



## PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JOINT STOCK COMPANY

*"Nurturing  
knowledge*

*Stepping firmly  
into the future"*



# ANNUAL REPORT

Ký bởi: Phạm Lan Anh  
Thị trấn: Thị trấn  
03/04/2025  
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# 2024



## MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



*"Nurturing knowledge,  
Stepping firmly into the future"*

## To our esteemed shareholders, partners, and all employees of Phuong Nam Education Investment And Development Joint Stock Company

In 2024, the global economy continued to face numerous challenges, including escalating geopolitical conflicts, strategic competition among major powers, and the rise of trade protectionism policy. These factors negatively impacted global economic growth, creating risks and uncertainties. However, Vietnam demonstrated resilience and adaptability in this context. According to the National Statistics Office, Vietnam's GDP growth in 2024 exceeded 7%, surpassing the target and placing it among the world's fastest-growing economies.

In the publishing sector, 2024 marked the final year of implementing the textbook replacement roadmap under the 2018 General Education Curriculum, with new textbooks introduced for final grades 5, 9, and 12. Competition in the textbook market, particularly for English language textbooks, intensified as more publishers participated. However, the demand for educational books and reference materials remained high, reflecting society's focus on education and learning quality.

Facing these challenges and opportunities, the Company proactively developed flexible action plans, focusing on maintaining market share, developing new products, enhancing customer service, and improving management practices. The Company effectively organized the introduction and training of new textbooks for final grades 5, 9, and 12 in assigned areas, collaborating with educational institutions and teachers in utilizing the books. Investment in developing reference book products also contributed effectively to the Company's business results in the past year.

As a result, in 2024, the Board of General Director and all employees of the Company made efforts in all areas of work, recording total revenue of 1,336 billion VND and profit before tax of 78.7 billion VND, exceeding the plan approved by the 2024 Annual General Meeting of Shareholders.

Entering 2025, the global situation is forecast to continue to be complex with many unstable factors. In Vietnam, the streamlining and merging of administrative units may create difficulties in employment and the lives of employees. The rapid development of science and technology, especially the widespread application of artificial intelligence, poses a significant challenge to products and services in the education sector. Competition in the educational book sector, especially English language books, is expected to become increasingly fierce.

In this context, Phuong Nam Company will focus on maintaining and developing the market and increasing market share. We will continue to collaborate, listen to feedback, and meet the needs of educational institutions to support teachers and students in using the books and educational equipment published by the Company. At the same time, the Company will focus on applying new technologies, improving product and service quality, ensuring timely and effective response to the increasing demands of customers.

We believe that with the solidarity and continuous efforts of all employees, along with the support of shareholders and partners, Phuong Nam Company will continue to achieve new successes, contributing to the overall development of the education and publishing industry in Vietnam.

Sincerely thanks,

**CHAIRMAN OF THE BOARD OF DIRECTORS**

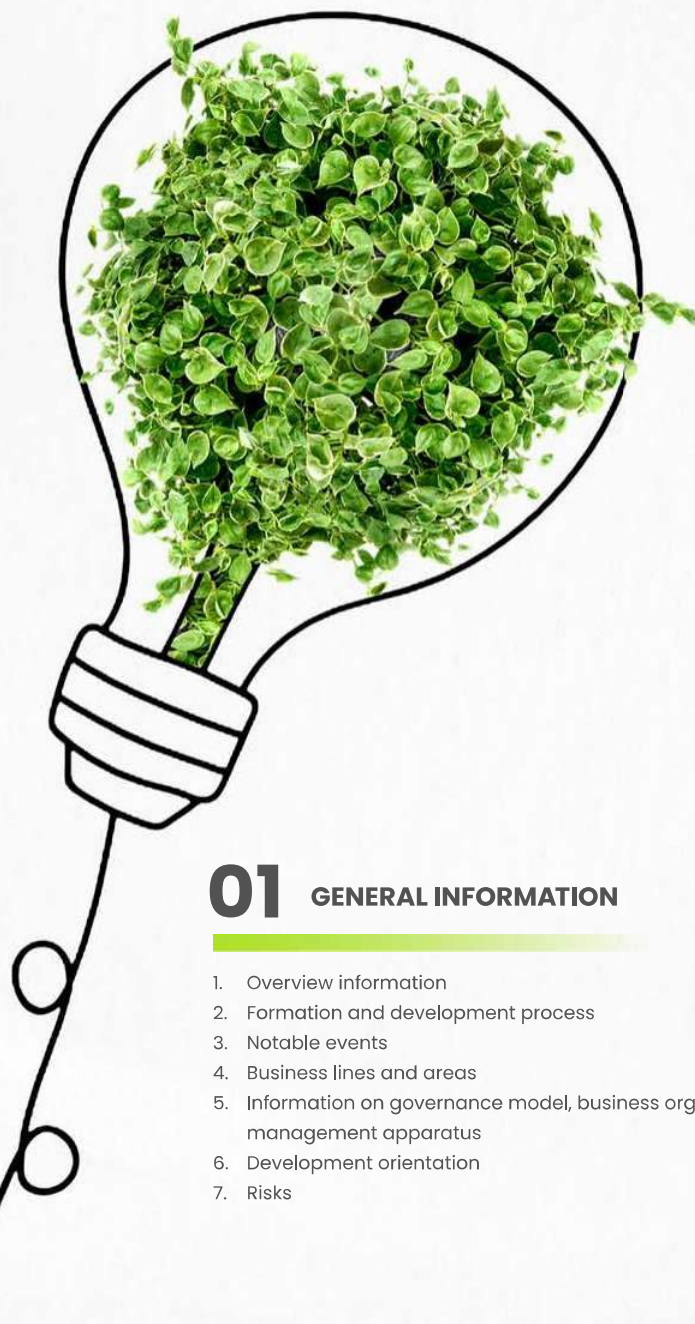
# ABBREVIATIONS

<b>GMOS</b>	the General Meeting of Shareholders
<b>BOD</b>	Board of Directors
<b>BOS</b>	Board of Supervisors
<b>JSC</b>	Joint Stock Company
<b>GDP</b>	Gross Domestic Product
<b>HCMC</b>	Ho Chi Minh City
<b>HNX</b>	Ha Noi Stock Exchange
<b>SSC</b>	The State Securities Commission of Viet Nam
<b>VSDC</b>	Vietnam Securities Depository and Clearing Corporation
<b>ESG</b>	Environment, Social and Governance





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# 1 | GENERAL INFORMATION

Overview Information

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Formation and development process

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Notable events

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Business lines and areas

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Information on governance model, business organization and management apparatus

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Development orientation


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Risks

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## OVERVIEW INFORMATION

<b>Trading name</b>	: PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JOINT STOCK COMPANY
<b>English name</b>	: PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JOINT STOCK COMPANY
<b>Abbreviation</b>	: SEDIDCO
<b>Stock Code</b>	: SED
<b>Business Registration Certificate No.</b>	: 0304952106 issued by Ho Chi Minh City Department of Planning and Investment for the first time on May 9, 2007, and the 8th amendment on November 23, 2021
<b>Charter capital:</b>	: 100,000,000,000 VND
<b>Owner's investment capital</b>	: 100,000,000,000 VND
<b>Phone number:</b>	: (028) 73 035 556
<b>Fax number</b>	: (028) 38 305 702
<b>Website</b>	: <a href="http://www.phuongnam.edu.vn">www.phuongnam.edu.vn</a>
<b>Address</b>	: 231 Nguyen Van Cu, Ward 4, District 5, Ho Chi Minh City, Vietnam
<b>Logo</b>	: 



**Charter Capital**

**100.000.000.000 VND**

*We aspire to build a powerful digital platform that provides Vietnamese teachers with cutting-edge open educational resources - modern, forward-thinking, and deeply rooted in our national cultural identity!*





## FORMATION AND DEVELOPMENT PROCESS



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Stepping firmly into the future"*

### 2007

Phuong Nam Education Investment and Development Joint Stock Company was established under Decision No. 309/QĐ-UB of Vietnam Education Publishing House. The Company was granted business registration certificate No. 0304952106 on May 9, 2007, by the Department of Planning and Investment of Ho Chi Minh City.

### 2009

The Company is listed on the Ha Noi Stock Exchange with the stock code SED under decision No. 458/QĐSGDHN.

### 2015

The Company completed the issuance of shares to increase charter capital to 100 billion VND.

### 2017

The Company was honored to be in the top 100 enterprises with transparent and sustainable Financial Statements for the 3rd time, initiated by Ho Chi Minh City department of taxation and The State Securities Commission of Viet Nam.

### 2020

The Company publishes textbooks according to the policy "One program, many textbooks", contributing to the overall development of the national education sector.

### 2021

The Company provides electronic resources to support English textbooks and builds websites (phuongnam.edu.vn; phuongnamedu.vn and phuongnamretail.vn), launches an e-book system, and an online classroom management system (sachso.edu.vn).

### 2023 - present

The Company continues to promote research and development of electronic learning materials, supporting teachers and students in teaching... At the same time, the Company publishes reference books for preschool, Stem and enhanced English books to help students consolidate their knowledge towards the development of qualities and abilities.







## NOTABLE EVENTS

Notable certifications and awards over the years:

Year	Decision	Achievement
2013	Decision No. 30/QĐ-TCNS Date January 13, 2014	Cup for outstanding achievements
2014	Decision No. 74/QĐ-CTN Date January 14, 2015	Third-class Labor Medal, awarded by the President. (For outstanding achievements from 2009–2013).
	Decision No. 74/QĐ-CTN Date January 14, 2015	Special Excellence Cup for comprehensive business performance, leading the Vietnam Education Publishing House.
2015	Decision No. 38/QĐ-TCNS Date January 18, 2016	Special Excellence Cup for the unit with comprehensive business performance, leading the Vietnam Education Publishing House.
2016	Decision No. 31/QĐ-TCNS Date January 12, 2017	Special Excellence Cup for the unit with comprehensive business performance, leading the Vietnam Education Publishing House.
2018	Decision No. 68/QĐ-TCNS Date January 15, 2019	Outstanding Unit in Production and Business Performance in 2018.
2019	Decision No. 56/QĐ-NXBGDVN Date January 06, 2020	Emulation Flag for the unit with outstanding production and business performance in 2019.
2020	Decision No. 1126/QĐ-BGDĐT Date May 11, 2020	Certificate of Merit from the Minister of Education and Training for outstanding completion of tasks in 2018–2019.
	Decision No. 33/QĐ-NXBGDVN Date January 12, 2021	Emulation Flag for the unit with outstanding production and business performance in 2020.



Year	Decision	Achievement
2021	Decision No. 26/QĐ-NXBGDVN Date January 17, 2022	Excellent Labor Collective.
	Decision No. 23/QĐ-NXBGDVN Date January 17, 2022	Emulation Flag for the unit with outstanding production and business performance in 2021.
	Decision No. 32/QĐ-NXBGDVN Date January 17, 2022	Certificate of Merit from the Members' Council and the Chairman of the Members' Council for excellent achievements in market development.
	Decision No. 1654/QĐ-BGDĐT Date May 31, 2021	Certificate of Merit from the Ministry of Education and Training for the collective's outstanding completion of tasks in 2020.
2022	Decision No. 21 Date January 09, 2023 / QĐ-NXBGDVN	Unit with outstanding performance in production and business in 2022.
	Decision No. 27 Date January 10, 2023 / QĐ-NXBGDVN	Labor collective with outstanding completion of tasks in 2022.
2023	Decision No. 68 Date January 26, 2024 / QĐ-NXBGDVN	Unit with outstanding performance in production and business in 2023.
2024	Decision No. 44 Date January 13, 2025 / QĐ-NXBGDVN	Labor collective with outstanding business performance in 2024.





## BUSINESS LINES AND AREAS

### BUSINESS LINES

The Company has many years of experience and its main business lines are **compiling, editing, printing, and publishing educational products**. In addition, the Company's business lines include:

No.	Business lines
1	Newspaper and magazine distribution agent.
2	Manufacturing of office machinery and equipment (excluding computers and computer peripherals).
3	Packaging printing; production of stationery, paper, and calendars.
4	Printing, bookbinding, gilding, and book cover dyeing services.
5	Trading of books, magazines, and discs.
6	Production of magnetic and optical discs and duplication of recorded tapes.
7	Wholesale of other household goods.
8	Wholesale of other machinery, equipment, and spare parts.
9	Consulting and providing services for book compilation and editing, and study abroad consulting.
10	Investment consulting (excluding financial and accounting consulting).
11	Real estate business.
12	Graphic design and prototyping (excluding construction design).
13	Translation.

### BUSINESS AREAS

Providing textbooks and supplementary books for teachers and students in the Southern provinces and cities as assigned by Vietnam Education Publishing House.

Providing reference books related to teaching and learning for teachers, parents, and students nationwide.





## INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS

### GOVERNANCE MODEL

**Phuong Nam Education Investment and Development Joint Stock Company** is organized and operated according to the model specified in point a, Clause 1, Article 137 of the Enterprise Law No. 59/2020/QH14 dated June 17, 2020, including: the General Meeting of Shareholders; Board of Directors; Board of Supervisors and Board of General Directors.

#### The General Meeting of Shareholders

The General Meeting of Shareholders, comprising all shareholders with voting rights, is the highest decision-making body of the Company, having full authority to decide all activities of the Company.

#### Board of Directors

The Board of Directors is the management body of the company, having full authority on behalf of the Company to decide and exercise the rights and obligations of the Company, except for the rights and obligations under the authority of the General Meeting of Shareholders.

#### Board of Supervisors

The Board of Supervisors performs the task of supervising all business, management and administration activities of the company on behalf of the shareholders.

#### Board of General Directors

The Board of General Directors is the executive body of the company's daily business; under the supervision of the Board of Directors; responsible to the Board of Directors and before the law for the performance of assigned rights and obligations.



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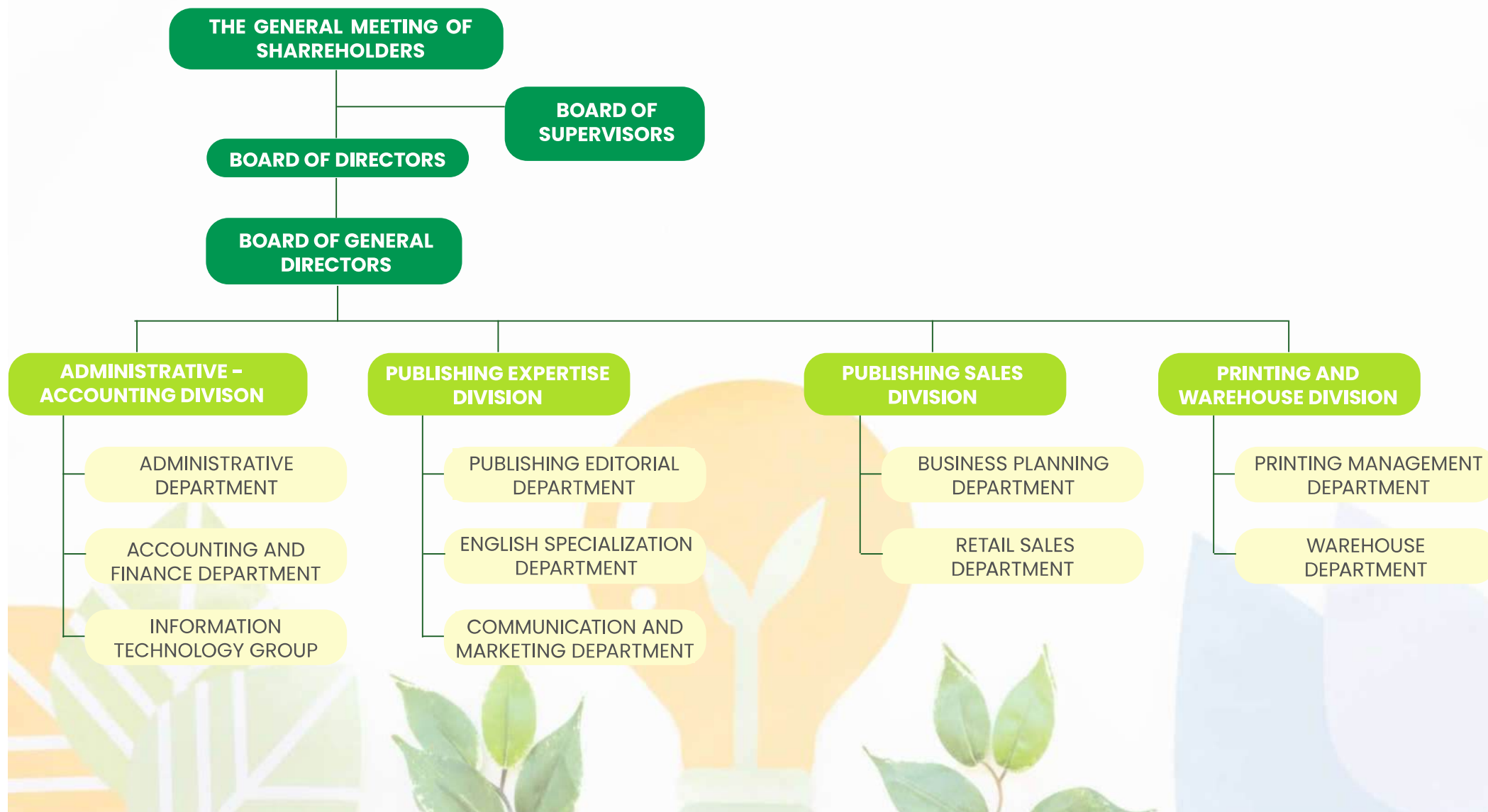






## INFORMATION ON GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS

### MANAGEMENT MODEL



### SUBSIDIARIES AND AFFILIATED COMPANIES

The Company does not have any subsidiaries or affiliated companies.



## DEVELOPMENT ORIENTATION

### THE COMPANY'S MAIN GOALS

- Constantly innovating and creating, the Company always pioneers in providing high-quality educational products, from books, equipment to modern learning tools. Besides ensuring the quantity of products to meet market demand, the Company pays special attention to quality, with the desire to bring learners the best experience and nurture talent right from the first pages. To meet consumer demands, the Company constantly updates trends, designs books with eye-catching images and rich content. In addition to traditional products, the Company also invests heavily in developing e-books and online learning applications to support teachers and students in teaching and learning. By applying information technology, the Company not only creates quality products but also builds a comprehensive educational ecosystem, closely connecting parents, students and schools, helping the learning process become more effective and interesting.
- To maintain and expand market share, the Company continuously develops new educational products, explores potential markets, and diversifies its product lines. Thanks to this, the Company is confident in maintaining its leading position in the industry and ensuring a stable supply. Concurrently, to enhance competitiveness, the Company always focuses on market research, competitor analysis, and building transparent and fair business policies. In addition, the Company actively coordinates with the Vietnam Education Publishing House and local market management agencies to proactively implement anti-piracy measures, protect intellectual property rights, and ensure a healthy business environment. The Company proposes strengthening management measures such as licensing, inspection, publishing, and research to develop effective technological solutions, minimize copyright infringement, and protect the interests of stakeholders.

