

CONSOLIDATED FINANCIAL STATEMENTS

Quarter IV/2024

**SAO THANG LONG INVESTMENT JOINT STOCK
COMPANY**

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CONSOLIDATED BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS	Code	Notes	31/12/2024	01/01/2024
A. CURRENT ASSETS	100		35.352.647.805	56.427.409.537
I. Cash and cash equivalents	110	V.1	1.686.599.228	971.434.937
1. Cash	111		1.686.599.228	971.434.937
II. Short-term financial investments	120	V.2	1.732.166.040	1.528.381.800
1. Trading securities	121		5.011.980.754	5.011.980.754
2. Provision for devaluation of trading securities	122		(3.279.814.714)	(3.483.598.954)
III. Short-term receivables	130		31.818.112.854	49.359.783.139
1. Short-term trade receivables	131	V.3	306.457.800	6.133.473.809
2. Short-term prepayments to suppliers	132	V.4	81.000.000	43.324.175.227
3. Receivables for short-term loans	135	V.5	31.000.000.000	-
4. Other short-term receivables	136	V.6	430.655.054	105.339.735
5. Provision for short-term doubtful receivables	137		-	(203.205.632)
IV. Inventories	140		-	4.392.993.588
1. Inventories	141		-	4.392.993.588
V. Other current assets	150		115.769.683	174.816.073
1. Short-term prepaid expenses	151	V.7	2.568.182	11.357.500
2. Deductible value added tax	152		113.201.501	122.317.763
3. Taxes and other receivables from the State	153	V.10b	-	41.140.810
ASSETS	Code	Notes	31/12/2024	01/01/2024
B. LONG-TERM ASSETS	200		365.573.730.092	366.045.637.702
I. Fixed assets	220		-	3.706.473.539
1. Tangible fixed assets	221		-	3.706.473.539
- Cost	222		-	4.329.998.958
- Accumulated depreciation	223		-	(623.525.419)
II. Long-term financial investments	250	V.2	365.552.712.051	362.317.738.235
1. Investments in joint ventures, associates	252		309.552.712.051	306.317.738.235
2. Equity investment in other entities	253		56.000.000.000	56.000.000.000
III. Other long-term assets	260		21.018.041	21.425.928
1. Long-term prepaid expenses	261	V.7	21.018.041	21.425.928
TOTAL ASSETS	270		400.926.377.897	422.473.047.239

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

Unit: VND

RESOURCES	Code	Notes	31/12/2024	01/01/2024
C. LIABILITIES	300		1.583.498.457	25.334.538.754
I. Current liabilities	310		1.568.214.639	25.319.254.936
1. Short-term trade payables	311	V.8	221.661.270	5.841.706.859
2. Short-term advances from customers	312	V.9	-	6.612.981
3. Taxes and payables to the State	313	V.10a	701.657.220	6.059.337.222
4. Payables to employees	314		314.730.711	128.351.997
5. Short-term accrued expenses	315	V.1	-	214.476.164
6. Other short-term payables	319	V.12	330.165.438	298.730.023
7. Short-term borrowings and finance lease liabilities	320	V.13	-	12.600.000.000
8. Provision for short-term liabilities	321		-	170.039.690
II. Long-term liabilities	330		15.283.818	15.283.818
1. Deferred income tax liabilities	341		15.283.818	15.283.818
RESOURCES	Code	Notes	31/12/2024	01/01/2024
D. OWNER'S EQUITY	400		399.342.879.440	397.138.508.485
I. Owner's equity	410	V.14	399.342.879.440	397.138.508.485
1. Owner's contributed capital	411		323.000.000.000	323.000.000.000
- Common shares with voting rights	411a		323.000.000.000	323.000.000.000
2. Share premium	412		113.603.333	113.603.333
3. Treasury shares	415		(437.449.533)	(437.449.533)
4. Investment and Development Fund	418		291.971.737	291.971.737
5. Retained earnings	421		76.374.753.903	74.160.319.229
- Retained earnings accumulated to the end of the previous period	421a		74.160.319.229	72.616.514.491
- Retained earnings of the current period	421b		2.214.434.674	1.543.804.738
6. Non-controlling interest	429		-	10.063.719
II. Other funds	430		-	-
TOTAL RESOURCES	440		400.926.377.897	422.473.047.239

Nam Dinh, 20 January 2025

PREPARER



Nguyen Thi Phuong

CHIEF ACCOUNTANT



Tran Quoc Thuan

CHAIRMAN OF THE BOARD OF DIRECTORS



Nguyen Duc Hieu

SAO THANG LONG INVESTMENT JOINT STOCK COMPANY
CONSOLIDATED INCOME STATEMENT

Quarter IV/2024

Form B 02 - DN/HN

Unit: VND

ITEMS	Code	Notes	Quarter 4/2024	Quarter 4/2023	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
1. Revenue from goods sold and services rendered	01	VI.1	31.164.252.947	36.204.891.000	53.034.478.392	53.678.207.947
2. Net revenue from goods sold and services rendered	10	VI.2	31.164.252.947	36.204.891.000	53.034.478.392	53.678.207.947
3. Cost of goods sold	11	VI.3	30.584.244.687	35.102.734.411	51.742.204.156	51.097.938.294
4. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		580.008.260	1.102.156.589	1.292.274.236	2.580.269.653
5. Financial income	21	VI.4	1.845.537.422	10.658.127.953	3.351.953.826	22.850.572.706
6. Financial expenses	22	VI.5	(127.704.853)	623.053.766	317.082.955	16.527.421.317
<i>In which: Interest expense</i>	23		-	181.024.753	505.691.507	214.476.164
7. Gain or loss in joint ventures, associates	24		(855.704.103)	-	(1.021.394.374)	145.668.068
8. Selling expenses	25	VI.6a	171.004.820	263.171.510	495.976.473	534.764.730
9. General & administration expenses	26	VI.6b	2.941.060.392	1.643.887.628	5.288.589.090	5.982.414.236
10. Net profit from operating activities (30 = 20 + (21 - 22) + 24 - (25 + 26))	30		(1.414.518.780)	9.230.171.638	(2.478.814.830)	2.531.910.144
11. Other income	31	VI.7	1.782.411.318	1.500.000	6.648.037.181	40.972.728
12. Other expenses	32	VI.8	353.229.268	337.709.835	1.247.271.827	419.217.517
13. Other profit (40 = 31 - 32)	40		1.429.182.050	(336.209.835)	5.400.765.354	(378.244.789)
14. Total accounting profit before tax (50 = 30 + 40)	50		14.663.270	8.893.961.803	2.921.950.524	2.153.665.355
15. Current Corporate income tax expense	51	VI.10	54.111.831	579.746.332	707.515.849	508.579.916
16. Deferred Corporate income tax expense	52		-	-	-	101.120.210
17. Profit after Corporate income tax (60 = 50 - 51 - 52)	60		(39.448.561)	8.314.215.471	2.214.434.675	1.543.965.229
Shareholders of the Parent Company	61		(39.635.376)	8.313.688.767	2.214.225.249	1.543.804.738
Non-controlling shareholders	62		186.815	526.704	209.425	160.491
18. Basic earnings per share	70	VI.11	(1)	258	69	48

