

BALANCE SHEET

December 2024

Unit of measurement: VND

ITEMS	CODE	NOTE	END OF YEAR	BEGINNING OF YEAR
1	2	3	4	5
A - CURRENT ASSETS (100=110+120+130+140+150)	100		506,663,217,988	428,718,041,355
I. Cash and cash equivalents	110		96,240,197,333	78,267,307,155
1. Cash	111	V.01	23,240,197,333	58,267,307,155
2. Cash equivalents	112		73,000,000,000	20,000,000,000
II. Short-term financial investments	120	V.02		
1. Trading securities	121			
2. Allowance for diminution in the value of trading securities	122			
3. Held-to-maturity investments	123			
III. Accounts receivable – short-term	130		152,714,248,789	58,543,523,508
1. Accounts receivable from customers	131		157,361,676,535	63,273,603,777
2. Prepayments to suppliers	132		534,172,834	1,470,248,096
3. Short-term internal receivables	133			
4. Receivable according to construction contract progress	134			
5. Short-term loan receivable	135			
6. Other short-term receivables	136	V.03	3,599,998,981	739,279,072
7. Allowance for doubtful debts	137		(8,781,599,561)	(6,939,607,437)
8. Assets missing pending resolution	138			
IV. Inventories	140		256,553,584,894	284,119,977,038
1. Inventories	141	V.04	315,881,287,825	325,990,072,811
2. Allowance for inventories (*)	149	()	(59,327,702,931)	(41,870,095,773)
V. Other current assets	150		1,155,186,972	7,787,233,654
1. Short-term prepaid expenses	151		1,155,186,972	7,787,233,654
2. Deductible value added tax	152			
3. Taxes receivable from State Treasury	153	V.05		
4. Trading Government bonds	154			
5. Other current assets	155			
B - LONG-TERM ASSETS (200 = 210 + 220 +230+ 240 + 250 + 260)	200		100,355,100,398	104,530,253,740
I. Accounts receivable – long-term	210		22,222,369,898	22,610,089,898
1. Long term trade receivables	211			
2. Long term advance to suppliers	212			
3. Working capital from subunits	213			
4. Long term receivables from related parties	214	V.06		
5. Long term loan receivables	215			
6. Long term other receivables	216	V.07	22,222,369,898	22,610,089,898
9. Provision for bad debts	219			
II. Fixed assets	220		54,776,306,719	57,123,397,601
I. Tangible fixed assets	221	V.08	54,776,306,719	57,123,397,601
- Cost	222		78,604,311,297	78,068,127,157
- Accumulated depreciation (*)	223		(23,828,004,578)	(20,944,729,556)

2. Fixed assets of finance leasing	224	V.09		
- Cost	225			
- Accumulated depreciation (*)	226	V.10		
3. Intangible fixed assets	227			
- Cost	228		1,839,737,688	1,839,737,688
- Accumulated depreciation (*)	229		(1,839,737,688)	(1,839,737,688)
III. Investment properties	230	V.11		
- Cost	231			
- Accumulated depreciation	232			
IV. Long term assets in progress	240	V.12		
1. Long term work in progress	241			
2. Long term construction in progress	242	()		
V. Long-term investments	250		770,000,000	770,000,000
1. Investments in subsidiary	251			
2. Investments in joint-venture, associates	252			
3. Other long-term investments	253	V.13	770,000,000	770,000,000
4. Provision for long-term investments	254			
5. Held-to-maturity investments	255			
VI. Other long-term assets	260		22,586,423,781	24,026,766,241
1. Long-term prepaid expenses	261	V.14	22,586,423,781	24,026,766,241
2. Deferred tax assets	262	V.21		
3. LT equipment, materials and spare parts	263			
4. Other long-term assets	268			
TOTAL ASSETS	270		607,018,318,386	533,248,295,095
C. LIABILITIES	300		273,149,526,052	236,089,840,210
I. Current liabilities	310		273,149,526,052	236,089,840,210
1. Trade payables	311		43,068,573,137	46,739,325,681
2. Advances from customers	312		2,488,330,529	3,807,086,518
3. Statutory obligations	313	V.16	21,666,609,389	11,771,364,905
4. Payables to employees	314		36,085,251,964	17,118,942,279
5. Accrued expenses	315	V.17	92,216,567,385	66,597,575,270
6. Payables to related parties	316			
7. Payables from construction contract	317			
8. Short-term deferred revenue	318			
9. Other ST payables	319	V.18	92,592,200	377,566,680
10. Short-term loan and payable for finance leasing	320	V.15	53,416,894,433	70,355,235,700
11. Provision for ST payable	321			
12. Reward and welfare funds	322		24,114,707,015	19,322,743,177
13. Stabilization fund	323			
14. Trading Government bonds	324			
II. Non-current liabilities	330			
1. Long term trade payables	331			
2. Long term advance to customers	332			
3. Long term accruals	333			
4. Working capital from subunits	334			
5. Long term payables to related parties	335	V.19		
6. Long term deferred revenue	336			

