current assets	260		6,006,902,037	5,996,339,685
1. Long-term prepaid expenses	261	15	5,856,453,413	5,714,017,700
2. Goodwill	269		150,448,624	282,321,985
TOTAL ASSETS	270		87,602,738,266	86,574,245,869

CONSOLIDATED BALANCE SHEET (cont'd)
Quarter IV/2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
C. LIABILITIES	300		28,771,205,111	26,943,008,194
I. Short-term liabilities	310		22,817,114,216	20,043,626,386
1. Short-term trade payables	311	16	8,081,324,840	4,647,173,149
2. Short-term advances from customers	312		424,111,707	422,304,876
3. Taxes and amounts payable to the State budget	313		379,382,535	662,576,900
4. Payables to employees	314		602,021,173	550,190,676
5. Short-term accrued expenses	315	17	328,379,548	593,739,738
6. Other short-term payables	319		1,167,428,577	554,357,211
7. Short-term loans and finance lease liabilities	320	18	12,078,290,912	12,857,108,912
8. Reward and welfare fund	322		(243,825,076)	(243,825,076)
II Long-term liabilities	330		5,954,090,895	6,899,381,808
1. Other long-term payables	337		45,000,000	42,000,000
2. Long-term loans and finance lease liabilities	338	18	5,909,090,895	6,857,381,808
D. EQUITY	400		58,831,533,155	59,631,237,675
I. Owners' equity	410		58,831,533,155	59,631,237,675
1. Share capital	411	19	41,370,000,000	41,370,000,000
- Common shares with voting rights	411a		41,370,000,000	41,370,000,000
- Preferred shares	411b		-	-
2. Share premium	412	19	2,249,408,656	2,249,408,656
3. Other owner's capital	414	19	1,101,530,000	-
4. Treasury shares	415	19	(679,873,904)	(679,873,904)
5. Development investment fund	418	19	1,193,740,502	1,193,740,502
6. Undistributed profit	421	19	926,743,349	3,445,318,385
- Undistributed profit accumulated to the end of prior period	421a	19	1,021,743,585	1,856,285,092
- Undistributed profit of the current period	421b		(95,000,235)	1,589,033,293
7. Non-controlling interests	429		12,669,984,552	12,052,644,036
II. Other resources and funds	430		-	-
TOTAL RESOURCES	440		87,602,738,266	86,574,245,869



Ngo Trong Vinh
Chairman of the Board of Director
Ho Chi Minh City, 24 January 2025

Dao Thi Thanh Ban
Chief Accountant

Dao Thi Thanh Ban
Preparer

CONSOLIDATED INCOME STATEMENT
Quarter IV/2024

Form B 02 – DN/HN

Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Quarter IV/2024	Quarter IV/2023	Accumulated	Accumulated
					from beginning of the year to end of the current quarter (current year) VND	from beginning of the year to end of current quarter (prior year) VND
1. Revenue from sales and service provision	01	20	44,415,936,602	51,454,411,431	190,655,779,054	205,216,419,546
2. Revenue deductions	02		80,012,148	901,310,723	302,723,977	1,255,846,192
3. Net revenue from sales and service provision	10		44,335,924,454	50,553,100,708	190,353,055,077	203,960,573,354
4. Cost of goods sold	11	21	40,442,090,842	48,292,747,853	173,212,104,724	187,279,807,966
5. Gross profit from sales and service provision	20		3,893,833,612	2,260,352,855	17,140,950,353	16,680,765,388
6. Financial income	21		1,227,296,236	1,934,841,052	2,152,419,284	2,892,304,358
7. Financial expenses	22		273,424,940	504,934,008	1,363,284,846	1,915,197,998
<i>Including: Interest expense</i>	23		54,485,790	1,006,807,489	482,554,442	1,592,041,494
8. Profit or loss in joint ventures and associates	24		8,194,774	825,739,150	(700,261,326)	131,091,429
9. Selling expenses	25		2,295,267,282	1,474,710,756	8,749,923,133	7,485,972,363
10. Administrative expenses	26		1,946,371,550	1,638,459,697	6,875,520,735	7,306,104,640
11. Operating profit	30		614,260,850	1,402,828,596	1,604,379,597	2,996,886,174
12. Other income	31		163,061,107	495,814,236	236,772,691	781,656,239
13. Other expenses	32		353,524,682	10,935,096	514,745,171	56,106,321
14. Other profit	40		(190,463,575)	484,879,140	(277,972,480)	725,549,918
15. Accounting profit before tax	50		423,797,275	1,887,707,736	1,326,407,117	3,722,436,092
16. Current corporate income tax expense	51		405,017,621	436,278,570	804,066,837	980,392,129
17. Deferred corporate income tax expense	52		-	-	-	-
18. Profit after tax	60		18,779,654	1,451,429,166	522,340,280	2,742,043,963
19. Attributable to parent company	61		(59,557,933)	1,088,984,649	(95,000,235)	1,589,033,293
20. Attributable to the non-controlling interests	62		78,337,588	362,444,516	617,340,516	1,153,010,670
21. Basic earnings per share	70		(147)	(222)	(23)	39
22. Diluted earnings per share	71		(147)	(222)	(23)	39