PREPARER



Nguyen Thi Phuong

CHIEF ACCOUNTANT



Tran Quoc Thuan

CHAIRMAN OF THE BOARD OF DIRECTORS

Nam Dinh, 20 January 2025



Nguyen Duc Hieu

CONSOLIDATED CASH FLOW STATEMENT*(Under indirect method)**For the period from 01/01/2024 to 31/12/2024**Unit: VND*

ITEMS	Code	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
I. CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	01	3.112.188.759	2.153.665.355
2. Adjustments for:			
- Depreciation of fixed assets and investment properties	02	-	150.185.049
- Provisions	03	424.578.592	(261.987.091)
- Gains/losses from investing activities	05	(700.492.709)	(21.871.349.327)
- Interest expense	06	505.691.507	214.476.164
3. Profit from operating activities before changes in working capital	08	3.341.966.149	(19.615.009.850)
- Increase (-)/ decrease (+) in receivables	09	42.785.134.730	(43.853.629.875)
- Increase (-)/ decrease (+) in inventories	10	-	1.738.950.494
- Increase (+)/ decrease (-) in payables (Other than payables, corporate income tax payable)	11	434.003.240	39.206.359.403
- Increase (-)/ decrease (+) in prepaid expenses	12	9.197.205	21.317.616
- Interest expense paid	14	(720.167.671)	
- Corporate income tax paid	15	(6.056.781.555)	(6.672.278.065)
Net cash flow from operating activities	20	39.793.352.098	(29.174.290.278)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Loans granted, purchases of debt instruments of other entities	23	(34.800.000.000)	(398.535.390.000)
2. Collection of loans, proceeds from sales of debt instruments of other entities	24	3.800.000.000	388.417.300.000
3. Payments for investments in other entities	25	-	(4.165.000.000)
4. Proceeds from divestment in other entities	26	4.300.000.000	8.100.000.000
5. Interest, dividends and profits received	27	700.492.709	21.871.349.327
Net cash flow from investing activities	30	(25.999.507.291)	15.688.259.327
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	-	23.165.000.000
2. Repayment of principal	34	(12.600.000.000)	(10.565.000.000)
Net cash flow from financing activities	40	(12.600.000.000)	12.600.000.000
Net cash flow during the period (50 = 20+ 30 + 40)	50	1.193.844.807	(886.030.951)
Cash and cash equivalents at the beginning of the period	60	492.754.421	1.857.465.888
Effects of foreign exchange rate fluctuations	61	-	-
Cash and cash equivalents at the end of the period (70 = 50+60+61)	70	1.686.599.228	971.434.937

Nam Dinh, 20 January 2025

PREPARER

CHIEF ACCOUNTANT

CHAIRMAN OF THE BOARD OF
DIRECTORS


Nguyen Thi Phuong



Tran Quoc Thuan



Nguyen Duc Hieu

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

I. BUSINESS HIGHLIGHTS**1. Establishment:**

Sao Thang Long Investment Joint Stock Company was established from the equitization of Nam Dinh Educational Book and Equipment Company, a subsidiary of Vietnam Education Publishing House according to Decision No. 8588/QD-BGD&DT-TCCB dated 29 December 2004 by the Minister of Education and Training and renamed from Nam Dinh Educational Book and Equipment Company under Decision No. 24/2017/QD- HDQT dated 28 December 2017. The Company operates under the first Business Registration Certificate No. 0600004422 dated 05 January 2005 issued by the Department of Planning and Investment of Nam Dinh Province, the 13th amended certificate on 26 September 2024.

Form of ownership

Joint Stock Company

2. Business sector

The company engaged in production and trade

3. Business lines

- Wholesale of other household goods: Wholesale of textbooks, other books, and stationery; Wholesale of educational equipment, teaching aids, maps, CDs and other educational publications;
- Retail sale of books, newspapers, magazines and stationery in specialized stores;
- Publishing books;
- Publishing of newspapers, magazines and periodicals;
- Wholesale of beverages.

4. Head office: 13 Minh Khai Street, Tran Hung Dao Ward, Nam Dinh City, Nam Dinh Province, Vietnam**5. Normal operating cycle**

Normal operating cycle of the Company lasts 12 months of the normal financial year beginning on 01 January and ending on 31 December annually.

6. Enterprise structure**6.1 Affiliated units without legal status and dependent accounting**

Name	Address	Main activities
Branch of Sao Thang Long Investment Joint Stock Company in Hanoi	No. 19, Lane 158, Nguyen Van Cu Street, Bo De Ward, Long Bien District, Hanoi	Kindergarten education

6.2 Subsidiaries, associates

- Number of subsidiaries to be consolidated as at 26 December 2024: 01 subsidiary. Due to a capital transfer on 27 December 2024, Sao Thang Long Investment Company (DST) no longer had any subsidiaries on 31 December 2024.

- Number of subsidiaries not to be consolidated: none.

As at 31 December 2024, the Company had 02 (two) directly owned associates as follows:

Company's name	Address	Main activities	Benefit ratio
1. Nam Dinh Educational Book and Equipment Joint Stock Company	13 Minh Khai Street, Tran Hung Dao Ward, Nam Dinh City, Nam Dinh Province	Trading education books and Equipment	48.31%
2. Cho Mo Joint Stock Company	No. 12, Alley 69, Ai Mo Street, Bo De Ward, Long Bien District, Hanoi, Vietnam.	Construction, installation, real estate business, freight transportation	49,00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

7. The total number of employees to 31 December 2024: 12 persons.

8. Disclosure of the comparability of information in the consolidated Financial Statements:

The selection of figures and information needs to be presented in the consolidated financial statements based on the principles of comparability among corresponding accounting periods.

