



**DANANG EDUCATION INVESTMENT  
AND DEVELOPMENT JSC**

**Financial Statements**

**For the year ended 31/12/2024**

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## REPORT OF MANAGEMENT

The Management of Danang Education Investment and Development Joint Stock Company presents this report together with the audited financial statements for the year ended 31/12/2024.

### Overview

Danang Education Investment and Development Joint Stock Company (the “Company”) was incorporated under Decision No. 311/QĐ-TCNS dated 23/03/2007 issued by the Chairman of the Board of Directors of Viet Nam Education Publishing House. The Company is an independent accounting entity, operating in compliance with the Enterprise Law, its Charter, and other relevant regulations. Since its establishment, the Company has amended the Enterprise Registration Certificate 9 times, most recently on 24/01/2025, with the enterprise code 0400568767.

The Company has registered for trading common shares on the Hanoi Stock Exchange pursuant to Decision No. 467/QĐ – SGDHN dated 13/08/2009 issued by the Hanoi Stock Exchange, with the ticker symbol DAD. The official trading date was 19/08/2009.

**Charter capital:** VND50,000,000,000.

### Head office

- Address: 145 Le Loi Street, Hai Chau Ward, Hai Chau District, Da Nang City
- Tel: (0236) 3889954
- Fax: (0236) 3889957
- Website: [www.iseebooks.vn](http://www.iseebooks.vn)

### Operating activities

- Wholesale of books, newspapers, magazines and stationery;
- Provision of real estate services. Leasing of warehouses, commercial spaces, and offices;
- Organization of cooperative publishing, printing, and distribution of supplementary textbooks and other publications;
- Manufacture: Educational equipment, stationery, student notebooks, and calendars.

### Employees

As at 31/12/2024, the Company had 65 employees, including 9 managing officers.

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

### Board of Directors

- |                         |          |                           |
|-------------------------|----------|---------------------------|
| • Mr. Dang Thanh Hai    | Chairman | Reappointed on 31/03/2022 |
| • Mr. Nguyen Quang Dung | Member   | Reappointed on 31/03/2022 |
| • Mr. Ong Thua Phu      | Member   | Appointed on 31/03/2022   |
| • Mr. Nguyen Le Van     | Member   | Reappointed on 31/03/2022 |
| • Mr. Huynh Ngoc Bao    | Member   | Appointed on 24/03/2023   |

## REPORT OF MANAGEMENT (cont'd)

### Supervisory Board

• Mr. Tran Cong Thanh	Chief Supervisor	Appointed on 31/03/2022
• Mr. Huynh Thanh Long	Supervisor	Appointed on 31/03/2022
• Mr. Pham Minh Nhat	Supervisor	Appointed on 31/03/2022

### Management and Chief Accountant

• Mr. Nguyen Quang Dung	General Director	Appointed on 20/05/2017
• Mr. Huynh Ngoc Bao	Deputy General Director	Appointed on 26/03/2020
• Mr. Nguyen Duy Nham	Deputy General Director	Appointed on 01/09/2022
• Ms. Le Ngoc	Chief Accountant	Appointed on 20/05/2017

### Independent auditor

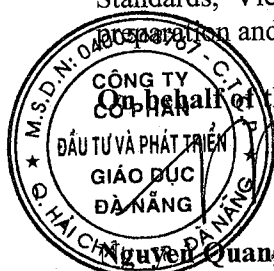
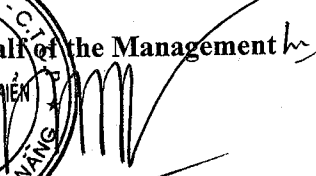
These financial statements were audited by AAC Auditing and Accounting Co., Ltd (Head office: Lot 78 – 80, Street 30/4, Hai Chau District, Da Nang City; Tel: (84) 0236.3655886; Fax: (84) 0236.3655887; Website: [www.aac.com.vn](http://www.aac.com.vn); Email: [aac@dng.vnn.vn](mailto:aac@dng.vnn.vn)).

### Management's statement of responsibility in respect of the financial statements

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

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

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

  
On behalf of the Management  
  
Nguyen Quang Dung  
General Director  
Da Nang, 10 March 2025

No. 218/2025/BCKT-AAC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, Board of Directors, and Management  
Danang Education Investment and Development Joint Stock Company**

We have audited the financial statements prepared on 10/03/2025 of Danang Education Investment and Development Joint Stock Company (the “Company”) as set out on pages 4 to 30, which comprise the balance sheet as at 31/12/2024, the income statement and the statement of cash flows for the year then ended, and the notes thereto.