7. Other long term liabilities	337			
8. Long term loans and debts	338	V.20		
9. Convertible bond	339			
10. Preference shares	340			
11. Deferred tax liabilities	341	V.21		
12. Provision for bad debts	342			
13. The development of science and technology fund	343			
D. OWNER'S' EQUITY	400		333,868,792,334	297,158,454,885
I. Capital	410	V.22	333,868,792,334	297,158,454,885
1. Contributed chartered capital	411		100,000,000,000	100,000,000,000
- Ordinary shares	411a		100,000,000,000	100,000,000,000
- Preference shares	411b			
2. Share premium	412		(71,500,000)	(71,500,000)
3. Share premium	413			
4. Other equity	414			
5. Treasury shares	415		(11,541,426,210)	(11,541,426,210)
6. Asset revaluation difference	416			
7. Foreign exchange gain/loss	417			
8. Supplementary capital reserve fund	418		192,977,228,612	172,691,066,328
9. Financial reserve fund	419			
10. Other fund of owners' equity	420		1,886,452,483	1,886,452,483
11. Undistributed earnings	421		50,618,037,449	34,193,862,284
- Previous year undistributed earnings	421a			
- This year undistributed earnings	421b		50,618,037,449	34,193,862,284
12. Construction investment fund	422			
II. Other fund	430			
1. Other fund	431			
2. Fixed assets arising from other fund	432			
TOTAL RESOURCES	440		607,018,318,386	533,248,295,095

Ho Chi Minh City, January 20, 2025

BOOKKEEPER

(Sign, Full Name)



Nguyen Thi Phuong

CHIEF ACCOUNTANT

(Sign, Full Name)



Pham Lan Anh

CEO

(Sign, Full Name, Seal)




Le Phuong Mai

PROFIT AND LOSS STATEMENT - FOURTH QUARTER OF 2024

Items	Code	Note	This Quarter of the Current Year	This Quarter of the Previous Year	Cumulative from the Beginning of the Year to the End	Cumulative from the Beginning of the Year to the End of
1. Revenue from sales of goods and provision of services	01		203,101,933,206	85,119,177,415	1,337,505,037,043	1,050,476,910,141
2. Revenue deductions	02		5,837,392,270	5,967,141,707	6,271,499,227	9,313,060,157
3. Net revenue (10 = 01 - 02)	10		197,264,540,936	79,152,035,708	1,331,233,537,816	1,041,163,849,984
4. Cost of sales	11		152,691,547,424	54,346,155,182	1,021,823,786,446	781,034,714,550
5. Gross profit (20=10-11)	20		44,572,993,512	24,805,880,526	309,409,751,370	260,129,135,434
6. Financial income	21		4,294,943,994	1,919,724,880	4,886,096,583	2,551,421,806
7. Financial expenses	22		(850,522,737)	446,871,990	4,954,336,090	5,947,965,698
- In which: Interest expense	23		(673,150,218)	(624,419,645)	3,244,021,379	4,583,836,084
8. Share of loss in associates and joint venture	24					
9. Selling expenses	25		(6,267,326,514)	(14,350,030,831)	154,596,347,258	129,220,716,088
10. General and administration expenses	26		28,410,771,289	30,258,039,563	76,278,479,052	69,620,608,665
11. Net operating profit {30=20+(21-22)+24-(25+26)}	30		27,575,015,468	10,370,724,684	78,466,685,553	57,891,266,789
12. Other income	31			2,000,000	354,545,455	41,151,853
13. Other expenses	32		54,450,985	405,160,339	153,628,595	426,025,113
14. Results of other activities (40=31-32)	40		(54,450,985)	(403,160,339)	200,916,860	(384,873,260)
15. Profit before tax(50=30+40)	50		27,520,564,483	9,967,564,345	78,667,602,413	57,506,393,529
16. Current corporate income tax expense	51		6,343,104,275	5,538,065,198	17,682,015,126	16,308,969,090
17. Deferred corporate income tax expense	52					
18. Net profit after tax(60=50-51-52)	60		21,177,460,208	4,429,499,147	60,985,587,287	41,197,424,439
18.1 Profit after tax of parent company	61					
18.2 Non-controlling interest	62					
19. Basic earnings per share (*)	70		2,118	443	5,459	3,688
20. Declining earnings per share	71					