II. FINANCIAL YEAR AND REPORTING CURRENCY

1. Financial year

The Company's financial year begins on 01 January and ends on 31 December annually.

2. Reporting currency

Vietnamese Dong (VND) is used as a currency unit for accounting records.

III. APPLICABLE ACCOUNTING STANDARDS AND REGIMES

1. Applicable accounting regime

The Company applies the Vietnamese Corporate Accounting System as guided in Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC of the Ministry of Finance. These consolidated financial statements are prepared in accordance with the provisions of Circular 202/2014/TT-BTC ("Circular 202") issued by the Vietnam Ministry of Finance on 22 December 2014 guiding the method for preparation and presentation of the consolidated financial statements.

2. Disclosure of compliance with Vietnamese Accounting Standards and system

We conducted our accounting, preparation, and presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards and System and other relevant statutory regulations. The consolidated financial statements give a true and fair view of the consolidated financial position of the Company and the consolidated results of its operations as well as its consolidated cash flows.

The selection of figures and information presented in the notes to the consolidated Financial Statements complies with the material principles in Vietnamese Accounting Standard No. 21 - "Presentation of the financial statements".

IV. APPLICABLE ACCOUNTING POLICIES

1. Changes in accounting policies and disclosures

The accounting policies that the Company uses for preparing the consolidated financial statements for the current year are consistent with those used to prepare consolidated financial statements for the financial year ended 31 December 2023.

2. Basis for consolidating the financial statements

The consolidated financial statements include the financial statements of Sao Thang Long Investment Joint Stock Company and its subsidiaries ("the Company") for the period ended 31 December 2024.

From the date of acquisition, the subsidiary accounts are fully consolidated as soon as the "Company" acquires control, and cease on the date the "Company" actually loses control of the subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

2. Basis for consolidating the financial statements (continued)

The financial statements of the subsidiaries are prepared for the same accounting period as Sao Thang Long Investment Joint Stock Company using accounting policies consistent with those of Sao Thang Long Investment Joint Stock Company. Adjusting entries have been made for any accounting policies that differ to ensure consistency between the subsidiaries and Sao Thang Long Investment Joint Stock Company.

All balances between the units within the company, revenues, income, and expenses arising from such internal transactions, and even the unrealized profits arising from those transactions added to the asset value should be completely excluded.

Unrealized losses resulting from the internal transactions that are reflected in the value of the asset are excluded unless the costs caused by such losses cannot be recovered.

3. Principles for recording cash and cash equivalents

Cash includes cash on hand, demand deposits.

Cash equivalents comprise term deposits, short-term investments with an original maturity of three months or less since investment date, high liquidity and are able to convert to a known amount of cash and subject to an insignificant risk of changes in value.

4. Principles for accounting financial investments**Principles for accounting trading securities**

Trading securities include stocks and bonds listed on the stock market; securities and other financial instruments held for trading purposes (including securities with a maturity of more than 12 months purchased and sold for profit).

Principles for accounting held-to-maturity investments

Held-to-maturity investments include term bank deposits to earn periodic interest.

Principles for accounting investments in joint ventures and associates

The investment in joint ventures is recorded when the Company holds joint control over these companies' financial and operating policies. When the Company ceases to control these companies, the investments in joint ventures will be written down.

The investments in associates are recognized when the Company holds from 20% to less than 50% of the voting rights of those companies and has considerable influence over their decisions on financial and operating policies.

Investments in joint ventures and associates are initially recorded at cost, then the carrying amount of the investment is adjusted to increase or decrease to reflect the investor's proportionate share of the investee's profit or loss after the date of investment. The investor's share of the investee's performance is recognized in the investor's Income Statement. Distributions received from the investee shall be deducted from the carrying amount of the investment. The carrying amount of the investment must also be adjusted when the investor's interest changes due to income recognized directly in the investee's owner's equity, such as revaluation of fixed assets and foreign exchange differences arising from the translation of financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

4. Principles for accounting financial investments (continued)**Principles for recording equity investments in other entities**

Equity investments in other entities are the investments in other entities' equity instruments but the Company has no control or joint control and has insignificant influence over the investee.

The investments are stated at the historical cost including the purchase price and costs directly attributable to the investment. In case of the investments in non-monetary assets, the investment fee should be recorded at the fair value of the non-monetary assets at the date of occurrence.

Regarding the investments the Company holds for a long time (not trading securities) and has insignificant influences over the investees, provision for the loss will be made as follows:

+ If an investment in listed shares or the fair value of the investment is determined reliably, the provision shall be made according to the market values of the shares.

+ If it is impossible to determine the investments' fair value at the reporting date, the provision will be made based on the loss that the investee suffers. The basis for making provision for loss of investments is the consolidated financial statements of the investee (if it is a parent company), and the investee's financial statements (if it is an independent enterprise without a subsidiary).

5. Principle for recording trade receivables and other receivables

Principle for recording receivables: At cost less provision for doubtful receivables.

The classification of the receivables as trade receivables, internal receivables and other receivables depends on the nature of the transaction or relationship between the company and the debtor.

Method of making provision for doubtful receivables: Provision for doubtful debts is estimated for the loss value of the receivables, other held-to-maturity investments similar to doubtful debts that are overdue and undue, but are likely to become possibly irrecoverable due to insolvency of debtors who go bankruptcy, making procedures for dissolution, go missing or run away, etc.

6. Principle of recording inventories

Principle of recording inventories: Inventories are stated at cost less the provision for the devaluation and provision for obsolete or deteriorated inventories.

Original costs are determined as follows:

- Raw materials and merchandise consists of purchase cost, transportation cost, and other costs incurred in bringing the inventories to their present location and condition.

- Finished goods: include costs of materials, direct labor and manufacturing overheads, which are allocated based on main raw materials costs.

- Work-in-progress: comprise the costs of main raw materials, direct labor, and overheads arising during production. The value of unfinished products at the end of the period is classified by product type or not recorded as revenue, corresponding to the volume of unfinished work or products at the end of the period.

Method of calculating inventories' value: Weighted average cost method

Method of accounting for the inventories: Perpetual method.