## Management's Responsibility

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

## Auditors' Responsibility

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

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

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

## Opinion

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

**CÔNG TY**  
**AAC Auditing and Accounting Co., Ltd.**

Trần Thị Thu Hiền – Deputy General Director

## Audit Practicing Registration Certificate

No. 0753-2023-010-1

*Da Nang, 10 March 2025*

**Nguyen Thi Nhat Oanh – Auditor**  
*Audit Practicing Registration Certificate*  
 No. 4031-2022-010-1

**BALANCE SHEET**  
**As at 31 December 2024**

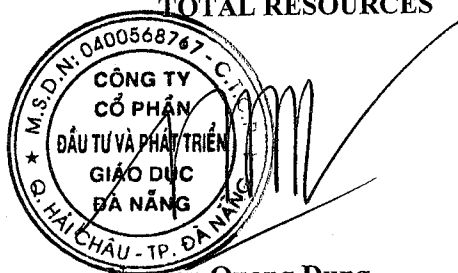
**Form B 01 - DN**  
Issued under Circular No. 200/2014/TT - BTC  
dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>139,846,226,690</b>	<b>141,313,121,479</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>68,203,733,540</b>	<b>53,762,116,091</b>
1. Cash	111		2,203,733,540	6,662,116,091
2. Cash equivalents	112		66,000,000,000	47,100,000,000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>16,083,600,000</b>	<b>19,116,600,000</b>
1. Trading securities	121	6a	4,237,145,000	4,237,145,000
2. Provision for devaluation of trading securities	122	6a	(153,545,000)	(120,545,000)
3. Held-to-maturity investments	123		12,000,000,000	15,000,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>32,883,078,722</b>	<b>39,384,681,573</b>
1. Short-term trade receivables	131	7a	31,306,147,283	37,416,694,825
2. Short-term prepayments to suppliers	132	8	1,430,270,604	1,285,669,504
3. Other short-term receivables	136	9	1,138,239,602	1,912,380,881
4. Provision for doubtful (short-term) debts	137	10	(991,578,767)	(1,230,063,637)
<b>IV. Inventories</b>	<b>140</b>	<b>11</b>	<b>21,697,129,493</b>	<b>27,107,143,181</b>
1. Inventories	141		35,279,601,212	39,741,287,598
2. Provision for decline in value of inventories	149		(13,582,471,719)	(12,634,144,417)
<b>V. Other current assets</b>	<b>150</b>		<b>978,684,935</b>	<b>1,942,580,634</b>
1. Short-term prepaid expenses	151	12a	978,684,935	1,942,580,634
2. Deductible value-added tax	152		-	-
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>23,394,182,594</b>	<b>25,089,800,870</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>16,305,939,826</b>	<b>18,053,854,186</b>
1. Tangible fixed assets	221	13	8,476,775,826	10,177,338,186
- Cost	222		22,202,999,597	22,202,999,597
- Accumulated depreciation	223		(13,726,223,771)	(12,025,661,411)
2. Intangible fixed assets	227	14	7,829,164,000	7,876,516,000
- Cost	228		8,164,999,000	8,164,999,000
- Accumulated amortization	229		(335,835,000)	(288,483,000)
<b>III. Investment properties</b>	<b>230</b>		-	-
<b>IV. Non-current assets in progress</b>	<b>240</b>		-	-
<b>V. Long-term financial investments</b>	<b>250</b>		<b>6,799,500,000</b>	<b>6,799,500,000</b>
1. Investments in associates and joint ventures	252	6b	5,449,500,000	5,449,500,000
2. Equity investments in other entities	253	6b	1,350,000,000	1,350,000,000
3. Provision for long-term financial investments	254		-	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>288,742,768</b>	<b>236,446,684</b>
1. Long-term prepaid expenses	261	12b	288,742,768	236,446,684
2. Other non-current assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>163,240,409,284</b>	<b>166,402,922,349</b>

## BALANCE SHEET (cont'd)

As at 31 December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>65,954,762,265</b>	<b>68,349,328,053</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>65,954,762,265</b>	<b>68,349,328,053</b>
1. Short-term trade payables	311	15a	26,234,871,552	28,329,346,481
2. Short-term advances from customers	312	16	1,458,588,466	565,406,489
3. Taxes and amounts payable to the State	313	17	1,083,585,915	1,583,113,583
4. Payables to employees	314		5,315,436,907	6,679,945,513
5. Short-term accrued expenses	315	18	30,914,155,160	30,260,971,870
6. Other short-term payables	319	19	17,839,650	25,940,869
7. Short-term loans and finance lease liabilities	320	20	-	-
8. Reward and welfare fund	322		930,284,615	904,603,248
<b>II. Non-current liabilities</b>	<b>330</b>		<b>-</b>	<b>-</b>
<b>D. EQUITY</b>	<b>400</b>		<b>97,285,647,019</b>	<b>98,053,594,296</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>97,285,647,019</b>	<b>98,053,594,296</b>
1. Share capital	411	21	50,000,000,000	50,000,000,000
- Common shares with voting rights	411a		50,000,000,000	50,000,000,000
- Preferred shares	411b		-	-
2. Treasury shares	415	21	(2,907,360,967)	(2,907,360,967)
3. Development and investment fund	418	21	10,499,596,414	9,929,566,232
4. Undistributed profit after tax	421	21	39,693,411,572	41,031,389,031
- Undistributed profit up to prior year-end	421a		31,712,989,031	31,150,231,840
- Undistributed profit for the current year	421b		7,980,422,541	9,881,157,191
<b>II. Other resources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>163,240,409,284</b>	<b>166,402,922,349</b>



Nguyễn Quang Dung  
General Director

Da Nang, 10 March 2025

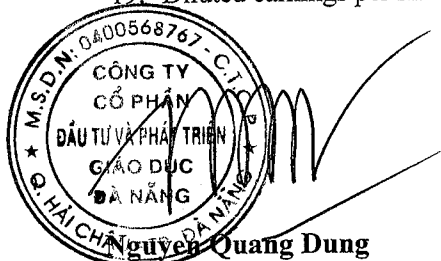
Le Ngoc  
Chief Accountant

Le Thi Dieu Hien  
Preparer

**INCOME STATEMENT**  
**For the year ended 31/12/2024**

Form B 02 - DN  
Issued under Circular No. 200/2014/TT - BTC  
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
1. Revenue from sales and service provision	01	22	515,447,587,688	472,121,629,007
2. Revenue deductions	02	23	15,441,715,752	32,311,744,546
3. Net revenue from sales and service provision	10		500,005,871,936	439,809,884,461
4. Cost of goods sold	11	24	421,213,417,768	358,569,079,061
<b>5. Gross profit from sales and service provision</b>	<b>20</b>		<b>78,792,454,168</b>	<b>81,240,805,400</b>
6. Financial income	21	25	4,568,482,727	2,668,073,202
7. Financial expenses	22	26	1,293,849,627	1,473,351,352
Including: Interest expenses	23		440,180,450	374,976,134
8. Selling expenses	25	27	45,033,499,096	40,149,696,145
9. Administrative expenses	26	28	21,419,712,497	24,127,564,351
<b>10. Operating profit</b>	<b>30</b>		<b>15,613,875,675</b>	<b>18,158,266,754</b>
11. Other income	31	29	3,150,350	365,055,001
12. Other expenses	32	30	105,129,498	-
<b>13. Other profit</b>	<b>40</b>		<b>(101,979,148)</b>	<b>365,055,001</b>
<b>14. Accounting profit before tax</b>	<b>50</b>		<b>15,511,896,527</b>	<b>18,523,321,755</b>
15. Current corporate income tax expense	51	31	4,111,292,898	4,407,382,912
16. Deferred corporate income tax expense	52		-	-
<b>17. Profit after tax</b>	<b>60</b>		<b>11,400,603,629</b>	<b>14,115,938,843</b>
18. Basic earnings per share	70	32	1,835	2,272
19. Diluted earnings per share	71	32	1,835	2,272



