



**EDUCATIONAL BOOK JOINT STOCK
COMPANY**

IN HO CHI MINH CITY

Consolidated financial statements

For the fiscal year ended 31/12/2024

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REPORT OF CHAIRMAN

The chairman presents this report together with the audited consolidated financial statements for the year ended 31/12/2024.

Overview

Educational Book Joint Stock Company In Ho Chi Minh City (“the Company”) was established pursuant to Decision No. 460/QD-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 17 times and the most recent amendment was made on 24 Jan 2025 under enterprise code 0303280405. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

Charter capital: VND41,370,000,000.

Paid-in capital as at 31/12/2024 of the Company is VND41,370,000,000, of which Viet Nam Education Publishing House Limited Company holds 15.28% of the charter capital.

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.

Head office

- Address: 363 Hung Phu, Ward Hung Phu, District 8, Ho Chi Minh City, Vietnam
- Tel: (84) 28.39540600
- Fax: (84) 28.39540598
- Website: www.sgd.edu.vn

Principal activities

- Trading of own or rented property and land use rights;
- Other retail sale of new goods in specialized stores;
- Electric power generation.

In recent years, the Board of Directors of the Company has decided to reduce the scale of operations in the specialized activities, which is directly trading books. Instead, the Company has increased its search for financial investment opportunities by purchasing shares/capital contributions of other enterprises. Priority is given to capital investment in business, education and energy companies.

Employees

As at 31/12/2024, the Company had 8 employees, including 1 managing officer.

The Board of Directors, Supervisory Board, Management, and Chief Accountant during the year and up to the reporting date are as follows:

REPORT OF CHAIRMAN (cont'd)

Board of Directors

- | | | |
|-----------------------------|----------|---|
| • Mr. Ngo Trong Vinh | Chairman | Reappointed on 28/03/2024 |
| • Mr. Nguyen Trong ha | Member | Reappointed on 28/03/2024 |
| • Ms. Lam Quynh Huong | Member | Reappointed on 28/03/2024 |
| • Ms. Le Thi Tuyet Minh | Member | Reappointed on 28/03/2024 |
| • Ms. Vuong Thi Thanh Huyen | Member | Appointed on 28/03/2024 |
| • Mr. Ngo Anh Phuong | Member | Appointed on 07/03/2019
Resigned on 28/03/2024 |

Supervisory Board

- | | | |
|---------------------------|------------------|---|
| • Ms. Ngo Thi Thanh Huyen | Chief Supervisor | Reappointed on 23/03/2024 |
| • Ms. Nguyen Thi Anh Hong | Supervisor | Reappointed on 28/03/2024 |
| • Ms. Nguyen Thi Mai | Supervisor | Appointed on 28/03/2024 |
| • Ms. Do Thi Phuong Thao | Supervisor | Reappointed on 07/03/2019
Resigned on 28/03/2024 |

Deputy General Director and Chief accountant

- | | | |
|-------------------------|-------------------------|-------------------------|
| • Mr. Ngo Trong Vinh | Deputy General Director | Appointed on 08/03/2014 |
| • Ms. Dao Thi Thanh Ban | Chief Accountant | Appointed on 04/05/2023 |

Independent auditor

These consolidated financial statements have been audited by AAC Auditing and Accounting Company Ltd (Head office: Lot 78-80, 30th April Street, Hai Chau District, Da Nang City; Phone number: (84) 0236.3655886; Fax: (84) 0236.3655887; Website: www.aac.com.vn; Email: aac@dng.vnn.vn).

Statement of the Management's responsibility in respect of the consolidated financial statements

The Company's Management is responsible for the preparation and fair presentation of these consolidated financial statements on the basis of:

- Complying with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and other relevant regulations;
- Selecting suitable accounting policies and then applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Preparing the consolidated financial statements on the going concern basis;
- Responsibility for such internal control as the Management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

REPORT OF CHAIRMAN (cont'd)

Chairman who is the Company legal representative hereby confirms that the accompanying consolidated financial statements, including the consolidated balance sheet, the consolidated income statement, the consolidated statement of cash flows, and the notes thereto, give a true and fair view of the consolidated financial position of the Company as at 31/12/2024, and of the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with the prevailing Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

Chairman



A red circular stamp of the Educational Book Joint Stock Company, Ho Chi Minh City. The stamp contains the text: "M.S.D.N: 0303280405 - C.T.C", "CÔNG TY CỔ PHẦN SÁCH GIÁO DỤC TÀI THÀNH PHỐ HO CHI MINH", and "QUẬN 8 - T.P. HO CHI MINH". A blue ink signature is written over the stamp.

Ngo Trong Vinh

Ho Chi Minh City, 25 March 2025



No.460/2025/BCKT-AAC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, Board of Directors, and Management
Educational Book Joint Stock Company in Ho Chi Minh City**

We have audited the consolidated financial statements prepared on 25/03/2025 of Educational Book Joint Stock Company in Ho Chi Minh City (the "Company") as set out on pages 5 to 34, which comprise the consolidated balance sheet as at 31/12/2024, the consolidated income statement and the consolidated statement of cash flows for the year then ended, and the notes thereto.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing 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 the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 31/12/2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

AAC Auditing and Accounting Co., Ltd.