Method of making provision for the devaluation of inventories: Provision for the devaluation of inventories is made when the net realizable value of inventories is lower than their original cost. Net realizable value is the estimated selling price less the estimated costs of completion and selling expenses. Provision for the devaluation of inventories is the difference between the cost of inventories greater than their net realizable value. Provision for the devaluation of inventories is made for each inventory with the cost greater than the net realizable value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

7. Principle for recording and depreciating fixed assets**7.1 Principle of recording tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. The original cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition for its intended use. The expenditures incurred beyond their originally assessed standard of performance are capitalized as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the period.

When the assets are sold or disposed of, their original costs and the accumulated depreciation which have been written off and any gain or loss on disposal of assets are recorded as income or expenses in the period.

Determination of original cost in each case

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the purchase cost (less (-) trade discounts or reduction), plus taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into ready use such as fees for installation and trial operation, specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalization price of the construction project, other relevant fees plus registration fee (if any).

Fixed assets which are buildings, structures attached to land use right, the value of land use right is computed separately and recorded as intangible fixed assets.

7.2 Principles for recording intangible fixed assets:

Intangible fixed assets are stated at cost less accumulated amortization. The original cost of an intangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use.

Land use rights

The original cost of intangible fixed assets, being land use rights, comprises the amount paid when acquiring legitimate land use rights from others, compensation costs, land clearance costs, ground leveling costs, registration fees, etc. (Or the value of land use rights contributed as capital to joint ventures).

Computer software

Computer software comprises all costs incurred by the Company to bring the software into operation, and is depreciated on a straight-line basis over its estimated useful life.

7.3 Principles for recording finance lease fixed assets

Principles for recording finance lease fixed assets: Finance lease fixed asset is stated at cost less (-) accumulated depreciation. The original cost of a financial lease fixed assets is the lower of the reasonable value of the leased asset at the start date of the lease contract and the current value of minimum rent payment plus the initial expenses arising in direct relation to the financial lease activity. All other leases that are not finance leases are operating leases.

7.4 Method of depreciating fixed assets

Fixed assets are depreciated on straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

*Estimated useful lives of the fixed assets are as follows:**Buildings and structures*

41-41 years

Means of transportation

06-06 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

8. Principles for recording construction in progress

Construction in progress is recognized at cost. This cost includes all necessary expenditures to acquire new fixed assets, build or repair, renovate, expand or upgrade existing facilities, such as: Construction costs; equipment costs; compensation, support and resettlement costs; project management costs; investment consulting costs; and other related costs.

This cost is carried forward to an increase in assets when the project is completed, the overall acceptance is finished and the assets are handed over and put into a ready-to-use state.

9. Principles for recording prepaid expenses

Prepaid expenses are all expenses that incurred but relate to the operating results of several accounting periods.

Method of allocating prepaid expenses: The determining and allocating prepaid expenses into the operating cost of each period is on a straight-line basis. Based on the nature and level of each expense, the allocation term is defined as follows: short-term prepaid expenses should be allocated within 12 months; long-term prepaid expenses should be allocated from 12 to 36 months.

10. Principles for recording liabilities

Liabilities are recorded at the original cost and not lower than the payment obligation.

The Company classifies liabilities into trade payables, internal payables and other payables depending on the nature of transactions and the relationship between the Company and debtors.

Liabilities must be recorded in detail according to the payment schedule, creditor, original currency (including the revaluation of liabilities that meet the definition of monetary items denominated in foreign currencies) and other factors as per the Company's management.

At the reporting date, if it is evident that there is an unavoidable loss, an amount payable will be immediately recorded under prudent rules.

11. Principles for recording borrowings and finance lease liabilities

Borrowings are total amounts the Company owes to banks, organizations, financial companies and other parties (excluding borrowings in the form of bond issuances or preferred stock issuances which require the issuer to repurchase at a certain time in the future).

Finance lease liabilities are recorded as total payable amount calculated by present value of minimum lease payment amounts or fair value of leased assets.

Borrowings and financial lease liabilities are monitored in detail according to creditor, agreement and borrowed asset.

12. Principles for recording accrued expenses

Accrued expenses are amounts that have to be paid for goods, services that the Company has received from the suppliers in the period but has not yet been paid out due to lack of invoices, accounting documents and accrued interest payables are recorded as operating cost in the reported period.

13. Principles for recording provisions for payables:

Provisions for payables are only recognized when the following conditions are met: the Company has a present obligation (legal or constructive) as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; And value of the obligation can be estimated reliably.

The amount recognized as a provision for payables should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Provision for payables of the Company includes provision for construction warranty.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

14. Principles for recording owner's equity**Principles for recording owner's contributed capital**

The owner's capital is the amount contributed by members and supplemented from post-tax profit from operating activities. The owner's equity will be recorded at the contributed capital by cash or assets in the early establishment period or additional mobilization to expand the operation.

The owners' capital is the amount initially contributed by members and supplemented by shareholders. Owner's capital is recorded at the contributed capital by cash or assets calculated at the par value of shares issued in the early establishment period or additional mobilization to expand the operation.

Principles for recording undistributed profit:

Undistributed profit after tax is recorded at the profit (loss) from the Company's result of operation after deducting the current corporate income tax expense and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous years.

The distribution of profits is based on the Company's charter and approved by the Annual General Meeting of Shareholders.

15. Principles and methods for recording revenues and other income**Principles and methods for recording revenue from goods sold**

Revenue from goods sold should be recognized when all five (5) following conditions have been satisfied: 1. The enterprise has transferred to the buyer the significant risks and rewards of ownership of the goods; 2. The enterprise retains neither continuing managerial involvement as an owner nor effective control over the goods sold; 3. The amount of revenue can be measured reliably; When the contract specifies that buyers are entitled to return products, goods they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have the right to return products, goods (except for changing to other goods, services); 4. The economic benefits associated with the transaction have flown or will flow to the enterprise; 5. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Principles and methods for recording revenue from services rendered

Revenue from a service rendered is recognized when the transaction results can be measured reliably. In a case where the services are rendered in several periods, the revenue will be recorded by the part of the completed works at the end of the period. Revenue from services rendered is recognized when all four (4) of the following conditions are satisfied simultaneously: 1. The revenue is determined firmly. When the contract specifies that buyers are entitled to return the service they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have the right to return the service; 2. The economic benefits associated with the transaction have flown or will flow from the supply of the provided service; 3. Part of completed works can be determined at the balance sheet date; 4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

If the contract result cannot be determined reliably, revenue will only be recognized at the recoverable extent of the recognized costs.