Ngô Trọng Vinh
Chairman of the Board of Director
Ho Chi Minh City, 24 January 2025

Dao Thi Thanh Ban
Chief Accountant

Dao Thi Thanh Ban
Preparer

CONSOLIDATED STATEMENT OF CASH FLOWS
Quarter IV/2024

Form B 03 – DN/HN
Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Accumulated from	Accumulated from
		beginning of the year to the end of current quarter (current year) VND	beginning of the year to the end of current quarter (prior year) VND
I. Cash flows from operating activities			
1. Profit before tax	01	1,318,212,343	3,722,436,092
2. Adjustments for			
- Depreciation of fixed assets, investment properties, allocation of goodwill, and land rents	02	1,153,568,145	1,152,072,296
- Provisions	03	(538,938,821)	359,239,950
- (Profit) loss from investing activities	05	(190,333,330)	(1,538,787,136)
- Interest expense	06	1,488,389,421	1,592,041,494
3. Operating profit before changes in working capital	08	3,230,897,758	5,287,002,696
- Increase/Decrease in receivables	09	1,047,615,458	2,911,099,671
- Increase/Decrease in inventories	10	(3,748,597,849)	4,892,481,577
- Increase/Decrease in payables (exclusive of interest payable, income tax payable)	11	3,241,746,792	(18,061,457,581)
- Increase/Decrease in prepaid expenses	12	(142,832,078)	173,214,750
- Increase/Decrease in trading securities	13	-	(131,250,000)
- Interest paid	14	(1,493,865,347)	(1,563,155,965)
- Cash paid for corporate income tax	15	(947,681,873)	(1,391,901,029)
Net cash provided by/(used in) operating activities	20	1,187,282,861	(7,883,965,881)
II. Cash flows from investing activities			
1. Purchases of fixed assets and other non-current assets	21	(822,383,753)	(361,531,297)
2. Proceeds from disposals of fixed assets and other non-current assets	22	-	592,909,091
3. Cash paid for loans, acquisition of debt instruments of other entities	23	2,600,000,000	(21,850,000,000)
4. Recovery of loans, re-sales of debt instruments of other entities	24	(1,750,000,000)	23,400,000,000
6. Proceeds from loan interest, dividends, shared profit	27	898,789,430	1,254,849,306
Net cash provided by investing activities	30	926,405,677	3,036,227,100
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	37,746,650,288	48,191,118,000
2. Repayments of borrowings	34	(39,473,759,201)	(40,541,957,912)
4. Dividends, profit paid to owners	36	(1,322,044,800)	(4,479,116,100)
Net cash from financing activities	40	(3,049,153,713)	3,170,043,988
Net cash flows for the period	50	(935,465,175)	(1,677,694,793)
Cash and cash equivalents at the beginning of the period	60	2,905,231,687	4,582,926,480
Impacts of exchange rate fluctuations	61	-	-
Cash and cash equivalents at end of period	70	1,969,766,512	2,905,231,687



Ngo Trong Vinh
Chairman of the Board of Director
Ho Chi Minh City, 24 January 2025