**Nguyễn Quang Dung**  
**General Director**

*Da Nang, 10 March 2025*

**Le Ngoc**  
**Chief Accountant**

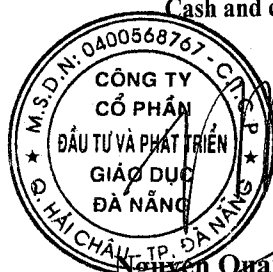
**Le Thi Dieu Hien**  
**Preparer**



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

Form B 03 - DN  
Issued under Circular No. 200/2014/TT - BTC  
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
<b>I. Cash flows from operating activities</b>				
1. Cash receipts from sales, service provision and other income	01		422,904,750,207	408,560,464,659
2. Cash paid to suppliers	02		(372,785,397,591)	(368,910,657,627)
3. Cash paid to employees	03		(17,783,258,977)	(16,672,869,123)
4. Loan interest paid	04	18,26	(440,180,450)	(374,976,134)
5. Cash paid for corporate income tax	05	17	(4,292,776,680)	(4,662,043,875)
6. Other cash receipts from operating activities	06		830,634,632	629,972,829
7. Other payments for operating activities	07		(9,637,170,258)	(9,960,887,101)
<b>Net cash from operating activities</b>	<b>20</b>		<b>18,796,600,883</b>	<b>8,609,003,628</b>
<b>II. Cash flows from investing activities</b>				
1. Purchase and construction of fixed assets and other non-current assets	21		-	(646,612,066)
2. Proceeds from disposal of fixed assets and other non-current assets	22		-	365,000,000
3. Cash paid for loans, acquisition of debt instruments	23	6b	(12,000,000,000)	(15,000,000,000)
4. Recovery of loans, re-sales of debt instruments	24	6b	15,000,000,000	11,000,000,000
5. Loan interest, dividends, and profits received	27	9,25	1,963,416,566	2,513,242,330
<b>Net cash from investing activities</b>	<b>30</b>		<b>4,963,416,566</b>	<b>(1,768,369,736)</b>
<b>1. Cash flows from financing activities</b>				
1. Proceeds from stock issuance, capital contribution	31		-	-
2. Dividends, profits paid to owners	36	21e	(9,318,400,000)	(6,988,800,000)
<b>Net cash from financing activities</b>	<b>40</b>		<b>(9,318,400,000)</b>	<b>(6,988,800,000)</b>
<b>Net cash flows for the year</b>	<b>50</b>		<b>14,441,617,449</b>	<b>(148,166,108)</b>
Cash and cash equivalents at the beginning of the year	60	5	53,762,116,091	53,910,282,199
Impacts of exchange rate fluctuations	61		-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>70</b>	<b>5</b>	<b>68,203,733,540</b>	<b>53,762,116,091</b>



**Nguyễn Quang Dung**  
**General Director**

*Da Nang, 10 March 2025*

**Le Ngoc**  
**Chief Accountant**

**Le Thi Dieu Hien**  
**Preparer**

## NOTES TO THE FINANCIAL STATEMENTS

*(These notes form part of and should be read in conjunction with the accompanying 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

Danang Education Investment and Development Joint Stock Company (the “Company”) was incorporated under Decision No. 311/QĐ-TCNS dated 23/03/2007 issued by the Chairman of the Board of Directors of Viet Nam Education Publishing House. The Company is an independent accounting entity, operating in compliance with the Enterprise Law, its Charter, and other relevant regulations. Since its establishment, the Company has amended the Enterprise Registration Certificate 9 times, most recently on 24/01/2025, with the enterprise code 0400568767.

The Company has registered for trading common shares on the Hanoi Stock Exchange pursuant to Decision No. 467/QĐ – SGDHN dated 13/08/2009 issued by the Hanoi Stock Exchange, with the ticker symbol DAD. The official trading date was 19/08/2009.

#### 1.2. Principal scope of business: Printing and distribution of books.

#### 1.3. Operating activities

- Wholesale of books, newspapers, magazines and stationery;
- Provision of real estate services. Leasing of warehouses, commercial spaces, and offices;
- Organization of cooperative publishing, printing, and distribution of supplementary textbooks and other publications;
- Manufacture of other articles of paper and paperboard n.e.c. Details: Manufacture: Educational equipment, stationery, student notebooks, and calendars.

#### 1.4. Enterprise structure

As at 31/12/2024, the Company had two associate companies:

- Danang Printing and Service Joint Stock Company;
- Binh Dinh Book and Equipment Joint Stock Company.

### 2. Accounting period, currency used in accounting

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

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

### 3. Applied accounting standards and accounting system

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

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 4. Summary of significant accounting policies

#### 4.1 Cash and cash equivalents

Cash includes cash on hand and bank demand deposits.

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

#### 4.2 Financial investments

##### *Trading securities*

Trading securities are securities held for business purposes.

Trading securities are initially recognized at cost, comprising buying prices plus (+) buying costs (if any) such as brokerage fees, transaction fees, information provision fees, taxes, and bank charges. Dividends and profits earned before the investment date shall be recorded as a decrease in value of investment.

After initial recognition, trading securities are determined at cost less provision for devaluation of trading securities. At the end of the fiscal year, if the market prices of trading securities devalue against their cost, the provisions for devaluation shall be made.

##### *Held-to-maturity investments*

Held-to-maturity investments are term deposits (including treasury bills, promissory notes).

Held-to-maturity investments are recorded at book value upon revaluation. Provision for loss of held-to-maturity investments shall be recorded as a decrease directly in the book value of investments.

In case where held-to-maturity investments are monetary items denominated in foreign currencies, they are revaluated using the buying rate of the commercial bank where the Company regularly conducts transactions at the time of the financial statements.

##### *Investments in associates and long-term equity investments in other companies*

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but not control or joint control over those policies. An entity is considered as an associate if the Company holds (directly or indirectly) from 20% to under 50% voting shares of the entity.

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

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

##### *Provision*

Provision for investments in associates is made if these investments are impaired or the investees suffer losses leading to the irrecoverability of the Company's investments. Provision for long-term equity investments in other companies is made as follows:

- If an investment in listed shares or the fair value of the investment is determined reliably, the provision shall be made based on the market value of the shares;

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

- If the market value of the shares is not identifiable, the provision shall be made based on the loss reported in the financial statements of the investee.

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

### 4.3 Receivables

Receivables include trade receivables and other receivables:

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

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss 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.

