



**LVA TRADING AND SERVICES  
JOINT STOCK COMPANY**

**Financial statements**

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

<b>CONTENTS</b>	<b>Page</b>
Report of the Chairman of the Board of Directors and Management	1 - 3
Independent Auditors' Report	4 - 5
Financial statements	
• Balance sheet	6 - 7
• Income statement	8
• Statement of cash flows	9
• Notes to the financial statements	10 - 27

REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND  
MANAGEMENT

The Chairman of the Board of Directors (BOD) and Management of LVA Trading and Services Joint Stock Company are pleased to present this report together with the audited financial statements for the year ended 31/12/2024.

Overview

LVA Trading and Services Joint Stock Company (“the Company”) has been renamed from Long An Books and Equipment Joint Stock Company, which was established on the basis of the equitization of Long An Books and Equipment Company under Decision No. 4834/QĐ-UB dated 09/12/2004 issued by the People's Committee of Long An Province. The Company was granted Business Registration Certificate No. 5003000090 by the Planning and Investment Department of Long An Province on 12/01/2005. Since its establishment, the Company's Business Registration Certificate (now being the Enterprise Registration Certificate) has been amended 28 times and the most recent amendment was made on 05/12/2024 under Enterprise Code 1100105921. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

Charter capital: VND19,999,340,000.

The Company listed its common shares at Hanoi Stock Exchange on 22/02/2008 under Certificate No. 09/GCN-TTGDHN dated 21/01/2008 issued by the Hanoi Securities Trading Center (now the Hanoi Stock Exchange) with the stock symbol LBE.

Head office

- Address: 121 Ba Trieu Street, Group 11, Nguyen Du Ward, Hai Ba Trung District, Hanoi City.
- Tel: (84) 0778.038866
- Email: info@lva.com.vn

Principal activities

- Management consultancy activities;
- Commercial trading.

Employees

As at 31/12/2024, the Company had 09 employees, including 02 managing officers.

Members of the Board of Directors, Supervisory Board (SB), Management and Chief Accountant during the year and up to the reporting date are:

Board of Directors

- |                         |               |                           |
|-------------------------|---------------|---------------------------|
| • Mr. Truong Thanh Minh | Chairman      | Appointed on 20/05/2024   |
|                         | Member        | Appointed on 30/03/2024   |
| • Mr. Tran Viet Thang   | Vice Chairman | Reappointed on 20/05/2024 |
|                         | Chairman      | Appointed on 25/11/2023   |
|                         |               | Resigned on 20/05/2024    |



## **REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGEMENT (cont'd)**

• Ms. Nguyen Thi Cam Tu	Member	Appointed on 25/11/2023 Resigned on 12/11/2024
• Ms. Bui Thi Van Anh	Member	Appointed on 30/03/2024
• Ms. Phan Thi Dieu Hang	Member	Appointed on 30/03/2024
• Mr. Bui Quoc Hung	Member	Appointed on 30/03/2024
• Ms. Dao Thi Kim Oanh	Member	Appointed on 30/03/2024
• Mr. Nguyen Cong Thang	Member	Appointed on 30/03/2024
• Ms. Le Van Anh	Member	Appointed on 12/11/2024
• Mr. Nguyen Van Ngoi	Member	Reappointed on 28/04/2021 Resigned on 30/03/2024

### ***Supervisory Board***

• Mr. Cao Van Bang	Head of Supervisory Board Member	Appointed on 11/04/2024 Appointed on 30/03/2024
• Mr. Dong Hai Nam	Head of Supervisory Board	Appointed on 14/05/2022 Resigned on 30/03/2024
• Ms. Nguyen Thi Thu	Member	Appointed on 30/03/2024
• Ms. Tong Thi Thanh Nga	Member	Appointed on 30/03/2024
• Mr. Tran Minh Duc	Member	Reappointed on 28/04/2021 Resigned on 30/03/2024
• Mr. Ngo Van Minh	Member	Appointed on 28/04/2021 Resigned on 30/03/2024

### ***Management and Chief Accountant***

• Ms. Dao Thi Kim Oanh	Director	Appointed on 24/06/2024
• Mr. Ngo Van Minh	Director	Appointed on 19/03/2024 Resigned on 24/06/2024
• Mr. Nguyen Van Ngoi	Director	Reappointed on 01/07/2023 Resigned on 19/03/2024
• Mr. Bui Van Huynh	Vice Director	Reappointed on 01/07/2023 Resigned on 30/09/2024
• Ms. Le Thi Minh Trang	Vice Director	Reappointed on 01/07/2023 Resigned on 30/09/2024
• Ms. Nguyen Minh Huong	Financial Director	Appointed on 19/01/2024



## **REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGEMENT (cont'd)**

• Ms. Tran Thi Thanh Huong	Vice Financial Director	Appointed on 10/05/2023 Resigned on 28/02/2024
• Ms. Pham Thi Thu Phuong	Chief Accountant	Appointed on 24/06/2024
• Ms. Nguyen Thi Ngoc No	Chief Accountant	Appointed on 05/04/2024 Resigned on 24/06/2024
• Ms. Tran Thi Thuy Linh	Chief Accountant	Reappointed on 01/07/2023 Resigned on 19/03/2024

### **Independent auditor**

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

### **Responsibility of the Chairman of the BOD and Management in preparation and presentation of the financial statements**

The Chairman of the BOD and Management of the Company are responsible for true and fair preparation and presentation of these financial statements on the basis of:

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

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



**Trương Thành Minh**  
**Chairman of the BOD**

*Ha Noi City, 25 March 2025*





## 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@dng.vnn.vn; Website: <http://www.aac.com.vn>

No. 433/2025/BCKT-AAC

### INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, Board of Directors and Management**  
**LVA Trading and Services Joint Stock Company**

We have audited the financial statements which were prepared on 25/03/2025 of LVA Trading and Services Joint Stock Company ("the Company") as set out on pages 6 to 27, which comprise the balance sheet as at 31/12/2024, the income statement, the statement of cash flows for the year then ended, and the notes thereto.