### DEVELOPMENT STRATEGIES IN MEDIUM AND LONG TERM

In the medium-term plan, the Company will maximize existing resources to strongly develop key business areas. The Company will constantly innovate and create to meet the increasing demands of the market, while promptly grasping new social trends. Specifically, the Company will focus on completing existing products and developing new ones, focusing on English books as well as other educational materials according to the General Education Curriculum 2018; Control the import and export progress of books well, ensuring timely and adequate supply to educational institutions, especially during the new school year opening season; Diversify user support methods; Continue to maintain and develop online sales channels to meet customer needs anytime, anywhere. Promote the digitization of book products and educational resources, and deploy digital product businesses. Research the application of AI in products, business operations, and corporate governance.

With a long-term vision, the Company is committed to providing the highest quality educational products and services, accompanying students and teachers on the path of knowledge conquest. The Company constantly strives to ensure its activities are always aligned with the State's educational development orientation by contributing products that meet practical needs and improve education quality. The Company's top goal is to create a solid foundation for the development of each individual's capacity, thereby contributing to building and developing high-quality human resources in the future.

In addition, the Company continues to build and perfect a strong digital platform, providing open, modern educational resources imbued with Vietnamese cultural identity, to effectively support teaching and learning in the digital age. The Company continues to build and develop its brand, build a corporate culture, and become a leading prestigious and professional unit in Vietnam in the field of educational publishing production and business.





## DEVELOPMENT ORIENTATION (CONT.)

With a high sense of responsibility to the community and the living environment, the Company always prioritizes environmental protection and actively implements solutions to minimize negative impacts on the environment during production and business activities. The Company continuously improves environmental protection standards throughout the supply chain, from the selection of raw materials to the production and distribution processes, to ensure full compliance with legal regulations and minimize the use of hazardous materials. At the same time, the Company encourages the use of environmentally friendly materials, recycling, and maximizing the reuse of resources, contributing to the protection of the shared living environment. In addition, the Company always maintains the implementation of the green transition roadmap according to the direction of the Government and the Ministry of Education, while actively participating in communication activities and raising awareness about environmental protection, aiming to build a community that joins hands to protect the environment.

As a key member of Vietnam's education system, the Company not only provides quality publications and preserves cultural values but also actively contributes to community development. Demonstrating social responsibility, the Company dedicates a portion of its profits to supporting charitable activities, assisting those in difficult circumstances, and honoring talented students.

To ensure sustainable development, the Company continuously enhances the professional capacity of its staff while regularly communicating internally about environmental protection and social responsibility, aiming to build a professional workforce with a strong sense of community. The Company also pays special attention to the health and well-being of its employees, creating a friendly and professional working environment.

## SUSTAINABILITY GOALS



## RISKS

### ECONOMIC RISKS

The Company's business operations are directly influenced by macroeconomic fluctuations. Inflation, interest rates, credit growth, along with constant changes in education policies, create a challenging yet opportunistic business environment. According to the latest data from the General Statistics Office of Vietnam, in 2024, Vietnam's economy recorded a GDP growth rate of 7.09%, a significant increase compared to 5.05% in 2023. Notably, retail sales of goods also recorded strong growth, especially in the culture and education sector, with a 6% increase compared to 2023. This indicates increasing purchasing power and a consistently high demand for educational products and services, creating favorable conditions for the Company to expand

its market and enhance its position in the coming years.

**Solution:** Amidst positive signals in the domestic economy, while carefully assessing potential risks such as macroeconomic fluctuations, geopolitical tensions in certain regions globally, and increasing inflationary pressure, the Company remains adaptable and adjusts its business strategies to achieve the goals set at the General Meeting of Shareholders. The Company will closely monitor market developments, promptly seize opportunities, and identify new challenges to make appropriate business decisions, ensuring the Company's stability and sustainable development.

### INTEREST RATE RISKS

Fluctuations in interest rates, which can reduce corporate profits or decrease the availability of loans for financial institutions, pose a sensitive risk to businesses, including Phuong Nam Company. The 2024 audited financial statements show short-term financial loans and leases indicating the Company has loans from three banks totaling 53,417 million VND, with the loan from HSBC accounting for the largest portion at 27,806 million VND. The State Bank reduced lending rates to support the economy in 2024, with an average decrease of 0.44% compared to the end of 2023. Although the Company does not face high interest rate risks as lending rates and the Company's loans have decreased compared to last year, the risk of interest rate fluctuations remains present and poses a challenge when market lending rates experience adverse developments,

especially with projected interest rate increases in 2025 within the global context and balance in operational targets

**Solution:** To ensure financial stability and optimize profits, the Company's management has decided to prioritize short-term loans with fixed interest rates. This decision is based on a thorough assessment of the financial market situation and aims to mitigate risks caused by interest rate fluctuations. In addition, the Company has also developed a detailed loan interest payment plan and closely monitors market developments to promptly adjust its financial strategy, ensuring capital is always used effectively and maximizes benefits for investors.





## RISKS (CONT.)

### COPYRIGHT RISKS

The publishing market is becoming increasingly attractive and drawing many publishers, however, this also entails many challenges regarding copyright. Specifically, the widespread prevalence of pirated books, poor quality, and copyright infringement on digital platforms has negatively impacted user experience and publisher reputation.

**Solution:** To address this situation, the Company actively coordinates with the Vietnam Education Publishing House and local market management agencies to detect and penalize establishments trading in counterfeit books. At the same time, the Company always strictly adheres to copyright regulations, signs clear contracts with authors and partners, and participates in activities to raise awareness of copyright protection. In addition, the Company is also developing electronic learning products with high security features to prevent unauthorized copying. Through these efforts, the Company not only protects its legitimate interests but also contributes to building a healthy publishing environment that respects intellectual property rights.



### COMPETITIVE RISKS

In the context of integration and development, the commercialization of education is becoming increasingly vibrant, requiring companies like Phuong Nam Company to constantly improve product quality, from textbooks and educational equipment to learning materials, to compete effectively in the market. Besides ensuring quality, production and printing costs are also important factors that need careful consideration. Competition continues to be a major challenge for the Company as more and more publishers enter the textbook market, especially English books.

**Solution:** To maintain its competitive position, the Company constantly innovates, integrates new technologies, and updates market trends. Adjusting prices to suit each customer segment, combined with forecasting and market research activities, is one of the Company's important strategies. Concurrently, the strong development of e-books and reading devices like Kindle has created great opportunities for the publishing industry. Recognizing the importance of this trend, the Company has invested in developing electronic products to meet the increasingly diverse reading needs of readers and affirm its pioneering position in the education sector.

### INVENTORY RISKS

In the context of constantly innovating education and rapidly changing market demands, inventory management becomes a major challenge for businesses like Phuong Nam Company. The backlog of books, especially in the context of the increasing popularity of e-reading, not only wastes resources but also affects business efficiency. In the Company's 2024 audited financial statements, inventory decreased by 10,109 million VND compared to the previous year, showing that the Company reduced inventory backlog pressure in 2024. However, with the specific nature of operating in the book distribution and trading sector, the Company will still face inventory risks, especially as the increasing trend of favoring e-reading also impacts the inventory situation.

**Solution:** To cope with this situation, the Company has proactively implemented solutions to optimize inventory management, including applying information technology to analyze market data, forecast demand, and adjust production plans flexibly. By cooperating closely with local book publishing units, the Company can access the most accurate and up-to-date information about the market, thereby making effective business decisions. At the same time, investing in a modern warehouse management system also helps the Company preserve products better, minimizing damage and loss of goods. As a result, the Company not only minimizes inventory risks but also improves business efficiency, better meeting customer needs.

### LEGAL RISKS

To mitigate legal issues and operate lawfully, the Company consistently complies with current regulations. Phuong Nam Company, operating in the production, service, and distribution of educational products, adheres to Vietnamese laws such as the Law on Enterprises, Law on Tax Administration, Law on Publication, Law on Education, Law on Intellectual Property, and other relevant legal documents. The Company regularly updates its policies in accordance with the laws governing enterprises and its business sectors. In 2024, there were several innovations in the education sector, including Notice 522/TB-VPCP dated November 14, 2024, which introduced solutions for educational and training innovation following Conclusion 91-KL/TW. These guidelines have assisted the Company in developing new product and business plans aligned with overall objectives. Furthermore, as a joint-stock company listed on the Hanoi Stock Exchange, all Company activities are governed by legal documents, including the Law on Enterprises,

the Law on Securities, and related legal documents and guiding circulars. Notably, with the goal of upgrading the stock market in 2025, the State Securities Commission will implement numerous changes in legal documents and policies related to the securities market. On September 18, 2024, Circular 68/2024/TT-BTC was issued, stipulating the roadmap for English disclosure for listed companies and public companies. These new 2024 regulations present challenges that require the Company's thorough understanding and compliance.

**Solution:** To minimize legal risks, the Company maintains continuous monitoring, research, and timely updates of relevant legal documents, proactively seeks expert advice when necessary, ensures full compliance, and maximizes opportunities arising from new policies.



## **2 | OPERATING STATUS DURING THE YEAR**

Assessment of operating results 2024

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Organization and Human Resources

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Financial Situation

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Shareholders structure, change in the owner's equity

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Report on the company's environmental and social impact

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## ASSESSMENT OF OPERATING RESULTS 2024

Items	2023 (million VND)	2024 (million VND)	%2024/2023
Total revenue (*)	1,043,756	1,336,474	128.04%
Revenue from sales and services provision	1,050,477	1,337,505	127.32%
Revenue deductions	9,313	6,271	67.34%
Net revenue from sales & services	1,041,164	1,331,234	127.86%

(\*) Total Revenue = Net revenue from sale and service provision + Financial income + Other income

In 2024, the publishing industry in Vietnam continued to experience significant changes as it entered the final stage of the textbook reform roadmap under the 2018 General Education Program. The implementation of new textbooks for grades 5, 9, and 12 generated substantial demand in the educational book market, while also intensifying competition among publishing houses, particularly in the English textbook segment. In addition, the rapid advancement of digital technology has accelerated the popularity of e-books and online learning platforms, compelling businesses in the industry to innovate in order to adapt to modern consumption trends. Against this backdrop, Phuong Nam Company had a year of remarkable efforts, delivering positive business results that reflect its agile adaptability and sound development strategy.



Regarding business operations, the Company recorded total revenue of 1,336,474 million VND, up 28.04% compared to 2023. Revenue from goods sold and services rendered reached 1,337,505 million VND, an increase of 27.32% year-on-year, thanks to the Company's strong book distribution efforts and the introduction of new products. Revenue deductions declined by 32.66% compared to the previous year, amounting to 6,271 million VND, indicating effective measures in cost control and sales optimization. As a result, net revenue from goods sold and services rendered amounted to 1,331,234 million VND, up 27.86% from 2023, reflecting outstanding operational performance and sustainable growth potential.



## ORGANIZATION AND HUMAN RESOURCES

### LIST OF BOARD OF GENERAL DIRECTORS 2024

as of January 22, 2025

No.	Member	Position	Number of shares owned	Percentage
1	Ms. Le Phuong Mai	Board of Directors' members and General Director	25,000 (individual) 1,084,750 (representative)	0.25% (individual) 10.85% (representative)
2	Ms. Mai Ngoc Lien	Deputy General Director	10,500 (individual)	0.105% (individual)
3	Mrs. Bui Thu Giang	Deputy General Director	9,200 (individual)	0.092% (individual)
4	Mr. Nguyen Phong Yen	Board of Directors' members and Deputy General Director	-	-
5	Ms. Pham Lan Anh	Chief Accountant	-	-

### PROFILES OF THE BOARD OF GENERAL DIRECTORS

as of January 22, 2025



#### Ms. Le Phuong Mai

Board of Directors' members and General Director

Nationality: Vietnam

Qualification: Master of Business Administration

Position at the Company: BODs' members – General Director

Position at other organizations: None

Number of shares owned		
Individual	25,000 shares	accounting for 0.25% of charter capital
Representative of Vietnam Education Publishing House's capital	1,084,750 shares	accounting for 10.85% of charter capital

#### Work Experience

Time	Working Unit
Feb 1998 – Apr 2006	Staff of Department of Organization – Labor and Salary Department, Vietnam Education Publishing House in Ho Chi Minh City.
Apr 2006 – Mar 2007	Staff of Accounting and Finance Department, Vietnam Education Publishing House in Ho Chi Minh City.
Mar 2007 – May 2007	Deputy Head of Accounting and Finance Department, Vietnam Education Publishing House in Ho Chi Minh City.
May 2007 – 2018	Chief Accountant, Phuong Nam Education Investment and Development JSC.
Sep 20, 2018 – Nov 18, 2021	Deputy General Director, Phuong Nam Education Investment and Development JSC.
Nov 18, 2021– present	General Director, Phuong Nam Education Investment and Development JSC.





## ORGANIZATION AND HUMAN RESOURCES(CONT.)



### Ms. Mai Ngoc Lien

Deputy General Director

Nationality: Vietnam

Qualification: Master's Degree

Position at the Company: Deputy General Director

Position at other organizations: None

#### Number of shares owned

Individual 10,500 shares accounting for 0.105% of charter capital

#### Work Experience

Time	Working Unit
1979 – 1987	Officer, Research Department, Central Committee for Maternal and Child Protection – Institute of Educational Sciences – Ministry of Education and Training.
1987–2022	Officer, Early Childhood Education Research Center – Institute of Educational Sciences – Ministry of Education and Training.
2002 – Aug 2005	Editor, Vietnam Education Publishing House in HCMC
Aug 2005 – Mar 2006	Deputy Head of Early Childhood Editorial Board, Vietnam Education Publishing House in HCMC
Mar 2006 – Jan 2008	Head of Early Childhood Editorial Board, Vietnam Education Publishing House in HCMC
Jan 2008 – Apr 2010	Head of Draft Exploitation Department, Phuong Nam Education Investment and Development JSC.
Apr 2010 – Jan 2012	Head of Market Exploitation Department, Phuong Nam Education Investment and Development JSC.
Jan 2012 – present	Deputy General Director, Phuong Nam Education Investment and Development JSC.



### Ms. Bui Thu Giang

Deputy General Director

Nationality: Vietnam

Qualification: Bachelor's Degree

Position at the Company: Deputy General Director

Position at other organizations: None

#### Number of shares owned

Individual 9,200 shares, accounting for 0.092% of charter capital

#### Work Experience

Time	Working Unit
June 1992 – June 2007	Officer at Vietnam Education Publishing House in Ho Chi Minh City
June 2007 – Dec 2011	Deputy Head of Business planning department, Phuong Nam Education Investment And Development JSC
January 2012 – Nov 2021	Head of Business planning department, Phuong Nam Education Investment And Development JSC
Nov 2021 – present	Deputy General Director of Phuong Nam Education Investment And Development JSC



### Mr. Nguyen Phong Yen

Board of Directors' members and Deputy General Director

Nationality: Vietnam

Qualification: Bachelor's degree

Position at the Company: BODs' members and Deputy General Director

Position at other organizations: None

#### Number of shares owned

Individual 0 accounting for 0.00% of charter capital

#### Work Experience

Time	Working Unit
Oct 2010 – Sep 2011	Art Design & Communication Joint Stock Company – Accountant.
Oct 2011 – Aug 2014	Ha Noi Education Development And Investment Joint Stock Company – General Accountant
Sep 2014 – Apr 2022	Art Design & Communication Joint Stock Company – Chief Accountant.
May 2022 – present	Board of Directors' members and Deputy General Director of Phuong Nam Education Investment And Development JSC



### Ms. Pham Lan Anh

Chief Accountant

Nationality: Vietnam

Qualification: Bachelor's degree

Position at the Company: Chief Accountant

Position at other organizations: None

#### Number of shares owned

Individual 0 accounting for 0.00% of charter capital

#### Work Experience

Time	Working Unit
Dec 2002 – Jun 2007	Employee at Vietnam Education Publishing House in Ho Chi Minh City.
Jun 2007 – Dec 2011	Accountant, Phuong Nam Education Investment And Development Joint Stock Company.
Jan 2012 – Sep 2018	Deputy Head of Accounting Department, Phuong Nam Education Investment And Development Joint Stock Company.
Sep 2018 – present	Chief Accountant, Phuong Nam Education Investment And Development Joint Stock Company.



## ORGANIZATION AND HUMAN RESOURCES(CONT.)

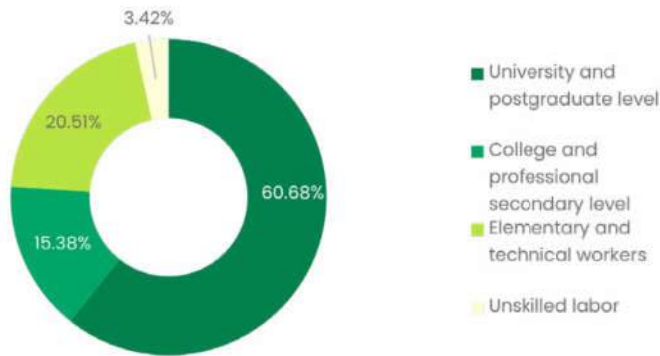


Total number of employees (people)

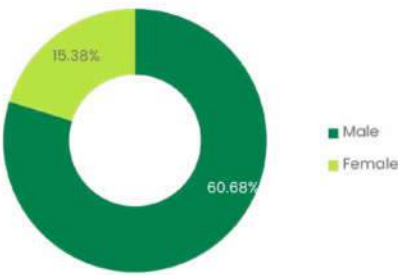
117

No.	Criteria	Year 2023		Year 2024	
		Quantity (people)	Proportion (%)	Quantity (people)	Proportion (%)
<b>I</b>	<b>By labor level</b>	<b>116</b>	<b>100</b>	<b>117</b>	<b>100</b>
1	University and postgraduate level	68	58.62	71	60.68
2	College and professional secondary level	19	16.38	18	15.39
3	Elementary and technical workers	25	21.55	24	20.51
4	Unskilled labor	4	3.45	4	3.42
<b>II</b>	<b>By gender</b>	<b>116</b>	<b>100</b>	<b>117</b>	<b>100</b>
1	Male	73	62.93	72	61.54
2	Female	43	37.07	45	38.46
<b>III</b>	<b>By labor contract term</b>	<b>116</b>	<b>100</b>	<b>117</b>	<b>100</b>
1	1 to 3-year contract	23	19.83	25	21.37
2	Indefinite term contract	93	80.17	92	78.63

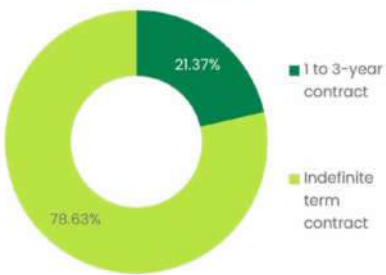
Workforce Structure by labor Level



Workforce Structure by Gender



Workforce Structure by labour contract term







## ORGANIZATION AND HUMAN RESOURCES(CONT.)

### Policies related to employees

#### REGARDING RECRUITMENT

The recruitment process will be conducted fairly and transparently for each position, ensuring all candidates have an equal opportunity to demonstrate their abilities. This helps create a positive work environment and equal development opportunities for all employees in the Company. The Company prioritizes recruiting individuals with appropriate professional competence and experience, a positive attitude, and a willingness to learn to meet the requirements of the production and business process.