Tran Thi Thu Hien – Deputy General Director

Audit Practicing Registration Certificate:

0753-2023-010-1

Da Nang, 25 March 2025

Le Quy An – Auditor

Audit Practicing Registration Certificate:

5185-2021-010-1

CONSOLIDATED BALANCE SHEET
As at 31 December 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	Notes	31/12/2024 VND	01/01/2024 VND
A. CURRENT ASSETS	100		48,007,783,056	48,131,259,776
I. Cash and cash equivalents	110	5	1,969,710,679	2,905,231,687
1. Cash	111		1,969,710,679	2,905,231,687
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		1,213,195,916	1,162,605,733
1. Trading securities	121	6.a	2,342,446,821	2,342,446,821
2. Provision for decline in value of trading securities	122	6.a	(1,129,250,905)	(1,179,841,088)
III. Short-term receivables	130		8,553,469,581	10,218,681,126
1. Short-term trade receivables	131	7	6,848,630,616	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	10	556,036,832	786,374,259
5. Provision for doubtful (short-term) debts	137	11	(1,889,689,858)	(1,628,303,375)
IV. Inventories	140	12	35,777,582,745	33,325,169,716
1. Inventories	141		37,730,924,231	34,172,935,451
2. Provision for decline in value of inventories	149		(1,953,341,486)	(847,765,735)
V. Other current assets	150		493,824,135	519,571,514
1. Short-term prepaid expenses	151	13.a	14,296,596	13,900,231
2. Deductible value-added tax	152		21,492,335	-
3. Taxes and amounts receivable from the State	153	14	458,035,204	505,671,283
B. NON-CURRENT ASSETS			38,619,526,212	38,442,986,093
I. Long-term receivables	210		-	-
II. Fixed assets	220		12,182,154,623	12,151,232,318
1. Tangible fixed assets	221	15	5,707,053,310	5,659,464,337
- Cost	222		16,463,897,100	15,975,501,516
- Accumulated depreciation	223		(10,756,843,790)	(10,316,037,179)
2. Intangible fixed assets	227	16	6,475,101,313	6,491,767,981
- Cost	228		6,595,856,872	6,595,856,872
- Accumulated amortization	229		(120,755,559)	(104,088,891)
III. Investment properties	230	17	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-process	241		-	-
2. Construction in progress	242	18	77,865,000	215,351,297
V. Long-term financial investments	250		8,991,281,281	8,614,394,710
1. Investments in associates and joint ventures	252	6.b	8,991,281,281	8,614,394,710
2. Held-to-maturity investments	255		-	-
VI. Other non-current assets	260		6,005,902,037	5,996,339,685
1. Long-term prepaid expenses	261	13.b	5,855,453,413	5,714,017,700
2. Goodwill	269		150,448,624	282,321,985
TOTAL ASSETS	270		86,627,309,268	86,574,245,869

CONSOLIDATED BALANCE SHEET (cont'd)
AS AT 31 DECEMBER 2024

RESOURCES	Code	Notes	31/12/2024 VND	01/01/2024 VND
C. LIABILITIES	300		27,999,164,632	26,943,008,194
I. Short-term liabilities	310		22,045,073,737	20,043,626,386
1. Short-term trade payables	311	19	8,081,324,840	4,647,173,149
2. Short-term advances from customers	312	20	376,273,374	422,304,876
3. Taxes and amounts payable to the State	313	14	354,530,649	662,576,900
4. Payables to employees	314		602,021,173	550,190,676
5. Short-term accrued expenses	315	21	360,879,548	593,739,738
6. Other short-term payables	319	22.a	435,578,317	554,357,211
7. Short-term loans and finance lease liabilities	320	23.a	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	22.b	45,000,000	42,000,000
2. Long-term loans and finance lease liabilities	338	23.b	5,909,090,895	6,857,381,808
D. EQUITY	400		58,628,144,636	59,631,237,675
I. Owners' equity	410		58,628,144,636	59,631,237,675
1. Share capital	411	24	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	24	2,249,408,656	2,249,408,656
3. Other owners' capital	414	24	1,101,530,000	-
4. Treasury shares	415	24	(679,873,904)	(679,873,904)
5. Development and investment fund	418	24	1,218,972,459	1,193,740,502
6. Undistributed profit after tax	421	24	1,264,266,503	3,445,318,385
- Undistributed profit up to prior year-end	421a		3,420,086,428	1,856,285,092
- Undistributed profit for the current year	421b		(1,054,289,925)	1,589,033,293
7. Non-controlling interests	429		12,103,840,922	12,052,644,036
II. Other funds	430		-	-
Total resources	440		86,627,309,268	86,574,245,869



Ngô Trọng Vinh
Chairman

Ho Chi Minh City, 25 March 2025

Đào Thị Thanh Ban
Chief Accountant

Đào Thị Thanh Ban
Preparer

CONSOLIDATED INCOME STATEMENT

For the year ended 31/12/2024

Form B 02 – DN/HN

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

ITEMS	Code	Notes	Year 2024 VND	Year 2023 VND
1. Revenue from sales and service provision	01	25	190,698,012,321	205,216,419,546
2. Revenue deductions	02	26	304,412,977	1,255,846,192
3. Net revenue from sales and service provision	10		190,393,599,344	203,960,573,354
4. Cost of goods sold	11	27	174,764,538,963	187,279,807,966
5. Gross profit from sales and service provision	20		15,629,060,381	16,680,765,388
6. Financial income	21	28	2,088,014,359	2,892,304,358
7. Financial expenses	22	29	1,781,944,772	1,915,197,998
<i>Including: Interest expenses</i>	23		1,415,233,254	1,592,041,494
8. Share of profit or loss of associates and joint ventur	24		376,886,571	131,091,429
9. Selling expenses	25	30.a	8,899,351,933	7,485,972,363
10. Administrative expenses	26	30.b	6,920,018,420	7,306,104,640
11. Operating profit	30		492,646,186	2,996,886,174
12. Other income	31	31	238,461,691	781,656,239
13. Other expenses	32	32	373,181,165	56,106,321
14. Other profit	40		(134,719,474)	725,549,918
15. Accounting profit before tax	50		357,926,712	3,722,436,092
16. Current corporate income tax expense	51	33	779,214,951	980,392,129
17. Deferred corporate income tax expense	52		-	-
18. Profit after tax	60		(421,288,239)	2,742,043,963
19. Attributable to the parent company's shareholders	61		(1,054,289,925)	1,589,033,293
20. Attributable to non-controlling interests	62		633,001,686	1,153,010,670
21. Basic earnings per share	70	34	(261)	393
22. Diluted earnings per share	71	34	(261)	393