#### Management's Responsibility

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

#### Auditors' Responsibility

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

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

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

#### Opinion

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

■ **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

■ **Branch:**

2F, 132 - 134 Nguyen Gia Tri Street, Binh Thanh District, Ho Chi Minh City  
Tel: +84 (28) 3910 2235; Fax: +84 (28) 3910 2349



### Emphasis of Matter

We draw attention to the matter disclosed in Note 3, the accompanying financial statements are the separate financial statements for the year 2024 of the parent company. These separate financial statements should be read together with the consolidated financial statements for the year 2024 in order for users to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company.

Our opinion is not qualified in respect of this matter.

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



**Lam Quang Tu – Deputy General Director**  
*Audit Practicing Registration Certificate*  
*No. 1031-2023-010-1*

*Da Nang City, 25 March 2025*

**Nguyen Thi Ngoc Vien – Auditor**  
*Audit Practicing Registration Certificate*  
*No. 4868-2024-010-1*



**BALANCE SHEET**  
As at 31 December 2024

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

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>15,799,864,675</b>	<b>21,629,346,706</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>216,698,008</b>	<b>556,731,749</b>
1. Cash	111	5	216,698,008	556,731,749
2. Cash equivalents	112		-	-
<b>II. Short-term financial investments</b>	<b>120</b>		-	<b>5,648,984,270</b>
1. Trading securities	121		-	5,812,230,640
2. Provision for decline in value of trading securities	122		-	(163,246,370)
<b>III. Short-term receivables</b>	<b>130</b>		<b>8,861,130,694</b>	<b>515,253,214</b>
1. Short-term trade receivables	131	6	1,830,351,152	141,535,729
2. Short-term prepayment to suppliers	132	7	6,998,847,850	77,517,433
3. Other short-term receivables	136		31,931,692	296,200,052
<b>IV. Inventories</b>	<b>140</b>	<b>8</b>	<b>6,428,542,971</b>	<b>14,827,740,588</b>
1. Inventories	141		6,428,542,971	14,827,740,588
2. Provision for decline in value of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>293,493,002</b>	<b>80,636,885</b>
1. Short-term prepaid expenses	151	9.a	293,493,002	80,636,885
2. Deductible VAT	152		-	-
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>13,966,760,073</b>	<b>4,752,173,247</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>3,378,456,014</b>	<b>4,563,735,116</b>
1. Tangible fixed assets	221	10	2,344,686,268	3,482,247,658
- Cost	222		3,972,366,419	6,209,913,805
- Accumulated depreciation	223		(1,627,680,151)	(2,727,666,147)
2. Intangible fixed assets	227	11	1,033,769,746	1,081,487,458
- Cost	228		1,566,266,805	1,566,266,805
- Accumulated amortization	229		(532,497,059)	(484,779,347)
<b>III. Investment properties</b>	<b>230</b>		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>99,636,364</b>	<b>99,636,364</b>
1. Long-term work in process	241		-	-
2. Construction in progress	242		99,636,364	99,636,364
<b>V. Long-term financial investments</b>	<b>250</b>		<b>9,950,000,000</b>	-
1. Investment in subsidiary	251	12	9,950,000,000	-
2. Provision for long-term financial investments	254		-	-
<b>VI. Other long-term assets</b>	<b>260</b>		<b>538,667,695</b>	<b>88,801,767</b>
1. Long-term prepaid expenses	261	9.b	538,667,695	88,801,767
2. Deferred income tax assets	262		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>29,766,624,748</b>	<b>26,381,519,953</b>



## BALANCE SHEET (cont'd)

As at 31 December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>3,530,232,821</b>	<b>2,560,303,744</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>3,500,232,821</b>	<b>2,530,303,744</b>
1. Short-term trade payables	311	13	2,051,944,680	1,591,648,505
2. Short-term advances from customers	312		60,552,000	36,072,799
3. Taxes and amounts payable to the State	313	14	1,227,986,141	158,035,319
4. Payables to employees	314		60,000,000	730,858,140
5. Other short-term payables	319	15	99,750,000	-
6. Reward and welfare fund	322		-	13,688,981
<b>II. Long-term liabilities</b>	<b>330</b>		<b>30,000,000</b>	<b>30,000,000</b>
1. Other long-term payables	337		30,000,000	30,000,000
2. Long-term loans and finance lease liabilities	338		-	-
<b>D. EQUITY</b>	<b>400</b>		<b>26,236,391,927</b>	<b>23,821,216,209</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>16</b>	<b>26,236,391,927</b>	<b>23,821,216,209</b>
1. Share capital	411	16	19,999,340,000	19,999,340,000
- Common shares with voting rights	411a		19,999,340,000	19,999,340,000
- Preferred shares	411b		-	-
2. Share premium	412	16	363,351,953	363,351,953
3. Investment and development fund	418	16	258,207,741	179,928,732
4. Undistributed profit after tax	421	16	5,615,492,233	3,278,595,524
- Undistributed profit after tax up to prior year-end	421a		3,090,725,903	1,713,015,349
- Undistributed profit after tax of current period	421b		2,524,766,330	1,565,580,175
<b>II. Budget sources and other funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>29,766,624,748</b>	<b>26,381,519,953</b>