Ho Chi Minh City, January 20, 2025



CEO

Le Phuong Mai

CHIEF ACCOUNTANT

Pham Lan Anh

BOOKKEEPER

Nguyen Thi Phuong

CASH FLOW STATEMENT

(Using the Direct Method)
Fourth Quarter of 2024

ITEMS	CODE	NOTE	Cumulative from the Beginning of the Year to the End of	Cumulative from the Beginning of the Year to the End of Last Year
1	2	3	4	5
I. CASH FLOWS FROM OPERATING ACTIVITIES			0	0
1. Revenue from sales, services and other revenues	01		1,068,792,958,495	1,004,696,664,158
2. Payments to suppliers of goods and services	02		(838,387,953,684)	(836,481,887,611)
3. Payments to Employees	03		(53,900,642,863)	(40,938,672,242)
4. Interest payments	04		(973,340,966)	(2,197,089,918)
5. Corporate income tax payment	05		(10,527,876,635)	(13,246,684,034)
6. Other income from operating activities	06		1,545,979,639	1,944,505,386
7. Other expenses for business activities	07		(105,289,692,770)	(72,547,025,931)
Cash flows from operating activities	20		61,259,431,216	41,229,809,808
II. CASH FLOWS FROM INVESTING ACTIVITIES			0	0
1. Purchase and construction of fixed assets and other long-term assets	21		(1,087,545,777)	(2,280,913,955)
2. Proceeds from disposals of assets	22		0	0
3. Loans provided to related parties and other	23		0	0
4. Collection of loans provided to related parties and other	24		0	0
5. Payments for equity investments in other entities	25		0	0
6. Proceed from collection investment in other entity	26		0	0
7. Interest and dividend received	27		842,000,835	1,506,883,086
Cash flows from investing activities	30		(245,544,942)	(774,030,869)
III. CASH FLOWS FROM FINANCING ACTIVITIES			0	0
1. Proceeds from issuance of ordinary shares	31		0	0
2. Money to return contributed capital to owners, buy back shares of the issued enterprise	32		0	0
3. Short-term and long-term loans received	33		136,753,910,049	151,930,229,021
4. Payments of loan	34		(179,794,906,145)	(195,102,828,393)
5. Payments for principal of finance leaser	35		0	0
6. Dividend paid to owner	36		0	0
Net cash flows from financing activities	40		(43,040,996,096)	(43,172,599,372)
NET CASH INCREASE/(DECREASE) (50 = 20+30+40)	50		17,972,890,178	(2,716,820,433)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	60		78,267,307,155	80,984,127,588
Impact of exchange rate fluctuation	61		0	0
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (70 = 50+60+61)	70		96,240,197,333	78,267,307,155

Ho Chi Minh City, January 20, 2025

Bookkeeper



Nguyen Thi Phuong

Chief Accountant



Pham Lan Anh



231 Nguyen Van Cu, ward 4, District 5, Ho Chi Minh city

For the year ended 31/12/2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Form B 09 - DN

Issued under Circular No. 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

1. Nature of operations

1.1. Overview

Phuong Nam Education Investment and Development Joint Stock Company (hereinafter referred to as the "Company") was established pursuant to Decision No. 309/QĐ-UB dated March 23, 2007, issued by Vietnam Education Publishing House. The Company operates as an independent accounting entity under Business Registration Certificate No. 4103006644 issued on May 9, 2007, by the Ho Chi Minh City Department of Planning and Investment, in accordance with the Law on Enterprises, the Company's Charter, and other relevant legal regulations.

Since its establishment, the Company has amended its Business Registration Certificate eight times, with the most recent amendment made on November 23, 2021, under the enterprise code 0304952106.

The Company's common shares were approved for listing on the Hanoi Stock Exchange (HNX) pursuant to Decision No. 458/QĐ-SGDHN dated August 11, 2009, by the Hanoi Stock Exchange, under the stock code SED. The official trading date of the shares was August 19, 2009.