Ngo Trong Vinh
Chairman

Ho Chi Minh City, 25 March 2025

Dao Thi Thanh Ban
Chief Accountant

Dao Thi Thanh Ban
Preparer

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31/12/2024

Form B 03-DN/HN

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

ITEMS	Code	Notes	Year 2024 VND	Year 2023 VND
I. Cash flows from operating activities				
1. Profit before tax	01		357,926,712	3,722,436,092
2. Adjustments for				
- Depreciation of fixed assets and amortization of goodwill	02		1,164,165,918	1,152,072,296
- Provisions	03		1,316,372,051	359,239,950
- (Profits)/losses from investing activities	05		(1,211,271,076)	(1,538,787,136)
- Interest expenses	06		1,415,233,254	1,592,041,494
3. Operating profit before changes in working capital	08		3,042,426,859	5,287,002,696
- (Increase)/Decrease in receivables	09		1,050,027,765	2,911,099,671
- (Increase)/Decrease in inventories	10		(3,557,988,780)	4,892,481,577
- Increase/(Decrease) in payables (excluding loan interest and corporate income tax payable)	11		2,500,730,062	(18,061,457,581)
- (Increase)/Decrease in prepaid expenses	12		(141,832,078)	173,214,750
- (Increase)/Decrease in trading securities	13		-	(131,250,000)
- Loan interest paid	14		(1,500,235,210)	(1,563,155,965)
- Corporate income tax paid	15		(947,681,873)	(1,391,901,029)
Net cash from operating activities	20		445,446,745	(7,883,965,881)
II. Cash flows from investing activities				
1 Purchase and construction of fixed assets	21		(822,383,753)	(361,531,297)
2. Proceeds from disposal of fixed assets	22		-	592,909,091
Loans to other entities and payments for purchase of	23			
3. debt instruments of other entities			(4,950,000,000)	(21,850,000,000)
4. Recovery of loans, re-sales of debt instruments	24		5,800,000,000	23,400,000,000
5. Loan interest, dividends, and profits received	27		900,329,713	1,254,849,306
Net cash from investing activities	30		927,945,960	3,036,227,100
III. Cash flows from financing activities				
1. Drawdown of borrowings	33		39,496,650,288	48,191,118,000
2. Repayment of borrowings	34		(41,223,759,201)	(40,541,957,912)
3. Dividends, profits paid to owners	36		(581,804,800)	(4,479,116,100)
Net cash from financing activities	40		(2,308,913,713)	3,170,043,988
Net cash flows for the period	50		(935,521,008)	(1,677,694,793)
Cash at the beginning of the year	60	5	2,905,231,687	4,582,926,480
Impacts of exchange rate fluctuations	61		-	-
Cash at the end of the year	70	5	1,969,710,679	2,905,231,687



Ngo Trong Vinh
Chairman

Dao Thi Thanh Ban
Chief Accountant

Dao Thi Thanh Ban
Preparer

Ho Chi Minh City, 25 March 2025

The notes on pages 09 to 33 are an integral part of these consolidated financial statements

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**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS**

*(These notes form 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 17 times and the most recent amendment was made on 24 Jan 2025 under enterprise code 0303280405. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

1.2. Principal scope of business

- Trading of own or rented property and land use rights;
- Other retail sale of new goods in specialized stores;
- Electric power generation.

1.3. Normal operating cycle

The Company's normal operating cycle is 12 months

1.4. 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.
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%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

- ✓ 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.

Principal operating activities: Preschool education

2. Accounting period, currency used in accounting

The Company's annual accounting period starts on 1 January and ends on 31 December.

Consolidated financial statements and accounting transactions are expressed in Vietnamese Dong (VND).

3. Applied accounting standards and system

The Company adopts Vietnamese Accounting Standards and Vietnamese Corporate Accounting System as guided in Circular No. 200/2014/TT-BTC dated 22/12/2014 and Circular No. 53/2016/TT-BTC dated 21/3/2016 providing amendments and supplements to certain articles of Circular No. 200/2014/TT-BTC promulgated by the Ministry of Finance.

The consolidated financial statements are prepared and presented in accordance with Circular No. 202/2014/TT-BTC dated 22/12/2014 issued by the Ministry of Finance.

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

A subsidiary is an 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 the 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 reporting period as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the Company and its subsidiary.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. If the changes in the Company's interest in a subsidiary result in a loss of control, the profits or losses arising from this event are recorded in the consolidated income statements.

All intra-company balances and transactions, unrealized profits or losses arising from intra-company transactions, have been eliminated in full when preparing the consolidated financial statements.

Business combination

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Recognition method for 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.

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 total recognized gains and losses of associates on an equity accounted basis, from the date that significant influence begins until the date that significant influence ceases. When the Company's share of losses exceeds its interest in an associate, the carrying amount of the Company's investment is reduced to nil and recognition of further losses is discontinued except to the extent that the Company has incurred obligations to make payments on behalf of the associates.

4.2 Cash and cash equivalents

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

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

4.3 Financial investments

Trading securities

Trading securities are securities and other financial instruments (commercial papers, forward contracts, swap contracts, etc.) held by the Company for trading purposes.

Trading securities are initially recorded at cost, comprising: buying prices plus (+) buying costs (if any) such as brokerage fees, transaction fees, information service fees, taxes, levies, and banking charges. Dividends and profits received for the period prior to the investment date shall be recorded as a decrease in value of investment.

After initial recognition, trading securities are measured at cost less a provision for a decline in value. At the end of the fiscal year, if there is clear evidence that the market value of the trading securities has devalued against their carrying amount, a provision for devaluation shall be made.

Loans

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

Provision for doubtful debts represents the estimated loss as at the balance sheet date for overdue loans that the Company has repeatedly attempted to collect but remain uncollected, or for loans not yet overdue but the debtor is in the state of insolvency, doing dissolution procedures, missing, or running away.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.4 Receivables

Receivables include trade receivables and other receivables.