Truong Thanh Minh  
Chairman of the BOD

Ha Noi City, 25 March 2025

Pham Thi Thu Phuong  
Chief Accountant

Pham Thi Thu Phuong  
Preparer



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

Form No. 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	17	30,735,417,332	90,913,712,674
2. Revenue deductions	02	18	17,527,480	219,852,196
3. Net revenue from sales and service provision	10		30,717,889,852	90,693,860,478
4. Cost of goods sold	11	19	24,587,178,092	80,676,602,048
5. Gross profit from sales and service provision	20		<u>6,130,711,760</u>	<u>10,017,258,430</u>
6. Financial income	21	20	29,497,332	1,086,086,648
7. Financial expenses	22	21	78,518,609	119,570,007
Including: Interest expense	23		-	148,667,613
8. Selling expenses	25	22.a	1,971,741,705	6,230,396,992
9. Administrative expenses	26	22.b	782,883,291	2,654,663,480
10. Operating profit	30		<u>3,327,065,487</u>	<u>2,098,714,599</u>
11. Other income	31	23	30,429,448	3,111,074
12. Other expenses	32	24	45,014,496	79,582,961
13. Other profit	40		<u>(14,585,048)</u>	<u>(76,471,887)</u>
14. Accounting profit before tax	50		<u>3,312,480,439</u>	<u>2,022,242,712</u>
15. Current corporate income tax expense	51	25	787,714,109	456,662,537
16. Deferred corporate income tax expense	52		-	-
17. Profit after tax	60		<u>2,524,766,330</u>	<u>1,565,580,175</u>



Trương Thanh Minh  
Chairman of the BOD

Hanoi City, 25 March 2025

Phạm Thị Thu Phương  
Chief Accountant

Phạm Thị Thu Phương  
Preparer



## STATEMENT OF CASH FLOWS

For the year ended 31/12/2024

Form No. B 03 - DN

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

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		3,312,480,439	2,022,242,712
2. Adjustments for				
- Depreciation and amortization	02	10;11	233,449,480	380,707,128
- Provisions	03		(163,246,370)	(196,510,562)
- Foreign exchange gain/loss from revaluation of monetary items denominated in foreign currencies	04		(19,337,500)	-
- Profits/losses from investing activities	05		(12,309,832)	(10,009,133)
- Interest expense	06		-	-
3. Operating profit before changes in working capital	08		3,351,036,217	2,196,430,145
- Increase/decrease in receivables	09		(3,455,877,480)	(203,126,900)
- Increase/decrease in inventories	10		8,399,197,617	(1,800,991,112)
- Increase/decrease in payables (excluding loan interest and corporate income tax payable)	11		371,577,533	(238,072,495)
- Increase/decrease in prepaid expenses	12		(662,722,045)	(31,701,793)
- Increase/decrease in trading securities	13		5,812,230,640	166,022,577
- Interest paid	14		-	-
- Corporate income tax paid	15		(156,336,084)	(474,302,956)
- Other cash payments for operating activities	17		(123,279,593)	(179,198,765)
Net cash provided by/(used in) operating activities	20		13,535,826,805	(564,941,299)
<b>II. Cash flows from investing activities</b>				
1. Purchases, construction of fixed assets and other long-term assets	21		(4,933,960,000)	-
2. Sales, disposal of fixed assets and other long-term	22		1,005,789,622	-
3. Cash paid for loans, acquisition of debt instruments	23		-	(50,000,000)
4. Recovery of loans, resales of debt instruments	24		-	50,000,000
5. Cash paid for capital contribution in other entities	25	12	(9,950,000,000)	-
6. Received loan interest, dividends, profits	27	20	2,309,832	10,009,133
Net cash (used in)/provided by investing activities	30		(13,875,860,546)	10,009,133
<b>III. Cash flows from financing activities</b>				
Net cash flows from financing activities	40		-	-
Net cash flows for the year	50		(340,033,741)	(554,932,166)
Cash and cash equivalents at the beginning of the year	60	5	556,731,749	1,111,663,915
Impacts of exchange rate fluctuations	61		-	-
Cash and cash equivalents at the end of the year	70	5	216,698,008	556,731,749



Trương Thanh Minh  
Chairman of the BOD

Phạm Thị Thu Phương  
Chief Accountant

Phạm Thị Thu Phương  
Preparer

Hanoi City, 25 March 2025



## **NOTES TO THE FINANCIAL STATEMENTS**

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

Form No. B 09 - DN  
*Issued under Circular 200/2014/TT - BTC  
dated 22/12/2014 by the Ministry of Finance*

### **1. Nature of operations**

#### **1.1. Overview**

LVA Trading and Services Joint Stock Company ("the Company") has been renamed from Long An Books and Equipment Joint Stock Company, which was established on the basis of the equitization of Long An Books and Equipment Company under Decision No. 4834/QĐ-UB dated 09/12/2004 issued by the People's Committee of Long An Province. The Company was granted Business Registration Certificate No. 5003000090 by the Planning and Investment Department of Long An Province on 12/01/2005. Since its establishment, the Company's Business Registration Certificate (now being the Enterprise Registration Certificate) has been amended 28 times and the most recent amendment was made on 05/12/2024 under Enterprise Code 1100105921. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

#### **1.2. Principal scope of business:**

- Management consultancy activities;
- Commercial trading.

#### **1.3. Characteristics of operations of the Company during the year that affect the financial statements**

The Company restructured its business operations, transferred the book and school equipment business to its subsidiary, Long An Books - Equipment Joint Stock Company. Simultaneously, it launched a new business line that is trading cosmetics and clothing.