### 4.4 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 sau:

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

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

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

### 4.5 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. The depreciation rate is determined based on cost and estimated useful life. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/04/2013 by the Ministry of Finance. Details are as follows:

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

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

### 4.6 Intangible fixed assets

#### *Cost*

Intangible fixed assets are stated at cost less accumulated amortization.

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

#### *Land use rights*

Intangible fixed assets are land use rights including:

- Land use rights allocated by the State with a land use fee or acquired through legal transfer (including definite and indefinite land use rights);
- Prepaid land rent (either paid for the entire lease term or in advance for multiple years, with at least five years remaining) under a land lease contract signed before effective date of the Land Act 2003 and being granted with certificate of land use right by the competent authority.

The cost of land use rights includes all directly attributable costs incurred to obtain legal land use rights.

#### *Amortization*

Intangible fixed assets being land use rights with indefinite term are not amortized.

Other intangible fixed assets are amortized on a straight-line basis over their estimated useful lives. The amortization period in conformity with Circular No. 45/2013/TT-BTC dated 25/04/2013 by the Ministry of Finance.

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

<u>Asset title</u>	<u>Amortization period (years)</u>
Website	5

### 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. The Company's primary prepayments are as follows.

- Prepaid land rent for the entire lease term and related costs, allocated using the straight-line method over the lease term;
- Tools and equipment put into use, allocated using the straight-line method over 12 months;
- Other prepaid expenses: The Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

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

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

### 4.9 Accrued expenses

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

### 4.10 Unearned revenue

Unearned revenue of the Company consists of amounts received in advance for one or multiple accounting periods for services provided to customers, which are allocated over the periods for which the Company has received the advance payment.

### 4.11 Loans and finance lease liabilities

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

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

#### *Borrowing costs*

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

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.

### 4.12 Owners' equity

Paid-in capital represents the amount of capital actually contributed by shareholders.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### *Treasury shares*

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

### *Profit distribution*

Profit after corporate income tax is appropriated to funds and distributed to shareholders in accordance with the resolution of the General Meeting of Shareholders.

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

### **4.13 Recognition of revenue and other income**

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

### **4.14 Revenue deductions**

Revenue deductions at the Company arise from 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.

### **4.15 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.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

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

### 4.16 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities. The Company's financial expenses include interest expenses, payment discounts for buyers, provisions for devaluation of trading securities, and provisions for investment losses in other entities.

### 4.17 Selling expenses, administrative expenses

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

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

### 4.18 Current corporate income tax expense

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.

### 4.19 Financial instruments

#### Initial recognition

##### Financial assets

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

##### Financial liabilities

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

#### Subsequent measurement

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

### 4.20 Applicable tax rates and charges payable to the State Budget

- Value-added tax (VAT):
  - ✓ Textbooks and supplementary books for textbooks: Exempt from VAT;
  - ✓ Reference books (not supplementary to textbooks) and educational equipment: Subject to a 5% VAT rate;
  - ✓ Calendars and stationery: Subject to a 10% VAT rate. From 01/01/2024 to 31/12/2024, these products were subject to an 8% VAT rate in accordance with Resolution 110/2023/QH15 (dated 29/11/2023) and Resolution 142/2024/QH15 (dated 29/06/2024) by the National Assembly.
- Corporate income tax (CIT): CIT is applied at a rate of 20%.
- Other taxes and obligations are fulfilled in accordance with the prevailing regulations.



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 4.21 Related parties

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

Currency: VND

### 5. Cash and cash equivalents

	31/12/2024	01/01/2024
Cash on hand	285,584,525	171,929,777
Bank demand deposits	1,918,149,015	6,490,186,314
Term deposits within 3 months	66,000,000,000	47,100,000,000
<b>Total</b>	<b>68,203,733,540</b>	<b>53,762,116,091</b>

### 6. Financial investments

#### a. Trading securities

	31/12/2024			01/01/2024		
	Cost	Fair value	Provision	Cost	Fair value	Provision
Listed shares (*)						
- Book & Education Equipment JSC of HCMC (STC)	408,545,000	255,000,000	153,545,000	408,545,000	288,000,000	120,545,000
- Educational Book JSC In Da Nang City (DAE)	3,828,600,000	5,258,250,000	-	3,828,600,000	4,428,000,000	-
<b>Total</b>	<b>4,237,145,000</b>	<b>5,513,250,000</b>	<b>153,545,000</b>	<b>4,237,145,000</b>	<b>4,716,000,000</b>	<b>120,545,000</b>

(\*) Trading securities are revaluated at the lower of cost and market value. For listed securities on stock exchanges, the market value is determined based on the closing price at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

b. Financial investments

	% of equity	31/12/2024			01/01/2024		
		Cost	Provision	Fair value	Cost	Provision	Fair value
Investments in associates, joint ventures		5,449,500,000	-		5,449,500,000	-	
- Da Nang Printing and Service JSC (1)	20%	2,530,000,000	-		2,530,000,000	-	
- Binh Dinh Book and Equipment JSC (BDB) (2)	25.92%	2,919,500,000	-	2,306,405,000	2,919,500,000	-	2,715,135,000
Investments in other entities		1,350,000,000	-		1,350,000,000	-	
- Da Nang Education Publishing Services JSC (3)	8.76%	350,000,000	-		350,000,000	-	
- South Books and Educational Equipment JSC (SMN) (4)	2.27%	1,000,000,000	-	1,400,000,000	1,000,000,000	-	1,320,000,000
Total		6,799,500,000	-		6,799,500,000	-	

All investee companies have no accumulated losses, and their equity is well-preserved.

(1), (3) These shares are not listed on any stock exchange, and the Company has no reliable reference data on their market price as at 31/12/2024. Therefore, the Company has no basis to determine the fair value of these long-term investments.