#### BREGARDING WORK ENVIRONMENT

Building a professional work environment is always a top priority of the Company, so that every employee has the opportunity to shine. In addition, the Company always listens to the opinions of employees to jointly build a friendly working environment, where the full potential and strengths of each employee can be promoted. The Company has invested in building a green – clean – beautiful working environment with modern working equipment, bringing maximum comfort to employees. Internal bonding activities are focused on with diverse forms, attracting the participation of all Company employees.

#### REGARDING TRAINING

In 2024, the Company focused on training policies to improve the quality of human resources, meeting the requirements of development and innovation in the education sector. The Company organizes professional and technical training programs for employees, including management skills for the management team, customer persuasion skills for the sales team, and specialized operations such as layout design, photography, and public company management. In addition, the Company and the Union Executive Committee also organized classes on basic vocal music and dance, to equip employees with necessary soft skills, helping to connect and better support their work. In 2024, the Company organized 12 training courses with a total cost of 360 million VND. These activities demonstrate the deep concern of the Company and the Union Executive Committee for the lives and development of employees, contributing to a positive and cohesive work environment.

#### REGARDING SALARY, BONUS, BENEFITS, AND TREATMENT

In 2024, Phuong Nam Company implemented policies to care for the material and spiritual lives of employees, ensuring safety and suitability for specialized jobs. The Company focuses on occupational safety, fire prevention and fighting, natural disaster prevention, termite control, organizing fire prevention and fighting training, providing uniforms, petrol allowances, and telephone allowances for certain positions annually.

The Union Executive Committee coordinated with the Company's Board of General Director to take care of gifts for employees on the occasion of the Lunar New Year and major holidays of the year such as New Year's Day, March 8th, Hung Kings Commemoration Day, April 30th and May 1st, September 2nd, October 20th, November 20th, Mid-Autumn Festival, in kind and cash, depending on each holiday. Every employee receives a gift from the Company on their birthday. In addition, caring for female employees continues to be one of the activities that the Company and the Union pay attention to and implement well. In Quarter 1/2024, the Union Executive Committee conducted an assessment for the "Good Wife, Good Mother" title, resulting in 43/43 female employees achieving the title of "Good Wife, Good Mother" in 2023 with a reward of 300,000 VND/person (total amount: 12,900,000 VND). On the occasion of March 8th and November 20th, female union members received flowers and gifts (cash) from representatives of the Company's leadership (male), along with warm and caring wishes to all female employees.

All Company employees (with 01 year of service) are entitled to participate in vacation trips according to the Company's regulations once a year. In cases of force majeure, if the Company cannot organize it (due to epidemics, natural disasters), employees will receive financial support. Every year, the Company and the Union Executive Committee organize periodic health checkups twice a year (01 general checkup and 01 blood test) for employees and support the cost of treatment for sudden illnesses and accidents (funded by the employer).

Activities such as visiting female employees who give birth, are sick, have weddings, funerals, or employees facing difficulties are carried out fully, promptly, and thoughtfully.

The above salary, bonus, benefit, and treatment policies demonstrate the deep concern of the Company and the Union Executive Committee for the material and spiritual lives of employees.

#### REGARDING ENSURING FAIRNESS, DEMOCRACY, AND CIVILITY

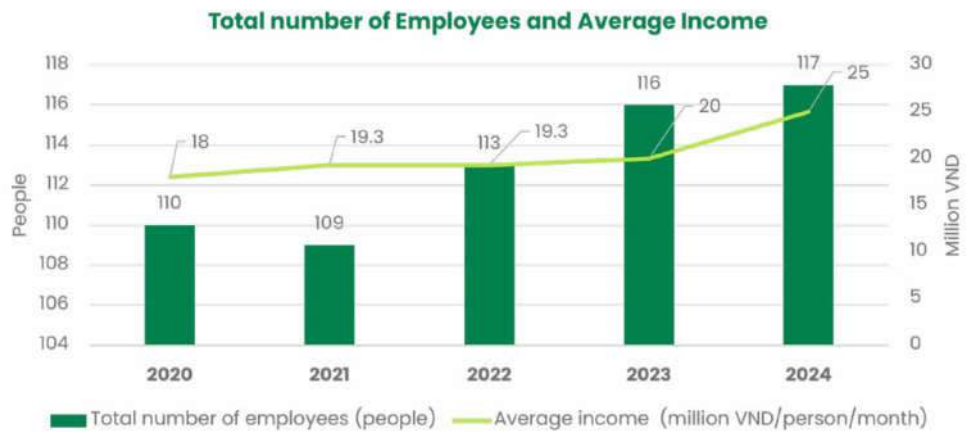
In 2024, Phuong Nam Company and the Union Executive Committee actively implemented activities to ensure fairness, democracy, and civility in the work environment. To ensure fairness, the Company creates all conditions and opportunities for each employee to work in the right profession, suitable to their capacity, while building a system of evaluation criteria for each job position. Democracy is ensured by organizing the annual Employee Conference, regulations are publicized within the enterprise, and employees are involved in developing the Company's regulations such as the Collective Labor Agreement, workplace code of conduct, work instructions, etc. The Company has been and is building a civilized working environment by applying the workplace code of conduct, digitally transforming corporate governance, and allowing employees to experience human resources and salary management operations on a digital technology platform.





## ORGANIZATION AND HUMAN RESOURCES(CONT.)

Indicators	2020	2021	2022	2023	2024
Total number of employees (people)	110	109	113	116	117
Average income (million VND/person/month)	18	19,3	19,3	20	25



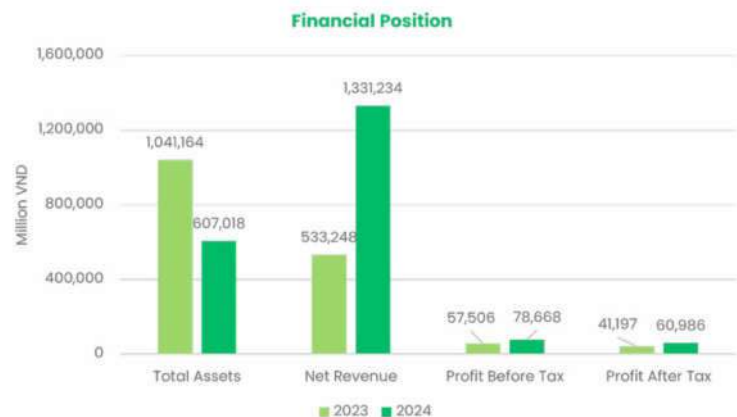
*“Nurturing knowledge,  
Stepping firmly into the future”*





# FINANCIAL SITUATION

No.	Indicators	2023 (million VND)	2024 (million VND)	% 2024/2023
1	Total assets	533,248	607,018	113.83%
2	Net revenue	1,041,164	1,331,234	127.86%
3	Net operating profit	57,891	78,467	135.54%
4	Other profit	-385	201	152.20%
5	Profit before tax	57,506	78,668	136.80%
6	Profit after tax	41,197	60,986	148.04%
7	Basic Earnings Per Share	3,688	5,459	148.02%



With the publishing industry continuing to face fierce competition, particularly from new entrants in the textbook and English language learning segments, the Company proactively implemented flexible strategies to maintain market share and develop new products. As a result, the Company's net revenue reached 1,331,234 million VND, a 27.86% increase compared to the previous year. Profit before tax and profit after tax reached 78,668 million VND and 60,986 million VND, respectively, representing growth rates of 36.80% and 48.04% year-over-year, reflecting the Company's effective business strategies and ability to optimize financial costs. Notably, basic earnings per share increased significantly from 3,688 VND to 5,459 VND, a 48.02% increase, demonstrating that shareholder interests are also ensured during the Company's development.

In 2024, the Company maintained and expanded its market share by investing in the development of reference books, which contributed effectively to the Company's 2024 business results. The Company successfully implemented the introduction and training of new textbooks according to the 2018 General Education Curriculum, expanded distribution channels, and enhanced customer service quality.

Overall, with these positive indicators, Phuong Nam Company has affirmed its solid position in the industry, creating a foundation for sustainable development in the coming years.



**Total Assets**  
607,018 million VND

**113.83%**  
compared to 2023

**Net Revenue**  
1,331,234 million VND

**127.86%**  
compared to 2023

**Profit after tax**  
160,988 million VND

**148.04%**  
compared to 2023





FINANCIAL SITUATION (CONT.)

Major financial indicators

No.	Indicators	Unit	2023	2024
Liquidity indicators				
1	Current ratio	Times	1.82	1.85
	Quick ratio	Times	0.61	0.92
Capital structure indicators				
2	Debt-to-total assets ratio	%	44.27	45.00
	Debt-to-equity ratio	%	79.45	81.81
Operating capacity indicators				
3	Inventory turnover	Times	3.11	3.78
	Asset turnover	Times	2.03	2.33
Profitability indicators				
4	Return on Sales (ROS)	%	3.96	4.58
	Return on average equity (ROEA)	%	14.35	19.33
	Return on average assets (ROAA)	%	8.04	10.70
	Net operating profit/Net revenue	%	5.56	5.89



2024







## FINANCIAL SITUATION (CONT.)

### Liquidity Indicators

Phuong Nam Company's solvency indicators in 2024 show a significant improvement in financial capacity and ability to meet short-term debt obligations. Specifically, the current ratio slightly increased from 1.82 times to 1.85 times, while the quick ratio increased from 0.61 times to 0.92 times. In 2024, the Company's current assets increased by 428,718 million VND to 506,663 million VND, mainly due to an increase in short-term receivables from customers. Regarding short-term liabilities, the Company mainly increased short-term payable expenses by 25,619 million VND during the year.



### Capital Structure Indicators

Phuong Nam Company's capital structure indicators in 2024 reflect stable management of capital resources and financial structure. The chart shows that the debt-to-total assets ratio remained under control without any sudden increases, indicating that the Company continues to maintain a prudent and sustainable financial policy. Both the debt-to-total assets ratio and the debt-to-equity ratio increased slightly in 2024. Specifically, the debt-to-total assets ratio increased from 44.27% to 45.00%, and the debt-to-equity ratio increased from 79.99% to 81.81%. The Company's equity increased by 36,711 million VND due to an additional allocation of 20,286 million VND to the development investment fund.



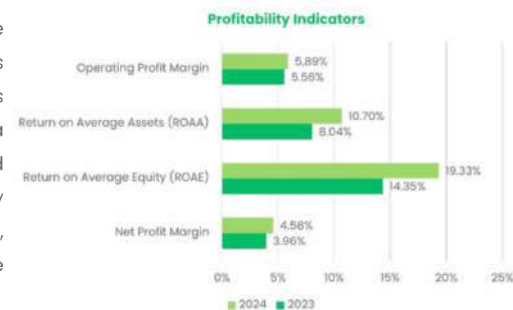
### Operating Capacity Indicators

The Company's operating capacity indicators in 2024 show a significant improvement in business performance and efficient asset utilization. Both inventory turnover and asset turnover increased during the year, especially inventory turnover. Specifically, asset turnover increased from 2.03 times to 2.33 times, mainly due to the Company's increase in current assets by 77,945 million VND, specifically an increase in accounts receivable of 94,088 million VND. The Company's increase in current assets during the year aimed to finance working capital, specifically to stock more existing and new book products. The increase in asset turnover indicates that the Company is using its assets more efficiently to generate revenue while maintaining stability in production and business activities.



### Profitability indicators

The Company's profitability indicators for 2024 show a significant improvement in business performance and status. The chart reflects positive growth in most profitability indicators, especially ROAA and ROEA, indicating that the Company is maintaining the effectiveness of asset and equity optimization. Among them, the indicator with the strongest increase is the ROEA, increasing from 14.35% to 19.33%, mainly due to the profit after tax increasing by 19,789 million VND. The increase in ROEA reflects the Company's effective use of equity, maximizing profits for shareholders, and maintaining a reasonable financial strategy. The ROS and net operating profit/net revenue slightly increased by 0.33% and 0.62%, respectively, thanks to the Company's effective issuance strategy in 2024.





## SHAREHOLDERS STRUCTURE, CHANGE IN THE OWNER'S EQUITY

**Phuong Nam Education Investment and Development JSC** is listed on the Hanoi Stock Exchange ("HNX")

Stock code: **SED**

Independent audit: AAC Auditing And Accounting Company Limited

**Share type:** Common shares

**Par value of shares:** 10,000 VND/share

**Number of outstanding shares**

**9,271,800**  
shares

**Number of Treasury shares**

**728,200**  
shares

**10,000,000**  
shares

**Number of freely transferable shares**

**Number of restricted shares**

**0** share

**Treasury stock transactions:** None

**Other securities:** None

### Maximum foreign ownership ratio

Pursuant to Official Letter No. 324/UBCK-PTTT dated June 13, 2022 of the State Securities Commission regarding the dossier notifying the maximum foreign ownership ratio at Phuong Nam Education Investment and Development Joint Stock Company, the maximum foreign ownership ratio at the Company is 0% of charter capital.

### List of major shareholders

Based on the latest shareholder list as of May 31, 2024

No	Name	Number of shares held (shares)	Ownership Percentage
1	Viet Nam Education Publishing House Limited Company	4,339,000	43.39%

### Shareholders structure

Based on the latest shareholder list as of May 31, 2024

No.	Shareholder type	Number of shares	Value (VND)	Ownership Percentage (%)
<b>I</b>	<b>Shareholders classified by ownership ratio</b>	<b>10,000,000</b>	<b>100,000,000,000</b>	<b>100.00</b>
1	Shareholders holding 5% or more of the charter capital	5,067,200	50,672,000,000	50.67
2	Shareholders holding less than 5% of the charter capital	4,932,800	49,328,000,000	49.33
<b>II</b>	<b>State shareholder</b>	<b>4,339,000</b>	<b>43,390,000,000</b>	<b>43.39</b>
<b>III</b>	<b>Treasury shares</b>	<b>728,200</b>	<b>7,282,000,000</b>	<b>7.28</b>
<b>IV</b>	<b>Domestic shareholders</b>	<b>4,339,000</b>	<b>43,390,000,000</b>	<b>94.48</b>
1	Individual	728,200	7,282,000,000	41.92
2	Organization	9,448,201	94,482,010,000	52.56
<b>V</b>	<b>Foreign shareholders</b>	<b>4,192,001</b>	<b>41,920,010,000</b>	<b>5.52</b>
1	Individual	5,256,200	52,562,000,000	5.13
2	Organization	551,799	5,517,990,000	0.39
<b>Total (IV + V)</b>		<b>10,000,000</b>	<b>100,000,000,000</b>	<b>100.00</b>



# SHAREHOLDERS STRUCTURE, CHANGE IN THE OWNER’S EQUITY (CONT.)

## Change in owner’s equity:

According to information from VSDC

Registration times	Reasons	Quantity	Value (VND)	Certificate Number	Date of issue
Initial registration	Initial issuance	8,000,000	80,000,000,000	39/2009/ GCNCP-TTLK	Aug 07, 2009
1st time revision	Additional registration	2,000,000	20,000,000,000	39/2009/ GCNCP-VSD-01	July 03, 2015
Total		10,000,000	100,000,000,000		







Annual Report 2024



# REPORT

**ON THE COMPANY'S  
ENVIRONMENTAL AND  
SOCIAL IMPACTS**





Impact on the environment

In 2024, Phuong Nam Company continued to focus on minimizing negative environmental impacts in its business operations. The Company has applied Environment, Social and Governance (ESG) standards to ensure sustainable development. Specific measures include the use of environmentally friendly fuels, the application of modern technology to reduce greenhouse gas emissions, and the organization of training programs to raise environmental awareness among employees. In addition, the Company prioritizes cooperation with partners who have commitments and measures to reduce emissions, contributing to environmental protection and responding to climate change.

Raw material management

In 2024, in the context of environmental issues continuing to be a top concern globally, Phuong Nam Company continued to implement many measures to improve the efficiency of raw material management in business operations. With the specific nature of the publishing industry, paper and printing ink are still the main materials, in which the production and use of these two materials have the potential to negatively impact the environment, from the use of chemicals, emissions to impacts on forest ecosystems. Aware of its role in maintaining a sustainable living environment, the Company always prioritizes cooperation with suppliers with environmental responsibility certifications, using paper sourced from legally planted forests or recycled paper, and at the same time choosing printing inks that do not contain harmful chemicals such as volatile organic compounds or heavy metals.

To minimize waste generated during book production and distribution, the Company has promoted operational optimization solutions: evaluating and selecting printers using modern, environmentally friendly technology; establishing scientific transportation plans to minimize fuel consumption and CO<sub>2</sub> emissions. Concurrently, the preservation and storage of raw materials and finished products continue to be improved by effectively utilizing the facilities at the Tan Phu Trung warehouse – a spacious location equipped with a modern preservation system, helping to maintain stable product quality, extend product lifespan, and reduce operating costs. These activities not only demonstrate the Company’s responsibility towards the environment but also represent a concrete step in the sustainable development roadmap, linking business benefits with community benefits

Water Consumption

Using unit	Unit	Payment costs
Man Thien Warehouse	VND	11,097,234
Tan Phu Trung Warehouse	VND	29,248,388
231 Nguyen Van Cu Office	VND	17,261,268
<b>Total</b>	<b>VND</b>	<b>57,606,890</b>

The Company recognizes that water is an invaluable but not infinite resource, and several challenges still exist regarding water resources, such as pollution, declining water quality, the impact of climate change, and the lack of preparedness to respond to water resource developments. The Company’s production and business activities are closely linked to water resources, specifically, wastewater

treatment during book production requires an efficient wastewater treatment system to ensure no environmental pollution.

In addition to the production process, the Company’s daily operations also consume a significant amount of water, from drinking water to sanitation and operational purposes, with a total recorded cost of 57,606,890 VND for the year. Therefore, the Company has invested in an efficient water treatment system to reduce environmental pollution and reuse water after treatment.