Principles and methods for recording financial income

Financial income reflects income from interest on deposits, which is recognized based on time and actual interest rates in each period.

Income arising from interests, royalties, distributed dividends and profit shall be recognized if they simultaneously satisfy the two (2) conditions below 1. It is possible to obtain economic benefits from that transactions; 2. Income is determined with relative certainty.

- Interest income is recognized based on time and actual interest rates in each period.

When an amount that has been recorded as an income becomes irrecoverable, such irrecoverable or uncertainly recoverable amount must be recorded as an expense incurred in the period, but not recorded as an income decrease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

16. Principles and methods of recording the cost of goods sold

Cost of goods sold is the cost of products, goods, and services, investment properties, production cost of construction products (for construction enterprises) sold in the period; expenses related to trading the investment properties; and other expenses recorded in the cost of goods sold or recorded as a decrease in the cost of goods sold in the reporting period. The cost of goods sold is recorded at the date the transaction incurs or is likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on matching principles. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent principle.

17. Principles and methods for recording financial expenses

Financial expenses include expenses or losses related to the financial investments, lending and borrowing cost, and other financial expenses.

Financial expenses are recorded in detail by their content of actual expenses incurred in the period and determined reliably when there is reliable evidence of these expenses.

18. Principles for accounting General and administrative expenses

General and Administrative expenses are general overhead costs including salary expenses of management staff (salary, wages, subsidies, etc.); social insurance, health insurance, union fee, unemployment insurance for management staff; expenses for office materials, labor instruments, fixed asset depreciation used for business management, land rental fee, license tax, provision for doubtful debts, external services (electricity, water, telephone,...); Other costs in cash (guests reception, customer workshop, etc.).

19. Principles and methods for recording current and deferred Corporate income tax expense

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set a basis for determining operating results after tax in the current fiscal year.

Current Corporate tax expense is the tax payable on the taxable income and tax rate enacted in the current year.

Deferred income tax liabilities are the amounts of income tax payable in the future periods arising from the recording of the deferred income tax payable in the year and reversing the deferred income tax being recorded from prior years. The Company does not record in this account the deferred income tax assets or deferred income tax liabilities arising from the transactions being recorded directly in the owner's equity.

Deferred income tax represents the decrease in deferred income tax expense resulting from the recognition of deferred income tax assets during the year and the reversal of deferred income tax liabilities recognized in previous years.

The Company offsets deferred income tax assets and deferred income tax payables only when the Company has a legally enforceable right to offset current tax assets against current tax payables and deferred income tax assets and deferred income tax payables related to corporate income tax administered by the same tax authority for the same taxable entity; or the enterprise intends to settle current income tax payables and current income tax assets on a net basis.

The tax payables to the State budget will be finalized with the tax office. The difference between the tax payables specified in the book and the tax amounts under finalization will be adjusted when the tax finalization has been issued by the tax office.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the period ended 31 December 2024**Unit: VND***20. Principles for recording earnings per share**

Basic earnings per share (EPS) is calculated by distributing profit or loss to the common shareholders after subtracting the Bonus and Welfare Fund created in the period and dividing by the weighted average number of common shares outstanding during the period.

Diluted EPS is calculated by dividing profit or loss after tax to common shareholders (after adjusting dividends of preferred convertible shares) by the weighted average number of the common shares circulating in the period and the weighted-average number of the common shares will be issued in the case where all dilutive potential common are converted into common shares.

21. Financial instruments**Initial recognition:****Financial assets**

According to Circular No. 210/2009/TT-BTC dated November 06, 2009 (Circular No. 210) by the Ministry of Finance; financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial assets which are stated at fair value through the Income Statement, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company decides to classify these assets at the date of initial recognition.

At the date of initial recognition, the financial assets are recognized at cost plus transaction cost that is directly attributable to the acquisition of the financial assets.

Financial assets of the Company comprise cash, short-term deposits, trade receivables and other receivables, loans, listed and unlisted financial instruments and derivative financial instruments.

Financial liabilities

According to Circular 210/2009/TT-BTC dated November 06, 2009, financial liabilities are classified properly, for the purpose of presentation in the financial statements, into the financial liabilities which are stated through the Income Statement, financial liabilities determined on an allocated cost basis. The Company decides to classify these liabilities at the date of initial recognition.

At the date of initial recognition, all the financial liabilities are recognized at cost plus transaction cost that is directly attributable to the acquisition of the financial liabilities.

Financial liabilities of the Company comprise trade payables, other payables, borrowings and liabilities and derivative financial instruments.

Value after initial recognition

Currently, there are no requirements for the re-measurement of the financial instruments after initial recognition.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the report on financial position if, and only if, there is a currently enforceable legal right to offset the financial assets against financial liabilities or vice-versal and there is an intention to settle on a net basis or to realize the assets and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

22. Related parties

Related parties include enterprises and individuals that directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the company, key management personnel, including the Board of Directors, Board of Management, and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

23. Other accounting principles and methods

Value added tax: The Company registered to pay tax on a deductible basis.

Other types of taxes and fees are implemented under regulations on current taxes, and fees by the State.