1.2. Principal scope of business: Manufacturing and trading of books and educational equipment.

1.3. Operating activities

- Agency, brokerage, and auction services. Details: Agency for publishing books, newspapers, and magazines permitted for circulation. Distribution of books and publications (permitted for circulation).
- Specialized design activities. Details: Graphic design; model design (excluding construction design).
- Other professional, scientific, and technological activities not classified elsewhere. Details: Translation services.
- Wholesale of machinery, equipment, and spare parts. Details: Trading in educational equipment and teaching tools.
- Wholesale of other household goods. Details: Trading in educational equipment, stationery, paper, and calendars.
- Financial support services not classified elsewhere. Details: Investment consulting (excluding financial and accounting consultancy).
- Educational support services. Details: Consultancy and provision of book editing services; study abroad consulting.
- Manufacturing of office machinery and equipment (excluding computers and peripheral devices). Details: Manufacturing teaching tools, paper, and paper products (excluding recycling, mechanical processing, and electroplating at the headquarters).
- Other manufacturing activities not classified elsewhere. Details: Production of magnetic tapes, optical discs, and duplication of recorded media (not at the headquarters).
- Real estate business, land use rights owned or leased. Details: Real estate business (excluding brokerage, appraisal, and real estate trading floors). Leasing offices and workshops.
- Printing activities. Details: Printing packaging (not at the headquarters). Manufacturing stationery, paper, and calendars (not at the headquarters).
- Printing-related services. Details: Printing services such as bookbinding, cover dyeing, gold stamping, embossing, and other binding services.
- Retail of audio and video tapes, discs (including blank tapes and discs) in specialized stores. Details: Trading in books, magazines, and media (not trading or leasing at the headquarters).
- Data processing, rental services, and related activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

- Web portals. Details: Establishment of social networks (excluding press-related activities).

2. Accounting period, currency used in accounting

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

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

3. Applied accounting standards and system

The Company adopts the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, which was guided under Circular No. 200/2014/TT-BTC dated 22/12/2014 and the Vietnamese Accounting Standards system issued by the Ministry of Finance.

Accounting method: General journal.

4. Summary of significant accounting policies

4.1 Cash and cash equivalents

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

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

4.2 Receivables

Receivables include trade receivables and other receivables:

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

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the

Company has claimed many times but still has not collected yet or which have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or running away.

4.3 Inventories

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

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

- 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 labour plus attributable overhead based on the normal level of activities.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

4.4 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

Tangible fixed assets are depreciated using the straight-line method. Depreciation is determined based on the historical cost and the estimated useful life of the assets. The depreciation periods comply with Circular No. 45/2013/TT-BTC dated April 25, 2013, issued by the Ministry of Finance. The Company applies accelerated depreciation at twice the normal rate for machinery, equipment, vehicles, and management tools. The details are as follows:

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	6-25
Machinery, equipment	3-6
Motor vehicles, transmission	3
Office equipment	1,5

4.5 Intangible fixed assets

Cost

Intangible fixed assets are stated at cost less accumulated amortization.

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.

Amortization

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

The amortization period of intangible fixed assets of the Company is as follows:

<u>Kinds of asset</u>	<u>Amortization period (years)</u>
Software	3

4.6 Investments in other entities

Long-term investments in other entities are investments where the Company does not have control, joint control, or significant influence over the investee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

These investments are recorded at cost less provisions. Dividends or profits distributed in cash or in-kind for periods before the investment date are deducted from the investment value.

Provisions

Provisions for long-term investments in other entities are made as follows::

- For investments in listed shares or investments with reliably determined fair values, provisions are based on market prices.
- If market prices cannot be determined, provisions are based on the loss of equity as shown in the financial statements of the investee.

For investees required to prepare consolidated financial statements, loss provisions are based on consolidated financial statements. For others, provisions are based on the individual financial statements of the investee.

4.7 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. Based on the nature and magnitude of the costs, the Company selects an appropriate allocation method and criteria over the period during which the economic benefits are expected to arise.

4.8 Payables

Payables include trade payables and other payables:

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

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

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

4.9 Accrued expenses

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

4.10 Loans and finance lease liabilities

Loans and finance lease liabilities are reflected at cost and classified into current liabilities and long-term liabilities based on their 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. For foreign currency loans and lease liabilities, they are revalued at the selling exchange rate at the end of the period by the commercial bank with which the Company regularly transacts.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period.

Capitalization of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

4.11 Owner's equity

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

Share premium

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

Treasury shares

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

Profit distribution

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

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

4.12 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 assumes the rights to receive dividends or profit from the capital contribution.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

- 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.

4.13 Revenue deductions

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

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.

4.14 Cost of goods sold

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.

4.15 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, interest on installment purchase, interest on finance lease, payment discounts for buyers, expenses and losses on liquidating, transferring investments; provision for loss from investment in other entities and other expenses attributable to investing activities.

4.16 Selling expenses, administrative expenses

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

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

4.17 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.

4.18 Financial instruments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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, cash in bank, trade receivables, other receivables and financial investments.

Financial liabilities

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

Subsequent measurement

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

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

- Value Added Tax (VAT):
 - + Textbooks and supplementary materials are non-taxable.
 - + Other activities are subject to prevailing tax rates.
- Corporate Income Tax (CIT): Applicable CIT rate is 20%.
- Other taxes and charges are paid in accordance with relevant regulations.