Additionally, the Company periodically inspects the water system for leaks, implements water-saving measures, and installs automatic faucets with automatic shut-off mechanisms. Besides, the Company also encourages employees to save water for the benefits and intrinsic value that water brings





Electricity Consumption

Electricity plays a crucial role in the Company’s production and business activities over the years. However, improper and excessive electricity consumption will affect many aspects of production, operation, and business management. Therefore, the Company always prioritizes energy consumption management with the most optimal energy reduction measures. The Company has established an energy management policy such as minimizing the use of unnecessary machinery during breaks; continuously inspecting power grids at offices and workplaces, ensuring the safety of machinery and equipment, and performing maintenance; training employees on energy conservation in daily activities. In addition, the Company’s Board of General Directors has developed a plan to invest in high-energy-efficiency equipment and machinery, utilize electricity-saving technology, and optimize the lighting system to reduce electricity consumption. Furthermore, the Company also encourages employees to participate in environmental campaigns such as the annual Earth Hour movement to reduce the negative impact on the environment and energy resources

Using unit	Unit	Payment costs
Tan Phu Trung Warehouse	VND	141,369,406
Man Thien Warehouse	VND	25,751,130
231 Nguyen Van Cu Office	VND	125,789,400
133 Duong Ba Trac Office	VND	75,516,408
<b>Total</b>	<b>VND</b>	<b>368,426,344</b>



Policies related to employees

Phuong Nam Company always creates the best conditions for employees to contribute to environmental protection and sustainable development of businesses. The Company’s management and employees actively participate in environmental conservation efforts organized by local authorities and implement environmental protection commitments at the Company and in the community. At the same time, the Company implements policies to build a healthy working environment, including regulations on occupational safety, health and welfare policies, work-life balance

for employees. Annually, the Company organizes sports activities, travel programs, team-building, and inter-departmental exchange activities for employees to enhance the connection within the Company. These policies lay an important foundation to improve the physical and mental health of employees, thereby motivating them to work actively and be committed to the Company. It is also the foundation for the Company to develop sustainably, contributing to the overall development of society in the future.





## Report On Corporate Responsibility For The Local Community

Along with the comprehensive development of the country, and at the same time promoting production and business activities, the Company always upholds its responsibility to the community and society to contribute to sharing with and contributing to the local community.

In 2024, the Company donated 135,000 books to the shared library program, donated 27,000 books and 2,600 educational devices to schools, gave gifts to families in difficult circumstances, and contributed to supporting compatriots in the Northern provinces affected by storm number 3, etc.

As a business unit dealing in book products and educational equipment, the Company is always committed to accompanying educational institutions and teachers throughout the product usage process. The Company regularly organizes training activities, seminars on request, organizes contests for teachers and students, establishes channels to answer questions, and supports users, etc. Implementing these humanitarian activities is the corporate social responsibility to the community, contributing to building a compassionate and mutually supportive society.



## Report On Green Capital Market Activities Under The Guidance Of The SSC

As a public company listed on the HNX, Phuong Nam Company recognizes the role of green growth in the economic development of an organization and, more broadly, the nation. The Company is ready and proactive in participating in action plans related to green capital market activities under the guidance of the SSC.



## 3 | REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS

Assessment of operating results

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Financial Situation

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Improvements in organizational structure, policies, and management

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Future development plan

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Explanation of the General Director on audit opinions (If any)

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Assessment Report Related To Environmental And Social Responsibilities Of The Company

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## OPERATING RESULTS 2024

**NET REVENUE: 1,331,234**  
**MILLION VND**, equivalent to 127.86%  
 compared to the same period last year.

**TOTAL REVENUE: 1,336,474**  
**MILLION VND**, equivalent to 128.04%  
 compared to the same period last year

**PROFIT BEFORE TAX: 78,668**  
**MILLION VND**, equivalent to 136.80%  
 compared to the same period last year.

**PROFIT AFTER TAX: 60,986**  
**MILLION VND**, equivalent to 148.04%  
 compared to the same period last year.

Through the digital transformation strategy of the publishing industry, publishers continue to apply technology to be flexible in the production and business process and improve publications. This demonstrates the effectiveness of applying technology to book publishing by businesses in the industry.

To complete the business target plan assigned by the General Meeting of Shareholders and the Board of Directors, the Company's Board of General Directors has developed many implementation plans, including implementing digital transformation of enterprises according to the national digital transformation program to 2025, with an orientation to 2030 of the Government and the Education sector. Specifically, the Company applies digital technology to implement data digitization, thereby facilitating the production of publications that meet the diverse reading needs of society. In addition, the Company also implements the policy of the Vietnam Education Publishing House with a plan to

adjust and reduce textbook prices from grades 1 to 12, with an average reduction of about 10%.

The Company recorded revenue and profit before tax of 1,331,234 million VND and 78,668 million VND, respectively, exceeding the targets set by the General Meeting of Shareholders. This demonstrates the positive impact of the strategies implemented throughout the year. In addition to closely following the textbook replacement roadmap according to the 2018 General Education Curriculum, adjusting book prices according to the guidelines of Vietnam Education Publishing House, the Company also developed flexible business operation plans, cost management, risk management, and skills training for the Company's management and staff. These policies and actions are implemented to enhance value for investors, shareholders, and positively impact the quality of education in Vietnam.

Unit: million VND

Indicators	Plan 2024	Actual 2024	Actual 2023	Percentage of Actual 2024/ Plan 2024	Percentage of Actual 2024/ Actual 2023
Total revenue	1,031,000	1,336,474	1,043,756	129.63%	128.04%
Profit before tax	48,700	78,668	57,506	161.54%	136.80%





## OPERATING RESULTS 2024 (CONT.)

The Company also implemented new processes and systems to upgrade management quality in all aspects, specifically:

### Human Resource Management

The Company applies information technology to manage human resources, including employee records management, labor report synthesis, personnel fluctuation tracking, and employee qualification statistics. This helps the Company manage human resources effectively and promptly while improving the employee experience.

### Customer Relationship Management

The Company establishes procedures for contract evaluation and assessment of printing and publishing service provision capabilities. Simultaneously, the Company continues to implement marketing and advertising plans to seek new customers and enhance existing customer satisfaction. The Company also uses software to manage customer information and ensure efficient and professional customer service.

### Quality Management

The Company applies carefully researched standards to build and manage the quality management system. The Company ensures compliance with these standards through continuous inspection and improvement in the production and printing process. This helps the Company ensure product and service quality, thereby enhancing reputation and customer satisfaction.

## FUTURE DEVELOPMENT PLAN

Implementing the State's policy, in the 2025–2026 school year, Vietnam Education Publishing House continues to adjust and reduce textbook prices from grades 1 to 12, with an average reduction of about 14%. Therefore, the revenue and profit plan for 2025 is built based on the adjusted textbook prices.

The 2025 business plan is built on the basis of ensuring revenue and profit in line with textbook prices applied for the 2025–2026 school year. To implement this plan, the General Director has assigned detailed planned targets to each department and each job position and has measures to closely monitor the implementation of the plan. As a unit with capacity, experience, and prestige, Phuong Nam Company believes it will complete the 2025 plan, contributing to the sustainable development of the Phuong Nam Education brand

### TOTAL REVENUE

**1,072,000** MILLION VND

### DIVIDEND PERCENTAGE

**15** %

### PROFIT BEFORE TAX

**60,000** MILLION VND





## FINANCIAL SITUATION

### ASSET STATUS

Unit: Million VND

Items	December 31, 2023		December 31, 2024		% 2024/2023
	Value (million VND)	Percentage	Value (million VND)	Percentage	
Current assets	428,718	80.40%	506,663	83.47%	118.18%
Non-current assets	104,530	19.60%	100,355	16.53%	96.01%
<b>Total assets</b>	<b>533,248</b>	<b>100.00%</b>	<b>607,018</b>	<b>100.00%</b>	<b>113.83%</b>

Phuong Nam Company's asset status in 2024 shows positive growth, reflecting effective financial management strategies and business expansion. The Company's total assets reached 607,018 million VND, a 13.83% increase compared to 2023, indicating continued expansion of asset scale. Notably, current assets recorded a significant increase to 506,663 million VND, up 18.18% compared to the previous year. This suggests that the Company has an increasing need for working capital, especially for publications during the year.

Conversely, non-current assets slightly decreased to 100,355 million VND, down 3.47% compared to 2023. This decrease stems from the Company's focus on optimizing fixed assets and the lack of need for new long-term investments during the year. Furthermore, the Company's reduction in non-current assets

contributes to reducing payment risks, especially as the Company only uses short-term debt to finance total assets. Therefore, the proportion of non-current assets remains at a reasonable level, ensuring balance in the sustainable development strategy.

Overall, with the strong increase in current assets and the stability of non-current assets, the Company maintains a solid financial foundation, optimizes capital utilization, and facilitates future growth.



### LIABILITIES STATUS

Unit: Million VND

Items	December 31, 2023		December 31, 2024		% 2024/2023
	Value (million VND)	Percentage	Value (million VND)	Percentage	
Short-term liabilities	236,090	100.00%	273,150	100.00%	115.70%
Long-term liabilities	-	0.00%	-	0.00%	0.00%
<b>Total liabilities</b>	<b>236,090</b>	<b>100.00%</b>	<b>273,150</b>	<b>100.00%</b>	<b>115.70%</b>

The Company's liabilities status in 2024 shows a significant increase in the scale of short-term liabilities, reflecting the need for working capital financing to meet expanding business operations. The Company's liabilities reached 273,150 million VND, a 15.70% increase compared to 2023, in wich all liabilities remains short-term liabilities. This indicates that the Company continues to maintain a prudent financial policy, limiting the use of long-term loans while focusing on short-term liabilities to finance operational needs during the year. With the increase in total assets to 607,018 million VND, the increase in liabilities remains under control and does not negatively impact the overall financial situation. The debt-to-total-assets ratio remains at a reasonable level, ensuring the Company maintains financial balance and good solvency.





## IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

The Company consistently controls the quantity and quality in inventory management to ensure timely supply for subsequent stages. This requires the Company to apply more modern and stringent warehouse management methods to reduce the backlog of finished products and goods; thereby optimizing the production and supply process to minimize difficult-to-sell goods, meet customer needs, maintain the Company's image, and create a market advantage.

Innovating communication and marketing efforts, the Company dispatched working groups to various provinces and cities to introduce and train teachers on new products, as well as market Phuong Nam Education brand publications to a wide range of users. As a result, the Company can expand its market while raising brand awareness and reputation among a large number of users. Recognizing the importance of human resources for the enterprise's development, the Company has consistently focused on investing in human resource development, especially high-quality human resources, throughout its operation. In addition, the Company has enhanced its competitiveness and operational efficiency with favorable welfare policies to attract and appoint highly qualified and talented personnel to its management apparatus.

### Regarding governance

In 2024, the Company continued to implement digital transformation in governance by updating and completing management software for human resources, payroll, administration, task assignment, and operations. The tasks have been implemented, and the results reported and controlled transparently on the system. The General Director conducts business operations anytime, anywhere, quickly, promptly, and cost-effectively. With the benefits from digital transformation in management and administration, the Company will continue to maintain and invest in improving the system's effectiveness in the coming years..

### Regarding facilities

The Company has established a working environment and conditions with modern facilities and equipment. The information technology system has been perfected to meet the requirements of work, meetings, and seminars, both in-person and online. In 2024, the Company continued to maintain offices at two locations (231 Nguyen Van Cu, Ward 4, District 5 and 133 Duong Ba Trac, Ward 1, District 8). For the two warehouses for goods and materials at Tan Phu Trung and 100 Man Thien, the Company regularly inspects, maintains, and repairs the facilities, ensuring safety for employees and goods and materials, while also meeting fire prevention and flood control requirements. The retail store at 231 Nguyen Van Cu is always arranged and displayed scientifically and aesthetically to facilitate management and customer service.

### Regarding human resources.

As of the end of 2024, the Company had a total of 117 employees, of which 86 employees, accounting for 73%, held a college degree or higher. In 2024, the departmental structure remained unchanged, with the Company continuing to consolidate personnel across nine specialized departments and one Information Technology group.

In 2024, the Company's Board of General Directors remained unchanged. The General Director, based on the actual situation, updated and adjusted specific task assignments for each member, ensuring suitability and effectiveness. The members of the Board of General Directors proactively and actively implemented their assigned tasks, advising and proposing solutions to enhance business efficiency and operational management.

The Company's human resource organizational structure is refined through policies such as: recruiting personnel with professional qualifications and experience suitable for the job position; training to update and enhance knowledge and skills for managers and professional positions; conducting annual performance evaluations as a basis for personnel rotation and appropriate assignment; periodically reviewing and adjusting salary and bonus policies to motivate work, improve labor productivity, and encourage innovation among employees.

Human resources are managed through a system of task assignment, reporting, and supervision. The work results of each position are reviewed quarterly, serving as a basis for personnel evaluation and ensuring the completion of the annual plan. Regarding State regulations related to employees, the Board of General Directors has updated them promptly and fully, and annually reviews, amends, and supplements labor regulations for suitability, ensuring a serious, fair, and disciplined work environment.







## EXPLANATION OF THE GENERAL DIRECTOR ON AUDIT OPINIONS

According to the audited financial statements for the fiscal year ending December 31, 2024, the independent audit unit, AAC Auditing and Accounting Company Limited, issued an unqualified audit opinion on the financial statements for the fiscal year ending December 31, 2024 of Phuong Nam Education Investment and Development Joint Stock Company. Therefore, the General Director has no further comments.



## ASSESSMENT REPORT RELATED TO ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES OF THE COMPANY

### Assessment related to environmental indicators

Education is a field that makes many important contributions to national development. Phuong Nam Company is one of the units operating in the field of investment and educational development, providing books, equipment, documents, and related services. However, activities such as book production and printing can have negative social and environmental consequences if not carefully controlled. In 2024, the Company complied with the State's legal regulations and ensured hygiene criteria impacting the environment. The Company has effectively implemented internal communication on environmental protection activities to raise employee awareness to orient environmentally friendly behaviors in daily life, thereby spreading environmental protection activities in the community. In parallel, sustainable development orientation has become increasingly important in the Company's strategy. Therefore, the Company has strengthened control, supervision, and development of pollution prevention measures to the environment; applied energy-saving measures during operation and applied energy-efficient equipment and lighting systems. This ensures that the Company always prioritizes focusing on business activities associated with economic, social, and environmental factors.

### Assessment related to labor issues

Caring for the physical and mental well-being of employees is always a top priority of Phuong Nam Company. In 2024, the Company continued to implement practical support policies, ensuring the best working conditions for employees. Employees are fully equipped with tools and working equipment, ensuring occupational safety in accordance with

regulations. Occupational safety, fire prevention and fighting, natural disaster prevention, and environmental protection are emphasized with regular training programs. The Company's offices, stores, and warehouses are always clean, airy, and ensure the health of employees.



### Assessment related to corporate responsibility towards local communities

In 2024, the Company participated in many meaningful community and social activities to promote local social economic development. With the current difficulties and volatility in work, the Company has implemented a plan to support families in difficult circumstances, provide timely assistance to poor students to overcome difficulties, contributing to building a positive learning environment as a solid foundation for students to develop knowledge and nurture their souls. In addition, the Company sponsors and financially supports community projects and activities; allocates a portion of the Company's profits to donate to the poor in the local community, the elderly living alone, and at the same time spreads the spirit of love and sharing to help those in difficult circumstances. Moreover, the Company's employees also actively express their views when implementing measures to minimize negative environmental impacts on the community, such as planting trees, conserving water resources, and committing to reducing harmful emissions. This guides the Company's employees to have a sense of responsibility towards the local community at the workplace, improve the local living environment, and enhance the Company's image.





# EDUCATION

## 4 | REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS

Assessments of the Board of Directors on the Company's operation

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Assessment of the Board of Directors on the activities of the Board of General Directors

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Plans and orientations of the Board of directors

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## ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION

The Company's goals and operational direction are sustainable development while demonstrating responsibility to the community and society. The Company has made continuous efforts in organizing volunteer programs and sharing love with the community in 2024, such as:

- Establishing an operational motto with full responsibility and obligation to stakeholders. This is the Company's commitment to joining hands in building a good and sustainable society.
- Always caring for and ensuring that the lives of employees are always improved both materially and spiritually, building a dynamic and youthful working environment with many development opportunities.
- The Company has also carried out many meaningful charitable activities, especially the spirit of "mutual love and support" to help those in special and difficult circumstances through charity programs of the Company's volunteer team.
- Every year, the Company commends individuals who overcome difficulties in their studies and awards scholarships to disadvantaged students who excel academically to encourage and support students in difficult circumstances but with a spirit of striving to rise in their studies.

The Company always proactively develops assessments of the potential impact of products on the environment, clearly demonstrating its positive contribution to social development and environmental protection. This has been, is, and will continue to be the top priority of the Board of Directors in the future. In addition, to quickly adapt to unpredictable fluctuations, the Company has performed well in risk management. As a result, in 2024, all revenue and profit targets exceeded the plan. The Board of Directors will continue to enhance corporate governance responsibilities, providing advisory opinions to maximize profits for the Company in the following years.

*"Nurturing knowledge,  
Stepping firmly into the future"*







## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE BOARD OF GENERAL DIRECTORS

The Board of Directors highly appreciates the efforts of the Board of General Directors in all areas of work: product, marketing, communication, sales and support services, and management. From the Board of Directors' strategy, the Board of General Directors has proactively developed action programs, closely followed the market, effectively developed online sales channels, and innovated customer care by creating new and useful experiences. In 2024, the Company achieved the planned targets approved by the General Meeting of Shareholders, created jobs and stable income for employees, and ensured investment efficiency for shareholders.

During its operation, the Board of General Directors has always complied with the provisions of the Law, the Company's Charter, the Corporate Governance Regulations, the Resolutions of the General Meeting of Shareholders, and the Resolutions of the Board of Directors.

### Some main tasks

- Complete and publish information in the Financial Statements in accordance with regulations;
- The Board of General Directors has introduced appropriate business mechanisms and policies, gradually overcoming difficulties and challenges, fulfilling the targets set by the General Meeting of Shareholders, and the Company's market continues to be maintained.
- The Company's products are always stable and of high quality, and continue to be trusted by users.
- The implementation of the resolutions and decisions of the Board of Directors has been carried out seriously and effectively by the Board of General Directors.
- The financial situation and expenses are well controlled by the Board of General Directors, preventing any damage to the Company.
- Implement well the salary and bonus policies and care for the lives of employees in many aspects; the working environment of employees continues to be improved.



## Activities of Independent members of the Board of Directors and assessment of Independent members on the activities of the Board of Directors

### Activities of Independent members of the Board of Directors

In 2024, Independent members of the Board of Directors participated fully in the meetings of the Board of Directors and made important contributions to corporate governance. At the same time, Independent members of the Board of Directors also participated in giving advisory and critical opinions on the decisions of the Board of Directors in the spirit of upholding the Law and ensuring the best interests of the Company. Independent members of the Board of Directors are knowledgeable about the development orientation of the education industry and the specific operations of educational book and equipment investment and trading units. Independent members of the Board of Directors have made many positive contributions to building the Company's production and business strategy and plan. Independent members of the Board of Directors perform their assigned rights and obligations in accordance with the provisions of relevant laws, the Company's Charter, and the Resolutions of the General Meeting of Shareholders. In 2024, Independent members of the Board of Directors completed the following tasks:

- Perform the assigned rights and obligations honestly, carefully, and to the best of their ability to ensure the maximum legitimate interests of the Company.
- Loyal to the interests of the Company and shareholders; do not use the Company's information, secrets, business opportunities, position, title, and use the Company's assets for personal gain or to serve the interests of other organizations or individuals.
- Providing a comprehensive overview of all stakeholders' benefits, offering suggestions and decisions to enhance the effectiveness and feasibility of the Board of Directors' decisions, improving the Company's business performance, and ensuring the rights and interests of the Company and its shareholders.