(2), (4) The shares of these companies are listed on the Hanoi Stock Exchange. Accordingly, their fair value is determined based on the closing price as at 31/12/2024.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 7. Trade receivables

#### a. Short-term

	31/12/2024	01/01/2024
Quang Binh Book and Educational Equipment JSC	4,574,341,299	2,459,565,747
Quang Ngai Book and Equipment JSC	9,465,543,864	11,564,281,169
Phu Yen Book and School Equipment JSC	4,256,662,122	3,343,911,240
Other customers	13,009,599,998	20,048,936,669
<b>Total</b>	<b>31,306,147,283</b>	<b>37,416,694,825</b>

#### b. Trade receivables from related parties

	31/12/2024	01/01/2024
Quang Tri Book and School Equipment JSC	2,958,866,393	4,014,276,250
Binh Dinh Book and Equipment JSC	292,454,775	17,492,345

### 8. Short-term prepayments to suppliers

	31/12/2024	01/01/2024
Nguyen Nam Hai Fire Protection Trading and Service Co., Ltd	869,096,632	869,096,632
Other suppliers	561,173,972	416,572,872
<b>Total</b>	<b>1,430,270,604</b>	<b>1,285,669,504</b>

### 9. Other short-term receivables

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Advances	884,784,807	-	879,613,852	-
Other receivables	253,454,795	-	1,032,767,029	-
- Accrued interest income	253,454,795	-	434,161,644	-
- Others	-	-	598,605,385	-
<b>Total</b>	<b>1,138,239,602</b>	<b>-</b>	<b>1,912,380,881</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 10. Provision for doubtful short-term debts

	Year 2024	Year 2023
Opening balance	1,230,063,637	1,275,700,678
Provision made during the year	77,464,784	2,023,819
Reversal of provision during the year	315,949,654	47,660,860
<b>Closing balance</b>	<b>991,578,767</b>	<b>1,230,063,637</b>

Bad debts:

	31/12/2024		01/01/2024	
	Cost	Recoverable value	Cost	Recoverable value
<b>Total value of receivables that are overdue or not yet due but unlikely to be recovered</b>				
Continental Events Co., Ltd	-	-	13,363,080	9,354,156
Anh Phuong Bookstore	-	-	12,990,080	6,495,040
Viet Ly Bookstore	-	-	207,896,552	-
Gia Lai CTC JSC	121,138,111	-	121,138,111	-
Thanh Phat Trading and Service Book - Educational Equipment Co., Ltd	271,850,175	-	271,850,175	-
JSC	116,828,262	58,414,131	196,828,262	137,779,783
Other debtors	587,937,522	47,761,172	559,626,356	-
<b>Total</b>	<b>1,097,754,070</b>	<b>106,175,303</b>	<b>1,383,692,616</b>	<b>153,628,979</b>

### 11. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Materials	2,577,882,610	-	4,225,800,416	-
Work in progress	5,836,332,624	-	12,606,273,370	-
Finished goods	6,900,482,945	4,712,073,315	6,755,833,347	5,016,463,577
Merchandise goods	19,964,903,033	8,870,398,404	16,153,380,465	7,617,680,840
<b>Total</b>	<b>35,279,601,212</b>	<b>13,582,471,719</b>	<b>39,741,287,598</b>	<b>12,634,144,417</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 12. Prepaid expenses

#### a. Short-term

	31/12/2024	01/01/2024
Non-deductible input value-added tax pending allocation	978,684,935	1,781,404,075
Other short-term prepaid expenses	-	161,176,559
<b>Total</b>	<b>978,684,935</b>	<b>1,942,580,634</b>

#### b. Long-term

	31/12/2024	01/01/2024
Land lease expenses in Hoa Cam Industrial Park (*)	167,242,768	236,446,684
Cloud server service fees	121,500,000	-
<b>Total</b>	<b>288,742,768</b>	<b>236,446,684</b>

(\*) The Company has acquired the land lease rights at Hoa Cam Industrial Park from Hoa Phat Educational Book Printing Joint Stock Company under a transfer agreement dated 04/09/2009. Accordingly, the lease term will expire on 22/05/2027.

### 13. Tangible fixed assets

	Buildings, architectures	Motor vehicles, transmission equip.	Office equipment	Total
<b>Cost</b>				
Opening balance	15,653,606,733	5,877,228,182	672,164,682	22,202,999,597
New purchases	-	-	-	-
Disposals	-	-	-	-
<b>Closing balance</b>	<b>15,653,606,733</b>	<b>5,877,228,182</b>	<b>672,164,682</b>	<b>22,202,999,597</b>
<b>Depreciation</b>				
Opening balance	8,584,457,320	2,789,987,408	651,216,683	12,025,661,411
Charge for the year	754,076,360	932,518,000	13,968,000	1,700,562,360
Disposals	-	-	-	-
<b>Closing balance</b>	<b>9,338,533,680</b>	<b>3,722,505,408</b>	<b>665,184,683</b>	<b>13,726,223,771</b>
<b>Net book value</b>				
Opening balance	7,069,149,413	3,087,240,774	20,947,999	10,177,338,186
<b>Closing balance</b>	<b>6,315,073,053</b>	<b>2,154,722,774</b>	<b>6,979,999</b>	<b>8,476,775,826</b>

- Cost of tangible fixed assets fully depreciated but still in active use as at 31/12/2024 is VND2,771,918,724.
- No tangible fixed assets were pledged as collateral for borrowings as at 31/12/2024.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 14. Intangible fixed assets

	Land use rights	Other intangible fixed assets	Total
<b>Cost</b>			
Opening balance	7,799,999,000	365,000,000	8,164,999,000
New purchases	-	-	-
Disposals	-	-	-
<b>Closing balance</b>	<b>7,799,999,000</b>	<b>365,000,000</b>	<b>8,164,999,000</b>
<b>Amortization</b>			
Opening balance	-	288,483,000	288,483,000
Charge for the year	-	47,352,000	47,352,000
Disposals	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>335,835,000</b>	<b>335,835,000</b>
<b>Net book value</b>			
Opening balance	7,799,999,000	76,517,000	7,876,516,000
<b>Closing balance</b>	<b>7,799,999,000</b>	<b>29,165,000</b>	<b>7,829,164,000</b>

- The intangible fixed asset is a long-term land use right with a cost of VND7,799,999,000 at 145-147 Le Loi Street, Hai Chau District, Da Nang City, which is currently used as the Company's head office.
- Cost of intangible fixed assets fully amortized but still in active use as at 31/12/2024 is VND315,000,000.