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED BALANCE SHEET**1. Cash and cash equivalents**

	<u>31/12/2024</u>	<u>01/01/2024</u>
Cash	1.686.599.228	971.434.937
Cash on hand	32.511.250	658.286.030
Demand deposits	1.654.087.978	313.148.907
Total	<u>1.686.599.228</u>	<u>971.434.937</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

2. Financial investments

	31/12/2024			01/01/2024		
	Cost	Fair value	Provision	Cost	Fair value	Provision
Total stock value	5.011.980.754	1.732.166.040	(3.279.814.714)	5.011.980.754	1.528.381.800	(3.483.598.954)
Petrolvietnam Oil Nam Dinh Joint Stock Company (1)	5.011.980.754	1.732.166.040	(3.279.814.714)	5.011.980.754	1.528.381.800	(3.483.598.954)
Total	5.011.980.754	1.732.166.040	(3.279.814.714)	5.011.980.754	1.528.381.800	(3.483.598.954)

(1) The fair value of the investment in PND shares is determined based on the average reference price in the last 30 consecutive trading days on the UPCOM: VND 7,337/share.

b. Investments in associates

	31/12/2024			01/01/2024		
	Fair value	Cost	Value using Owner's Equity method	Cost	Value using Owner's Equity method	Cost
Nam Dinh Educational Book and Equipment Joint Stock Company	(*)	4.028.498.833	4.225.209.338	-	-	-
Cho Mo Joint Stock Company	(*)	306.127.500.000	305.327.502.713	306.127.500.000	306.317.738.235	306.127.500.000
Total	310.155.998.833	309.552.712.051	309.552.712.051	306.127.500.000	306.317.738.235	306.127.500.000

c. Investments in other entities

	31/12/2024			01/01/2024		
	Cost	Provision	Fair value	Cost	Provision	Fair value
Vinaconex Trading Development Joint Stock Company (2)	56.000.000.000	-	(*)	56.000.000.000	-	(*)
Total	56.000.000.000	-	56.000.000.000	56.000.000.000	-	56.000.000.000

(*) The company has not determined the fair value of these financial investments, since Vietnamese Accounting Standards and Corporate accounting regimes do not provide specific guidance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

2. Financial investments (continued)

(2) Detailed information about the Company's subsidiaries, joint ventures, associates, and other company as at 31 December 2024 is as follows:

Company's name	Head office	Benefit ratio	Voting right ratio	Main business activities
Associates				
Cho Mo Joint Stock Company	Hanoi	49,00%	49,00%	Trading textbooks
Nam Dinh Educational Book and Equipment Joint Stock Company	Nam Dinh	48.31%	48.31%	Construction, installation, real estate business, freight transportation
Other investments				
Vinaconex Trading Development Joint Stock Company	Hanoi	9,47%	9,47%	Trading real estate, land use rights of owners, users or lessee

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

3. Trade receivables	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
a. Short-term	306.457.800	-	6.133.473.809	(203.205.632)
Street Coffe Trading and Service Joint Stock Company	306.457.800	-	-	-
Receivables from Departments of Education	-	-	2.171.055.467	-
Receivables from schools	-	-	2.769.293.345	-
Others	-	-	1.193.124.997	(203.205.632)
Total	306.457.800	-	6.133.473.809	(203.205.632)
b. Trade receivables from related parties				
Smart Invest Securities Joint Stock Company	-	-	16.500.000	-
Total	-	-	16.500.000	-
4. Prepayments to suppliers	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Short-term	81.000.000	-	43.324.175.227	-
Smart Technology Investment Joint Stock Company	-	-	5.396.368.297	-
Branch of Moore AISC Auditing and Informatics Services Co., Ltd	81.000.000	-	-	-
Mr. Nguyen Duy Linh	-	-	37.745.390.000	-
Others	-	-	182.416.930	-
Total	81.000.000	-	43.324.175.227	-
5. Loan receivables	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Short-term				
Cho Mo Joint Stock Company	31.000.000.000	-	-	-
Total	31.000.000.000	-	-	-

Loan under Asset Loan Contract No. 12/2024/HDVTS/DST-CM with a term of 24 months and interest rate of 12%/year, secured assets as collateral.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

6. Other receivables	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Short-term	430.655.054	-	105.339.735	-
Cho Mo Joint Stock Company	44.518.593	-	-	-
Nam Dinh Educational Book and Equipment Joint Stock Company	381.136.461	-	-	-
Pledges, mortgages, deposits, collaterals	5.000.000	-	5.000.000	-
Others	-	-	100.339.735	-
Total	430.655.054	-	105.339.735	-

7. Prepaid expenses

	31/12/2024	01/01/2024
a. Short-term	2.568.182	11.357.500
Tools and instruments waiting for allocation	2.568.182	-
Insurance premium costs	-	11.357.500
b. Long-term	21.018.041	21.425.928
Tools and instruments waiting for allocation	21.018.041	21.425.928
Total	23.586.223	32.783.428

8. Trade payables

	31/12/2024		01/01/2024	
	Value	Recoverable amount	Value	Recoverable amount
a. Short-term	221.661.270	221.661.270	5.841.706.859	5.841.706.859
Hanoi Education Development and Investment Joint Stock Company	-	-	703.992.934	703.992.934
Canh Dieu Education Joint Stock Company	-	-	3.368.619.519	3.368.619.519
Art Design & Communication Joint Stock Company	-	-	1.445.959.641	1.445.959.641
Cho Mo Joint Stock Company	180.718.030	180.718.030	-	-
Nam Dinh Educational Book and Equipment Joint Stock Company	33.000.000	33.000.000	-	-
Others	7.943.240	7.943.240	323.134.765	323.134.765
Total	221.661.270	221.661.270	5.841.706.859	5.841.706.859

b. Trade payables to related parties

Cho Mo Joint Stock Company	180.718.030	33.000.000	-	-
Total	180.718.030	33.000.000	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

9. Advances from customers		31/12/2024	01/01/2024
Short-term		-	6.612.981
Others		-	6.612.981
Total		-	6.612.981

10. Taxes and payables to the State	01/01/2024	Payables in the period	Paid in the period	31/12/2024
a. Payables				
Value added tax	-	50.575.680	50.575.680	-
Corporate income tax	6.056.781.556	679.355.300	6.056.781.555	679.355.301
Personal income tax	2.555.666	134.077.317	114.331.064	22.301.919
Other types of tax	-	4.000.000	4.000.000	-
Total	6.059.337.222	868.008.297	6.225.688.299	701.657.220
b. Receivables				
Corporate income tax	41.140.810	41.140.810	-	-
Total	41.140.810	41.140.810	-	-

The determination of taxes, and charges payable

Value added tax
The Company pays value-added tax under the deductible method. Value-added tax rates are as follows:

	Tax rate
- Value-added tax rate for book publishing and distribution activities	Not subject to tax
- Value-added tax rate for other activities	10%

Corporate income tax
Income from other activities is subject to Corporate income tax at a rate of 20%.