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

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss as at the balance sheet date for overdue receivables that the Company has repeatedly attempted to collect but remain uncollected, or for receivables not yet overdue but the debtor is in the state of insolvency, doing dissolution procedures, missing, or running away.

4.5 Inventories

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

Inventories are accounted for using the perpetual method. Value of inventories is calculated using the weighted average method.

Cost of inventories comprises:

- 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 costs of direct materials and labor plus attributable overhead allocated 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 tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25 April 2013 by the Ministry of Finance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Depreciation periods for tangible fixed assets at the Company are as follows:

<u>Kind of assets</u>	<u>Depreciation (years)</u>
Building, architectures	5 - 25
Machinery, equipment	3 - 10
Motor vehicles	10
Office equipment	10

4.7 Intangible fixed assets

The cost of intangible fixed 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 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

Amortization of intangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The amortization period complies with Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance.

The amortization periods for intangible fixed assets of the Company are as follows:

<u>Asset title</u>	<u>Amortization period (years)</u>
Computer software	3

4.8 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation. Investment properties held for capital appreciation are not depreciated/amortised but subject to impairment review.

The depreciation policy for investment properties under operating leases is consistent with the Company's depreciation policy for fixed assets of the same type. Accordingly, depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset.

The amortization period complies with Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance. Detailed as below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

<u>Kind of assets</u>	<u>Depreciation (years)</u>
Buildings, architectures	15 – 47

4.9 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:

- Land rental and related costs are amortized on a straight-line basis over the rent term;
- Tools and instruments put into use are amortized on a straight-line basis over a period of 3 years or less.
- 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.

4.10 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 or long-term payables based on the remaining terms at the balance sheet date.

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

4.11 Accrued expenses

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

4.12 Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

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".

4.13 Owners' equity

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Share premium

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

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 appropriated to funds and distributed to shareholders in accordance with the Company's Charter or a resolution of the General Meeting of Shareholders.

Dividends to be paid to shareholders shall not exceed the undistributed profit after tax, taking into account non-monetary items in the undistributed profit that may affect cash flow and the ability to pay dividends.

4.14 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.
 - ✓ Interest is 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.
- Other income is the income derived out of the 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.

4.15 Revenue deductions

Revenue deductions include trade discounts.

In case where revenue is recognized in during the year 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 year;
- If the corresponding revenue deductions arise after the date of releasing the financial statements, they shall be charged against revenue of the next reporting year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.16 Cost of sales

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period 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.

4.17 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expenses, payment discounts for buyers, provisions for decline in value of trading securities, provisions for investment losses in other entities, and other expenses attributable to investing activities.

4.18 Selling expenses, administrative expenses

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

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

4.19 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 in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is 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.

4.20 Applicable tax rates and charges payable to the State Budget

- 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): Applied at a rate of 20%.
- Other taxes and obligations are fulfilled in accordance with prevailing regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.21 Financial instruments

Initial recognition

Financial assets

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Company's financial assets comprise cash on hand, short-term deposits, financial investments, trade receivables, and other receivables.

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 comprise loans, trade payables, accrued expenses, and other payables.

Subsequent measurement

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

4.22 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.

Currency: VND

5. Cash and cash equivalents

	31/12/2024	01/01/2024
Cash	225,991,926	312,634,581
Demand deposit	1,743,718,753	2,592,597,106
Total	<u>1,969,710,679</u>	<u>2,905,231,687</u>

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	1,213,209,339	1,129,250,905	2,342,446,821	1,162,635,156	1,179,841,088
+ Educational Book JSC in Ha Noi City (EBS)	95,577	109,000	-	95,577	125,000	-
+ Song Da 4 Joint Stock Company (SD4)	36,365,340	8,768,267	27,597,073	36,365,340	7,800,000	28,565,340
+ VNECO 8 Electricity Construction JSC (VE8)	992,861,234	402,960,000	589,901,234	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	800,855,402	511,752,598	1,312,608,000	733,713,486	578,894,514
Total	<u>2,342,446,821</u>	<u>1,213,209,339</u>	<u>1,129,250,905</u>	<u>2,342,446,821</u>	<u>1,162,635,156</u>	<u>1,179,841,088</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Investments in associates

	Status of operation	31/12/2024			01/01/2024
		% capital	Number of shares	Value of investment under the equity method	Value of investment under the equity method
Vietnam EBS Solar Energy JSC	Operation	25%	500,000	6,517,718,799	6,156,660,509
Le Thanh Educational Investment JSC	Operation	49%	245,000	2,473,562,482	2,457,734,201
Total				8,991,281,281	8,614,394,710

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

7. Short-term trade receivables

	31/12/2024	01/01/2024
Vung Liem Investment construction project management board	793,792,226	261,414,294
Tra On District Capital Construction Project Management Board	527,763,100	382,047,350
Ngoc Truc Business Households	1,552,866,435	1,900,452,834
Luu Kim Ngan book store	391,004,142	983,456,992
Chu Le Equipment & Measurement Co., Ltd.	551,406,522	551,406,522
Others	3,031,798,191	3,687,563,343
Total	6,848,630,616	7,766,341,335

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
Vietnam Education Solutions Ltd	1,028,097,807	765,123,812
Others	35,047,518	42,633,913
Total	1,438,491,991	844,268,907

In which: Short-term prepayments to related party suppliers

Related party	31/12/2024	01/01/2024
Vietnam Education Publishing House Ho Chi Minh City Branch	17,719,518	17,719,518
Phuong Nam Education Investment and Development JSC	338,835,484	-

9. Short-term loan receivables

	31/12/2024	01/01/2024
Ms Le Thi Tuyet Nhung (Related Party) (*)	1,600,000,000	-
CMC Investment JSC (Related party)	-	2,450,000,000
	1,600,000,000	2,450,000,000