### 15. Trade payables

#### a. Short-term

	31/12/2024	01/01/2024
Education Publishing House in Da Nang City	18,468,707,285	22,584,017,348
Phuong Nam Education Investment and Development JSC	3,627,492,634	2,388,199,446
Other suppliers	4,138,671,633	3,357,129,687
<b>Total</b>	<b>26,234,871,552</b>	<b>28,329,346,481</b>

#### b. Trade payables to related parties

	31/12/2024	01/01/2024
Viet Nam Education Publishing House Ltd	49,090,909	106,300,000
Education Publishing House in Da Nang City	18,468,707,285	22,584,017,348
Book and Educational Equipment JSC of Ho Chi Minh City	1,463,819,145	566,495,743
Phuong Nam Education Investment and Development JSC	3,627,492,634	2,388,199,446
South Books and Educational Equipment JSC	126,021,050	53,046,860
Educational Book JSC in Da Nang City	23,368,840	-
Educational Book JSC in Ha Noi City	398,299,500	221,745,500
Educational Book Distribution JSC	138,871,800	230,889,410

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 16. Advances from customers

	31/12/2024	01/01/2024
Crown Worldwide Ltd	316,800,000	316,800,000
Viet Nam Education Publishing House Ltd (related party)	920,548,490	-
Lam Dat Transport Service JSC	183,540,990	146,526,825
Other customers	37,698,986	102,079,664
<b>Total</b>	<b>1,458,588,466</b>	<b>565,406,489</b>

### 17. Taxes and amounts payable to the State Budget

	Opening balance	Amount to be paid	Actual amount paid	Closing balance
Value-added tax	202,662,406	896,314,597	1,005,968,727	93,008,276
Corporate income tax	674,627,091	4,111,292,898	4,292,776,680	493,143,309
Personal income tax	705,824,086	1,436,036,296	1,644,426,052	497,434,330
Other taxes	-	3,000,000	3,000,000	-
<b>Total</b>	<b>1,583,113,583</b>	<b>6,446,643,791</b>	<b>6,946,171,459</b>	<b>1,083,585,915</b>

The Company's tax returns would be subject to inspection by the tax authorities. The tax amounts reported in these financial statements could be changed at a later date upon final determination by the tax authorities.

### 18. Short-term accrued expenses

	31/12/2024	01/01/2024
Publishing management fees, manuscript organization fees, and royalties payable to Ha Noi Education Development and Investment JSC (related party)	30,914,155,160	30,260,971,870
<b>Total</b>	<b>30,914,155,160</b>	<b>30,260,971,870</b>

### 19. Other short-term payables

	31/12/2024	01/01/2024
Dividends and profits payable to owners	320,000	320,000
Other payables	17,519,650	25,620,869
<b>Total</b>	<b>17,839,650</b>	<b>25,940,869</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 20. Short-term loans and finance lease liabilities

	Opening balance	Increases	Decreases	Closing balance
VietinBank - North Da Nang Branch	-	85,107,954,225	85,107,954,225	-
<b>Total</b>	<b>-</b>	<b>85,107,954,225</b>	<b>85,107,954,225</b>	<b>-</b>

### 21. Owners' equity

#### a. Statement of changes in owners' equity

	Share capital	Treasury shares	Development and investment fund	Undistributed profit after tax
As at 01/01/2023	50,000,000,000	(2,907,360,967)	9,223,769,290	38,139,031,840
Increases	-	-	705,796,942	14,115,938,843
Decreases	-	-	-	11,223,581,652
As at 31/12/2023	<u>50,000,000,000</u>	<u>(2,907,360,967)</u>	<u>9,929,566,232</u>	<u>41,031,389,031</u>
As at 01/01/2024	50,000,000,000	(2,907,360,967)	9,929,566,232	41,031,389,031
Increases	-	-	570,030,182	11,400,603,629
Decreases	-	-	-	12,738,581,088
As at 31/12/2024	<u>50,000,000,000</u>	<u>(2,907,360,967)</u>	<u>10,499,596,414</u>	<u>39,693,411,572</u>

#### b. Breakdown of share capital

	31/12/2024	01/01/2024
Viet Nam Education Publishing House Ltd	20,750,000,000	20,750,000,000
Other shareholders	25,842,000,000	25,842,000,000
Par value of treasury shares	3,408,000,000	3,408,000,000
<b>Total</b>	<u>50,000,000,000</u>	<u>50,000,000,000</u>

#### c. Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of shares authorized for issuance	5,000,000	5,000,000
Number of shares sold to the public	5,000,000	5,000,000
- Common shares	5,000,000	5,000,000
- Preferred shares (classified as equity)	-	-
Number of shares repurchased (treasury shares)	340,800	340,800
- Common shares	340,800	340,800
- Preferred shares (classified as equity)	-	-
Number of shares outstanding	4,659,200	4,659,200
- Common shares	4,659,200	4,659,200
- Preferred shares (classified as equity)	-	-
Par value of outstanding shares: VND10,000 each		



## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### d. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	41,031,389,031	38,139,031,840
Profit after corporate income tax	11,400,603,629	14,115,938,843
Profit distribution (*)	12,738,581,088	11,223,581,652
Distribution of prior year's profit	9,318,400,000	6,988,800,000
- Dividends paid to shareholders	9,318,400,000	6,988,800,000
Interim distribution of current year's profit	3,420,181,088	4,234,781,652
- Development and investment fund (5%)	570,030,182	705,796,942
- Reward and welfare fund	2,280,120,724	2,823,187,768
- Remuneration for Board of Directors and Supervisory Board (5%)	570,030,182	705,796,942
<b>Undistributed profit after tax</b>	<b>39,693,411,572</b>	<b>41,031,389,031</b>

(\*) The Company distributes the profit after tax for 2023 and temporarily distributes the after-tax profit for 2024 in accordance with Resolution No. 16/NQ-DEIDCO-ĐHĐCĐ dated 24/04/2024 of the 2024 Annual General Meeting of Shareholders.

### e. Dividends

Resolution No. 16/NQ-DEIDCO-ĐHĐCĐ dated 24/04/2024 of the 2024 Annual General Meeting of Shareholders approved the dividend payment plan from the 2023 profit after tax in cash at a rate of 15% of charter capital (equivalent to VND6,988,800,000) and an additional dividend payment of 5% of charter capital (equivalent to VND2,329,600,000) from the retained earnings of previous years. Accordingly, the Company finalized the list of shareholders on 08/01/2024 and 28/05/2024 and has completed the dividend payments within the year.