Dao Thi Thanh Ban
Chief Accountant

Dao Thi Thanh Ban
Preparer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*(These notes form an integral part of and should be read
in conjunction with the consolidated financial statements)*

Form B 09 – DN/HN
Issued under Circular No. 202/2014/TT – BTC
dated 22/12/2014 by the Ministry of Finance

1. Nature of operations

1.1. Overview

Educational Book Joint Stock Company in Ho Chi Minh City (“the Company”) was established pursuant to Decision No. 460/QĐ-TC dated 7 April 2004 by Viet Nam Education Publishing House (now being Viet Nam Education Publishing House Limited Company). The Company was granted Business Registration Certificate (now being Enterprise Registration Certificate) No. 4103002336 dated 20 May 2004 by the Ho Chi Minh City Department of Planning and Investment. Since its establishment, the Company’s Enterprise Registration Certificate has been amended 15 times and the most recent amendment was made on 14 July 2020 under enterprise code 0303280405. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

The Company has listed its common shares at the Hanoi Securities Trading Center (now being the Hanoi Stock Exchange) since 29 November 2006 in accordance with the Share Trading Registration Certificate No. 48/TTGDHN-ĐKGD dated 29 November 2006 issued by the Hanoi Securities Trading Center under the ticker symbol SGD.

1.2. Principal scope of business: Manufacturing and trading.

1.3. Operating activities

- Book publishing. Details: Printing and trading all kinds of books published by the Education Publishing House according to the regulations of the Education Publishing House; trading cultural products and publications of other Publishing Houses;
- Wholesale of other household products. Details: Trading in educational equipment, teaching aids, office equipment, and stationery;
- Trading of own or rented property and land use rights. Details: Real estate business (in compliance with Clause 1, Article 10 of the Real Estate Business Law);
- Electric power generation. Details: Wind power and solar power generation (excluding the transmission, national power system operation, distribution grid management, multi-purpose hydropower, and nuclear power);

1.4. Normal operating cycle

The Company's normal operating cycle is 12 months.

1.5. Company structure

As at 31 December 2024, the Company has 2 subsidiaries and 2 associates:

- Subsidiaries
 - ✓ Vinh Long Book and Equipment Joint-Stock Company
Address: No. 23 Le Van Tam Street, Ward 1, Vinh Long City, Vinh Long Province
Principal operating activities: Distribution of school books and supply of school equipment.
% holding: 80.99%
 - ✓ Book and Educational Equipment Joint Stock Company of Dong Nai
Address: No. 10 Vo Thi Sau Street, Quyet Thang Ward, Bien Hoa City, Dong Nai Province.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

Principal operating activities: Trading textbooks, workbooks, reference books, publications, and supplying school equipment.

% holding: 55.99%

- Associates:

- ✓ Viet Nam EBS Solar Energy Joint Stock Company

Address: Floor 2, Building D, Vinaconex 1 Office Complex, 289A Khat Duy Tien Street, Trung Hoa Ward, Cau Giay District, Hanoi City.

Principal operating activities: Electric power generation.

% holding: 25%

- ✓ Le Thanh Educational Investment Joint Stock Company. This is a subsidiary of Vinh Long Book and Equipment Joint-Stock Company, holding 49% of its contributed capital.

Address: Floor 1, No. 64 Le Van Tam Street, Ward 1, Vinh Long City, Vinh Long Province.

2. Accounting period, currency used in accounting

The Company's annual accounting period starts on 01 January and ends on 31 December.

Currency unit used for accounting records and presented in the consolidated financial statements is Vietnamese Dong (VND).

3. Applied accounting standards and system

The Company adopts the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, which was guided under Circular No. 200/2014/TT-BTC dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 amending and adding some articles of Circular No. 200/2014/TT-BTC issued by the Ministry of Finance.

These consolidated financial statements are prepared in accordance with Circular No. 202/2014/TT-BTC dated 22/12/2014 by the Ministry of Finance providing guidance on the preparation and presentation of consolidated financial statements.