#### **1.4. Company structure**

The Company has 01 subsidiary and 01 dependent unit:

- Subsidiary: Long An Books - Equipment Joint Stock Company.
- Dependent unit: Ho Chi Minh City Branch – LVA Trading and Services Joint Stock Company (established on 04/07/2024)

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

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

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

### **3. Applied accounting standards and accounting system**

The Company adopts the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System which is guided in 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.

As at 31/12/2024, the Company has a subsidiary; According to current regulations, the Company is required to prepare the separate financial statements of the parent company and consolidated financial statements for the year 2024. Users should read these separate financial statements together with the consolidated financial statements for the year 2024 in order to obtain full information on the



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

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

consolidated financial position, consolidated results of operations and consolidated cash flows of the Company.

### 4. Summary of significant accounting policies

#### 4.1 Exchange rate differences applied in accounting

Transactions denominated in foreign currency are translated into VND using the actual exchange rate announced by the commercial bank where the Company conducts transactions on the date of the transactions.

At the balance sheet date, monetary items denominated in foreign currency which are classified as assets are revaluated using the purchasing exchange rate and monetary items denominated in foreign currency which are classified as liabilities are revaluated using the selling exchange rate of the commercial bank where the Company regularly conducts transactions. Foreign currency deposits in bank are reevaluated using the purchasing exchange rate of the bank where the Company opens foreign currency account.

Exchange rate differences are realized in accordance with the provisions of Vietnamese Accounting Standards No. 10 "Impacts of exchange rate fluctuations". Accordingly, foreign exchange differences arising during the year and exchange rate differences resulting from revaluating the closing balances of monetary items denominated in foreign currencies are recorded in the income statement of the fiscal year.

#### 4.2 Cash and cash equivalents

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

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

#### 4.3 Receivables

Receivables includes: trade receivables and other receivables:

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

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the estimated loss amounts at the balance sheet date for overdue receivables which the Company has claimed many times but still has not collected yet or which have not been overdue but the debtor has been in the state of insolvency, doing dissolution procedures, missing or absconding.

#### 4.4 Inventories

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

Value of inventories is calculated using the weighted average method and accounted for using the perpetual method with cost (materials, goods) comprising costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition;

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



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

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

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

### 4.5 Tangible fixed assets

#### Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

#### Depreciation

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. Details are as follows:

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	6 - 25
Office equipment	5

### 4.6 Intangible fixed assets

Intangible fixed assets are land use rights including:

- The land use right allocated by the State with land use fee or receiving the transfer of legal land use right (including term and non-term land use right).
- The prepaid land rent (has been paid for the leasing time or paid in advance for many years but the remaining land lease term paid is at least five years) for the land rent contract before the effective date of the Land Act 2003 and being granted with certificate of land use right by the competent authority.

The cost of land use right includes all the costs directly attributable to having the legal land use right.

#### Amortization

Intangible fixed assets being land use rights with indefinite term are not amortized. For land use rights with definite term, the amortization period is the period in which the Company is allowed to use the land.

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

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

<u>Kinds of asset</u>	<u>Amortization period (years)</u>
Land use rights with definite term	50
Computer software	8



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

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

### **4.7 Investment in subsidiary**

A subsidiary is an entity controlled by the Company. An entity is considered as a subsidiary if the Company holds (directly or indirectly) more than 50% of the voting shares and has the power to govern the financial and operating policies of the subsidiary.

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

#### **Provision**

Provision for investments in the subsidiary is made if these investments are impaired or result in loss, which leads to the loss of equity of the Company.

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.

### **4.8 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Company's primary prepayments are as follows:

- Costs of tools and instruments being put into use are amortized in accordance with the straight-line method for a period of no more than 36 months;
- Other prepaid expenses: the Company selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

### **4.9 Payables**

Payables include: trade payables and other payables:

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

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

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

### **4.10 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.



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

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

### ***Profit distribution***

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

### ***4.11 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 has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.
- Other income is the income derived out of the Company's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

### ***4.12 Cost of goods sold***

Cost of products, goods sold and services rendered shall be recognized in the correct accounting period in accordance with the matching principle and conservatism principle.

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

### ***4.13 Financial expenses***

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

### ***4.14 Selling expenses, administrative expenses***

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



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

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

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

### 4.15 Current corporate income tax expense, deferred corporate income tax expense

Corporate income tax expenses comprise 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.

### 4.16 Financial instruments

#### Initial recognition

##### *Financial assets*

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

##### *Financial liabilities*

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

#### Subsequent measurement

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

### 4.17 Tax rates and charges paid to the State Budget that the Company is applying.

- Value Added Tax (VAT):
  - Textbooks and reference books supplementing textbooks: Not subject to VAT.
  - Educational equipment and reference books not supplementing textbooks: VAT rate of 5% is applicable;
  - Cosmetics, clothing, stationery, publications: VAT rate of 10% is applicable. From 01/01/2024 to the end of 31/12/2024, the Company is entitled to 8% VAT rate on these goods in accordance with Resolution No. 110/2023/QH15 dated 29/11/2023 and Resolution No. 142/2024/QH15 dated 29/06/2024 of the National Assembly.
- Corporate Income Tax (CIT): CIT rate of 20 % is applicable.
- Other taxes and charges are paid in accordance with the prevailing regulations.