4.20 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.

Unit: VND

5. Cash and cash equivalents

	31/12/2024	01/01/2024
Cash	162.942.812	93.543.209
Demand deposits	23.077.254.521	58.173.763.946
Term deposits (maturity ≤ 3 months)	73.000.000.000	20.000.000.000
Total	96.240.197.333	78.267.307.155

6. Short-term trade receivables

	31/12/2024	01/01/2024
TienGiang Book and School Equipment Joint stock company	23.330.579.225	9.134.675.155
Other customers	134.031.097.310	54.138.928.622
Total	157.361.676.535	63.373.603.777

7. Short-term prepayments to suppliers

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

	31/12/2024	01/01/2024
Institute for Book and Educational Materials Research	397.195.416	1.000.000.000
Other suppliers	136.977.418	470.248.096
Total	<u>534.172.834</u>	<u>1.470.248.096</u>

8. Other short-term receivables

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Advances on salary and PIT	3.071.877.981	-	522.794.955	
Advances	-		97.627.673	
Deposits, collaterals	528.121.000		110.412.000	
Accrued interest and other receivables	-		8.444.444	
Total	<u>3.599.998.981</u>	-	<u>739.279.072</u>	

9. Provision for short-term doubtful debts

	31/12/2024	01/01/2024
Provision for overdue receivables		
- From 6 months to under 1 year	1.045.369.836	372.381.494
- From 1 year to under 2 years	1.168.333.136	1.127.398.077
- From 2 years to under 3 years	955.785.076	379.555.820
- From 3 years and over	5.572.111.513	5.060.272.046
Total	<u>8.781.599.561</u>	<u>6.939.607.437</u>

10. Inventory

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Materials, raw materials	28.881.715.830	747.882.525	42.909.691.394	1.495.482.512
Work in progress	6.171.843.138	-	14.395.954.977	-
Finished products	58.383.288.065	16.502.098.280	89.651.583.109	10.578.174.553
Merchandise goods	222.444.440.792	42.077.722.125	179.032.843.331	29.796.438.708
Total	<u>315.881.287.825</u>	<u>59.327.702.931</u>	<u>325.990.072.811</u>	<u>41.870.095.773</u>

11. Prepaid expenses

a. Short-term

	31/12/2024	01/01/2024
Unallocated VAT on unsold goods	-	3.066.844.424
Manuscript organization and publishing fees	926.226.972	4.262.469.230
Other expenses	228.960.000	457.920.000
Total	<u>1.155.186.972</u>	<u>7.787.233.654</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

b. Long-term

	31/12/2024	01/01/2024
Life insurance	1.262.150.000	2.012.350.000
Land lease	21.324.273.781	22.014.416.241
Total	22.586.423.781	24.026.766.241

12. Other long-term receivables

	31/12/2024	01/01/2024
Vietnam Education Publishing House Limited Company in Ho Chi Minh City (*)	22.222.369.898	22.222.369.898
Deposits, collaterals	-	387.720.000
Total	22.222.369.898	22.610.089.898

(*) This represents a capital contribution with Vietnam Education Publishing House in Ho Chi Minh City (a subsidiary of Vietnam Education Publishing House Limited Company – a related party of the Company) for the construction of an office building at 104 Mai Thi Luu, Da Kao Ward, District 1, Ho Chi Minh City, under the Tripartite Business Cooperation Agreement No. 108HĐ/2011 dated April 1, 2011, and its amendments. The total capital contribution is VND 50 billion, of which the Company contributed VND 22.5 billion. On July 1, 2014, the parties agreed to sign Amendment No. 01, transferring the project execution responsibility to Vietnam Education Publishing House Limited Company in Ho Chi Minh City, replacing the former entity, Vietnam Education Publishing House in Ho Chi Minh City. According to the audit report, the completed project has a total settlement value of VND 49,383,044,219, with the Company's contribution valued at VND 22,222,369,898 (representing a 45% share). On December 15, 2018, the parties agreed to sign Amendment No. 02 to change the profit-sharing ratio before tax, as follows: Vietnam Education Publishing House Limited Company (37.5%), South books and Educational Equipment Joint Stock Company (25%), and Phuong Nam Education Investment and Development Joint Stock Company (37.5%).

13. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
Cost					
Beginning balance	58.772.601.672	3.960.756.230	14.961.234.687	373.537.568	78.068.127.157
Increase in the year	-	-	1.949.337.278	-	1.949.337.278
Decrease in the year	-	-	1.413.153.138	-	1.413.153.138
Ending balance	58.772.601.672	3.960.756.230	15.497.418.827	373.534.568	78.604.311.297
Depreciation					
Beginning balance	4.007.868.389	1.770.284.632	14.854.521.420	312.055.115	20.944.729.556
Increase in the year	2.382.511.575	1.320.252.075	532.185.057	61.479.453	4.296.428.160
Decrease in the year	-	-	1.413.153.138	-	1.413.153.138
Ending balance	6.390.379.964	3.090.536.707	13.973.553.339	373.534.568	23.828.004.578
Net book value					
Beginning balance	54.764.733.283	2.190.171.597	106.713.267	61.479.453	57.123.397.601
Ending Balance	52.382.221.708	870.219.523	1.523.865.488	0	54.776.306.719

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

14. Intangible fixed assets

	Software	Total
	VND	VND
Cost		
Beginning balance	1.839.737.688	1.839.737.688
Increases in the year	-	-
Decreases in the year	-	-
Ending balance	<u>1.839.737.688</u>	<u>1.839.737.688</u>
Amortization		
Beginning balance	1.839.737.688	1.839.737.688
Charge for the year	-	-
Decreases in the year	-	-
Ending balance	<u>1.839.737.688</u>	<u>1.839.737.688</u>
Net Book Value		
Beginning balance	-	-
Ending balance	<u>-</u>	<u>-</u>

15. Short-term trade payables

	31/12/2024	01/01/2024
Vietnam Education Publishing House Limited Company in HCMC (*)	14.763.189.196	7.968.329.649
Others	<u>28.305.383.941</u>	<u>38.770.996.032</u>
Total	<u>43.068.573.137</u>	<u>46.739.325.681</u>

16. Short-term advances from customers

	31/12/2024	01/01/2024
Others	2.488.330.529	3.807.086.518
Total	<u>2.488.330.529</u>	<u>3.807.086.518</u>

17. Short-term accrued expenses

	31/12/2024	01/01/2024
Book editing expenses	977.682.500	1.948.652.500
Copyrights and manuscripts	89.142.761.812	62.256.050.914
Other accruals	<u>2.096.123.073</u>	<u>2.392.871.856</u>
Total	<u>92.216.567.385</u>	<u>66.597.575.270</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

18. Other short-term payables

	31/12/2024	01/01/2024
Trade union fees	83.329.700	377.566.680
Others	9.262.500	-
Total	<u>92.592.200</u>	<u>377.566.680</u>

19. Short-term loans and finance lease liabilities

	Beginning balance	Increase in the year	Decrease in the year	Ending balance
<i>HSBC Bank</i>	33.899.465.804	98.010.984.562	104.104.533.893	27.805.916.473
<i>Standard Chartered Bank</i>	18.771.418.586	57.991.124.736	51.151.565.362	25.610.977.960
<i>HongLeong Bank</i>	17.684.351.310	6.854.455.580	24.538.806.890	-
Total	<u>70.355.235.700</u>	<u>162.856.564.878</u>	<u>179.794.906.145</u>	<u>53.416.894.433</u>

20. Owners' equity

a. Statement of changes in owners' equity

	Share capital	Share premium	Treasury shares	Development investment fund	Other share capital	Undistributed profit
As at 01/01/2024	100.000.000.000	(71.500.000)	(11.541.426.210)	172.691.066.328	1.886.452.483	34.193.862.284
Increase in the year	-	-	-	20.286.162.284	-	60.985.587.287
Decrease in the year	-	-	-	-	-	44.561.412.122
As at 31/12/2024	<u>100.000.000.000</u>	<u>(71.500.000)</u>	<u>(11.541.426.210)</u>	<u>192.977.228.612</u>	<u>1.886.452.483</u>	<u>50.618.037.449</u>

b. Details of Contributed Capital

Shareholder	Opening Balance at 01/01/2024	Closing Balance at 31/12/2024
Vietnam Education Publishing House Limited Company	43.390.000.000	43.390.000.000
Other shareholders	49.328.000.000	49.328.000.000
Treasury shares (par value)	7.282.000.000	7.282.000.000
Total	<u>100.000.000.000</u>	<u>100.000.000.000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

c. Shares

	31/12/2024	01/01/2024
Number of shares registered to be issued	10.000.000	10.000.000
Number of shares issued publicly	10.000.000	10.000.000
- <i>Common shares</i>	10.000.000	10.000.000
Number of shares bought back (treasury shares)	728.200	728.200
- <i>Common shares</i>	728.200	728.200
Number of outstanding shares	9.271.800	9.271.800
- <i>Common shares</i>	9.271.800	9.271.800
Par value of outstanding shares: VND10,000 each		