4. Summary of significant accounting policies

4.1 Principles and methods of preparing consolidated financial statements

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Subsidiary

Subsidiary is entity controlled by the Company. Control is achieved where the Company has the power to directly or indirectly govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. The financial statements of subsidiary are consolidated from the effective date of control up to the date of cease to control.

The financial statements of the subsidiary are prepared for the same year as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiary and the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

Balances, intercompany transactions, and unrealized profits or losses arising from intercompany transactions between companies under the same Company are eliminated when preparing consolidated financial statements

Business combination

Assets, liabilities and contingent liabilities in a subsidiary are measured at fair value at the date of the subsidiary acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

Non-controlling interests

Non-controlling interests represent the portion of net assets in subsidiaries not held by the Company and are presented within equity in the consolidated balance sheet, separately from parent shareholders' equity. Non-controlling interests in the net assets of consolidated subsidiaries include: non-controlling interests at the acquisition date which are determined according to the fair value of net assets of subsidiaries at the acquisition date; non-controlling interests' share of changes in equity as from the acquisition date up to the beginning of the reporting period and non-controlling interests in the fluctuations of total equity arising during the period. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests represent the portion of profit or loss in subsidiary not held by the Company, which are determined based on the portion of non-controlling interests and profit after tax of subsidiaries, and are presented in a separate item in the consolidated income statement.

4.2 Cash and cash equivalents

Cash includes: Cash on hand, demand deposits and cash in transit.

Cash equivalents are short-term investments which are collectible or mature within 3 months at the date of purchase, readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date.

4.3 Financial investments

Trading securities

Trading securities are securities which are held for business purposes.

Trading securities are initially recorded at cost, comprising: buying prices plus (+) buying costs (if any) such as brokerage, transactions, information provision, taxes, bank's fees and charges. The dividends, profits received for the period before the investment date shall be recorded as a decrease in value of investment.

After initial recognition, trading securities are determined at cost less provision for decline in value of trading securities. Provisions for decline in the value of trading securities are made at the end of the accounting period if there is conclusive evidence that the market value of the securities held by the Company has decreased compared to their book value.

Loans

Loan receivables are recorded in the financial statements at cost less provision for doubtful debts.

Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue loans which the Company has claimed many times but still has not collected yet or which

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or absconding.

Investments in associates

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Company's share of the profit or loss of the associates accounted for using the equity method from the date that significant influence commences until the date that significant influence ceases. When the Company's equity in losses of an associate equals or exceeds the carrying amount of an investment, the carrying amount of that investment is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation to pay on behalf of the associate.

Long-term equity investments in other companies

Long-term equity investments in other companies are investments which the Group has no power to control or jointly control, no significant influence over the investees.

Long-term equity investments in other companies are stated at cost less provision for diminution in value. Dividends and profits received in money or non-monetary asset for the period before the investment date shall be recorded as a decrease in value of investment.

Provision

Provision for long-term equity investments in other companies is made as follows:

- If an investment in listed shares or the fair value of the investment is determined reliably, the provision shall be made based on the market value of the shares.
- If the market value of the shares is not identifiable, the provision shall be made based on the loss reported in the financial statements of the investee.

With regards to the investees who are required to prepare the consolidated financial statements, the provision is made based on the consolidated financial statements. For other cases, the provision is made based on the financial statements of the investees.

4.4 Receivables

Receivables include: trade receivables and other receivables.

- Trade receivables include commercial receivables generating from purchase-sale related transactions between the Company and buyers;
- Other receivables include non-commercial receivables, receivables not related to purchase-sale and intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or absconding.

4.5 Inventories

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

Value of inventories is calculated using the weighted average method and accounted for using the perpetual method with cost determined as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

- Materials, goods: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition;
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made for each kind of inventories when the net realizable value of that kind of inventories is less than cost.

4.6 Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

Depreciation

Depreciation of fixed assets is calculated in accordance with the straight-line method over their estimated useful lives. Depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. Details are as follows:

<u>Kind of assets</u>	<u>Depreciation period (years)</u>
Buildings, architectures	5 - 40
Machinery, equipment	3 - 10
Motor vehicles	6 - 10
Office equipment	3 - 10
Other fixed assets	4

4.7 Intangible fixed assets

Cost

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of intangible assets comprises all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state.