### 4.18 Related parties

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



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

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

Unit: VND

### 5. Cash

	31/12/2024	01/01/2024
Cash on hand	130,457,143	93,074,559
Cash in bank	86,240,865	460,357,190
Cash in transit	-	3,300,000
<b>Total</b>	<b>216,698,008</b>	<b>556,731,749</b>

### 6. Short-term trade receivables

	31/12/2024	01/01/2024
Nguyen Minh Tuan	438,988,788	-
Tran Mai Trang	340,519,788	-
La Van Anh Fashion Business Household	260,000,000	-
Nguyen Hoang Tuyet Mai	209,574,000	-
Vu Kim Thuan	183,798,288	-
Others	397,470,288	141,535,729
<b>Total</b>	<b>1,830,351,152</b>	<b>141,535,729</b>

### 7. Short-term prepayments to suppliers

	31/12/2024	01/01/2024
Intercons Construction Investment Co., Ltd (Related party)(*)	4,890,000,000	-
ONE M GLOBAL Co.,Ltd	1,302,413,500	-
Bkinternational	795,227,500	-
Thanh Do Valuation Joint Stock Company	10,000,000	10,000,000
Others	1,206,850	67,517,433
<b>Total</b>	<b>6,998,847,850</b>	<b>77,517,433</b>

(\*) The amount was paid in advance to Intercons Construction Investment Company Limited under construction contract No. 0401/LBE-IC/2024 dated 04/01/2024 and the contract appendices for office construction. (The legal representative of Intercons Construction Investment Company Limited has close family ties with the key managing officer of the Company).



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

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

### 8. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Materials	21,268,926	-	-	-
Merchandise goods	6,318,192,503	-	14,827,740,588	-
Goods on consignment	89,081,542	-	-	-
<b>Total</b>	<b>6,428,542,971</b>	<b>-</b>	<b>14,827,740,588</b>	<b>-</b>

- There are no inventories which are in poor quality or slow-moving as at 31/12/2024.
- There are no inventories which were pledged, mortgaged as security for debts as at 31/12/2024.

### 9. Prepaid expenses

#### a. Short-term

	31/12/2024	01/01/2024
Programming and website development costs	1,083,337	-
House rent	240,000,000	-
Other prepaid expenses	52,409,665	80,636,885
<b>Total</b>	<b>293,493,002</b>	<b>80,636,885</b>

#### b. Long-term

	31/12/2024	01/01/2024
Costs of repairing Ba Trieu Store	459,194,200	-
Costs of tools and instruments awaiting allocation	68,040,152	-
Cloud Server service fee	11,433,343	-
Other prepaid expenses	-	88,801,767
<b>Total</b>	<b>538,667,695</b>	<b>88,801,767</b>



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

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

### 10. Tangible fixed assets

	Buildings architectures	Machinery equipment	Motor vehicles	Office equipment	Total
<b>Cost</b>					
Beginning balance	4,383,330,962	356,791,733	1,469,791,110	-	6,209,913,805
Increase in the year	-	-	-	43,960,000	43,960,000
Sold, disposed	165,643,273	356,791,733	1,469,791,110	-	1,992,226,116
Decrease in the year	289,281,270	-	-	-	289,281,270
<b>Ending balance</b>	<b>3,928,406,419</b>	<b>-</b>	<b>-</b>	<b>43,960,000</b>	<b>3,972,366,419</b>
<b>Depreciation</b>					
Beginning balance	1,794,197,453	148,663,199	784,805,495	-	2,727,666,147
Charge for the year	159,476,040	4,955,447	19,362,259	1,938,022	185,731,768
Decrease in the year	289,281,270	-	-	-	289,281,270
Sold, disposed	38,650,094	153,618,646	804,167,754	-	996,436,494
<b>Ending balance</b>	<b>1,625,742,129</b>	<b>-</b>	<b>-</b>	<b>1,938,022</b>	<b>1,627,680,151</b>
<b>Net book value</b>					
Beginning balance	2,589,133,509	208,128,534	684,985,615	-	3,482,247,658
<b>Ending balance</b>	<b>2,302,664,290</b>	<b>-</b>	<b>-</b>	<b>42,021,978</b>	<b>2,344,686,268</b>

- No tangible fixed assets were used as collateral or pledged to secure debts as at 31/12/2024.
- Cost of tangible fixed assets fully depreciated but still in active use as at 31/12/2024 is VND193,303,696.

(\*) Resolution of the Board of Directors No. 49/NQ-STBTH dated 20/12/2023 approved the transfer of the Company's real estate to its subsidiary, Long An Books-Equipment Joint Stock Company, for management, exploitation, and use in serving the business activities of the subsidiary. The transfer period: 10 years from the date of transfer. Accordingly, on 31/12/2023, the Company transferred the following assets to the subsidiary:

- Working house at No. 39 Hai Ba Trung Street, Ward 1, Tan An City, Long An Province.
- Working house at No. 109 Nguyen Trung Truc Street, Ward 1, Tan An City, Long An Province.