d. Undistributed profit

	Năm 2024	Năm 2023
Profit brought forward	34.193.862.284	31.467.207.426
Profit after corporate income tax this year	60.985.587.287	41.197.424.439
Distribution of profit	34.193.862.284	38.470.769.581
Distribution of prior-year profit	34.193.862.284	31.467.207.426
- <i>Appropriated to development investment fund</i>	20.286.162.284	17.559.507.426
- <i>Dividend distribution to shareholders</i>	13.907.700.000	13.907.700.000
Distribution of current-year profit	10.367.549.829	7.003.562.155
- <i>Appropriated to reward and welfare fund</i>	7.318.270.475	4.943.690.933
- <i>Appropriated to the Executive Board's Bonus Fund</i>	3.049.279.364	2.059.871.222
Undistributed profit	<u>50.618.037.449</u>	<u>34.193.862.284</u>

21. Revenue from sales and service provision

	Q4 2024	Q4 2023
Revenue from publications	191.934.205.912	71.328.746.404
Other revenue	5.330.335.024	7.823.289.304
Total	<u>197.264.540.936</u>	<u>79.152.035.708</u>

22. Cost of goods sold

	Q4 2024	Q4 2023
Cost of publications sold	149.995.354.595	48.683.451.792
Cost of other products sold	2.696.192.829	5.662.703.390
Total	<u>152.691.547.424</u>	<u>54.346.155.182</u>

23. Financial income

	Q4 2024	Q4 2023
Payment discounts and dividends	3.944.034.249	1.763.009.000
Loan interest	350.909.745	156.715.880
Total	<u>4.294.943.994</u>	<u>1.919.724.880</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

26. Financial expenses

	Q4 2024	Q4 2023
Loan interest	(673.150.218)	(624.419.645)
Discounts and deferred payment	(177.372.519)	1.071.291.635
Total	(850.522.737)	446.871.990

27. Selling expenses and administrative expenses

a. Selling Expenses

	Q4 2024	Q4 2023
Transportation expenses	(2.814.188.009)	(244.903.179)
Staff costs	13.595.158.854	7.136.839.231
Outside service expenses	(17.048.297.359)	(21.241.966.883)
Total	(6.267.326.514)	(14.350.030.831)

b. Administrative expenses incurred in the year

	Q4 2024	Q4 2023
Staff costs	12.549.377.405	6.559.258.991
Others	15.861.393.884	23.698.780.572
Total	28.410.771.289	30.258.039.563

28. Current corporate income tax expense

	Year 2024	2023
Accounting profit before tax	78.667.602.413	57.506.393.529
Current corporate income tax expenses	17.682.015.126	16.308.969.090

29. Basic/diluted earnings per share

	Year 2024	2023
Profit after corporate income tax	60.985.587.287	41.197.424.439
Adjustments increasing or decreasing profit after tax	(10.367.549.839)	(7.003.562.155)
- Increase	-	-
- Decrease (appropriated to reward and welfare fund)	10.367.549.839	7.003.562.155
Profit or loss attributable to common shareholders	50.618.037.449	34.193.862.284
Weighted average number of outstanding common shares	9.271.800	9.271.800
Basic/diluted earnings per share	5.459	3.688

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

30. Related party information

a. List of related parties

	Relationship
Vietnam Education Publishing House Limited Company	Parent company
Vietnam Education Publishing House Limited Company (Hanoi)	Subsidiary of the parent company
Vietnam Education Publishing House Limited Company (Da Nang)	Subsidiary of the parent company
Vietnam Education Publishing House Limited Company (HCMC)	Subsidiary of the parent company
Vietnam Education Publishing House Limited Company (Can Tho)	Subsidiary of the parent company
Ben Tre Book and Equipment Joint Stock Company	Jointly invested entity
Textbook Printing Joint Stock Company in Ho Chi Minh City	Jointly invested entity
Book and Education Equipment Joint Stock Company in Can Tho	Jointly invested entity
Educational Book Joint Stock Company in Ha Noi	Jointly invested entity
Educational Materials Joint Stock Company	Jointly invested entity
Book and Education Equipment Joint Stock Company in Ho Chi Minh City	Jointly invested entity
Binh Thuan Book And Equipment Joint Stock Company	Jointly invested entity
Hanoi Education Development & Investment Joint Stock Company	Jointly invested entity
Da Nang Education Development & Investment Joint Stock Company	Jointly invested entity
GiaDinh Education Publishing Service Joint Stock Company	Jointly invested entity
Cuu Long Books & Educational Equipment Joint Stock Company	Jointly invested entity
South books and Educational Equipment Joint Stock Company	Jointly invested entity
Ha Noi Education Publishing Services Joint Stock Company	Jointly invested entity
Education Publishing and Investment Joint Stock Company	Jointly invested entity
North Books and Educational Equipment Joint Stock Company	Jointly invested entity
Educational Book Joint Stock Company In Da Nang City	Jointly invested entity
ECI Group Joint Stock Company	Jointly invested entity
Institute for Book and Educational Materials Research	Subsidiary of the parent company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