## ASSESSMENT OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE BOARD OF GENERAL DIRECTORS (CONT.)

### Activities of Independent members of the Board of Directors and assessment of Independent members on the activities of the Board of Directors (cont.)

- Independent members of the Board of Directors exercise their management function by participating in discussions and decision-making within the Board of Directors, while ensuring that these decisions are made fairly and reasonably.

### Assessment of the Independent members of the Board of Directors on the Board of Directors' activities

The Board of Directors' members are individuals with professional expertise in the field of education, relevant extensive experience, and a broad network of relationships. Furthermore, the members of the Board of Directors are always in a learning mindset, continuously working to cultivate their leadership, management, and operational capabilities to enhance the Company's market position.

In 2024, the Board of Directors carried out its functions and duties in accordance with the provisions of the Enterprise Law, the Charter, the Board of Directors' Operating Regulations, and the internal regulations on corporate governance. The tasks assigned to each member of the Board of Directors were completed well and on schedule. The Board of Directors' supervision of the Board of General Directors was carried out regularly to ensure the achievement of strategic goals and established plans. The Board of Directors held regular and irregular meetings to evaluate production and business results, assess business risks, and approve business solutions within the Board of Directors' authority. In addition, during quarterly meetings, the Board of Directors directed and provided input to ensure the completion of the 2024 business plan. The Board of Directors coordinated with the Board of Supervisors to strengthen internal inspection and control, supervise and organize the implementation of regulations, and manage risks throughout the Company.

At the same time, the Board of Directors always closely coordinates with the Board of Supervisors to oversee the Board of General Directors in the Company's operations and finances, aiming for the most effective business goals and achieving the set objectives.

### Activities of other subcommittees of the Board of Directors

Currently, the Board of Directors does not have any subcommittees. All members of the Board of Directors are directly assigned tasks to supervise and direct the implementation of the Shareholders' Meeting Resolutions and the Board of Directors' resolutions and decisions for the Board of General Directors.







## PLANS AND ORIENTATIONS OF THE BOARD OF DIRECTORS

The context of 2025 is forecast to be unstable in terms of political, economic, and social situations globally. In Vietnam, the streamlining and merging of administrative units will create difficulties in employment, life, and income for workers. On the other hand, the rapid and strong development of science and technology, especially the widespread application of artificial intelligence, is a major challenge for educational products and services. Besides, educational books, especially English books, are facing increasingly fierce competition in the publishing and distribution field.

2025 is the first year after completing the 5-year roadmap for changing textbooks according to the 2018 General Education Curriculum, and the Company focuses on maintaining and developing the market and increasing market share. The Company will continue to accompany, listen to feedback and needs of educational institutions to effectively support teachers and students in using the books and educational equipment published by the Company. The Board of Directors directs the Company to focus on implementing the following activities:

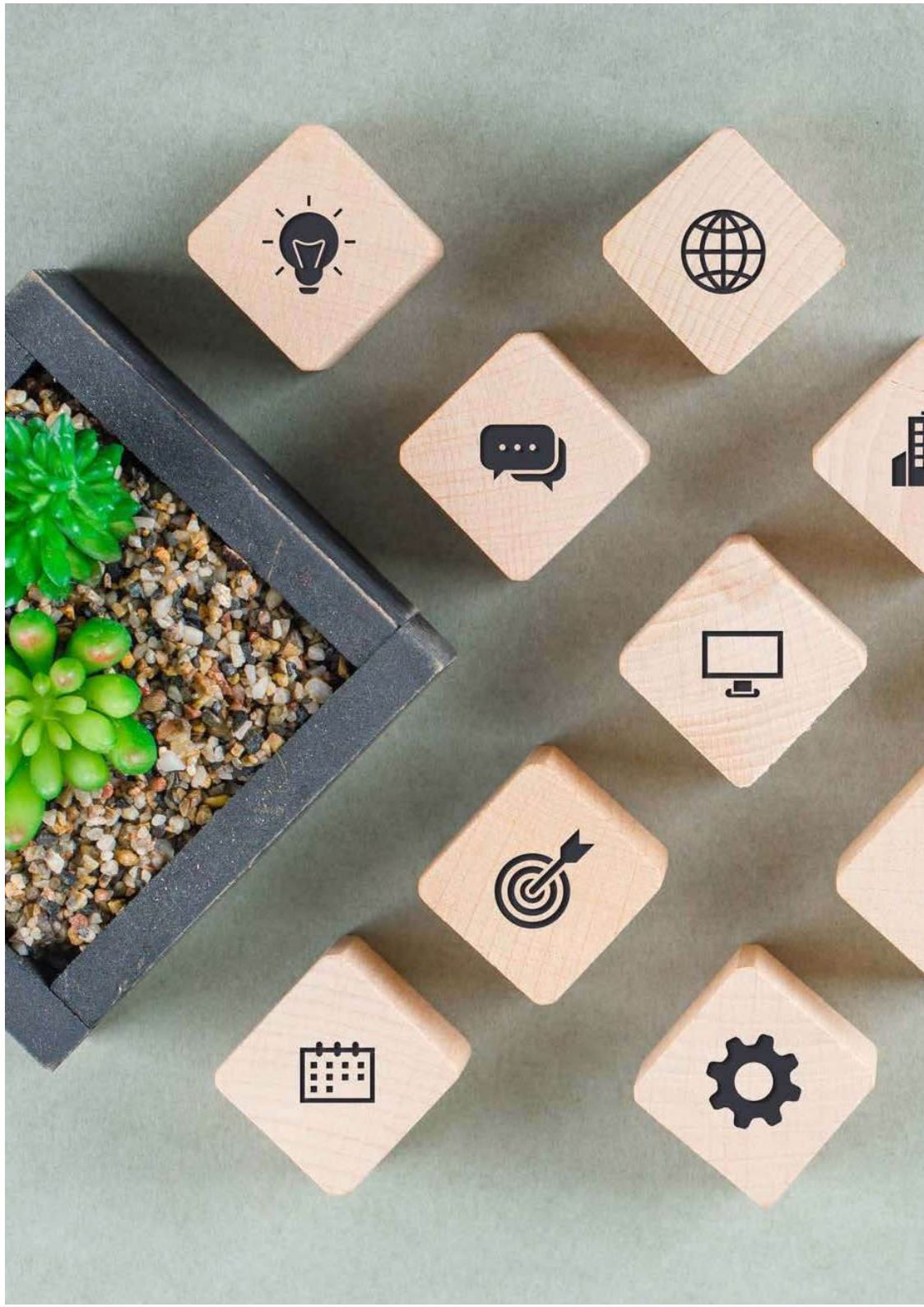
- Develop flexible business operation plans, adaptable to a constantly fluctuating business environment.
- Research and update to provide solutions, products, and services to enhance teaching and learning quality, meeting the needs of customer groups (teachers, students, parents), in line with societal development trends, focusing on products using digital technology, electronics, and smart learning materials.



- Develop new products to build a core product system and enhance competitiveness.
- Training will be implemented in an in-depth manner, closely aligned with the specific characteristics of each locality. Understand the actual needs of teachers, students, and parents to collaborate in educational efforts within the localities.
- Continue to refine the Company's governance and management mechanisms. Strengthen risk management in all Company activities: policies, business models, copyrights, markets, etc. Implement comprehensive risk management throughout the Company, according to the functions and tasks of each department and each job position.
- Continue implementing digital transformation according to the national digital transformation program up to 2025, with an orientation towards 2030, as set by the Government and the Ministry of Education. Implement green transformation, organizing production and business activities linked to environmental protection for sustainable development of the enterprise and society.
- Provide training on new knowledge and management skills for the management team; provide training to update professional knowledge and skills for employees; develop a succession plan.
- Arrange human resources rationally to increase productivity and work efficiency. Research and improve policies and compensation regimes to attract and retain employees.
- Research the application of AI in new product development, business, and management to enhance competitiveness and business efficiency.







# 5 | CORPORATE GOVERNANCE

Board of Directors

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Board of Supervisors

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Transactions, remuneration, and benefits of the Board of Directors, the Board of General Directors, and the Audit Committee

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## BOARD OF DIRECTORS

### List of Members of the Board of Directors

As of January 22, 2025

No.	Member	Position	Shares	Ownership Percentage
1	Mr. Le Huy	Chairman of the Board of Directors (Non-executive)	37,000 (personal) 2,603,400 (representative)	0.4% (personal) 26.03% (representative)
2	Mr. Dinh Gia Le	Board of Directors' members (Non-executive)	650,850 (representative)	6.51% (representative)
3	Ms. Le Phuong Mai	Board of Directors' members and General Director	25,000 (personal) 1,084,750 (representative)	0.25% (personal) 10.85% (representative)
4	Mr. Nguyen Phong Yen	Board of Directors' members and Deputy General Director	-	-
5	Ms. Nguyen Thi Thanh Xuan	Board of Directors' members (Non-executive)	-	-



#### Mr. LE HUY

Chairman of the Board of Directors

**Nationality:** Vietnam

**Qualification:** Master of Business Administration

**Position at the Company:** Chairman of the Board of Directors

**Position at other organization:** Deputy General Director of Vietnam Education Publishing House

#### Number of shares held at present

Representing Vietnam Education Publishing House's capital: 2,603,400 shares - 26.03% charter capital

Personally owned: 37,000 shares - 0.4% charter capital



#### Mr. DINH GIA LE

Board of Directors' members

**Nationality:** Vietnam

**Qualification:** Associate Associate Professor, PhD

**Position at the Company:** Board of Directors' members

**Position at other organization:** Deputy Editor-in-Chief of Vietnam Education Publishing House

#### Number of shares held at present

Representing Vietnam Education Publishing House's capital: 650,850 shares - 6.51% charter capital

Personally owned: 0 shares - 0.00% charter capital



#### Ms. NGUYEN THI THANH XUAN

Board of Directors' members

**Nationality:** Vietnam

**Qualification:** Master of Arts in Teaching English as a Foreign Language

**Current Position at the Company:** Board of Directors' members

**Current Position at other organizations:** Head of Foreign Languages Department, Ha Noi Education Development And Investment Joint Stock Company

#### Number of shares held at present

Representing Vietnam Education Publishing House's capital: 0 shares - 0.00% charter capital

Personally owned: 0 shares - 0.00% charter capital

#### Ms. LE PHUONG MAI

Board of Directors' members and General Director

Details provided in Chapter II, Section: Board of General Directors

#### Ms. NGUYEN PHONG YEN

Board of Directors' members and Deputy General Director

Details provided in Chapter II, Section: Board of General Directors



BOARD OF DIRECTORS (CONT.)

List of changes in Board of Directors members during the year: None

Activities of the Board of Directors

In 2024, the Board of Directors performed its functions and duties in accordance with the Law on Enterprises, the Charter, the Regulations on Operation of the Board of Directors, and the internal regulations on corporate governance. The tasks assigned to each member of the Board of Directors were completed well and on schedule. The Board of Directors held regular and irregular meetings to evaluate production and business results, assess business risks, and approve solutions within the Board’s authority. In addition, during the quarterly meetings, the Board of Directors directed and provided opinions to ensure the overall business plan for 2024. At the same time, the Board of Directors coordinated with the Board of Supervisors to strengthen internal inspection and control, supervise, and organize the implementation of regulations and risk management throughout the Company.

No.	Board of Direc-tors’ members	Position	Number of meetings attended by Board of Directors	Attendance rate	Reasons for absence
1	Mr. Le Huy	Chairman of the Board of Directors	06/06	100%	-
2	Mr. Dinh Gia Le	Board of Directors’ members	06/06	100%	-
3	Ms. Le Phuong Mai	Board of Directors’ members, General Director	06/06	100%	-
4	Mr. Nguyen Phong Yen	Board of Directors’ members, Deputy General Director	06/06	100%	-
5	Ms. Nguyen Thi Thanh Xuan	Board of Directors’ members	06/06	100%	-

In 2024, the Board of Directors held 6 meetings. The specific content of the meetings and the corresponding Resolutions issued are as follows

No.	Number of Resolu-tions/ Decisions	Date	Content	Approval rate
1	01/NQ-SED-HĐQT	February 19, 2024	Agreement on organizing the 2024 An-nual General Meeting of Shareholders: time, location, and meeting agenda.	100%
2	03/NQ-SED-HĐQT	March 25, 2024	Approval of documents for the 2024 An-nual General Meeting of Shareholders, in-cluding: Draft agenda, reports, proposals submitted to the General Meeting, working regulations, and other documents related to the organization of the General Meeting of Shareholders.	100%
3	04/NQ-SED-HĐQT	March 25, 2024	Assignment of personnel to participate in the organization of the 2024 Annual General Meeting of Shareholders.	100%
4	05/NQ-SED-HĐQT	March 25, 2024	Approval of Q1/2024 production and business results and Q2/2024 work plan.	100%
5	06/NQ-SED-HĐQT	March 25, 2024	Approval of the policy of appointing management personnel, with the ap-pointment decision signed by the Gen-eral Director.	100%
6	17/NQ-SED-HĐQT	May 14, 2024	Approval of the plan to pay 2023 dividends in cash: implementation ratio of 15%; last registration date: May 31, 2024; payment date: June 14, 2024.	100%







## BOARD OF DIRECTORS (CONT.)

No.	Number of Resolutions/Decisions	Date	Content	Approval rate
7	18/NQ-SED-HĐQT	May 14, 2024	Agreement on selecting AAC Auditing and Accounting Company Limited as the auditor for the Company's 2024 Financial Statements.	100%
8	20/NQ-SED-HĐQT	July 15, 2024	Approval of Q2/2024 production and business results and Q3/2024 work plan.	100%
9	22/NQ-SED-HĐQT	September 30, 2024	Approval of Q3/2024 production and business results and Q4/2024 work plan.	100%
10	24/NQ-SED-HĐQT	December 4, 2024	Approval of the change in internal persons: Ms. Nguyen Minh Trang ceases to be the Company's Corporate Governance Officer and Company Secretary; appointment of Ms. Ngo Hoai Giang as the Company's Corporate Governance Officer and Company Secretary.	100%
11	26/NQ-SED-HĐQT	December 25, 2024	Approval of 2024 production and business results and 2025 work plan.	100%
12	27/NQ-SED-HĐQT	December 25, 2024	Approval of the policy of appointing management personnel, with the appointment decision signed by the General Director.	100%



## BOARD OF SUPERVISORS

### Activities of the Board of Supervisors

Always complying with the regulations of the Company's Charter and the Enterprise Law, the activities of the Board of Supervisors have been effective, favorable, and suitable to the Company's situation.

The Board of Supervisors has performed its supervisory duties over production and business activities by periodically reviewing financial reports prepared by the Board of General Directors and the Accounting Department. This includes reviewing and evaluating the implementation of business objectives.

In addition, the Board of Supervisors receives all documents and materials related to the company's operations provided by the Board of Directors and the Board of General Directors, facilitating the supervision of the implementation of the Board of Directors' decisions and the business activities of the Company's Board of General Directors.

### Number of Board of Supervisors meetings

No.	Member of the Board of Supervisors	Position	Number of Board of Supervisors meetings attended	Attendance rate	Reasons for absence
1	Mr. Do Huy Kien	Head of the Board of Supervisors	04/04	100%	
2	Mrs. Nguyen Thi Chanh	Member of the Board of Supervisors	04/04	100%	None
3	Ms. Le Thi Tuyet Minh	Member of the Board of Supervisors	04/04	100%	



## BOARD OF SUPERVISORS (CONT.)

### Coordination of activities between Members of the Board of Supervisors with the activities of the Board of Directors, the Board of General Directors, and other managers

#### Results of the Board of Directors' supervision of the Board of General Directors

- The Board of Directors always fulfills its responsibilities and obligations as prescribed by the Enterprise Law and relevant legal documents.
- The Board of Directors promptly directs and supports the General Director in implementing the Company's production and business targets.
- The Board of Directors regularly supervises the activities of the Board of General Directors, ensuring that the Company's activities comply with legal regulations, the Charter, and corporate governance regulations.
- The Board of Directors regularly supervises the General Director in managing the company's production, business, and finances.
- The Board of Directors periodically reviews the Company's quarterly and annual production and business results reports.

#### Assessment of the Board of Directors and Board of Management's activities in 2024

- The Board of Directors and the Board of General Directors have fully complied with legal regulations in management and administration. The members of the Board of Directors, the Board of General Directors, and management officials have properly performed their assigned functions and duties in accordance with the Charter and Resolutions approved by the General Meeting of Shareholders.
- In 2024, the Board of Directors and Board of Management effectively fulfilled their roles in directing and managing production and business activities, ensuring that development strategies were implemented according to plan.
- The Board of Supervisors fully attended the quarterly and ad-hoc meetings between the Board of Directors and the Board of General Directors, reporting on the business situation of each quarter and the objectives and directions for subsequent operations to achieve the planned targets.
- In 2024, the Company did not encounter any disputes related to production and business activities.

#### Results of the assessment of the coordination between the Member of the Board of Supervisors, the Board of Directors, the General Director, and shareholders

- The coordination between the Board of Supervisors, the Board of Directors, the Board of Management, and the Company's management officials in 2024 was carried out smoothly and closely, based on the principle of serving the common interests of the Company and shareholders, and complying with legal regulations and the Company's Charter.
- The Board of Supervisors received cooperation and facilitation from the Board of Directors, the Board of Management, and functional departments within the Company in updating the Company's operational status, collecting information and documents for inspection and supervision.
- The Company's Board of Supervisors was invited to attend and provide input at meetings of the Board of Directors. Reports, documents, and information regarding the meetings, as well as resolutions of the Board of Directors, were provided to the Board of Supervisors fully and promptly, facilitating the Board of Supervisors in effectively performing its functions and duties.



## TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF GENERAL DIRECTORS, AND THE AUDIT COMMITTEE

### Salary, rewards, remuneration and benefits

Name	Position	Type of income	Year 2023 (VND)	Year 2024 (VND)
Le Huy	Chairman of the Board of Directors	Remuneration	120,000,000	60,000,000
		Bonus	178,000,000	209,956,636
Dinh Gia Le	Board of Directors' members	Remuneration	72,000,000	72,000,000
		Bonus	129,000,000	155,973,982
Le Phuong Mai	Board of Directors' members	Remuneration	72,000,000	72,000,000
		Bonus	129,000,000	155,973,982
Bui Thu Giang	Board of Directors' members	Remuneration	-	-
			22,500,000	
Nguyen Thi Thu Hong	Board of Directors' members	Remuneration	18,000,000	-
		Bonus	129,000,000	-
Nguyen Phong Yen	Board of Directors' members	Remuneration	72,000,000	72,000,000
		Bonus	106,500,000	155,973,982
Nguyen Thi Thanh Xuan	Board of Directors' members	Remuneration	54,000,000	72,000,000
		Bonus	-	116,980,486
Salary and bonus of the Board of General Directors and Chief Accountant			4,342,599,250	4,836,333,938
Remuneration of the Board of Supervisors			118,801,522	136,982,655







## TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF GENERAL DIRECTORS, AND THE AUDIT COMMITTEE (CONT.)

### Contracts or transactions with internal persons and related persons of internal persons

Unit: VND

Transaction		Year 2023	Year 2024
<b>Sales</b>			
Viet Nam Education Publishing House Limited Company	Supply of educational books, conference fees	3,397,532,274	4,470,942,700
Vietnam Education Publishing House in Hanoi	Supply of calendars and educational books	523,250,778	-
Vietnam Education Publishing House in Da Nang	Supply of calendars and educational books	284,495,832	-
Vietnam Education Publishing House in Ho Chi Minh City	Supply of educational books, conference fees	29,136,621,145	110,191,476,820
	Revenue from textbook cover price adjustments	-	914,527,500
Viet Nam Education Publishing House in Can Tho City	Supply of calendars and educational books	228,126,352	-
Ben Tre Book and Equipment Joint Stock Company	Supply of educational books	47,994,421,908	51,827,784,440
Can Tho Book and Equipment Joint Stock Company	Supply of educational books	12,337,478,241	9,842,509,301
Educational Book Joint Stock Company In Ha Noi City	Supply of calendars and educational books	49,920,000	-
Educational Materials Joint Stock Company	Supply of educational books	7,089,940,736	3,359,973,500
Book and Educational Equipment Joint Stock Company of Ho Chi Minh City	Supply of educational books	221,766,998,509	221,638,655,323
Binh Thuan Books And Equipment Joint Stock Company	Supply of educational books	13,856,013,167	12,565,111,950
Hanoi Education Development & Investment Joint Stock Company	Supply of educational books, conference fees	4,513,637,280	4,954,954,090
Da Nang Education Development & Investment Joint Stock Company	Supply of educational books, conference fees	11,299,372,657	11,478,619,555
Giadinh Education Publishing Service Joint Stock Company	Supply of educational books	-	10,072,560
Cuu Long Books & Educational Equipment Joint Stock Company	Supply of educational books, conference fees	10,459,272,471	5,546,938,542

Transaction		Year 2023	Year 2024
South Books And Educational Equipment Joint Stock Company	Supply of educational books	5,413,628,206	4,742,841,458
Ha Noi Education Publishing Services Joint Stock Company	Supply of educational books	-	2,761,200
Education Publishing And Investment Joint Stock Company	Supply of calendars and educational books	1,828,442,966	2,197,730,374
North Books And Educational Equipment Joint Stock Company	Supply of educational books	2,057,029,800	455,968,335
Educational Book Joint Stock Company In Da Nang City	Supply of materials and educational books	199,231,201	384,202,800
<b>Purchasing</b>			
Viet Nam Education Publishing House Limited Company	Purchase of educational books, publishing fees	7,054,245,510	5,391,906,611
Viet Nam Education Publishing House in Hanoi	Educational book introduction fee	-	241,760,000
	Purchase of educational books	594,337,445,150	685,464,220,430
	Purchase of materials	1,061,700,000	1,100,940,000
Viet Nam Education Publishing House in Ho Chi Minh City	Publishing fees, copyright fees, manuscript organization	18,097,537,722	52,780,444,874
	Office rental costs	1,571,641,270	1,776,775,499
Viet Nam Education Publishing House in Can Tho City	Reedition editing fee	-	31,416,000
Ben Tre Book – Equipment Joint Stock Company	Purchase of textbooks and supplementary teaching materials	-	1,829,337,210
Textbook Printing Joint Stock Company In Ho Chi Minh City	Printing services	636,741,254	-
Can Tho Book and Equipment Joint Stock Company		-	165,637,191
Educational Book Joint Stock Company In Ha Noi City	Purchase of educational books	775,505,825	683,920,000
Educational Materials Joint Stock Company	Purchase of educational books	2,667,919,620	17,095,360
Book and Educational Equipment Joint Stock Company of Ho Chi Minh City	Purchase of educational books	9,195,898,459	22,321,148,475
	Cost of textbook price changes	-	130,933,889
Binh Thuan Books And Equipment Joint Stock Company		-	232,583,065



## TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF GENERAL DIRECTORS, AND THE AUDIT COMMITTEE (CONT.)

### Contracts or transactions with internal persons and related persons of internal persons (cont.)

	Transaction	Year 2023	Year 2024
Ha Noi Education Development And Investment Joint Stock Company	Purchase of supplementary books and educational books	2,313,798,055	5,496,213,771
	Purchase of sample books and market deployment fees	-	391,324,463
	Royalty fees, manuscript organization, and card costs	47,680,870,200	42,671,574,685
Danang Education Investment And Development Joint Stock Company	Purchase of educational books and technical support fees	1,417,737,307	1,589,350,285
	Market deployment fees	-	778,936,200
Giadinh Education Publishing Service Joint Stock Company	Purchase of educational books	11,532,780,000	12,946,093,440
	Manuscript costs	160,340,220	238,253,558
	Royalty fees and manuscript organization fees	12,764,016,038	10,950,568,372
Cuu Long Books & Educational Equipment Joint Stock Company.	Purchase of educational books	3,429,680,689	15,591,739,300
Southern Educational Equipment and Books Joint Stock Company	Purchase of educational books and manuscript organization	708,631,680	464,824,649
Ha Noi Education Publishing Services Joint Stock Company.	Manuscript organization fees	184,536,332	568,396,480
Education Publishing And Investment Joint Stock Company	Purchase of educational books	534,917,500	261,942,000
North Books And Educational Equipment Joint Stock Company	Purchase of educational books	555,437,240	381,382,553
Educational Book Joint Stock Company In Da Nang City	Purchase of educational books	391,800,900	1,885,330,740

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Stepping firmly into the future"



	Transaction	Year 2023	Year 2024
<b>Other</b>			
Giadinh Education Publishing Service Joint Stock Company	Dividends and distributed profits	-	192,500,000
Book & Education Equipment Joint Stock Company Of Ho Chi Minh city	Prompt payment discount	11,404,884	282,906,146
	Trade discounts and returned goods	976,359,565	1,125,768,732
Binh Thuan Books And Equipment Joint Stock Company	Prompt payment discount	128,692,764	100,184,203
	Trade discounts and returned goods	6,624,762	7,410,000
Ben Tre Book - Equipment Joint Stock Company	Prompt payment discount	-	76,120,285
	Trade discounts and returned goods	264,600,160	211,277,398
Educational Materials Joint Stock Company	Trade discounts and returned goods	235,538,150	1,213,600

### Assessment of implementation of corporate governance regulations

The Company has effectively implemented corporate governance regulations, ensuring information transparency, compliance with legal regulations, and protection of shareholder rights through full information disclosure, organizing the General Meeting of Shareholders, and paying dividends on time.







TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, THE BOARD OF GENERAL DIRECTORS, AND THE AUDIT COMMITTEE (CONT.)

Assessment of implementation of corporate governance regulations

Although formal training courses on corporate governance have not yet been organized, the Company still encourages and facilitates members of the Board of Directors, the Board of Supervisors, and the General Director to participate in specialized seminars and dialogues throughout the year to enhance their governance capacity, such as:

No.	Time	Seminar/Event
1	06/2024	Conference on "Issues to note in complying with securities and stock market regulations for public companies and listed companies; Errors in preparing and presenting financial statements of public companies and listed companies" organized by the State Securities Commission in collaboration with the Vietnam Association of Certified Public Ac-countants (VACPA) to guide public companies and listed companies in enhancing compliance with securities and stock market regulations, and improving the quality of financial statement disclosures.
2	07/2024	Conference on "Strengthening Corporate Governance Capacity for Listed Companies" (part of the corporate governance and stock mar-ket upgrade program) organized by the State Securities Commission with technical support from the Vietnam Institute of Directors (VIOD).
3	08/2024	"Conference of Securities Registration Organizations at VSDC in 2024" Workshop organized by Vietnam Securities Depository (VSDC).
4	09/2024	"Improving the Effectiveness of Public Company Governance through Internal Regulations" Workshop organized by FPT Securities Joint Stock Company with professional support from the Ho Chi Minh City Stock Exchange.
5	10/2024	Workshop to launch, introduce and guide the use of the Handbook on ESG implementation and disclosure organized by The State Securi-ties Commission of Viet Nam.

In the field of financial and accounting management, the Company has implemented a stringent management system that supports effective cash flow control and ensures the timely delivery of financial reports. Alongside this, plans are underway to upgrade the system to optimize performance. These improvements contribute to enhancing governance, increasing operational efficiency, and laying a solid foundation for sustainable development in the future.



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Stepping firmly into the future"





# 6 | FINANCIAL STATEMENTS

Audit Opinion

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Audited Consolidated Financial Statements for 2024

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**AAC AUDITING AND ACCOUNTING CO., LTD**

AN INDEPENDENT MEMBER OF PRIMEGLOBAL

AUDITING - ACCOUNTING - FINANCE SPECIALITY

Head Office: Lot 78 - 80, April 30th Street, Hai Chau District, Da Nang City

Tel: +84 (236) 3 655 886; Fax: +84 (236) 3 655 887; Email: aac@dnng.vn.vn; Website: http://www.aac.com.vn

No.: 249/2025/BCKT-AAC

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements prepared on 12 March 2025 of Phuong Nam Education Investment and Development Joint Stock Company ("the Company") as set out on pages 4 to 33, which comprise the balance sheet as at 31 December 2024, the income statement, statement of cash flows for the year then ended, and the notes thereto.

**Management's Responsibility for the Financial Statements**

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 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 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of financial statements.

AAC Auditing and Accounting Co., Ltd.

**Tran Thi Thu Hien - Deputy General Director**  
Audit Practicing Registration Certificate  
No. 0753-2023-010-1

Da Nang City, 12 March 2025

**Do Thi Thanh Van - Auditor**  
Audit Practicing Registration Certificate  
No. 1483-2023-010-1

**PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JSC**

231 Nguyen Van Cu Street, Ward 4, District 5, Ho Chi Minh City

**FINANCIAL STATEMENTS**

For the year ended 31/12/2024

**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	01/01/2024
			VND	VND
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>506,663,217,988</b>	<b>428,718,041,355</b>
1. Cash and cash equivalents	110	5	96,240,197,333	78,267,307,155
1. Cash	111		23,240,197,333	58,267,307,155
2. Cash equivalents	112		73,000,000,000	20,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>-</b>	<b>-</b>
<b>III. Short-term receivables</b>	<b>130</b>		<b>152,714,248,789</b>	<b>58,543,523,508</b>
1. Short-term trade receivables	131	6	157,361,676,535	63,273,603,777
2. Short-term prepayments to suppliers	132	7	534,172,834	1,470,248,096
3. Other short-term receivables	136	8.a	3,599,998,981	739,279,072
4. Provision for short-term doubtful debts	137	9	(8,781,599,561)	(6,939,607,437)
<b>IV. Inventories</b>	<b>140</b>	<b>10</b>	<b>256,553,584,894</b>	<b>284,119,977,038</b>
1. Inventories	141		315,881,287,825	325,990,072,811
2. Provision for obsolete inventories	149		(59,327,702,931)	(41,870,095,773)
<b>V. Other current assets</b>	<b>150</b>		<b>1,155,186,972</b>	<b>7,787,233,654</b>
1. Short-term prepaid expenses	151	11.a	1,155,186,972	7,787,233,654
2. Taxes and amounts receivable from the State	153		-	-
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>100,355,100,398</b>	<b>104,530,253,740</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>22,222,369,898</b>	<b>22,610,089,898</b>
1. Other long-term receivables	216	8.b	22,222,369,898	22,610,089,898
2. Provision for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>54,776,306,719</b>	<b>57,123,397,601</b>
1. Tangible fixed assets	221	12	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. Intangible fixed assets	227	13	-	-
- Cost	228		1,839,737,688	1,839,737,688
- Accumulated amortisation	229		(1,839,737,688)	(1,839,737,688)
<b>III. Investment properties</b>	<b>230</b>		<b>-</b>	<b>-</b>
<b>IV. Non-current assets in progress</b>	<b>240</b>		<b>-</b>	<b>-</b>
<b>V. Long-term financial investments</b>	<b>250</b>		<b>770,000,000</b>	<b>770,000,000</b>
1. Investments in other entities	253	14	770,000,000	770,000,000
2. Provisions for long-term financial investments	254		-	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>22,586,423,781</b>	<b>24,026,766,241</b>
1. Long-term prepaid expenses	261	11.b	22,586,423,781	24,026,766,241
2. Other non-current assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>607,018,318,386</b>	<b>533,248,295,095</b>

PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JSC  
231 Nguyen Van Cu Street, Ward 4, District 5, Ho Chi Minh City

FINANCIAL STATEMENTS  
For the year ended 31/12/2024

## 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>273,149,526,052</b>	<b>236,089,840,210</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>273,149,526,052</b>	<b>236,089,840,210</b>
1. Short-term trade payables	311	15	43,068,573,137	46,739,325,681
2. Short-term advances from customers	312	16	2,488,330,529	3,807,086,518
3. Taxes and amounts payable to the State budget	313	17	21,666,609,389	11,771,364,905
4. Payables to employees	314		36,085,251,964	17,118,942,279
5. Short-term accrued expenses	315	18	92,216,567,385	66,597,575,270
6. Other short-term payables	319	19	92,592,200	377,566,680
7. Short-term loans and finance lease liabilities	320	20	53,416,894,433	70,355,235,700
8. Reward and welfare fund	322		24,114,707,015	19,322,743,177
<b>II. Long-term liabilities</b>	<b>330</b>		<b>-</b>	<b>-</b>
<b>D. EQUITY</b>	<b>400</b>		<b>333,868,792,334</b>	<b>297,158,454,885</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>21</b>	<b>333,868,792,334</b>	<b>297,158,454,885</b>
1. Paid-in capital	411	21	100,000,000,000	100,000,000,000
- Common shares with voting rights	411a		100,000,000,000	100,000,000,000
- Preferred shares	411b		-	-
2. Share premium	412	21	(71,500,000)	(71,500,000)
3. Treasury shares	415	21	(11,541,426,210)	(11,541,426,210)
4. Development investment fund	418	21	192,977,228,612	172,691,066,328
5. Other equity funds	420	21	1,886,452,483	1,886,452,483
6. Undistributed profit	421	21	50,618,037,449	34,193,862,284
- Undistributed profit accumulated to the end of prior period	421a		-	-
- Undistributed profit for the current period	421b		50,618,037,449	34,193,862,284
<b>II. Other resources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>607,018,318,386</b>	<b>533,248,295,095</b>



Le Phương Mai  
General Director

Ho Chi Minh City, 12 March 2025

Pham Lan Anh  
Chief Accountant

Nguyen Thi Phuong  
Preparer

PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JSC  
231 Nguyen Van Cu Street, Ward 4, District 5, Ho Chi Minh City

FINANCIAL STATEMENTS  
For the year ended 31/12/2024

## INCOME STATEMENT

For the year ended 31 December 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	1,337,505,037,043	1,050,476,910,141
2. Revenue deductions	02	23	6,271,499,227	9,313,060,157
3. Net revenue from sales and service provision	10		1,331,233,537,816	1,041,163,849,984
4. Cost of goods sold	11	24	1,021,823,786,446	781,034,714,550
<b>5. Gross profit from sales and service provision</b>	<b>20</b>		<b>309,409,751,370</b>	<b>260,129,135,434</b>
6. Financial income	21	25	4,886,096,583	2,551,421,806
7. Financial expenses	22	26	4,954,336,090	5,947,965,698
Including: Interest expense	23		3,308,853,208	4,583,836,084
8. Selling expenses	25	27.a	154,596,347,258	129,220,716,088
9. Administrative expenses	26	27.b	76,278,479,052	69,620,608,665
<b>10. Net operating profit</b>	<b>30</b>		<b>78,466,685,553</b>	<b>57,891,266,789</b>
11. Other income	31	28	354,545,455	41,151,853
12. Other expenses	32		153,628,595	426,025,113
<b>13. Other profit</b>	<b>40</b>		<b>200,916,860</b>	<b>(384,873,260)</b>
<b>14. Accounting profit before tax</b>	<b>50</b>		<b>78,667,602,413</b>	<b>57,506,393,529</b>
15. Current corporate income tax expense	51	29	17,682,015,126	16,308,969,090
16. Deferred corporate income tax expense	52		-	-
<b>17. Profit after tax</b>	<b>60</b>		<b>60,985,587,287</b>	<b>41,197,424,439</b>
18. Basic earnings per share	70	30	5,459	3,688
19. Diluted earnings per share	71	30	5,459	3,688



Le Phương Mai  
General Director

Ho Chi Minh City, 12 March 2025

Pham Lan Anh  
Chief Accountant

Nguyen Thi Phuong  
Preparer



PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JSC  
231 Nguyen Van Cu Street, Ward 4, District 5, Ho Chi Minh City

FINANCIAL STATEMENTS  
For the year ended 31/12/2024

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

Form B 03 - DN

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

ITEMS	Code	Year 2024 VND	Year 2023 VND
<b>I. Cash flows from operating activities</b>			
1. Cash receipts from sales, service and other income	01	1,235,826,709,069	1,053,671,590,297
2. Cash paid to suppliers	02	(1,103,628,283,411)	(982,862,463,690)
3. Cash paid to employees	03	(57,887,487,498)	(40,938,672,242)
4. Interest paid	04	(3,068,769,346)	(4,613,585,539)
5. Corporate income tax paid	05	(10,527,876,635)	(13,246,684,034)
6. Other cash receipts from operating activities	06	11,183,454,475	6,028,410,599
7. Other cash payments for operating activities	07	(22,443,792,665)	(17,382,347,742)
<b>Net cash provided by operating activities</b>	<b>20</b>	<b>49,453,953,989</b>	<b>656,247,649</b>
<b>II. Cash flows from investing activities</b>			
1. Purchases and construction of fixed assets and other non-current assets	21	(1,949,337,278)	-
2. Proceeds from disposals of fixed assets and other non-current assets	22	354,545,455	41,818,181
3. Recovery of loans, re-sales of debt instruments of other entities	24	-	10,000,000,000
4. Dividend, profit and interest received	27	950,506,779	795,593,362
<b>Net cash used in investing activities</b>	<b>30</b>	<b>(644,285,044)</b>	<b>10,837,411,543</b>
<b>III. Cash flows from financing activities</b>			
1. Proceeds from borrowings	33	162,856,564,878	204,800,048,768
2. Repayment of borrowings	34	(179,794,906,145)	(195,102,828,393)
3. Dividends, profit paid to owners	36	(13,898,437,500)	(13,907,700,000)
<b>Net cash used in financing activities</b>	<b>40</b>	<b>(30,836,778,767)</b>	<b>(4,210,479,625)</b>
<b>Net cash flows for the period</b>	<b>50</b>	<b>17,972,890,178</b>	<b>7,283,179,567</b>
Cash and cash equivalents at the beginning of the period	60	78,267,307,155	70,984,127,588
Impacts of exchange rate fluctuations	61	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>70</b>	<b>96,240,197,333</b>	<b>78,267,307,155</b>



Le Phuong Mai  
General Director

Ho Chi Minh City, 12 March 2025

Pham Lan Anh  
Chief Accountant

Nguyen Thi Phuong  
Preparer

PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JSC  
231 Nguyen Van Cu Street, Ward 4, District 5, Ho Chi Minh City

FINANCIAL STATEMENTS  
For the year ended 31/12/2024

## 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

Phuong Nam Education Investment and Development Joint Stock Company ("the Company") was established under Decision No. 309/NXBGDQD dated 23 March 2007 issued by the Education Publishing House. The Company is an independent accounting entity, operating in accordance with Business Registration Certificate (now being Enterprise Registration Certificate) No. 4103006644 dated 9 May 2007 issued by the Ho Chi Minh City Department of Planning and Investment (since its establishment, the Enterprise Registration Certificate has been amended 8 times and the most recent amendment was made on 23 November 2021, and the current enterprise identification number is 0304952106). The Company operates in compliance with the Enterprise Law, its Charter and relevant regulations.