Name of assets	01/01/2024		Depreciation in the year	31/12/2024	
	Cost	Accumulated depreciation		Cost	Accumulated depreciation
Working house at No. 39 Hai Ba Trung Street	1,948,669,031	1,088,566,381	58,643,364	1,659,387,761	857,928,475
Working house at No. 109 Nguyen Trung Truc Street	1,850,666,804	339,288,913	37,013,336	1,850,666,804	376,302,249
Working house at Chau Thanh Store	418,351,854	333,213,515	10,642,292	418,351,854	343,855,807
<b>Total</b>	<b>4,217,687,689</b>	<b>1,761,068,809</b>	<b>106,298,992</b>	<b>3,928,406,419</b>	<b>1,578,086,531</b>



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

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

### 11. Intangible fixed assets

	Land use right (*)	Computer software	Total
<b>Cost</b>			
Beginning balance	1,410,266,805	156,000,000	1,566,266,805
Newly-purchased	-	-	-
Sold, disposed	-	-	-
<b>Ending balance</b>	<b>1,410,266,805</b>	<b>156,000,000</b>	<b>1,566,266,805</b>
<b>Amortization</b>			
Beginning balance	434,404,347	50,375,000	484,779,347
Charge for the year	28,217,712	19,500,000	47,717,712
Sold, disposed	-	-	-
<b>Ending balance</b>	<b>462,622,059</b>	<b>69,875,000</b>	<b>532,497,059</b>
<b>Net book value</b>			
Beginning balance	975,862,458	105,625,000	1,081,487,458
<b>Ending balance</b>	<b>947,644,746</b>	<b>86,125,000</b>	<b>1,033,769,746</b>

(\*) Land use rights of 903.3 m<sup>2</sup> of land located in Tam Vu Town, Chau Thanh District, Long An Province, with the land use period up to 10/01/2058. Purpose: to open a book and school equipment store. As of 31/12/2023, the Company has transferred it to Long An Books-Equipment Joint Stock Company for management, exploitation, and usage to serve the subsidiary's production and business operations. Transfer duration: 10 years, based on the Board of Directors' Resolution No. 49/NQ-STB'TH dated 20/12/2023.

### 12. Investment in subsidiary

	Status of operation	% equity	Number of shares	31/12/2024		01/01/2024	
				Cost	Provision	Cost	Provision
- Long An Books-Equipment JSC	Operating	99.50%	995,000	9,950,000,000	-	-	-
<b>Total</b>				<b>9,950,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

The shares of Long An Books-Equipment Joint Stock Company have not been listed on any stock exchange, and the Company also had no reliable reference data on the market price of these shares at the end of the accounting period. Therefore, the Company was unable to determine the fair value of the investment. The 2024 financial statements showed that Long An Books-Equipment Joint Stock Company did not have accumulated losses, so the Company did not set up a provision.



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

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

### 13. Short-term trade payables

	31/12/2024	01/01/2024
To Thi Thuy Linh Business Household	1,045,249,000	-
BYPLAY	382,712,500	-
Nguyen Thi Nga HBT Business Household	360,000,000	-
Others	263,983,180	1,591,648,505
<b>Total</b>	<b>2,051,944,680</b>	<b>1,591,648,505</b>

### 14. Taxes and amounts payable to the State

	Beginning balance		Amount to be paid	Amount actually paid	Ending balance	
	Receivable	Payable			Receivable	Payable
VAT	-	62,719,890	1,413,024,093	952,357,713	-	523,386,270
CIT	-	70,555,178	787,714,109	156,336,084	-	701,933,203
Personal Income Tax	-	24,760,251	31,188,399	53,281,982	-	2,666,668
Land & house tax, land rent	-	-	41,769,533	41,769,533	-	-
Business-license tax	-	-	6,000,000	6,000,000	-	-
Fees, charges and others	-	-	34,933,989	34,933,989	-	-
<b>Total</b>	<b>-</b>	<b>158,035,319</b>	<b>2,314,630,123</b>	<b>1,244,679,301</b>	<b>-</b>	<b>1,227,986,141</b>

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

### 15. Other short-term payables

	31/12/2024	01/01/2024
Payable to Mr. Truong Thanh Minh (Related party)	99,750,000	-
<b>Total</b>	<b>99,750,000</b>	<b>-</b>

### 16. Owners' equity

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

	Share capital	Share premium	Investment and development fund	Undistributed profit after tax
As at 01/01/2023	11,000,000,000	3,850,797,710	3,346,488,559	4,248,488,866
Increase in the year	8,999,340,000	-	107,242,215	1,565,580,175
Decrease in the year	-	3,487,445,757	3,273,802,042	2,535,473,517
As at 31/12/2023	19,999,340,000	363,351,953	179,928,732	3,278,595,524
As at 01/01/2024	19,999,340,000	363,351,953	179,928,732	3,278,595,524
Increase in the year	-	-	78,279,009	2,524,766,330
Decrease in the year	-	-	-	187,869,621
As at 31/12/2024	19,999,340,000	363,351,953	258,207,741	5,615,492,233



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

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

### b. Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of shares registered to be issued	1,999,934	1,999,934
Number of shares issued publicly	1,999,934	1,999,934
- Common shares	1,999,934	1,999,934
- Preferred shares (classified as owners' equity)	-	-
Number of shares bought back (treasury shares)	-	-
- Common shares	-	-
- Preferred shares (classified as owners' equity)	-	-
Number of outstanding shares	1,999,934	1,999,934
- Common shares	1,999,934	1,999,934
- Preferred shares (classified as owners' equity)	-	-
Par value of outstanding shares: VND10,000 each		

### c. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	3,278,595,524	4,248,488,866
Profit after CIT of current year	2,524,766,330	1,565,580,175
Distribution of profit	187,869,621	2,535,473,517
Distribution of prior-year profit	187,869,621	2,535,473,517
- Appropriated to investment and development fund	78,279,009	107,242,215
- Appropriated to reward and welfare fund	109,590,612	150,139,101
- Paying dividend	-	2,278,092,201
Temporary distribution of current year profit	-	-
<b>Undistributed profit after tax</b>	<b>5,615,492,233</b>	<b>3,278,595,524</b>

The 2023 profit after tax was distributed in accordance with the Annual General Shareholders' Meeting Resolution No. 18/NQ-STBTH dated 30/03/2024.