b. Key transactions with related parties

	Transaction	Q4 2024	Q4 2023
Seller			
Vietnam Education Publishing House Limited Company	Supply of textbooks, other publications	4,470,942,700	3,383,065,874
Vietnam Education Publishing House Limited Company (Hanoi)	Supply of textbooks	-	523,250,778
Vietnam Education Publishing House Limited Company (Da Nang)	Supply of textbooks	-	284,495,832
Vietnam Education Publishing House Limited Company (HCMC)	Supply of textbooks, workshop fees	5,033,984,400	3,139,825,388
Vietnam Education Publishing House Limited Company (Can Tho)	Supply of calendars, textbooks	-	228,126,352
Ben Tre Book and Equipment Joint Stock Company	Supply of textbooks	244,877,720	33,010,448
Book and Education Equipment Joint Stock Company in Can Tho	Supply of textbooks	96,715,456	117,994,457
Educational Materials Joint Stock Company	Supply of textbooks	83,779,490	126,680,565
Book and Education Equipment Joint Stock Company in Ho Chi Minh City	Supply of textbooks	650,959,013	433,421,224
Binh Thuan Book And Equipment Joint Stock Company	Supply of textbooks, educational tools	199,655,432	103,630,735
Hanoi Education Development & Investment Joint Stock Company	Supply of textbooks	409,215,760	85,289,800
Da Nang Education Development & Investment Joint Stock Company	Supply of textbooks	106,739,296	471,254,694
Cuu Long Books & Educational Equipment Joint Stock Company	Supply of textbooks	813,483,158	222,846,974
South books and Educational Equipment Joint Stock Company	Supply of textbooks	732,443,520	362,741,906
Ha Noi Education Publishing Services Joint Stock Company	Supply of materials	2,761,200	-
Education Publishing and Investment Joint Stock Company	Supply of calendars, textbooks	512,825,915	1,589,578,466
North Books and Educational Equipment Joint Stock Company	Supply of textbooks	9,907,800	89,412,560
Educational Book Joint Stock Company In Da Nang City	Supply of textbooks	14,660,400	38,400,001
Buyer			
Vietnam Education Publishing House Limited Company	Purchase of textbooks	832,304,261	1,027,905,236
Vietnam Education Publishing House Limited Company (HCMC)	Purchase of textbooks, educational tools, publishing fees	78,294,248,672	15,061,745,751
Vietnam Education Publishing House Limited Company (CTC)	Purchase of textbooks, educational tools, publishing fees		22,222,221
Educational Book JSC In Hanoi City	Purchase of textbooks	106,671,950	310,673,750

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

Book and Education Equipment Joint Stock Company in Ho Chi Minh City	Purchase of textbooks		14,761,004
Hanoi Education Development & Investment Joint Stock Company	Purchase of textbooks, educational tools, others	3,781,826,653	2,928,607,900
Da Nang Education Development & Investment Joint Stock Company	Purchase of textbooks	793,670,700	37,968,600
GiaDinh Education Publishing Service Joint Stock Company	Purchase of educational tools	8,847,834,452	9,653,053,708
Cuu Long Books & Educational Equipment Joint Stock Company	Purchase of textbooks, educational tools	10,873,500	17,400,000
South books and Educational Equipment Joint Stock Company	Purchase of textbooks	214,193,319	18,677,600
Ha Noi Education Publishing Services Joint Stock Company	Purchase of educational tools	568,396,480	744,045,070
Education Publishing and Investment Joint Stock Company	Purchase of textbooks		15,085,000
North Books and Educational Equipment Joint Stock Company	Purchase of textbooks	13,999,593	74,964,200
Educational Book Joint Stock Company In Da Nang City	Purchase of textbooks	109,366,080	

31. Events after the balance sheet date

No significant events occurred after the reporting date that require adjustments or disclosure in the financial statements.

32. Corresponding figures

Corresponding figures are presented for the periods ended Q4 2024 and Q4 2023 for consistency and clarity.

Ho Chi Minh City, 20th January, 2024

General Director


 Le Phuong Mai

Chief Accountant

 Pham Lan Anh

Preparer

 Nguyen Thi Phuong