#### 1.2. Principal scope of business: Production and commercial trading of books and educational equipment.

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

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

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

### 3. Applied accounting standards and system

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

### 4. Summary of significant accounting policies

#### 4.1 Cash and cash equivalents

Cash includes: cash on hand and demand deposits.

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 absconding.

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

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

### 4.3 Inventories

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

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

Cost of inventories comprises:

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

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

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

### 4.4 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

Depreciation of fixed assets is calculated in accordance with the straight-line method over their estimated useful lives. Depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. The Company applies the double-declining balance (DDB) method, an accelerated depreciation approach, for fixed assets classified as machinery and equipment, motor vehicles, and office equipment. Details are as follows:

<u>Kind of assets</u>	<u>Depreciation period (years)</u>
Buildings, architectures	6 - 25
Machinery, equipment	3 - 6
Motor vehicles	6
Office equipment	1.5

### 4.5 Intangible fixed assets

#### Cost

Intangible fixed assets are stated at cost less accumulated amortization.

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

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

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 based on 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 for intangible fixed assets at the Company is specifically as follows:

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

### 4.6 Financial investments

#### Equity investments in other companies

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

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

#### Provision

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

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

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

### 4.7 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 selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

### 4.8 Payables

Payables include: trade payables and other payables.

- Trade payables are trade-related amounts, arising from trading activities between the Company and its suppliers;



**PHUONG NAM EDUCATION INVESTMENT AND DEVELOPMENT JSC**

231 Nguyen Van Cu Street, Ward 4, District 5, Ho Chi Minh City

**FINANCIAL STATEMENTS***For the year ended 31/12/2024***NOTES TO THE FINANCIAL STATEMENTS (cont'd)***(These notes form an integral part of and should be read in conjunction with the financial statements)*

- 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.

**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.

Capitalisation 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 completed.

**4.11 Owners' 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.

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**FINANCIAL STATEMENTS***For the year ended 31/12/2024***NOTES TO THE FINANCIAL STATEMENTS (cont'd)***(These notes form an integral part of and should be read in conjunction with the financial statements)***Profit distribution**

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

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

**4.12 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.
  - ✓ Interests are 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.
- 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 are 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, payment discounts for buyers, expenses and loss on

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

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

liquidating, transferring investments; provision for diminution in value of trading securities, 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 Current income tax expense, deferred 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

#### 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 include: cash on hand, cash in bank, trade receivables, other receivables and financial investments.

##### Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Company's financial liabilities include: 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 reference books supplementary to textbooks are not subject to VAT;
  - + Reference books not supplementary to textbooks: VAT rate of 5% is applicable;
  - + Calendars and educational equipment: VAT rate of 10% is applicable. During the period from 1 January 2024 to 31 December 2024, these products are subject to a VAT rate of 8% under the Government's Decree No. 94/2023/ND-CP and Decree No. 72/2024/ND-CP.
  - + Other activities: The VAT rates are applied in accordance with the prevailing regulations.
- Corporate Income Tax (CIT): CIT rate of 20 % is applicable.
- Other taxes, fees and chargers are fulfilled in accordance with the prevailing regulations.

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

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

### 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.

Currency unit: VND

### 5. Cash and cash equivalents

	31/12/2024	01/01/2024
Cash on hand	162,942,812	93,543,209
Demand deposits	23,077,254,521	58,173,763,946
Term deposits with maturities not exceeding 3 months	73,000,000,000	20,000,000,000
<b>Total</b>	<b>96,240,197,333</b>	<b>78,267,307,155</b>

### 6. Short-term trade receivables

	31/12/2024	01/01/2024
Tiengiang Book and School Equipment Joint Stock Company	23,930,579,225	9,134,675,155
Cuu Long Books & Educational Equipment Joint Stock Company	-	5,219,738,735
Others	133,431,097,310	48,919,189,887
<b>Total</b>	<b>157,361,676,535</b>	<b>63,273,603,777</b>

In which, the total value of receivables pledged as collateral for loans as at 31 December 2024 is at least VND70,000,000,000.



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

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

*Of which: Trade receivables from related parties*

	Relationship	31/12/2024	01/01/2024
Viet Nam Education Publishing House Limited Company	Investing company	7,419,418,561	2,202,556,968
Viet Nam Education Publishing House in Ha Noi	Dependent unit of investing company	-	565,110,840
Viet Nam Education Publishing House in Da Nang	Dependent unit of investing company	-	307,255,498
Ben Tre Book and Equipment Joint Stock Company	Under the same investing company	154,957,731	371,129,234
Textbook Printing Joint Stock Company in HCMC	Under the same investing company	-	-
Can Tho City School Book and Equipment JSC	Under the same investing company	5,150,327,638	2,160,899,450
Educational Materials Joint Stock Company	Under the same investing company	3,050,743,401	1,308,494,181
Book and Educational Equipment JSC of HCMC	Under the same investing company	-	-
Binh Thuan Books and Equipment JSC	Under the same investing company	81,760,799	-
Danang Education Investment and Development JSC	Under the same investing company	3,637,815,039	2,388,199,451
Cuu Long Books & Educational Equipment JSC	Under the same investing company	-	5,219,738,735
South Books and Educational Equipment JSC	Under the same investing company	2,769,899,952	1,206,008,687
Education Publishing and Investment JSC	Under the same investing company	2,442,037,317	1,406,197,299
<b>Total</b>		<b>24,706,960,438</b>	<b>17,135,590,343</b>

**7. Short-term prepayments to suppliers**

	31/12/2024	01/01/2024
Educational Books and Learning Materials Research Institute	397,195,416	1,000,000,000
Others	136,977,418	470,248,096
<b>Total</b>	<b>534,172,834</b>	<b>1,470,248,096</b>

*Of which: Short-term prepayment to suppliers being related parties*

	Relationship	31/12/2024	01/01/2024
Educational Books and Learning Materials Research Institute	Dependent unit of investing company	397,195,416	1,000,000,000
<b>Total</b>		<b>397,195,416</b>	<b>1,000,000,000</b>

**8. Other receivables**

**a. Short-term**

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Receivables on employees's PIT	3,071,877,981	-	522,794,955	-
Advances	-	-	97,627,673	-
Deposits, collaterals	528,121,000	-	110,412,000	-
Accrued interest receivable	-	-	8,444,444	-
<b>Total</b>	<b>3,599,998,981</b>	<b>-</b>	<b>739,279,072</b>	<b>-</b>

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

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

**b. Long-term**

	31/12/2024	01/01/2024
Viet Nam Education Publishing House Limited Company (*)	22,222,369,898	22,222,369,898
Long-term deposits, collaterals	-	387,720,000
<b>Total</b>	<b>22,222,369,898</b>	<b>22,610,089,898</b>

(\*) This represents the capital contribution with the Education Publishing House in Ho Chi Minh City (a dependent unit of Viet Nam Education Publishing House Limited Company – a related party of the Company) for the construction of an office building at 104 Mai Thi Luu, Dakao Ward, District 1, Ho Chi Minh City, under the tripartite Business Cooperation Contract No. 108HD/2011 dated 1 April 2011, and its subsequent amendments. The total contributed capital amounts to VND50 billion, of which the Company contributed VND22.5 billion. On 1 July 2014, the parties agreed to sign Amendment No. 01, transferring the project implementation responsibility to Viet Nam Education Publishing Limited Company, replacing the former contracting party, Education Publishing House in Ho Chi Minh City. According to the audited project completion report, the total final settlement value of the construction was VND49,383,044,219, in which the Company's contributed value was VND22,222,369,898 (equivalent to the ratio of 45%). On 15 December 2018, the parties agreed to sign Amendment No. 02 to adjust the pre-tax profit-sharing ratio as follows: Viet Nam Education Publishing House Limited Company (37.5%), South Books and Educational Equipment Joint Stock Company (25%), Phuong Nam Education Investment and Development Joint Stock Company (37.5%).

**9. Provision for short-term doubtful debts**

	Year 2024	Year 2023
Provision for doubtful debts at the beginning of the year	6,939,607,437	8,232,414,278
Provision for doubtful debts made during the year	1,841,992,124	-
Reversal of provision for doubtful debts during the year	-	1,292,806,841
<b>Provision for doubtful debts at the end of the year</b>	<b>8,781,599,561</b>	<b>6,939,607,437</b>

**10. Inventories**

	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 process	6,171,843,138	-	14,395,954,977	-
Finished products	58,383,288,065	16,502,098,281	89,651,583,109	10,578,174,549
Merchandise goods	222,444,440,792	42,077,722,125	179,032,843,331	29,796,438,712
<b>Total</b>	<b>315,881,287,825</b>	<b>59,327,702,931</b>	<b>325,990,072,811</b>	<b>41,870,095,773</b>

- The value of slow-moving and stagnant inventories as at 31 December 2024 is VND123,983,031,554.
- The value of inventories pledged as collateral for borrowings as at 31 December 2024 is at least VND90,000,000,000.

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

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

### 11. Prepaid expenses

#### a. Short-term

	31/12/2024	01/01/2024
Input VAT pending amortization for unsold goods	-	3,066,844,424
Manuscript preparation costs	926,226,972	4,162,469,230
Other prepaid expenses	228,960,000	557,920,000
<b>Total</b>	<b>1,155,186,972</b>	<b>7,787,233,654</b>

#### b. Long-term

	31/12/2024	01/01/2024
Life insurance expenses for employees	1,262,150,000	2,012,350,000
Land rental expenses (*)	21,324,273,781	22,014,416,241
<b>Total</b>	<b>22,586,423,781</b>	<b>24,026,766,241</b>

(\*) See Note 35.

### 12. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
<b>Cost</b>					
Beginning balance	58,772,601,672	3,960,756,230	14,961,234,687	373,534,568	78,068,127,157
Newly-purchased	-	-	1,949,337,278	-	1,949,337,278
Sold, disposed	-	-	1,413,153,138	-	1,413,153,138
<b>Ending balance</b>	<b>58,772,601,672</b>	<b>3,960,756,230</b>	<b>15,497,418,827</b>	<b>373,534,568</b>	<b>78,604,311,297</b>
<b>Depreciation</b>					
Beginning balance	4,007,841,389	1,770,611,634	14,854,521,418	311,755,115	20,944,729,556
Charge for the year	2,382,538,575	1,319,925,075	532,185,057	61,779,453	4,296,428,160
Sold, disposed	-	-	1,413,153,138	-	1,413,153,138
<b>Ending balance</b>	<b>6,390,379,964</b>	<b>3,090,536,709</b>	<b>13,973,553,337</b>	<b>373,534,568</b>	<b>23,828,004,578</b>
<b>Net book value</b>					
Beginning balance	54,764,760,283	2,190,144,596	106,713,269	61,779,453	57,123,397,601
<b>Ending balance</b>	<b>52,382,221,708</b>	<b>870,219,521</b>	<b>1,523,865,490</b>	<b>-</b>	<b>54,776,306,719</b>

- Cost of tangible fixed assets fully depreciated but still in active use as at 31 December 2024 is VND12,420,272,430.
- There are no tangible fixed assets pledged or mortgaged as collateral for borrowings as at 31 December 2024.

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

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

### 13. Intangible fixed assets

	Software	Total
<b>Cost</b>		
Beginning balance	1,839,737,688	1,839,737,688
Newly-purchased	-	-
Sold, disposed	-	-
<b>Ending balance</b>	<b>1,839,737,688</b>	<b>1,839,737,688</b>
<b>Amortization</b>		
Beginning balance	1,839,737,688	1,839,737,688
Charge for the year	-	-
Sold, disposed	-	-
<b>Ending balance</b>	<b>1,839,737,688</b>	<b>1,839,737,688</b>
<b>Net book value</b>		
Beginning balance	-	-
<b>Ending balance</b>	<b>-</b>	<b>-</b>

- Cost of intangible fixed assets fully amortized but still in active use as at 31 December 2024 is VND1,839,737,688.
- There are no intangible fixed assets pledged or mortgaged as collateral for borrowings as at 31 December 2024.

### 14. Long-term financial investments

				31/12/2024		01/01/2024	
	Operating status	% holding	Voting rate	Cost	Provision	Cost	Provision
Investment in other entity							
- Giadinh Education Publishing Service Joint Stock Company (*)	Operating	7.50%	7.50%	770,000,000	-	770,000,000	-
<b>Total</b>				<b>770,000,000</b>	<b>-</b>	<b>770,000,000</b>	<b>-</b>

(\*) The shares of Giadinh Education Publishing Service Joint Stock Company are not listed on any stock exchange. The 2024 income statement of this Company shows profit and no accumulated losses as at 31 December 2024. Therefore, the investment is recognized at cost, with no provision recorded.



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**FINANCIAL STATEMENTS**

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

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

**15. Short-term trade payables**

	31/12/2024	01/01/2024
Viet Nam Education Publishing House in Ho Chi Minh City	14,763,189,196	7,968,329,649
Ha Noi Education Development and Investment JSC	2,145,332,328	2,700,296,648
CP Paper Corporation	17,086,901,684	11,765,103,607
Others	9,073,149,929	24,305,595,777
<b>Total</b>	<b>43,068,573,137</b>	<b>46,739,325,681</b>

*Of which: Amounts payable to suppliers being related parties*

Relationship	31/12/2024	01/01/2024
Viet Nam Education Publishing House in HCM City	14,763,189,196	7,968,329,649
Educational Book Joint Stock Company in Ha Noi City	176,000,000	188,722,955
Ha Noi Education Development and Investment JSC	2,145,332,328	2,700,296,648
Giadinh Education Publishing Service JSC	1,999,656,464	4,295,828,584
Cuu Long Books & Educational Equipment JSC	773,199,410	-
Ha Noi Education Publishing Services JSC	-	1,001,995,733
Educational Book Joint Stock Company in Da Nang City	94,705,680	189,497,699
<b>Total</b>	<b>19,952,083,078</b>	<b>16,344,671,268</b>

**16. Short-term advances from customers**

	31/12/2024	01/01/2024
Book and Educational Equipment JSC of Ho Chi Minh City	-	86,745,208
Vinh Long Book and Equipment Joint-Stock Company	338,835,484	-
Binh Phuoc Educational Book and Equipment Joint Stock Company	306,985,263	-
Others	1,842,509,782	3,720,341,310
<b>Total</b>	<b>2,488,330,529</b>	<b>3,807,086,518</b>

*Of which: Advances from customers being related parties*

Relationship	31/12/2024	01/01/2024
Book and Educational Equipment JSC of HCMC	-	86,745,208
<b>Total</b>	<b>-</b>	<b>86,745,208</b>

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

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

**17. Taxes and amounts payable to the State budget**

	Beginning balance		Amount payable in the year	Amount actually paid in the year	Ending balance	
	Amount receivable/ To be deducted	Amount payable			Amount receivable/ To be deducted	Amount payable
VAT	-	1,416,572,704	2,634,916,768	3,744,628,747	-	306,860,725
CIT	-	7,773,858,049	17,682,015,126	10,527,876,635	-	14,927,996,540
PIT	-	2,580,934,152	10,001,321,745	6,150,503,773	-	6,431,752,124
License tax	-	-	4,000,000	4,000,000	-	-
Contractor tax	-	-	14,118,973	14,118,973	-	-
<b>Total</b>	<b>-</b>	<b>11,771,364,905</b>	<b>30,336,372,612</b>	<b>20,441,128,128</b>	<b>-</b>	<b>21,666,609,389</b>

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

**18. Short-term accrued expenses**

	31/12/2024	01/01/2024
Accrued expenses for book editing	977,682,500	1,948,652,500
Accrued interest expenses	342,904,176	102,820,314
Accrued royalty fees and manuscript expenses	89,142,761,812	62,153,230,600
Other accruals	1,753,218,897	2,392,871,856
<b>Total</b>	<b>92,216,567,385</b>	<b>66,597,575,270</b>

**19. Other short-term payables**

	31/12/2024	01/01/2024
Trade union fees	83,329,700	377,566,680
Dividends payable	9,262,500	-
<b>Total</b>	<b>92,592,200</b>	<b>377,566,680</b>

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

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

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

	Beginning balance	Increase in the year	Decrease in the year	Ending balance
Short-term loans	70,355,235,700	162,856,564,878	179,794,906,145	53,416,894,433
HSBC Bank	33,899,465,804	98,010,984,562	104,104,533,893	27,805,916,473
Standard Chartered Bank	18,771,418,586	57,991,124,736	51,151,565,362	25,610,977,960
HongLeong Bank	17,684,351,310	6,854,455,580	24,538,806,890	-
<b>Total</b>	<b>70,355,235,700</b>	<b>162,856,564,878</b>	<b>179,794,906,145</b>	<b>53,416,894,433</b>

**21. Owners' equity**

**a. Statement of changes in equity**

	Share capital	Share premium	Treasury shares	Development investment fund	Other equity's fund	Undistributed profit after tax	Total
As at 01/01/2023	100,000,000,000	(71,500,000)	(11,541,426,210)	155,131,558,902	1,886,452,483	31,467,207,426	276,872,292,601
Increase in the year	-	-	-	17,559,507,426	-	41,197,424,439	58,756,931,865
Decrease in the year	-	-	-	-	-	38,470,769,581	38,470,769,581
As at 31/12/2023	100,000,000,000	(71,500,000)	(11,541,426,210)	172,691,066,328	1,886,452,483	34,193,862,284	297,158,454,885
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	297,158,454,885
Increase in the year	-	-	-	20,286,162,284	-	60,985,587,287	81,271,749,571
Decrease in the year	-	-	-	-	-	44,561,412,122	44,561,412,122
As at 31/12/2024	100,000,000,000	(71,500,000)	(11,541,426,210)	192,977,228,612	1,886,452,483	50,618,037,449	333,868,792,334

**b. Breakdown of share capital**

	31/12/2024	01/01/2024
Viet Nam 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 (at par value)	7,282,000,000	7,282,000,000
<b>Total</b>	<b>100,000,000,000</b>	<b>100,000,000,000</b>

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

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

**c. Shares**

	31/12/2024 Shares	01/01/2024 Shares
Number of shares registered to be issued	10,000,000	10,000,000
Number of shares sold publicly	10,000,000	10,000,000
- Common shares	10,000,000	10,000,000
Number of shares bought back (treasury shares)	728,200	728,200
- Common shares	728,200	728,200
Number of outstanding shares	9,271,800	9,271,800
- Common shares	9,271,800	9,271,800
Par value of outstanding shares: VND10,000 each		

**d. Undistributed profit after tax**

	Year 2024	Year 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	44,561,412,122	38,470,769,581
Distribution of prior-year profit	34,193,862,284	31,467,207,426
- To development investment fund	20,286,162,284	17,559,507,426
- Paying dividends to shareholders	13,907,700,000	13,907,700,000
Distribution of current-year profit	10,367,549,838	7,003,562,155
- To reward and welfare fund	7,318,270,474	4,943,690,933
- To remuneration and bonus fund for the Executive Board	3,049,279,364	2,059,871,222
<b>Undistributed profit after tax</b>	<b>50,618,037,449</b>	<b>34,193,862,284</b>

The Company distributes the after-tax profit for 2023 and temporarily distributes the profit for 2024 in accordance with the Resolution of the 2024 Annual General Shareholders' Meeting No. 15/NQHCD-SED dated 22 April 2024.