### 17. Revenue from sales and service provision

	Year 2024	Year 2023
Sales of cosmetics and clothing	14,741,839,804	-
Sales of textbooks and reference books	10,089,944,925	70,236,152,491
Sales of educational equipment	1,331,892,107	2,817,159,882
Other sales	4,571,740,496	17,860,400,301
<b>Total</b>	<b>30,735,417,332</b>	<b>90,913,712,674</b>



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

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

### 18. Revenue deductions

	Year 2024	Year 2023
Sales returns	17,527,480	219,852,196
<b>Total</b>	<b>17,527,480</b>	<b>219,852,196</b>

### 19. Cost of sales

	Year 2024	Year 2023
Cost of cosmetics and clothing sold	8,797,615,400	-
Cost of textbooks and reference books sold	9,990,083,490	64,484,431,549
Cost of educational equipment sold	1,302,025,223	2,241,082,149
Cost of other sales	4,497,453,979	13,951,088,350
<b>Total</b>	<b>24,587,178,092</b>	<b>80,676,602,048</b>

### 20. Financial income

	Year 2024	Year 2023
Deposit interest, loan interest	209,832	1,459,133
Received dividend, profit	2,100,000	8,550,000
Proceeds from sale of securities	7,850,000	-
Early payment discount	-	1,076,077,515
Foreign exchange gains from year-end revaluation	19,337,500	-
<b>Total</b>	<b>29,497,332</b>	<b>1,086,086,648</b>

### 21. Financial expenses

	Year 2024	Year 2023
Interest expenses	-	148,667,613
(Reversal)/Appropriation of provision for diminution in value of financial investments	(163,246,370)	(52,593,928)
Payment discount	-	10,623,787
Losses from sale of securities	241,764,979	12,872,535
<b>Total</b>	<b>78,518,609</b>	<b>119,570,007</b>



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

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

### 22. Selling expenses and administrative expenses

#### a. Selling expenses

	Year 2024	Year 2023
Labor costs	389,713,668	3,311,523,902
Depreciation and amortization expenses	178,838,306	331,474,488
Expenses for advertising, transporting goods for sale	1,060,908,008	328,313,894
Other expenses	342,281,723	2,259,084,708
<b>Total</b>	<b>1,971,741,705</b>	<b>6,230,396,992</b>

#### b. Administrative expenses

	Year 2024	Year 2023
Labor costs	297,696,528	1,344,069,943
Other expenses	485,186,763	1,310,593,537
<b>Total</b>	<b>782,883,291</b>	<b>2,654,663,480</b>

### 23. Other income

	Year 2024	Year 2023
Settlement of small debts and overage upon stock-taking	272,886	3,111,074
Proceeds from disposal of assets	10,000,000	-
Other income	20,156,562	-
<b>Total</b>	<b>30,429,448</b>	<b>3,111,074</b>

### 24. Other expenses

	Year 2024	Year 2023
Tax in arrears, tax-related administrative fine	44,985,890	77,519,974
Settlement of small debts and shortage upon stock-taking	28,606	2,062,987
<b>Total</b>	<b>45,014,496</b>	<b>79,582,961</b>



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

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

### 25. Current corporate income tax expense

	Year 2024	Year 2023
Accounting profit before tax	3,312,480,439	2,022,242,712
Adjustment to taxable income	289,892,606	261,069,973
- Increases	291,992,606	269,619,973
+ Remunerations for non-executive directors	24,000,000	139,999,999
+ Other expenses	267,992,606	129,619,974
- Decreases (Received dividends, profits)	2,100,000	8,550,000
Total taxable income	3,602,373,045	2,283,312,685
<b>Current corporate income tax expense</b>	<b>787,714,109</b>	<b>456,662,537</b>
<i>Of which:</i>		
- Current CIT expense incurred in current year	720,474,609	456,662,537
- Adjustment of current CIT expense of previous year to current CIT expense of current year	67,239,500	-

### 26. Production and business expenses by element

	Year 2024	Year 2023
Labor costs	687,410,196	4,655,593,845
Depreciation and amortization expenses of fixed assets	233,449,480	380,707,128
Outside service expenses	1,348,578,557	2,538,165,962
Other cash expenses	485,186,763	1,310,593,537
<b>Total</b>	<b>2,754,624,996</b>	<b>8,885,060,472</b>

### 27. Segment reporting

According to Vietnamese Accounting Standard No. 28 and the Circular guiding this Standard, the Company is required to have segment reporting. Accordingly, a 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 reality of operations, the Management assesses that business segments and segments by geographical area have no differences in bearing risks and obtaining returns. Accordingly, the Company is operating in a sole business segment, that is commercial trading and its main geographical segment is Vietnam.

### 28. Risk management

#### a. Capital risk management

Through capital management, the Company considers and decides to maintain the appropriate balance of resources 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.



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

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

### b. Financial risk management

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

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

#### *Exchange rate risk management*

Since the Company undertakes purchase and sale transactions in foreign currencies, consequently it is exposed to risk of exchange rate fluctuations. The Company has hedged risks related to exchange rate fluctuations by optimizing the time for settlement of debts, selecting the appropriate time to purchase and make payment in foreign currencies, projecting future exchange rates and optimizing the utilization of existing funds to balance the exchange rate risk and liquidity risk.

#### *Price risk management*

The Company purchases goods from domestic suppliers to serve its trading activities, thus, it is exposed to risks of changes in the prices of the purchased goods. To minimize this risk the Company has searched suppliers and entered into contracts with appropriate and stable discount rates. Moreover, the prices of these goods typically experience minimal fluctuations, thus the Company assesses that its exposure to price risks in business activities is low.