Other types of taxes
The Company declares and pays taxes under regulations

11. Accrued expenses	31/12/2024	01/01/2024
Short-term		
Interest expense	-	214.476.164
Total	-	214.476.164

12. Other short-term payables	31/12/2024	01/01/2024
Trade union fee	44.065.000	25.078.000
Deposits, collaterals	270.924.750	270.924.750
Others	15.175.688	2.727.273
Total	330.165.438	298.730.023

13. Borrowings and finance lease liabilities	31/12/2024	01/01/2024
Short-term		
Vinaconex Trading Development Joint Stock Company	-	12.600.000.000
Total	-	12.600.000.000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

14. Owner's equity**a. Comparison table for changes in owner's equity**

Items	Owner's contributed capital	Share premium	Treasury shares	Investment and Development Fund	Undistributed profit after tax	Non-Controlling Interests	Total
Balance as at 01/01/2023	323.000.000.000	113.603.333	(437.449.533)	291.971.737	72.680.859.437	9.903.228	395.658.888.202
Profit	-	-	-	-	1.479.459.792	160.491	1.479.620.283
Other decreases	-	-	-	-	-	-	-
Balance as at 31/12/2023	323.000.000.000	113.603.333	(437.449.533)	291.971.737	74.160.319.229	10.063.719	397.138.508.485
Balance as at 01/01/2024	323.000.000.000	113.603.333	(437.449.533)	291.971.737	74.160.319.229	10.063.719	397.138.508.485
Profit	-	-	-	-	2.214.434.675	-	2.214.434.675
Other decreases	-	-	-	-	-	(10.063.719)	(10.063.719)
Balance as at 31/12/2024	323.000.000.000	113.603.333	(437.449.533)	291.971.737	76.374.753.903	-	399.342.879.440

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

14. Owners' equity (continued)**b. Owner's equity in detail**

	Capital contribution ratio	31/12/2024	Capital contribution ratio	01/01/2024
Shareholders	100,00%	323.000.000.000	100,00%	323.000.000.000
Total	100,00%	323.000.000.000	100,00%	323.000.000.000

c. Capital transactions with owners and distribution of dividends, profits

	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
Owner's contributed capital	323.000.000.000	323.000.000.000
<i>At the beginning of the period</i>	323.000.000.000	323.000.000.000
<i>At the end of the period</i>	323.000.000.000	323.000.000.000
Distributed dividends, profit	-	-
d. Shares	31/12/2024	01/01/2024
Number of registered shares	32.300.000	32.300.000
Number of registered shares sold out to public	32.300.000	32.300.000
<i>Common shares</i>	32.300.000	32.300.000
Number of treasury shares	81.000	81.000
<i>Common shares</i>	81.000	81.000
Number of shares in circulation	32.219.000	32.219.000
<i>Common shares</i>	32.219.000	32.219.000
<i>Par value of share in circulation: VND/share.</i>	10.000	10.000
e. Enterprise's funds	31/12/2024	01/01/2024
Investment and Development Fund	291.971.737	291.971.737
Total	291.971.737	291.971.737

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED INCOME STATEMENT

1. Revenue from goods sold and services rendered	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
Revenue from goods sold	31.149.252.947	36.204.891.000
Revenue from services rendered	15.000.000	-
Total	31.164.252.947	36.204.891.000
2. Net revenue from goods sold and services rendered	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
Revenue from goods sold	31.149.252.947	36.204.891.000
Revenue from services rendered	15.000.000	-
Total	31.164.252.947	36.204.891.000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
3. Cost of goods sold		
Cost of goods sold	30.581.517.414	35.102.734.411
Cost of services rendered	2.727.273	-
Total	30.584.244.687	35.102.734.411
4. Financial income		
Interest on deposits, loans	82.777	1.570.127.953
Bond trading income	-	9.088.000.000
Payment discount	1.800.936.052	
Others	44.518.593	-
Total	1.845.537.422	10.658.127.953
5. Financial expenses		
Reversal of provision for investments	(142.880.541)	72.420.912
Interest expense	-	181.025.753
Others	15.175.688	369.607.101
Total	(127.704.853)	623.053.766
6. Selling expenses and general and administrative expenses		
a. Selling expenses		
Other costs in cash	171.004.820	263.171.510
Total	171.004.820,00	263.171.510
b. General and administrative expenses		
Labor cost	1.393.333.185	1.018.748.532
Cost of materials, packaging, tools and instruments	4.410.783	-
Fixed assets depreciation	39.894.648	42.161.381
Taxes, fees, charges	10.784.390	28.127.000
External services	1.492.637.386	544.402.443
Other costs in cash	-	10.448.272
Total	2.941.060.392	1.643.887.628
7. Other income		
Penalties for late payment	1.782.411.318	-
Others	-	1.500.000
Total	1.782.411.318	1.500.000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
8. Other expenses		
Interest on overdue loan contracts	88.545.205	-
Penalties for administrative violations	263.684.063	-
Others	1.000.000	337.709.835
Total	353.229.268	337.709.835
10. Current Corporate income tax expense		
Total accounting profit before tax	14.663.270	8.893.961.803
Adjustments to increase	264.684.063	-
Non-deductible expenses	264.684.063	-
Decrease adjustments on consolidation	-	-
Effect of consolidation adjustments	791.209.109	-
Assessable income	270.559.155	8.893.961.803
Total current corporate income tax expense	54.111.831	579.746.332
11. Basic earnings per share		
Profit after corporate income tax	2.214.225.249	1.543.804.738
Adjustments to increase or decrease	-	-
Profit or loss allocated to the common shareholders	2.214.225.249	1.543.804.738
Common shares outstanding during the period	32.219.000	32.219.000
Basic earnings per share	69	48

12. Financial risk management policies and objectives

The risks from the financial instruments include market risk, credit risk, and liquidity risk.

The Board of Management considers the application of management policies for the above risks as follows:

12.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks such as the risk of the stock price. Financial instruments affected by the market risks include borrowings and liabilities, deposits, available-for-sale investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks due to change in the interest rate of the Company mainly relate to the borrowings and liabilities, cash and short-term deposits.

The Company manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Company and still within the limit of its risk management.

12.1 Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the exchange rate. The Company bears risks due to changes in the exchange rate of currencies other than VND related directly to the Company's business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

The Company manages foreign exchange risk by considering current and expected market status when it outlines plans for future transactions in foreign currencies. The Company does not use any derivative instruments to prevent foreign exchange risks.

Stock price risk

The listed and unlisted shares held by the Company are exposed to market risks arising from the uncertainty of the future value of the investment shares. The Company manages share price risk by setting investment limits.