## 22. Revenue from sales and service provision

	Year 2024	Year 2023
Total revenue	515,447,587,688	472,121,629,007
+ Revenue from supplementary books and textbooks	490,824,103,432	447,211,134,624
+ Revenue from reference books	16,946,366,406	15,926,156,879
+ Revenue from other activities	7,677,117,850	8,984,337,504
<b>Total</b>	<b>515,447,587,688</b>	<b>472,121,629,007</b>

## 23. Revenue deductions

	Year 2024	Year 2023
Sales returns	15,441,715,752	32,311,744,546
+ Sales returns of supplementary books and textbooks	15,005,675,685	30,592,530,115
+ Sales returns of reference books	392,740,200	1,655,505,046
+ Other sales returns	43,299,867	63,709,385
<b>Total</b>	<b>15,441,715,752</b>	<b>32,311,744,546</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 24. Cost of goods sold

	Year 2024	Year 2023
Cost of goods sold	420,265,090,466	368,870,302,484
+ Cost of supplementary books and textbooks	401,340,405,147	352,428,601,017
+ Cost of reference books	12,983,942,111	10,023,270,495
+ Cost of other activities	5,940,743,208	6,418,430,972
(Reversal of) Provision for decline in value of inventories	948,327,302	(10,301,223,423)
<b>Total</b>	<b>421,213,417,768</b>	<b>358,569,079,061</b>

### 25. Financial income

	Year 2024	Year 2023
Interest income from deposits and loans	767,649,717	1,968,123,202
Interest on credit sales, payment discounts	2,785,773,010	-
Dividends and profits received	1,015,060,000	699,950,000
<b>Total</b>	<b>4,568,482,727</b>	<b>2,668,073,202</b>

### 26. Financial expenses

	Year 2024	Year 2023
Interest expenses	440,180,450	374,976,134
Early payment discount	698,585,887	1,134,375,218
(Reversal of) Provision for devaluation of trading securities and investment losses	33,000,000	(36,000,000)
Other financial expenses	122,083,290	-
<b>Total</b>	<b>1,293,849,627</b>	<b>1,473,351,352</b>

### 27. Selling expenses

	Year 2024	Year 2023
Transportation, loading and unloading expenses	10,183,607,393	8,207,150,078
Sales staff costs	9,993,133,257	9,975,702,171
Other expenses	24,856,758,446	21,966,843,896
- Depreciation expenses	351,379,360	452,100,002
- Transaction, conference, and hospitality expenses	9,596,466,774	6,869,133,658
- Advertising, book promotion, and training expenses	12,587,286,993	12,906,594,282
- Others	2,321,625,319	1,739,015,954
<b>Total</b>	<b>45,033,499,096</b>	<b>40,149,696,145</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 28. Administrative expenses

	Year 2024	Year 2023
Transaction, conference, and hospitality expenses	3,549,503,877	5,009,659,238
Management staff costs	9,993,514,645	9,976,743,875
Other expenses	7,876,693,975	9,141,161,238
- Depreciation expenses	1,396,535,000	1,395,279,000
- (Reversal of) Provision for doubtful debts	(238,484,870)	(45,637,041)
- Others	6,718,643,845	7,791,519,279
<b>Total</b>	<b>21,419,712,497</b>	<b>24,127,564,351</b>

### 29. Other income

	Year 2024	Year 2023
Gains from disposal of fixed assets	-	365,000,000
Other income	3,150,350	55,001
<b>Total</b>	<b>3,150,350</b>	<b>365,055,001</b>

### 30. Other expenses

	Year 2024	Year 2023
Tax arrears and penalties	105,128,707	-
Other expenses	791	-
<b>Total</b>	<b>105,129,498</b>	<b>-</b>

### 31. Current corporate income tax expense

	Year 2024	Year 2023
Total accounting profit before tax	15,511,896,527	18,523,321,755
Adjustments for taxable income	4,531,407,551	3,513,592,805
Incremental adjustments	5,546,467,551	4,213,542,805
- Administrative fines and tax arrears	105,128,707	-
- Non-deductible expenses	5,441,338,844	4,213,542,805
Decremental adjustments (Dividends and profits received)	1,015,060,000	699,950,000
Total taxable income	20,043,304,078	22,036,914,560
<b>Current corporate income tax expense</b>	<b>4,111,292,898</b>	<b>4,407,382,912</b>

#### Including:

- Current corporate income tax expense for the year	4,008,660,816	4,407,382,912
- Adjustment of prior year's current corporate income tax expense recorded in the current year	102,632,082	-

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 32. Basic/diluted earnings per share

	Year 2024	Year 2023
Profit after corporate income tax	11,400,603,629	14,115,938,843
Incremental or decremental adjustments to profit after tax	(2,850,150,906)	(3,528,984,710)
- Incremental adjustments	-	-
- Decrease adjustments (Allocations to reward and welfare fund, remuneration for the Board of Directors and Supervisory Board)	2,850,150,906	3,528,984,710
Profit or loss attributable to common shareholders	8,550,452,723	10,586,954,133
Weighted average number of common shares outstanding during the year	4,659,200	4,659,200
<b>Basic and diluted earnings per share</b>	<b>1,835</b>	<b>2,272</b>

### 33. Operating expenses by element

	Year 2024	Year 2023
Materials expenses	14,175,520,483	18,170,752,593
Labor costs	19,986,647,902	19,952,446,046
Depreciation of fixed assets	1,747,914,360	1,847,379,002
Outsourced service expenses	75,715,823,291	64,739,592,446
Other cash expenses	30,835,676,442	29,954,795,775
<b>Total</b>	<b>142,461,582,478</b>	<b>134,664,965,862</b>

### 34. Segment reporting

According to Vietnamese Accounting Standard No. 28 and the relevant guidelines, the Company is required to have segment reporting. Accordingly, a business segment is a distinguishable component of the Company that is engaged in providing related products or service (business segment) or providing goods or services in a specific economic environment (segment by geographical area) and that is subject to risks and returns that are different from those of other business segment.

Based on the Company's actual operations, the Management assesses that business segments and segments by geographical area have no differences in bearing risks and obtaining returns. Accordingly, the Company operates in a sole business segment, i.e., book publishing, and its main geographical segment is the Central provinces of Vietnam.

### 35. Risk management

#### a. Capital risk management

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

#### b. Financial risk management

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

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

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

### *Interest rate risk management*

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk primarily relates to short-term deposits and outstanding borrowings. To mitigate this risk, the Company analyzes market competition to make interest rate decisions that align with its objectives while keeping risk at an acceptable level. The Company also estimates the impact of interest expenses on its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Management assesses that uncontrollable risks arising from fluctuations of interest rates are low.