Land use rights

Intangible fixed assets being land use rights include:

- The land use right allocated by the State with land use fee or receiving the transfer of legal land use right (including term and non-term land use right);
- The prepaid land rent (has been paid for the leasing time or paid in advance for many years but the remaining land lease term paid is at least five years) for the land rent contract before the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

effective date of the Land Act 2003 and being granted with certificate of land use right by the competent authority.

Cost of land use rights include all costs directly attributable to putting such assets into the ready-for-use state.

Land use rights with indefinite terms are not amortized.

Amortization

Other intangible fixed assets are amortized in accordance with the straight-line method over their estimated useful lives. Amortization period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance.

Amortization period of intangible fixed assets of the Company is as follows:

<u>Kind of assets</u>	<u>Amortization period (years)</u>
Computer software	3

4.8 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company's primary prepayments are as follows:

- Cost of tools and instruments put into use are amortized in accordance with the straight-line method over a period ranging from 1 year to 3 years.
- Other prepaid expenses: The Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

4.9 Payables

Payables include: trade payables and other payables.

- Trade payables are trade-related amounts, arising from trading activities between the Company and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term and long-term payables based on their remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and original currencies.

4.10 Accrued expenses

Accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Company.

4.11 Loans and finance lease liabilities

Loans and finance lease liabilities are reflected at cost and classified into short-term liabilities and long-term liabilities based on their remaining terms at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies.

Borrowing costs

Borrowing costs comprise interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

4.12 Owner's equity

Share capital represents the amount of capital actually contributed by shareholders.

Share premium

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of shares; the capital component of convertible bonds as they fall due.

Treasury shares

Treasury shares are the amounts payable to repurchase the shares that the Company has issued and all costs directly related to this repurchase transaction.

Profit distribution

Profit after corporate income tax is available for appropriation to funds and to shareholders as provided for in the Resolution of the General Meeting of Shareholders.

The dividend to be paid to the shareholders shall not exceed the undistributed profit after tax and with consideration of non-monetary items in undistributed post-tax profits that may affect cash flow and ability to pay dividends.

4.13 Recognition of revenue and other income

- Revenue from sales and service provision is recognized to the extent that it is probable to obtain economic benefits, it can be reliably measured and the following conditions are also met:
 - ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods;
 - ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
 - ✓ Interests are recognized on the basis of the actual term and interest rates;
 - ✓ Dividends and profits shared are recognized when the Company has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

- Other income is the income derived out of Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

4.14 Revenue deductions

Revenue deductions include trade discounts, sales rebates and sales returns.

In case where revenue is recognized in during the period but the corresponding revenue deductions arise after the balance sheet date, revenue shall be decreased in accordance with the following principles:

- If the corresponding deductions arise before the date of releasing the financial statements, they shall be charged against revenue of the reporting period;
- If the corresponding revenue deductions arise after the date of releasing the financial statements, they shall be charged against revenue of the next reporting period.

4.15 Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the correct period and in accordance with the matching principle and conservatism principle.

Costs of inventories and services rendered which are incurred in excess of the ordinary level shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

4.16 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, payment discounts for buyers, expenses and loss on liquidating, transferring investments; provision for diminution in value of trading securities, provision for loss from investment in other entities and expenses of other investing activities.

4.17 Selling expenses, administrative expenses

Selling expenses reflect expenses actually incurred in process of selling products, goods, rendering services.

Administrative expenses reflect expenses actually incurred related to the overall administration of the enterprise.

4.18 Current corporate income tax expense, deferred corporate income tax expense

Corporate income tax expenses include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income during the period at the tax rates applied as of the balance sheet date. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

4.19 Financial instruments

Initial recognition

Financial assets

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets include: cash on hand, cash in bank, trade receivables, other receivables and financial investments.

Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities include trade payables, accrued expenses, loans, and other payables.

Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

4.20 Tax rates and charges payable to the State Budget which the Company is applying

- Value Added Tax (VAT):
 - ✓ Textbooks and reference books supplementary to textbooks and curricula: Exempt from VAT.
 - ✓ Dictionaries and reference books not supplementary to textbooks: VAT rate of 5% is applicable.
 - ✓ Other activities are subject to the current applicable tax rates.
- Corporate Income Tax (CIT): CIT rate of 20 % is applicable.
- Other taxes, fees and chargers are fulfilled in accordance with the prevailing regulations.