(*) Lending Ms Le Thi Tuyet Nhung under loan agreement No.05/SGD-LTTN/2024/HĐVV dated 14/11/2024. Principal amount: VND1,600,000,000. Term of the loan: 3 months. Interest rate: 3,5% per annum. This loan was fully paid on 24 March 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

10. Other receivables

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Accrued income interest	7,210,959	-	-	-
<i>In which: Ms Le Thi Tuyet Nhung</i> <i>(related party)</i>	7,210,959	-	-	-
Advances	335,780,067	-	632,069,215	-
Short-term deposits, collaterals	50,720,826	-	50,709,366	-
Others	162,324,980	29,000,000	103,595,678	29,000,000
Total	556,036,832	29,000,000	786,374,259	29,000,000

11. Provision for doubtful (short-term) debts

	31/12/2024	01/01/2024
Opening balance	1,628,303,375	1,683,235,905
Provision made during the year	261,386,483	-
Reversal of provision during the year	-	54,932,530
Closing balance	1,889,689,858	1,628,303,375

12. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Materials	22,484,364	-	22,484,364	-
Work in proces	-	-	190,533,118	-
Finished goods	1,749,732,206	1,056,681,405	1,782,526,678	196,838,646
Merchandised goods	35,958,707,661	896,660,081	32,177,391,291	650,927,089
Total	37,730,924,231	1,953,341,486	34,172,935,451	847,765,735

- Value of inventories unsaleable, slow-moving as at 31/12/2024 was VND1,953,341,486.
- Value of inventories were pledged as security for borrowings as at 31/12/2024 was VND6,484,136,783.

13. Prepaid expenses

a. Short-term

	31/12/2024	01/01/2024
Tools and supplies	14,296,596	4,501,891
Insurance expenses	-	9,398,340
Total	14,296,596	13,900,231

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Long-term

	31/12/2024	01/01/2024
Tools and supplies	371,326,451	103,048,045
Repair costs	42,477,664	54,663,417
Long-term land rent paid (*)	5,414,602,856	5,540,523,848
Others	27,046,442	15,782,390
Total	<u>5,855,453,413</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).

14. Tax and other receivables, payables from the State

	<u>Opening balance</u>		Amount to be paid	Amount actually paid	<u>Closing balance</u>	
	Receivables	Payables			Receivables	Payables
VAT	104,040,296	92,081,021	619,273,834	627,750,503	104,040,296	83,604,352
CIT	334,647,376	434,481,844	779,214,951	947,681,873	334,647,376	266,014,922
PIT	39,685,351	136,014,035	216,642,742	330,407,583	19,347,532	1,911,375
Land & housing tax, land rent	27,298,260	-	432,720,290	405,422,030	-	-
Others	-	-	15,000,000	12,000,000	-	3,000,000
Total	<u>505,671,283</u>	<u>662,576,900</u>	<u>2,062,851,817</u>	<u>2,323,261,989</u>	<u>458,035,204</u>	<u>354,530,649</u>

The Company's tax returns would be subject to inspection by the tax authority. The tax amounts reported in these consolidated financial statements could be changed under decision of the tax authority.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

15. Tangible fixed assets

	Buildings architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
Cost					
Opening balance	10,265,682,657	548,208,570	4,312,301,105	849,309,184	15,975,501,516
Increase in the year	764,314,494	-	-	-	764,314,494
Decrease in the year	275,918,910	-	-	-	275,918,910
Closing balance	10,754,078,241	548,208,570	4,312,301,105	849,309,184	16,463,897,100
Depreciation					
Opening balance	7,142,542,861	236,746,502	2,651,819,140	284,928,676	10,316,037,179
Charge for the year	343,733,901	80,006,772	206,197,212	86,787,636	716,725,521
Decrease in the year	-	-	-	-	-
Closing balance	7,210,357,852	316,753,274	2,858,016,352	371,716,312	10,756,843,790
Carrying amount					
Opening balance	3,123,139,796	311,462,068	1,660,481,965	564,380,508	5,659,464,337
Closing balance	3,543,720,389	231,455,296	1,454,284,753	477,592,872	5,707,053,310

- Cost of tangible fixed assets fully depreciated but still in active use as at 31/12/2024 was VND4,653,129,179.
- Carrying amount of fixed assets pledged as security for debts as at 31/12/2024 was VND2,080,728,558.

16. Intangible fixed assets

	Land use rights 363 Hung Phu (*)	Computer software	Total
Cost			
Beginning balance	6,468,156,872	127,700,000	6,595,856,872
Increase in the year	-	-	-
Decrease in the year	-	-	-
Closing balance	6,468,156,872	127,700,000	6,595,856,872
Depreciation			
Beginning balance	-	104,088,891	104,088,891
Charge for the year	-	16,666,668	16,666,668
Decrease in the year	-	-	-
Closing balance	-	120,755,559	120,755,559
Carrying amount			
Beginning balance	6,468,156,872	23,611,109	6,491,767,981
Closing balance	6,468,156,872	6,944,441	6,475,101,313

(*) Long-term land use rights at 363 Hung Phu Street, District 8, Ho Chi Minh City with the cost VND6,468,156,872 and an area of 151.2 m². Purpose of use: construction for company head office.

Cost of tangible fixed assets fully depreciated but still in active use as at 31/12/2024 was VND77,700,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

17. Investment properties

	Buildings architectures
Cost	
Opening balance	12,292,528,563
Increase in the year	195,555,556
Decrease in the year	-
Closing balance	<u>12,488,084,119</u>
Depreciation	
Opening balance	826,860,480
Charge for the year	298,900,368
Decrease in the year	-
Closing balance	<u>1,125,760,848</u>
Carrying amount	
Opening balance	11,465,668,083
Closing balance	<u>11,362,323,271</u>

- Carrying amount of fixed assets pledged as security for debts as at 31/12/2024 was VND11,362,323,271.
- No investment properties were fully amortized but still in active use as at 31/12/2024.