### *Price risk management*

The Company procures goods, raw materials, and outsourced printing services from domestic suppliers to serve its operating activities, thereby exposing itself to the risk of input price fluctuations. Its suppliers primarily include the Education Publishing House and its member companies. Given the nature of the education sector, input prices remain stable with minimal fluctuations. As a result, the Company assesses that price risk in its operating activities is low.

### *Credit risk management*

The Company's traditional customers primarily consist of book and educational equipment companies in various provinces, with whom it conducts frequent transactions. Given their timely payment history, the Company does not face significant credit risk from this customer group. For agent customers, some overdue receivables exist. The Company mitigates this risk by strengthening debt collection measures and making provisions for doubtful debts.

### *Liquidity risk management*

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

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

31/12/2024	Within 1 year	Over 1 year	Total
Trade payables	26,234,871,552	-	26,234,871,552
Accrued expenses	30,914,155,160	-	30,914,155,160
Other payables	17,839,650	-	17,839,650
<b>Total</b>	<b>57,166,866,362</b>	<b>-</b>	<b>57,166,866,362</b>
01/01/2024	Within 1 year	Over 1 year	Total
Trade payables	28,329,346,481	-	28,329,346,481
Accrued expenses	30,260,971,870	-	30,260,971,870
Other payables	15,455,741	-	15,455,741
<b>Total</b>	<b>58,605,774,092</b>	<b>-</b>	<b>58,605,774,092</b>

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

The Management assumes that the Company has no exposure to liquidity risk and believes that it can generate sufficient resources to meet its financial obligations as they fall due.

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

31/12/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	68,203,733,540	-	68,203,733,540
Financial investments	16,083,600,000	1,350,000,000	17,433,600,000
Trade receivables	30,314,568,516	-	30,314,568,516
Other receivables	253,454,795	-	253,454,795
<b>Total</b>	<b>114,855,356,851</b>	<b>1,350,000,000</b>	<b>116,205,356,851</b>

01/01/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	53,762,116,091	-	53,762,116,091
Financial investments	19,116,600,000	1,350,000,000	20,466,600,000
Trade receivables	36,186,631,188	-	36,186,631,188
Other receivables	1,032,767,029	-	1,032,767,029
<b>Total</b>	<b>110,098,114,308</b>	<b>1,350,000,000</b>	<b>111,448,114,308</b>

### 36. Related party disclosures

#### a. Related parties

	Relationship
Viet Nam Education Publishing House Ltd	Investor
Binh Dinh Book and Equipment JSC	Associate
Education Publishing House in Da Nang City	Dependent entity of investor
Book and Educational Equipment JSC of Ho Chi Minh City	Having the same investor
Ha Noi Education Development and Investment JSC	Having the same investor
Phuong Nam Education Investment and Development JSC	Having the same investor
Education Publishing and Investment JSC	Having the same investor
Ha Noi Education Publishing Services JSC	Having the same investor
South Books and Educational Equipment JSC	Having the same investor
Educational Book JSC in Da Nang City	Having the same investor
Educational Book JSC in Ha Noi City	Having the same investor
Educational Book Distribution JSC	Having the same investor
Quang Nam Printing - Distribution of Books and School Equipment JSC	Having the same investor
Quang Tri Book and School Equipment JSC	Having the same investor
Central Books and Educational Equipment JSC	Having the same investor

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### b. Significant transactions with related parties during the year

Purchase of goods	Year 2024	Year 2023
Education Publishing House in Da Nang City	274,982,787,855	238,624,445,448
Book and Educational Equipment JSC of Ho Chi Minh City	3,744,277,661	5,467,372,846
Ha Noi Education Publishing Services JSC	150,000,000	1,169,695,248
Quang Nam Printing - Distribution of Books and School Equipment JSC	1,444,326,614	2,318,014,743
Educational Book JSC in Da Nang City	672,903,300	2,151,174,736
Education Publishing and Investment JSC	302,063,580	376,027,579
Educational Book JSC in Ha Noi City	5,609,833,900	3,837,278,500
Ha Noi Education Development and Investment JSC	37,786,367,471	30,949,768,439
Phuong Nam Education Investment and Development JSC	11,469,894,569	11,351,017,244
Central Books and Educational Equipment JSC	56,435,730	56,435,730
Binh Dinh Book and Equipment JSC	1,038,729,275	-

Sale of goods	Year 2024	Year 2023
Binh Dinh Book and Equipment JSC	9,209,761,877	7,507,052,070
Quang Nam Printing - Distribution of Books and School Equipment JSC	2,918,237	-
Quang Tri Book and School Equipment JSC	29,550,345,801	32,404,530,152
Educational Book JSC in Da Nang City	357,164,760	514,086,248
Educational Book JSC in Ha Noi City	999,189,716	105,145,267
Ha Noi Education Development and Investment JSC	1,672,356,497	815,226,370
Phuong Nam Education Investment and Development JSC	1,589,350,285	1,417,568,307
Central Books and Educational Equipment JSC	898,222,015	1,050,563,902

### c. Remuneration and salaries of key management personnel

	Year 2024	Year 2023
<b>Board of Directors' Remuneration</b>	<b>156,000,000</b>	<b>156,000,000</b>
Mr. Dang Thanh Hai Chairman	48,000,000	48,000,000
Mr. Nguyen Quang Dung Member	36,000,000	36,000,000
Mr. Ong Thua Phu Member	24,000,000	24,000,000
Mr. Nguyen Le Van Member	24,000,000	24,000,000
Mr. Huynh Ngoc Bao Member (from 24/03/2023)	24,000,000	18,000,000
Ms. Le Ngoc Member (until 24/03/2023)	-	6,000,000
<b>Supervisory Board's Remuneration</b>	<b>30,000,000</b>	<b>30,000,000</b>
<b>Salaries of Management, Chief Accountant</b>	<b>2,847,929,248</b>	<b>2,565,342,870</b>

### 37. Events after the balance sheet date

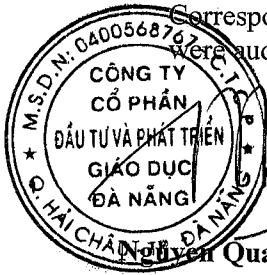
There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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

### 38. Corresponding figures

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



Nguyễn Quang Dung

General Director

Da Nang, 10 March 2025

Le Ngoc

Chief Accountant

Le Thi Dieu Hien

Preparer