#### *Credit risk management*

The Company's main customers are from stores, retail customers who pay at the counter and COD collection. Some other customers have regular transactions and timely payment. Therefore, the Chairman of the Board of Directors and the Management assume that the Company is not exposed to significant credit risk with customers.

#### *Liquidity risk management*

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

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

31/12/2024	Within 1 year	Over 1 year	Total
Trade payables	2,051,944,680	-	2,051,944,680
Other payables	-	30,000,000	30,000,000
<b>Total</b>	<b>2,051,944,680</b>	<b>30,000,000</b>	<b>2,081,944,680</b>
01/01/2024	Within 1 year	Over 1 year	Total
Trade payables	1,591,648,505	-	1,591,648,505
Other payables	-	30,000,000	30,000,000
<b>Total</b>	<b>1,591,648,505</b>	<b>30,000,000</b>	<b>1,621,648,505</b>



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

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

The Chairman of the Board of Directors and the Management assume that the Company is not exposed to liquidity risk and believes that it can generate sufficient fund to meet the 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	216,698,008	-	216,698,008
Financial investments	-	9,950,000,000	9,950,000,000
Trade receivables	1,830,351,152	-	1,830,351,152
Other receivables	31,931,692	-	31,931,692
<b>Total</b>	<b>2,078,980,852</b>	<b>9,950,000,000</b>	<b>12,028,980,852</b>
01/01/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	556,731,749	-	556,731,749
Financial investments	5,648,984,270	-	5,648,984,270
Trade receivables	141,535,729	-	141,535,729
Other receivables	296,200,052	-	296,200,052
<b>Total</b>	<b>6,643,451,800</b>	<b>-</b>	<b>6,643,451,800</b>

### 29. Related parties

#### a. Related-party information

Related parties	Relationship
Long An Books-Equipment Joint Stock Company	Subsidiary
Intercons Construction Investment Company Limited	The legal representative of Intercons has a family relationship with Mr. Tran Viet Thang (member of the BOD)
Ocean Capital Company Limited	The legal representative of Ocean Capital Company Limited is Mr. Truong Thanh

#### b. Material related-party transactions arising in the year

	Transactions	Year 2024	Year 2023
Long An Books-Equipment Joint Stock Company	Selling goods	14,836,476,019	-
	Selling fixed assets	1,005,789,622	-
	Selling tools, instruments	116,094,348	-
Intercons Construction Investment Company	Paying in advance for	4,890,000,000	-
Ocean Capital Company Limited	Purchasing goods	4,963,075,000	-



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

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

### 30. Remunerations of the key managing officers

Related parties			Year 2024	Year 2023
Mr. Truong Thanh Minh	Chairman of the BOD	Appointed on 20/05/2024	Remuneration	-
Mr. Tran Viet Thang	Vice Chairman of the BOD		Remuneration	12,000,000
Mr. Nguyen Van Ngoi	Member of the BOD	Resigned on 30/03/2024	Remuneration	6,000,000
	Director	Resigned on 19/03/2024	Salary, bonus	48,190,075
Ms. Nguyen Thi Cam Tu	Member of the BOD		Remuneration	12,000,000
Ms. Bui Thi Van Anh	Member of the BOD	Appointed on 30/03/2024	Remuneration	-
Ms. Phan Thi Dieu Hang	Member of the BOD	Appointed on 30/03/2024	Remuneration	-
Ms. Dao Thi Kim Oanh	Member of the BOD	Appointed on 30/03/2024	Remuneration	-
	Director	Appointed on 24/06/2024	Salary, bonus	50,000,000
Mr. Nguyen Cong Thang	Member of the BOD	Appointed on 30/03/2024	Remuneration	-
Mr. Cao Van Bang	Head of the SB	Appointed on 30/03/2024	Remuneration	-
Mr. Dong Hai Nam	Head of the SB	Resigned on 30/03/2024	Remuneration	4,500,000
Ms. Nguyen Thi Thu	Member of the SB	Appointed on 30/03/2024	Remuneration	-
Ms. Tong Thi Thanh Nga	Member of the SB	Appointed on 30/03/2024	Remuneration	-
Mr. Tran Minh Duc	Member of the SB	Resigned on 30/03/2024	Remuneration	3,000,000
Mr. Ngo Van Minh	Director	Appointed on 19/03/2024	Salary, bonus	-
		Resigned on 24/06/2024		
	Member of the SB	Resigned on 30/03/2024	Remuneration	3,000,000
Mr. Bui Van Huynh	Vice Director	Resigned on 30/09/2024	Salary, bonus	14,974,826
Ms. Le Thi Minh Trang	Vice Director	Resigned on 30/09/2024	Salary, bonus	12,223,919
Ms. Nguyen Minh Huong	Financial Director	Appointed on 19/01/2024	Salary, bonus	-
Ms. Tran Thi Thanh Huong	Vice Financial Director	Resigned on 28/02/2024	Salary, bonus	-
Ms. Pham Thi Thu Phuong	Chief Accountant	Appointed on 24/06/2024	Salary, bonus	40,000,000
Ms. Nguyen Thi Ngoc No	Chief Accountant	Appointed on 05/04/2024	Salary, bonus	-
		Resigned on 24/06/2024		

(\*) The Board of Directors and Supervisory Board of the Company have agreed not to receive remuneration for Quarter 2, 3, 4 of 2024.

### 31. 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.

### 32. Corresponding figures

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



**Truong Thanh Minh**  
Chairman of the BOD

Hanoi City, 25 March 2025

**Pham Thi Thu Phuong**  
Chief Accountant

**Pham Thi Thu Phuong**  
Preparer