18. Construction in progress

	31/12/2024	01/01/2024
General bookstore	77,865,000	215,351,297
Total	<u>77,865,000</u>	<u>215,351,297</u>

19. Short-term trade payables

	31/12/2024	01/01/2024
Vietnam Educational Equipment - Publication Investment JSC - Ho Chi Minh City Branch	674,109,743	674,109,743
Phuong Nam Education Investment and Development JSC	169,703,075	379,319,299
ECI Education Cartography and Illustration JSC	477,435,915	477,435,915
South book and Educational Equipment JSC	3,487,873,612	206,642,493
Viet huong Education Equipment trading manufacturing Co.Ltd	120,586,752	286,409,502
Others	3,151,615,743	2,623,256,197
Total	<u>8,081,324,840</u>	<u>4,647,173,149</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

In which: Payables to related parties

Related party	31/12/2024	01/01/2024
Phuong Nam Education Investment and Development JSC	169,703,075	379,319,299
South book and Educational Equipment JSC	3,487,873,612	206,642,493
Educational Book JSC in Ha Noi City	98,406,960	-

20. Short-term advances from customers

	31/12/2024	01/01/2024
Tran Thi Tuyet Hong Agency	185,032,185	-
Lan Nhi Trading Co.Ltd	30,000,000	-
Others	161,241,189	422,304,876
Total	376,273,374	422,304,876

21. Short-term accrued expenses

	31/12/2024	01/01/2024
Manuscript and editing costs	249,481,000	249,481,000
Accrued interest expenses	32,898,548	44,744,337
Others	78,500,000	299,514,401
Total	360,879,548	593,739,738

22. Other payables

a. Short-term

	31/12/2024	01/01/2024
Trade union fees	1,784,713	4,758,164
Dividends payables	369,456,500	369,456,500
Short-term deposits received	30,000,000	53,000,000
Others	34,337,104	127,142,547
Total	435,578,317	554,357,211

b. Long-term

	31/12/2024	01/01/2024
Long-term deposits received	45,000,000	42,000,000
Total	45,000,000	42,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

23. Loans and finance lease liabilities

a. Short-term

	Opening balance	Increase in the year	Decrease in the year	Closing balance
Short-term loans	11,861,118,000	37,746,650,288	38,477,768,288	11,130,000,000
- HD Bank - Dong Nai Head Office Branch	7,900,000,000	9,500,000,000	8,900,000,000	8,500,000,000
- Vietcombank Vinh Long Branch	3,261,118,000	25,466,650,288	28,727,768,288	-
- Mr Ho Trung Hau	-	300,000,000	-	300,000,000
- Mr Le Thanh Nha	700,000,000	1,700,000,000	850,000,000	1,550,000,000
- Mr Nguyen Huu Thang	-	780,000,000	-	780,000,000
Current portion of long-term loan	995,990,912	948,290,913	995,990,913	948,290,912
- Vietcombank Vinh Long Branch	983,490,912	948,290,913	983,490,913	948,290,912
- Vietin Bank - Vinh Long Branch	12,500,000	-	12,500,000	-
Total	12,857,108,912	38,694,941,201	39,473,759,201	12,078,290,912

b. Long-term

	Opening balance	Increase in the year	Decrease in the year	Closing balance
Long-term loans	7,853,372,720	-	995,990,913	6,857,381,807
- Vietcombank Vinh Long Branch (*)	7,840,872,720	-	983,490,913	6,857,381,807
- Vietin Bank - Vinh Long Branch	12,500,000	-	12,500,000	-
Total	7,853,372,720	-	995,990,913	6,857,381,807
In which:				
- Long-term loan due within 1 year	995,990,912			948,290,912
Long-term loans and finance lease liabilities	6,857,381,808			5,909,090,895

(*) Loans from Vietcombank Joint Stock Bank – Vinh Long Branch relate to the following agreements:

- Loan agreement No.238/HĐTD-VLO.KH dated 04/06/2020 with a loan term of 60 from the day following the first disbursement date, line of credit is VND374,000,000 secured by assets formed from the loan. The interest rate at the signing date of the agreement was 9% per annum, fixed for 2 years and is specifically modified on each note. The purpose of the loan is to make payment for purchasing a 7 seats automobile for administrative activities.
- Loan Agreement No. 295/HĐTD-VLO.KH dated 15/06/2020, with a loan term of 144 months, starting from the day after the first disbursement date. The loan limit is VND10,000,000,000, secured by land use rights and assets attached to the land formed from the loan capital. The interest rate at the time of contract signing was 9.5% per annum, fixed for two years and adjusted every three months thereafter. The loan is intended to cover costs related to construction and formation of assets serving business operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

24. Owner's equity

a. Statements of changes in owner's equity

	Share capital	Share premium	Other owners' capital	Treasury shares	Development and 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 31/12/2023	<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	-	25,231,957	(1,054,289,925)
Decrease in the year	-	-	-	-	-	1,126,761,957
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>1,218,972,459</u>	<u>1,264,266,503</u>

b. Shares

	31/12/2024	01/01/2024
Number of shares authorized for issuance	4,137,000	4,137,000
Number of shares sold to the public	4,137,000	4,137,000
- Common shares	4,137,000	4,137,000
- Preferred shares	-	-
Number of repurchased shares (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		

c. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	3,445,318,385	1,902,649,809
Profit after Corporate income tax	(1,054,289,925)	1,589,033,293
Distribution of prior year's profit	1,126,761,957	46,364,717
- Development and investment fund	25,231,957	46,364,717
- Increase other owner's capital from profit	1,101,530,000	-
Interim distribution of current year's profit	-	-
Undistributed profit after tax	<u>1,264,266,503</u>	<u>3,445,318,385</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