4.21 Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

In: VND

5. Cash and cash equivalents

	31/12/2024	01/01/2024
Cash on hand	225,991,926	312,634,581
Cash in bank	1,743,774,586	2,592,597,106
Total	<u>1,969,766,512</u>	<u>2,905,231,687</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

6. Financial investments

a. Trading securities

	31/12/2024			01/01/2024		
	Cost	Fair value	Provision	Cost	Fair value	Provision
- Trading securities	2,342,446,821	1,369,429,900	973,046,344	2,342,446,821	1,162,635,155	1,179,841,088
+ Educational Book JSC in Ha Noi City (EBS)	95,578	125,000	-	95,578	125,000	-
+ Song Da 4 Joint Stock Company (SD4)	36,365,340	9,900,000	26,465,340	36,365,340	7,800,000	28,565,340
+ VNECO 8 Electricity Construction JSC (VE8)	992,861,234	411,720,000	581,141,234	992,861,234	420,480,000	572,381,234
+ FLC Group Joint Stock Company (FLC)	516,670	516,670	-	516,670	516,670	-
+ Vietnam Livestock Corporation - Joint Stock Company - (VLC)	1,312,608,000	947,168,230	365,439,770	1,312,608,000	733,713,486	578,894,514
Total	2,342,446,821	1,369,429,900	973,046,344	2,342,446,821	1,162,635,155	1,179,841,088

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)***b. Investments in joint ventures, associates**

	Status of operation			31/12/2024	01/01/2024
		% capital	Number of shares	Value of investment using the equity method	Value of investment using the equity method
Viet Nam EBS Solar Energy JSC	Operating	25%	500,000	5,448,204,409	6,156,660,509
Le Thanh Educational Investment JSC (*)	Operating	49%	245,000	2,465,928,975	2,457,734,201
Total				7,914,133,384	8,614,394,710

(*) Le Thanh Educational Investment JSC was converted from Vietnam America International Preschool - Education Consulting Co., Ltd., according to the first amended Enterprise Registration Certificate No. 1501122459 dated 14 March 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
 (These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

7. Short-term trade receivables

	31/12/2024	01/01/2024
Ngoc Truc Household Business	1,552,866,435	1,900,452,834
Luu Kim Ngan Bookstore	391,004,142	983,456,992
Vung Liem Construction Investment Project Management Unit	793,792,226	261,414,294
Chu Le Equipments and Surveying Co.,Ltd	551,406,522	551,406,522
Others	3,559,363,291	4,069,610,693
Total	<u>6,848,432,616</u>	<u>7,766,341,335</u>

8. Short-term prepayments to suppliers

	31/12/2024	01/01/2024
Phuong Nam Education Investment and Development JSC	338,835,484	-
Phuong Dong Technology and Investment JSC	36,511,182	36,511,182
Education Solutions Viet Nam Co., Ltd	1,028,097,807	765,123,812
Others	35,047,518	42,633,913
Total	<u>1,438,491,991</u>	<u>844,268,907</u>

9. Short-term loan receivables

	31/12/2024	01/01/2024
CMC Investment Joint Stock Company (related party)	-	4,000,000,000
Ms. Le Thi Tuyet Nhung	1,600,000,000	-
	<u>1,600,000,000</u>	<u>4,000,000,000</u>

10. Provision for short-term doubtful debts

	31/12/2024	01/01/2024
Provision for overdue receivables:		
- From 3 years and over	1,740,703,863	1,355,137,581
- From 2 years to under 3 years	-	273,165,794
Total	<u>1,740,703,863</u>	<u>1,628,303,375</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
 (These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

11. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Materials	22,484,364	-	22,484,364	-
Work in progress	190,533,118	-	190,533,118	-
Finished products	2,547,105,262	-	1,782,526,678	196,838,646
Merchandise goods	35,161,410,556	403,221,170	32,177,391,291	650,927,089
Total	37,921,533,300	403,221,170	34,172,935,451	847,765,735

12. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
Cost					
Beginning balance	10,265,682,657	548,208,570	4,312,301,105	849,309,184	15,975,501,516
Additions in the period	764,314,494	-	-	-	764,314,494
Decrease in the period	-	-	-	-	-
Transfer to investment properties	275,918,910	-	-	-	275,918,910
Ending balance	10,754,078,241	548,208,570	4,312,301,105	849,309,184	16,463,897,100
Depreciation					
Beginning balance	7,142,542,861	236,746,502	2,651,819,140	284,928,676	10,316,037,179
Charge for the period	333,136,128	80,006,772	206,197,212	86,787,636	706,127,748
Decrease in the period	-	-	-	-	-
Transfer to investment properties	275,918,910	-	-	-	275,918,910
Ending balance	7,199,760,079	316,753,274	2,858,016,352	371,716,312	10,746,246,017
Net book value					
Beginning balance	3,123,139,796	311,462,068	1,660,481,965	564,380,508	5,659,464,337
Ending balance	3,554,318,162	231,455,296	1,454,284,753	477,592,872	5,717,651,083

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
 (These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

13. Intangible fixed assets

	Non-term land use rights (*)	Computer software	Total
Cost			
Beginning balance	6,468,156,872	127,700,000	6,595,856,872
Increase in the period	-	-	-
Decrease in the period	-	-	-
Ending balance	6,468,156,872	127,700,000	6,595,856,872
Amortization			
Beginning balance	-	104,088,891	104,088,891
Charge for the period	-	16,666,668	16,666,668
Decrease in the period	-	-	-
Ending balance	-	120,755,559	120,755,559
Net book value			
Beginning balance	6,468,156,872	23,611,109	6,491,767,981
Ending balance	6,468,156,872	6,944,441	6,475,101,313

14. Investment property

	Buildings, architectures	Infrastructure	Total
Cost			
Beginning balance	11,684,919,334	607,609,229	12,292,528,563
Transferred from fixed assets in the period	195,555,556		195,555,556
Decrease in the period	-	-	-
Ending balance	11,880,474,890	607,609,229	12,488,084,119
Accumulative depreciation			
Beginning balance	-	-	-
Transferred from fixed assets in the period	497,230,608	40,507,284	537,737,892
Charge for the period	588,022,956	-	588,022,956
Decrease in the period	-	-	-
Ending balance	1,085,253,564	40,507,284	1,125,760,848
Net book value			
Beginning balance	11,684,919,334	607,609,229	12,292,528,563
Ending balance	10,795,221,326	567,101,945	11,362,323,271

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

15. Long-term prepaid expenses

	31/12/2024	01/01/2024
Cost of tools and instruments awaiting allocation	371,326,451	103,048,045
Repair construction costs	42,477,664	54,663,417
Long-term prepaid land rents (*)	5,414,602,856	5,540,523,848
Others	28,046,442	15,782,390
Total	<u>5,856,453,413</u>	<u>5,714,017,700</u>

(*) Vinh Long Book and Equipment Joint-Stock Company leased the land from the People's Committee of Vinh Long Province under Land Lease Contract No. 02 dated 15/01/2018. The lease period is 50 years, from 22/12/2017 to 22/12/2067, covering a leased area of 611.2 m², located at Plot 372, Map Sheet 16, Ward 1, Vinh Long City, Vinh Long Province. The Company made a one-time payment for the entire 50-year lease term, totaling VND6,264,188,800. The purpose of the leased land use: Commerce and services (TMD).