**e. Dividends**

The 2024 Annual General Shareholders' Meeting held on 22 April 2024 approved the plan to distribute cash dividends from the after-tax profit of 2023 at a rate of 15% (equivalent to VND13,907,700,000). Accordingly, the Company finalized the list of shareholders entitled to dividends on 31 May 2024, payment date: 14 June 2024.



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

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

### 22. Revenue from sales and service provision

	Year 2024	Year 2023
Revenue from publications	1,320,664,551,394	1,025,413,982,804
Other revenue	16,840,485,649	25,062,927,337
<b>Total</b>	<b>1,337,505,037,043</b>	<b>1,050,476,910,141</b>

### 23. Revenue deductions

	Year 2024	Year 2023
Sales returns	605,742,671	4,471,049,215
Trade discounts	5,665,756,556	4,842,010,942
<b>Total</b>	<b>6,271,499,227</b>	<b>9,313,060,157</b>

### 24. Cost of goods sold

	Year 2024	Year 2023
Cost of publications	991,348,264,078	741,157,559,770
Cost of other products	13,017,915,210	21,413,047,520
Appropriation to/(Reversal of) provision for decline in value of inventories	17,457,607,158	18,464,107,260
<b>Total</b>	<b>1,021,823,786,446</b>	<b>781,034,714,550</b>

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

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

### 25. Financial income

	Year 2024	Year 2023
Deposit interest	749,562,335	788,412,806
Profits, dividends received	192,500,000	-
Payment discounts	3,944,034,248	1,763,009,000
<b>Total</b>	<b>4,886,096,583</b>	<b>2,551,421,806</b>

### 26. Financial expenses

	Year 2024	Year 2023
Loan interest	3,308,853,208	4,583,836,084
Payment discounts, interest on deferred payments	1,645,482,882	1,364,129,614
<b>Total</b>	<b>4,954,336,090</b>	<b>5,947,965,698</b>

### 27. Selling expenses and administrative expenses

#### a. Selling expenses

	Year 2024	Year 2023
Transportation expenses	10,295,384,188	10,407,222,093
Salaries and salary-based payments	42,157,744,080	28,923,884,620
Depreciation and amortization of fixed assets	3,702,763,650	3,937,104,264
Outside service expenses	65,006,270,380	53,842,657,098
Others	33,434,184,960	32,109,848,013
<b>Total</b>	<b>154,596,347,258</b>	<b>129,220,716,088</b>

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

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

### b. Administrative expenses

	Year 2024	Year 2023
Salaries and salary-based payments	39,537,932,973	27,400,781,648
Depreciation and amortization of fixed assets	593,664,510	2,099,945,408
Appropriation to/(Reversal of) provision for doubtful debts	1,841,992,124	(1,292,806,841)
Outside service expenses	10,540,160,994	23,746,556,158
Others	23,764,728,451	17,666,132,292
<b>Total</b>	<b>76,278,479,052</b>	<b>69,620,608,665</b>

### 28. Other income

	Year 2024	Year 2023
Proceeds from disposals of fixed assets	354,545,455	39,151,853
Other income	-	2,000,000
<b>Total</b>	<b>354,545,455</b>	<b>41,151,853</b>

### 29. Current corporate income tax expense

	Year 2024	Year 2023
Total accounting profit before tax	78,667,602,413	57,506,393,529
Adjustments to taxable income	5,972,380,284	14,058,501,348
Increase	6,164,880,284	14,058,501,348
Decrease	192,500,000	-
Total taxable income	84,639,982,697	71,564,894,877
Corporate income tax - current year	16,927,996,539	14,312,978,975
<b>Current corporate income tax expense</b>	<b>17,682,015,126</b>	<b>16,308,969,090</b>

#### In which:

- Current income tax expense incurred this year	16,927,996,540	14,312,978,975
- Adjusting prior-year income tax expenses to current-year income tax expenses	754,018,586	1,995,990,115

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

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

### 30. Basic/diluted earnings per share

	Year 2024	Year 2023
Profit after corporate income tax	60,985,587,287	41,197,424,439
Adjustments increasing or decreasing profit after tax	(10,367,549,838)	(7,003,562,155)
- Increase adjustments	-	-
- Decrease adjustments (appropriated to reward and welfare fund & executive board fund)	10,367,549,838	7,003,562,155
Profit or loss attributable to common shareholders	50,618,037,449	34,193,862,284
Weighted average number of common shares outstanding during the year	9,271,800	9,271,800
<b>Basic/diluted earnings per share</b>	<b>5,459</b>	<b>3,688</b>

### 31. Operating expenses by element

	Year 2024	Year 2023
Materials expenses	65,697,163,452	75,192,712,773
Labor costs	81,695,677,053	56,324,666,268
Depreciation and amortization of fixed assets	4,296,428,160	6,037,049,672
Outside service expenses	287,970,746,764	244,952,122,323
Other cash expenses	57,651,499,303	50,049,011,461
<b>Total</b>	<b>497,311,514,732</b>	<b>432,555,562,497</b>

### 32. 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 specific economic environments by geographical areas have no differences in bearing risks and obtaining returns. Accordingly, the Company presents its segment report based on business segments.



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

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

Year 2024	Manufacturing activities	Trading activities	Total
Revenue from sales and service provision	511,250,285,529	826,254,751,514	1,337,505,037,043
Revenue deductions	3,973,649,190	2,297,850,037	6,271,499,227
Net revenue from sales and service provision	507,276,636,339	823,956,901,477	1,331,233,537,816
Cost of goods sold	299,800,798,602	722,022,987,844	1,021,823,786,446
Gross profit	207,475,837,737	101,933,913,633	309,409,751,370
Selling expenses			154,596,347,258
Administrative expenses			76,278,479,052
Financial income			4,886,096,583
Financial expenses			4,954,336,090
Interest expense			3,308,853,208
Other income			354,545,455
Other expenses			153,628,595
Profit (loss) in associates			-
Accounting profit before tax			78,667,602,413

Year 2023	Manufacturing activities	Trading activities	Total
Revenue from sales and service provision	412,653,863,257	637,823,046,884	1,050,476,910,141
Revenue deductions	6,720,164,450	2,592,895,707	9,313,060,157
Net revenue from sales and service provision	405,933,698,807	635,230,151,177	1,041,163,849,984
Cost of goods sold	239,846,333,910	541,188,380,640	781,034,714,550
Gross profit	166,087,364,897	94,041,770,537	260,129,135,434
Selling expenses			129,220,716,088
Administrative expenses			69,620,608,665
Financial income			2,551,421,806
Financial expenses			5,947,965,698
Interest expense			4,583,836,084
Other income			41,151,853
Other expenses			426,025,113
Profit (loss) in associates			-
Accounting profit before tax			57,506,393,529

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

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

### 33. Risk management

#### a. Capital risk management

Through capital management, the Company considers and decides to maintain the appropriate balance of capital and liabilities in each period to ensure that it will be able to continue as a going concern while maximizing the return to the shareholders.

#### b. Financial risk management

Financial risk includes market risk (comprising interest rate risk, exchange rate risk and commodity risk), credit risk and liquidity risk.

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

##### Interest rate risk management

The Company's interest rate risks mainly derive from interest bearing loans which are arranged. To minimize these risks, the Company has estimated the impact of borrowing costs to its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Company mainly utilizes short-term loans with fixed interest rates. Thus, the Management assesses that uncontrollable risks arising from fluctuations of interest rates are insignificant.

##### Commodity price risk management

Paper costs and printing costs are the two largest components of total production expenses. To minimize risks associated with fluctuations in input commodity and service prices, the Company selects reputable suppliers, long-term cooperation suppliers and always monitors market changes. Besides, cross-checks of prices are often done in order to ensure sufficient material sources at the most reasonable prices. With such price management policies, the Management assesses that the Company's exposure to uncontrollable risks of changes in commodity prices is low.

#### Credit risk management

The Company's customers are primarily entities within the Vietnam Education Publishing House system. These are long-standing customers with a history of timely payments. The Management assesses that the Company's exposure to credit risk is controllable.

#### 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, etc.

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

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

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

	In: VND		
31/12/2024	Within 1 year	Over 1 year	Total
Trade payables	43,068,573,137	-	43,068,573,137
Accrued expenses	92,216,567,385	-	92,216,567,385
Loans and finance lease liabilities	53,416,894,433	-	53,416,894,433
Other payables	9,262,500	-	9,262,500
<b>Total</b>	<b>188,711,297,455</b>	<b>-</b>	<b>188,711,297,455</b>
01/01/2024	Within 1 year	Over 1 year	Total
Trade payables	46,739,325,681	-	46,739,325,681
Accrued expenses	66,597,575,270	-	66,597,575,270
Loans and finance lease liabilities	70,355,235,700	-	70,355,235,700
<b>Total</b>	<b>183,692,136,651</b>	<b>-</b>	<b>183,692,136,651</b>

The Company is not exposed to short-term liquidity risk. Thus the Management believes that the Company has the ability 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	96,240,197,333	-	96,240,197,333
Financial investments	-	770,000,000	770,000,000
Trade receivables	148,580,076,974	-	148,580,076,974
Other receivables	528,121,000	22,222,369,898	22,750,490,898
<b>Total</b>	<b>245,348,395,307</b>	<b>22,992,369,898</b>	<b>268,340,765,205</b>
01/01/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	78,267,307,155	-	78,267,307,155
Financial investments	-	770,000,000	770,000,000
Held-to-maturity investments	-	-	-
Trade receivables	56,333,996,340	-	56,333,996,340
Other receivables	118,856,444	22,610,089,898	22,728,946,342
<b>Total</b>	<b>134,720,159,939</b>	<b>23,380,089,898</b>	<b>158,100,249,837</b>

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

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

### 34. Related-party information

#### a. Related parties

	Relationship
Viet Nam Education Publishing House Limited Company ("Viet Nam Education Publishing House")	Investing company
Viet Nam Education Publishing House in Ha Noi	Dependent entity of investing company
Viet Nam Education Publishing House in Da Nang	Dependent entity of investing company
Viet Nam Education Publishing House in HCM City	Dependent entity of investing company
Education Publishing House in Can Tho City	Dependent entity of investing company
Ben Tre Book and Equipment Joint Stock Company	Under the same investing company
Textbook Printing Joint Stock Company in HCMC	Under the same investing company
Can Tho City School Book and Equipment JSC	Under the same investing company
Educational Book Joint Stock Company in Ha Noi City	Under the same investing company
Educational Materials Joint Stock Company	Under the same investing company
Book and Educational Equipment JSC of HCMC	Under the same investing company
Binh Thuan Books and Equipment JSC	Under the same investing company
Ha Noi Education Development and Investment JSC	Under the same investing company
Danang Education Investment and Development JSC	Under the same investing company
Giadinh Education Publishing Service JSC	Under the same investing company
Cuu Long Books & Educational Equipment JSC	Under the same investing company
South Books and Educational Equipment JSC	Under the same investing company
Ha Noi Education Publishing Services JSC	Under the same investing company
Education Publishing and Investment JSC	Under the same investing company
North Books and Educational Equipment JSC	Under the same investing company
Educational Book Joint Stock Company in Da Nang City	Under the same investing company
ECI Group Joint Stock Company	Under the same investing company
Educational Books and Learning Materials Research Institute	Dependent entity of investing company



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

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

**b. Significant transactions with related parties**

Particulars	Year 2024	Year 2023
<b>Selling</b>		
Viet Nam Education Publishing House Limited Company	Providing educational books and seminar fee	4,470,942,700
Viet Nam Education Publishing House in Ha Noi	Providing calendars and educational books	-
Viet Nam Education Publishing House in Da Nang	Providing calendars and educational books	-
Viet Nam Education Publishing House in HCM City	Providing educational books and seminar fee	110,191,476,820
	Revenue from adjusted textbook cover price	914,527,500
Education Publishing House in Can Tho City	Providing calendars and educational books	-
Ben Tre Book and Equipment Joint Stock Company	Providing educational books and seminar fee	51,827,784,440
Can Tho City School Book and Equipment JSC	Providing educational books and seminar fee	9,842,509,301
Educational Book Joint Stock Company in Ha Noi City	Providing calendars and educational books	-
Educational Materials Joint Stock Company	Providing educational books and seminar fee	3,359,973,500
Book and Educational Equipment JSC of HCMC	Providing educational books and seminar fee	221,638,655,323
Binh Thuan Books and Equipment JSC	Providing educational books and seminar fee	12,565,111,950
Ha Noi Education Development and Investment JSC	Providing educational books and seminar fee	4,954,954,090
Danang Education Investment and Development JSC	Providing educational books and seminar fee	11,478,619,555
Giadinh Education Publishing Service JSC	Providing educational books and seminar fee	10,072,560
Cuu Long Books & Educational Equipment JSC	Providing educational books and seminar fee	5,546,938,542
South Books and Educational Equipment JSC	Providing educational books and seminar fee	4,742,841,458
Ha Noi Education Publishing Services JSC	Providing educational books and seminar fee	2,761,200
Education Publishing and Investment JSC	Providing calendars and educational books	2,197,730,374
North Books and Educational Equipment JSC	Providing educational books and seminar fee	455,968,335
Educational Book Joint Stock Company in Da Nang City	Providing materials and educational books	384,202,800
<b>Purchasing</b>		
Viet Nam Education Publishing House Limited Company	Purchase of educational books and publishin	5,391,906,611
Viet Nam Education Publishing House in Ha Noi	Educational book introduction fees	241,760,000
Viet Nam Education Publishing House in HCM City	Purchase of educational books	685,464,220,430
	Purchase of materials	1,100,940,000
	Publishing fees, royalties, and manuscript preparation	52,780,444,874
	Office rental expenses	1,776,775,499
	Editing fees for reprints	31,416,000
Education Publishing House in Can Tho City	Purchase of textbooks and reference books	1,829,337,210
Ben Tre Book and Equipment Joint Stock Company	Printing services	-
Textbook Printing Joint Stock Company in HCMC		636,741,254
Can Tho City School Book and Equipment JSC		165,637,191
Educational Book Joint Stock Company in Ha Noi City	Purchase of educational books	683,920,000
Educational Materials Joint Stock Company	Purchase of educational books	17,095,360
Book and Educational Equipment JSC of HCMC	Purchase of educational books	22,321,148,475
	Expenses for changes in educational book pr	130,933,889
Binh Thuan Books and Equipment JSC		232,583,065
Ha Noi Education Development and Investment JSC	Purchase of supplementary and educational l	5,496,213,771
	Purchase of sample books and market deploy	391,324,463
	Royalties, manuscript preparation and card fees	42,671,574,685
Danang Education Investment and Development JSC	Purchase of educational books, market deple	1,589,350,285
	Market deployment fees	778,936,200
Giadinh Education Publishing Service JSC	Purchase of educational books	12,946,093,440
	Manuscript costs	238,253,558
	Royalties, manuscript preparation	10,950,568,372
Cuu Long Books & Educational Equipment JSC	Purchase of educational books	15,591,739,300
South Books and Educational Equipment JSC	Purchase of educational books, manuscript p	464,824,649
Ha Noi Education Publishing Services JSC	Manuscript preparation	568,396,480
Education Publishing and Investment JSC	Purchase of educational books	261,942,000
North Books and Educational Equipment JSC	Purchase of educational books	381,382,553
Educational Book Joint Stock Company in Da Nang City	Purchase of educational books	1,885,330,740

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

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

Particulars	Year 2024	Year 2023
<b>Others</b>		
Giadinh Education Publishing Service JSC	Dividends, profit received	192,500,000
Book and Educational Equipment JSC of HCMC	Early payment discount	282,906,146
	Trade discount, sales returns	1,125,768,732
Binh Thuan Books and Equipment JSC	Early payment discount	100,184,203
	Trade discount, sales returns	7,410,000
Ben Tre Book and Equipment Joint Stock Company	Early payment discount	76,120,285
	Trade discount, sales returns	211,277,398
Educational Materials Joint Stock Company	Trade discount, sales returns	1,213,600

**c. Income of key management personnel**

		Year 2024	Year 2023
Le Huy	Chairman of the BOE	Remuneration	60,000,000
		Bonus	209,956,636
Dinh Gia Le	Member	Remuneration	72,000,000
		Bonus	155,973,982
Le Phuong Mai	Member	Remuneration	72,000,000
		Bonus	155,973,982
Bui Thu Giang	Member	Remuneration	-
		Bonus	-
Nguyen Thi Thu Hong	Member	Remuneration	-
		Bonus	-
Nguyen Phong Yen	Member	Remuneration	72,000,000
		Bonus	155,973,982
Nguyen Thi Thanh Xuan	Member	Remuneration	72,000,000
		Bonus	116,980,486
Salaries and bonuses of the Management and Chief Accountant		4,836,333,938	4,342,599,250
Remuneration of the Supervisory Board		136,982,655	118,801,522

**35. Operating lease commitment**

The Company has leased 12,571.9 m<sup>2</sup> of land at Street D4 and N2 Lot A 5, Tan Phu Trung Industrial Park, Tan Phu Trung Commune, Cu Chi District, Ho Chi Minh City under Contract No. 12/HDTD/SCD-2018 dated 19 January 2018. The lease is for the project "Book and Paper Warehouse - Phuong Nam Education Investment and Development Joint Stock Company" as per Investment Registration Certificate No. 7731323272 issued on 25 December 2017 by the Ho Chi Minh City People's Committee. The lease term runs from 19 January 2018 to 16 December 2054.

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**NOTES TO THE FINANCIAL STATEMENTS (cont'd)***(These notes form an integral part of and should be read in conjunction with the financial statements)***36. 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.

**37. Corresponding figures**

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



**Le Phuong Mai**  
General Director

Ho Chi Minh City, 12 March 2025

**Pham Lan Anh**  
Chief Accountant

**Nguyen Thi Phuong**  
Preparer

**ANNUAL REPORT 2024**

Ho Chi Minh City, April 08<sup>th</sup>, 2025

LEGAL REPRESENTATIVE

**General Director**

**Le Phuong Mai**



**“NURTURING KNOWLEDGE,  
STEPPING FIRMLY INTO THE FUTURE”**

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