25. Revenue from sales and service provision

	Year 2024	Year 2023
Sales of goods	189,014,299,322	203,774,545,237
Rendering of services	1,598,181,806	1,396,363,635
Others	85,531,193	45,510,674
Total	<u>190,698,012,321</u>	<u>205,216,419,546</u>

26. Revenue deductions

	Year 2024	Year 2023
Trade discounts	304,412,977	1,247,658,682
Total	<u>304,412,977</u>	<u>1,255,846,192</u>

27. Cost of sales

	Year 2024	Year 2023
Cost of goods sold	173,331,366,859	186,520,436,429
Cost of services rendered	327,596,353	320,816,574
Appropriation of provision for decline in value of inventories	1,105,575,751	438,554,963
Total	<u>174,764,538,963</u>	<u>187,279,807,966</u>

28. Financial income

	Year 2024	Year 2023
Interest on deposits, loans	306,251,505	644,340,806
Dividends, profits received	528,133,000	522,508,500
Payment discount	1,253,629,854	1,637,455,052
Profit from business cooperation contract	-	88,000,000
Total	<u>2,088,014,359</u>	<u>2,892,304,358</u>

29. Finance expenses

	Year 2024	Year 2023
Reversal for diminution in value of securities held for trading	(50,590,183)	(24,382,483)
Interest expenses	1,415,233,254	1,592,041,494
Overdue payment interest	335,611,532	249,182,844
Discounts for early payment	81,690,169	98,356,143
Total	<u>1,781,944,772</u>	<u>1,915,197,998</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

30. Selling and administrative expenses

a. Selling expenses

	Year 2024	Year 2023
Staff costs	5,424,489,979	4,683,434,636
Transportation expenses	661,846,985	764,412,919
Brokerage commission and externally-hired expenses	1,084,654,493	(11,723,019)
Others	1,728,360,476	2,049,847,827
Total	<u>8,899,351,933</u>	<u>7,485,972,363</u>

b. Administrative expenses

	Year 2024	Year 2023
Staff costs	3,243,886,410	3,877,887,260
Depreciation	288,554,973	438,906,429
Externally-hired services	1,404,810,626	3,648,328
Provision/(reversal) for doubtful debts	261,386,483	(54,932,530)
Others	1,721,379,928	3,040,595,153
Total	<u>6,920,018,420</u>	<u>7,306,104,640</u>

31. Other income

	Year 2024	Year 2023
Income from writing off debts	114,846,130	-
Others	123,615,561	781,656,239
Total	<u>238,461,691</u>	<u>781,656,239</u>

32. Other expenses

	Year 2024	Year 2023
Remuneration for non-executive Board of Directors members	46,800,000	48,300,000
Late payment fine, tax penalty expense	125,297,657	7,671,225
Others	201,083,508	135,096
Total	<u>373,181,165</u>	<u>56,106,321</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

33. Current corporate income tax expense

	Year 2024	Year 2023
Accounting profit before tax	357,926,712	3,722,436,092
Adjustments to arrive at taxable income	247,420,653	241,748,972
- Increasing adjustments	840,553,653	829,257,472
+ Remuneration for non-executive board of directors members	150,000,000	190,800,000
+ Non-deductible interest expenses	495,291,502	554,314,521
+ Goodwill allocated	131,873,361	131,873,361
+ Acrured expenses in 2024	65,000,000	65,000,000
+ Late payment fine, tax penalty expense	272,405,040	7,671,225
+ Tax loss from associates	(376,886,571)	(131,091,429)
+ Other non-deductible expenses	102,870,321	10,689,794
- Decreasing adjustments	593,133,000	587,508,500
+ Dividends received	528,133,000	522,508,500
+ Revert accrual excluded in 2023	65,000,000	65,000,000
Total taxable income	605,347,365	3,964,185,064
- Tax losses	(2,728,414,818)	(906,888,670)
- Taxable profit	3,333,762,183	4,901,960,644
Current corporate income tax expense	779,214,951	980,392,129
<i>Of which</i>		
- Current corporate income tax expense for the year	666,752,437	980,392,129
- Adjustment of prior year's current corporate income tax expense recorded in the current year	112,462,514	-

34. Basic, diluted earnings per share

	Year 2024	Year 2023
Profit after tax	(1,054,289,925)	1,589,033,293
Incremental or decremental adjustments to profit after tax	-	-
Profit or loss attributable to common shareholders	(1,054,289,925)	1,589,033,293
Weighted average number of common shares for the year	4,043,000	4,043,000
Basic/diluted earnings per share	(261)	393

35. Productions and business costs by elements

	Year 2024	Year 2023
Materials expenses	314,082,997	421,671,463
Labor costs	8,668,376,389	8,561,321,896
Depreciation expenses	1,032,292,557	1,020,198,935
Externally-hired expenses	2,926,030,547	2,459,694,113
Others	2,812,924,373	2,593,070,359
Total	15,753,706,863	15,055,956,766

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

36. Segment reporting

According to Vietnamese Accounting Standard No. 28 and the relevant guidelines, the Company is required to have segment reporting. Accordingly, a business segment is a distinguishable component of the Company that is engaged in providing related products or service (business segment) or providing goods or services in a specific economic environment (segment by geographical area) and that is subject to risks and returns that are different from those of other business segment. The Chairman of the Board of Directors assesses that the Company operates in a primary business segment of book and educational equipment trading, with its principal geographical segment being Vietnam.

37. Risk management

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

Financial risk management

Financial risks include market risk (including interest rate risk, price risk), credit risk, and liquidity risk.

Market risk management: The Company's activities expose it primarily to the financial risks of changes in interest rates and prices.

Interest rate risk

The Company's interest rate risk arises from its bank loans. To mitigate this risk, the Company evaluates the impact of borrowing costs on its business performance over different periods and conducts analysis and forecasting to determine optimal repayment timing. The Management assesses that the Company's exposure to unexpected interest rate fluctuation risks is low.