12.2 Credit risk

Credit risk is the risk that one party to a financial instrument or customer contract will cause a financial loss for the other party by failing to discharge an obligation. The Company bears credit risks from operating activities (mainly trade receivables) and from its financial activities including bank deposits, foreign exchange operations and other financial instruments.

Trade receivables

The Company minimizes the credit risk by only doing business with entities that have good financial capacity and closely keeping track of the liabilities to speed up the recovery of debts. On the basis of this method and receivables related to different customers, the credit risk does not concentrate on a certain customer.

Bank deposits

The Company mainly maintains deposits in big and prestigious banks in Vietnam. The Company realized that the concentration level of credit exposure to deposits is low.

12.3 Liquidity risk

Liquidity risk is the risk that arises from the difficulty in fulfilling financial obligations due to lack of capital. The liquidity risk of the Company mainly arises from difference in maturity of the financial assets and liabilities.

The Company supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of Management considers as sufficient to satisfy the Company's activities and minimize influences of changes in cash flows.

The following table summarizes liquidity deadline of the Company's financial liabilities on the basis of estimated payments in accordance with the contract which are not discounted:

As at 31/12/2024	Less than 1 years	More than 1 year	Total
Trade payables	221.661.270	-	221.661.270
Other payables	330.165.438	-	330.165.438
Total	551.826.708	-	551.826.708
As at 01/01/2024	Less than 1 years	More than 1 year	Total
Borrowings and liabilities	12.600.000.000	-	12.600.000.000
Trade payables	5.841.706.859	-	5.841.706.859
Accrued expenses	214.476.164	-	214.476.164
Other payables	298.730.023	-	298.730.023
Total	18.954.913.046	-	18.954.913.046

The Company has the ability to access capital sources and loans that are due within 12 months can be renewed with existing lenders.

Secured assets

The Company does not hold any secured assets of the third party as at 31 December 2024 and 31 December 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

13. Financial assets and liabilities (continued)

The following table presents the book value and fair value of financial instruments presented in the Company's Financial Statements:

	Book value						Fair value	
	31/12/2024		01/01/2024		31/12/2024		01/01/2024	
	Value	Provision	Value	Provision	Value	Provision	Value	Value
Financial assets								
- Cash and cash equivalents	1.686.599.228	-	971.434.937	-	1.686.599.228	-	971.434.937	
- Trading securities	5.011.980.754	(3.279.814.714)	5.011.980.754	(3.483.598.954)	1.732.166.040		1.528.381.800	
- Trade receivables	306.457.800	-	6.133.473.809	(203.205.632)	306.457.800		5.930.268.177	
- Long-term financial investments	56.000.000.000	-	-	-	56.000.000.000		-	
- Other receivables	430.655.054	-	105.339.735	-	430.655.054		105.339.735	
TOTAL	63.435.692.836	(3.279.814.714)	12.222.229.235	(3.686.804.586)	60.155.878.122		8.535.424.649	
Financial liabilities								
- Borrowings and liabilities	-	-	12.600.000.000	-	-		12.600.000.000	
- Trade payables	221.661.270	-	5.841.706.859	-	221.661.270		5.841.706.859	
- Accrued expenses	-	-	214.476.164	-	-		214.476.164	
- Other payables	330.165.438	-	298.730.023	-	330.165.438		298.730.023	
TOTAL	551.826.708	-	18.954.913.046	-	551.826.708		18.954.913.046	

The fair value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Company uses the following methods and assumptions to estimate the fair value:

The fair value of cash on hand and short-term deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short term.

The fair value of listed securities and financial debt instruments is determined at market value.

For investments in unlisted securities that are regularly traded, the fair value is determined as the average price provided by three independent securities companies at the end of the financial year.

The fair value of securities, financial investments for which fair value cannot be determined with certainty due to the absence of a high liquidity market for the securities, these financial investments are presented by book value.

These notes are an integral part of the consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

VII. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED CASH FLOW STATEMENT

1. Amount of borrowings collected during the period	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
- Proceeds from borrowings under normal loan agreements	-	23.165.000.000
2. Amount of principal paid during the period	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
- Repayment of principal under normal loan agreements	12.600.000.000	10.565.000.000

VIII. OTHER INFORMATION

1. Events occurring after the

There are no significant events occurring since the end of the period that require adjustments or disclosures in the consolidated financial statements.

2. Transaction with related parties

List of related parties having transactions	Relation
Smart Invest Securities Joint Stock Company	The company has a member of the Board of Directors serving as a member
Smartinvest Consulting and Management Co., Ltd	The company has a member of the Board of Directors serving as a member
Dong A Hotel Group Joint Stock Company	The company has a member of the Board of Directors serving as a member
Thai Binh Petroleum Joint Stock Company	The company has a member of the Board of Directors serving as a member
Cho Mo Joint Stock Company	Associate
Nam Dinh Educational Book and Equipment Joint Stock Company	Associate
Vinaconex Trading Development Joint Stock Company	Other Investments

Significant transactions and balances with related parties during the period are as follows:

Transactions incurred in the period	From 01/10/2024 to 31/12/2024	From 01/10/2023 to 31/12/2023
Revenue from goods sold and services rendered	16.500.000	16.500.000
Smart Invest Securities Joint Stock Company	16.500.000	16.500.000
Purchase goods, services (VAT included)	-	-
Cho Mo Joint Stock Company	-	-
	31/12/2024	01/01/2024
Short-term trade receivables	-	16.500.000
Smart Invest Securities Joint Stock Company	-	16.500.000
Receivables for short-term loans	31.000.000.000	-
Cho Mo Joint Stock Company	31.000.000.000	-
Short-term trade payables	180.718.030	-
Cho Mo Joint Stock Company	180.718.030	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

Unit: VND

3. Comparative information

Comparative figures in the consolidated financial statements are taken from the consolidated financial statements for the financial year ended 31 December 2023, audited by TTP Auditing Company Limited.

4. Information on the going-concern operation: The Company will continue operating in the future.

Nam Dinh, 20 January 2025

PREPARER



Nguyen Thi Phuong

CHIEF ACCOUNTANT



Tran Quoc Thuan

CHAIRMAN OF THE BOARD OF DIRECTORS



Nguyen Duc Hieu