16. Short-term trade payables

	31/12/2024	01/01/2024
Viet Nam Educational Equipment - Publication Investment Joint Stock Company- Ho Chi Minh City Branch	674,109,743	674,109,743
Hoang Ha Education Device Company Limited	418,220,876	-
Phuong Nam Education Investment and Development JSC	169,703,075	379,319,299
Education Cartography and Illustration Joint Stock Company	-	477,435,915
South Books and Educational Equipment JSC	3,487,873,612	206,642,493
Others	3,331,417,534	2,909,665,699
Total	<u>8,081,324,840</u>	<u>4,647,173,149</u>

17. Short-term accrued expenses

	31/12/2024	01/01/2024
Manuscript and editing costs	249,481,000	249,481,000
Accrued expenses for sales discounts	-	4,585,000
Accrued interest expenses	32,898,548	44,744,337
Others	46,000,000	294,929,401
Total	<u>328,379,548</u>	<u>593,739,738</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

18. Other short-term payables

	31/12/2024	01/01/2024
Trade union fees	1,784,713	4,758,164
Dividends payable	-	369,456,500
Surplus of assets awaiting resolution	-	2,991,404
Short-term deposits and collateral received	-	53,000,000
Others	1,165,643,864	124,151,143
Total	1,167,428,577	554,357,211

19. Owners' equity

a. Statement of changes in owners' equity

	Share capital	Share premium	Other owner's capital	Treasury share	Development investment fund	Undistributed profit after tax
As at 01/01/2023	41,370,000,000	2,249,408,656		(679,873,904)	5,190,375,785	1,902,649,809
Increase in the year	-	-	-	-	46,364,717	1,589,033,293
Decrease in the year	-	-	-	-	4,043,000,000	46,364,717
As at 31/12/2024	<u>41,370,000,000</u>	<u>2,249,408,656</u>	<u>-</u>	<u>(679,873,904)</u>	<u>1,193,740,502</u>	<u>3,445,318,385</u>
As at 01/01/2024	41,370,000,000	2,249,408,656		(679,873,904)	1,193,740,502	3,445,318,385
Increase in the year	-	-	1,101,530,000	-	-	(95,000,235)
Decrease in the year	-	-		-	-	2,423,574,800
As at 31/12/2024	<u>41,370,000,000</u>	<u>2,249,408,656</u>	<u>1,101,530,000</u>	<u>(679,873,904)</u>	<u>1,193,740,502</u>	<u>926,743,350</u>

b. Breakdown of share capital

	31/12/2024	01/01/2024
Viet Nam Education Publishing House Limited Company	6,320,000,000	6,320,000,000
Other shareholders	34,110,000,000	34,110,000,000
Par value of treasury share	940,000,000	940,000,000
Total	41,370,000,000	41,370,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)

c. Shares

	31/12/2024	01/01/2024
Number of shares registered to be issued	4,137,000	4,137,000
Number of shares sold publicly	4,137,000	4,137,000
- Common shares	4,137,000	4,137,000
- Preferred shares		
Number of shares to be bought back (treasury shares)	94,000	94,000
- Common shares	94,000	94,000
- Preferred shares	-	-
Number of outstanding shares	4,043,000	4,043,000
- Common shares	4,043,000	4,043,000
- Preferred shares	-	-
Par value of outstanding shares: VND10,000 each		

d. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	3,445,318,385	1,902,649,809
Profit after tax - this year	(95,000,235)	1,589,033,293
Distribution of prior-year profit	2,423,574,800	46,364,717
- Appropriated for development investment fund	-	46,364,717
- Paying dividends	1,322,044,800	-
- Increase in other owner's capital	1,101,530,000	-
Undistributed profit at the end of the period	926,743,349	3,445,318,385

20. Revenue from sales and service provision

	Quarter IV/2024	Quarter IV/2023
Revenue from the sale of goods	42,812,375,489	51,454,411,431
Revenue from the sale of investment properties	1,598,181,806	-
Others	5,379,307	-
Total	44,415,936,602	51,454,411,431

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the consolidated financial statements)


21. Revenue deductions

	Quarter IV/2024	Quarter IV/2023
Trade discounts	80,012,148	901,310,723
	80,012,148	901,310,723

22. Cost of goods sold

	Quarter IV/2024	Quarter IV/2023
Cost of goods sold	40,087,487,817	48,292,747,853
Cost of investment properties disposed	298,900,368	-
Others	55,702,657	-
Total	40,442,090,842	48,292,747,853




Ngo Trong Vinh
Chairman of the Board of Director
Ho Chi Minh City, 24 January 2025



Dao Thi Thanh Ban
Chief Accountant



Dao Thi Thanh Ban
Preparer