Price risk management

The Company purchases goods and raw materials from domestic suppliers to support its business operations, which exposes it to price fluctuation risks. However, since its suppliers are member companies of the Publishing House and given the nature of the education sector, purchase prices remain stable with minimal fluctuations. In the solar power sector, materials expenses account for a small proportion of the Company's operations. Considering these factors and its price management policies, the Management assesses that the Company's exposure to unexpected price fluctuation risks is low.

Credit risk management

The Company's customers include companies within the Viet Nam Education Publishing House system, distributors, Departments of Education, schools, and certain companies outside the Viet Nam Education Publishing House system:

- For customers within the Viet Nam Education Publishing House system: These are long-standing customers with a history of timely payments. Therefore, the Chairman of the Board of Directors assesses that the Company is not exposed to significant credit risk from these customers.
- For distributors, Departments of Education, schools, and companies outside the Viet Nam Education Publishing House system: The Company has strict contractual payment terms, including a predefined maximum credit limit for customers. The Chairman of the Board of Directors assesses that such a well-defined credit policy effectively mitigates significant credit risk associated with these customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Liquidity risk management

To ensure the availability of funds to meet present and future financial obligations, the Company manages liquidity risk by regularly monitoring and maintaining sufficient cash reserves, optimizing idle cash flows, making use of credit from customers and counterparties, and controlling maturing liabilities in relative to maturing assets and the amount of funds that can be generated within that period.

The Company's aggregate financial liabilities are categorized in line with their maturity as follows:

Currency: VND

31/12/2024	Within a year	Over a year	Total
Trade payables	8,081,324,840	-	8,081,324,840
Accrued expenses	360,879,548	-	360,879,548
Loans and finance liabilities	12,078,290,912	5,909,090,895	17,987,381,807
Other payables	433,793,604	45,000,000	478,793,604
Total	20,954,288,904	5,954,090,895	26,908,379,799
01/01/2024	Within a year	Over a year	Total
Trade payables	4,647,173,149	-	4,647,173,149
Accrued expenses	593,739,738	-	593,739,738
Loans and finance liabilities	12,857,108,912	6,857,381,808	19,714,490,720
Other payables	549,599,047	42,000,000	591,599,047
Total	18,647,620,846	6,899,381,808	25,547,002,654

The chairman assesses that the Company has exposure to liquidity risk but believes it can generate sufficient resources to meet its financial obligations as they fall due.

The Company's available financial assets are drawn up on a net asset basis as follows:

31/12/2024	Within a year	Over a year	Total
Cash and cash equivalent	1,969,710,679	-	1,969,710,679
Trade receivables	4,987,940,758	-	4,987,940,758
Loans receivables	1,600,000,000	-	1,600,000,000
Financial investments	1,213,195,916	-	1,213,195,916
Other receivables	191,256,765	-	191,256,765
Total	9,962,104,118	-	9,962,104,118
01/01/2024	Within a year	Over a year	Total
Cash and cash equivalent	2,905,231,687	-	2,905,231,687
Trade receivables	6,167,037,960	-	6,167,037,960
Loans receivables	2,450,000,000	-	2,450,000,000
Financial investments	1,162,605,733	-	1,162,605,733
Other receivables	125,305,044	-	125,305,044
Total	12,810,180,424	-	12,810,180,424

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

38. Related parties information

a. Related parties

Related parties	Relationship
Vietnam Education Publishing House Limited Company (hereinafter referred to "Education Publishing House")	Investing Company
Vietnam Education Publishing House Ho Chi Minh City Branch	Dependent unit of the investing company
Phuong Nam Education Investment and Development JSC	Having the same investing company
South book and Educational Equipment JSC	Having the same investing company
Educational Book JSC in Ha Noi City	Having the same key management personnel
CMC Investment JSC	Having the same key management personnel
Vietnam EBS Solar Energy JSC	Associate
Le Thanh Educational Investment JSC	Associate of Vinh Long Book and Equipment JSC
Ms Le Thi Tuyet Nhung	Chairman's wife

b. Significant transactions with related parties

	Year 2024	Year 2023
Phuong Nam Education Investment and Development JSC		
- Purchase of goods	48,173,094,157	54,057,467,630
South book and Educational Equipment JSC		
- Purchase of goods	74,478,501,864	76,084,052,131
Educational Book JSC in Ha Noi City		
- Purchase of goods	240,316,960	164,862,500
CMC Investment JSC		
- Interest income	93,252,876	288,143,835
- Lending	400,000,000	1,350,000,000
- Loan repayment collection	2,850,000,000	2,900,000,000
CMC Investment JSC		
- Dividends received	500,000,000	500,000,000
Ms Le Thi Tuyet Nhung		
- Lending	1,600,000,000	-
- Interest income	7,210,959	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

c. Remuneration, salary and bonus of key management personnel

	Title	Content	Year 2024	Year 2023
Mr Ngo Trong Vinh	Chairman	Remuneration	66,000,000	66,000,000
	Deputy general director	Salary, bonus	264,989,000	380,976,700

The Resolution of the 2024 Annual General Meeting of Shareholders dated 28/03/2024 approved the remuneration plan for the Board of Directors and the Supervisory Board for 2024 at 7% of profit after tax, but not less than VND 200 million. However, due to the Company's business performance in 2024, the Board of Directors issued Resolution No. 02/NQ-HĐQT dated 17/03/2025, deciding not to allocate or pay remuneration to the Board of Directors and the Supervisory Board. This decision will be submitted for approval at the upcoming General Meeting of Shareholders.

39. Events after the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.

40. Corresponding figures

Corresponding figures were taken from the consolidated financial statements for the year ended 31/12/2023, which were audited by AAC.



Ngo Trong Vinh
Chairman
Ho Chi Minh City, 25 March 2025



Dao Thi Thanh Ban
Chief Accountant



Dao Thi Thanh Ban
Preparer