

# VNG Corporation

Consolidated financial statements

For the year ended 31 December 2024



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# VNG Corporation

## GENERAL INFORMATION

### THE COMPANY

VNG Corporation ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002645 issued by the Department of Planning and Investment of Ho Chi Minh City on 9 September 2004, and as amended.

The registered principal activities based on the BRCs of the Company are:

- ▶ distribution of online games on the internet;
- ▶ computer consulting and administration of computer system;
- ▶ computer programming, software production, consulting and supply of software;
- ▶ commercial advertising;
- ▶ web-based data and information access, data and information processing, services for building, storing and exploiting databases; and
- ▶ commission agent for buying and selling phone cards, internet cards, game cards.

On 28 December 2022, the Company's ordinary shares were approved to be traded on the Unlisted Public Company Market of Vietnam ("UPCOM"), a trading venue for unlisted entities, in accordance with the Decision No. 874/QĐ-SGDHN issued by Ha Noi Stock Exchange. The first trading date was 5 January 2023.

The Company's registered head office is located at No. Z06, Street 13, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam.

# VNG Corporation

## GENERAL INFORMATION (continued)

### BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Le Hong Minh	Founder, Chairman	appointed on 25 November 2024
Mr Vo Sy Nhan	Chairman	resigned on 22 November 2024
Mr Vuong Quang Khai	Member	
Ms Christina Gaw	Member	
Mr Edphawin Jetjirawat	Member	

### BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Ms Nguyen Vu Ngoc Han	Head	appointed on 24 June 2024
Mr Pham Van Do La	Member	appointed on 21 June 2024
Mr Vu Thanh Long	Member	appointed on 21 June 2024
Ms Nguyen Thi Thu Trang	Head	resigned on 21 June 2024
Ms Truong Thi Thanh	Member	resigned on 21 June 2024

### MANAGEMENT

Members of the management during the year and at the date of this report are:

Mr Le Hong Minh	Founder, CEO of VNG	resigned on 25 November 2024
Mr Vuong Quang Khai	Co-founder, Executive Vice President of VNG	
Mr Nguyen Le Thanh	Vice President of VNG, CEO of Digital Business	
Mr Wong Kelly Yin Hon	Vice President of VNG, CEO of VNGGames	
Mr Tan Wei Ming	Chief Financial Officer of VNG	

### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Le Hong Minh.



# VNG Corporation

## REPORT OF MANAGEMENT

Management of VNG Corporation ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2024.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group, and of the consolidated results of its operation and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements, which give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Wong Kelly Yin Hon  
Vice President

24 January 2025

CONSOLIDATED BALANCE SHEET  
as at 31 December 2024

VND

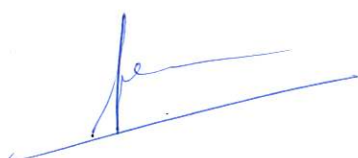
Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>4,361,961,211,988</b>	<b>5,490,264,068,120</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>2,692,907,206,635</b>	<b>3,837,906,886,822</b>
111	1. Cash		2,290,357,206,635	2,318,913,787,644
112	2. Cash equivalents		402,550,000,000	1,518,993,099,178
<b>120</b>	<b>II. Short-term investment</b>		<b>110,491,644,986</b>	<b>136,824,412,924</b>
123	1. Held-to-maturity investments	5	110,491,644,986	136,824,412,924
<b>130</b>	<b>III. Current accounts receivable</b>		<b>915,550,484,035</b>	<b>945,544,732,596</b>
131	1. Short-term trade receivables	6	546,664,262,841	538,203,242,635
132	2. Short-term advances to suppliers	7	205,352,097,078	213,998,904,911
136	3. Other short-term receivables	8	244,780,161,144	275,982,480,210
137	4. Provision for doubtful short-term receivables	6,7	(81,246,037,028)	(82,639,895,160)
<b>140</b>	<b>IV. Inventories</b>		<b>47,112,068,827</b>	<b>83,454,442,074</b>
141	1. Inventories	9	48,172,751,852	84,410,549,193
149	2. Provision for obsolete inventories	9	(1,060,683,025)	(956,107,119)
<b>150</b>	<b>V. Other current assets</b>		<b>595,899,807,505</b>	<b>486,533,593,704</b>
151	1. Short-term prepaid expenses	15	298,402,941,056	212,379,601,605
152	2. Value-added tax deductible		277,181,617,340	249,249,038,511
153	3. Tax and other receivables from the State		20,315,249,109	24,904,953,588
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>5,097,865,448,448</b>	<b>4,104,402,550,705</b>
<b>210</b>	<b>I. Long-term receivable</b>		<b>13,566,125,480</b>	<b>10,888,049,512</b>
216	1. Other long-term receivables	8	13,566,125,480	10,888,049,512
<b>220</b>	<b>II. Fixed assets</b>		<b>2,904,111,697,832</b>	<b>2,287,693,005,785</b>
221	1. Tangible fixed assets	10	2,608,690,117,377	2,070,648,943,610
222	Cost		4,195,333,754,498	3,490,001,408,476
223	Accumulated depreciation		(1,586,643,637,121)	(1,419,352,464,866)
224	2. Finance leases	11	139,710,038,143	-
225	Cost		161,305,595,964	-
226	Accumulated depreciation		(21,595,557,821)	-
227	3. Intangible fixed assets	12	155,711,542,312	217,044,062,175
228	Cost		1,010,926,532,609	984,954,708,907
229	Accumulated amortisation		(855,214,990,297)	(767,910,646,732)
<b>240</b>	<b>III. Long-term asset in progress</b>		<b>124,460,319,099</b>	<b>212,985,451,662</b>
242	1. Construction in progress	13	124,460,319,099	212,985,451,662
<b>250</b>	<b>IV. Long-term investments</b>	<b>14</b>	<b>1,805,915,588,634</b>	<b>1,181,847,462,516</b>
252	1. Investment in associates	14.1	845,707,665,100	992,467,125,745
253	2. Investment in other entities	14.2	734,431,898,405	291,173,144,967
254	3. Provision for long-term investments	14.2	(597,482,974,871)	(102,792,808,196)
255	4. Held-to-maturity investment	5	823,259,000,000	1,000,000,000
<b>260</b>	<b>V. Other long-term assets</b>		<b>249,811,717,403</b>	<b>410,988,581,230</b>
261	1. Long-term prepaid expenses	15	235,356,261,061	386,388,659,539
262	2. Deferred tax assets		1,182,679,140	9,263,415,401
269	3. Goodwill		13,272,777,202	15,336,506,290
<b>270</b>	<b>TOTAL ASSETS</b>		<b>9,459,826,660,436</b>	<b>9,594,666,618,825</b>



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>8,189,648,611,917</b>	<b>6,784,566,568,599</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>5,808,848,275,520</b>	<b>5,361,907,865,570</b>
311	1. Short-term trade payables	16	614,582,108,788	534,024,599,239
312	2. Short-term advances from customers		61,495,016,141	57,332,519,847
313	3. Statutory obligations	17	161,463,875,108	128,927,487,916
314	4. Payables to employees		51,343,660,830	66,350,674,729
315	5. Short-term accrued expenses	18	1,224,980,685,949	1,385,447,183,044
318	6. Short-term unearned revenue	19	1,842,829,083,277	1,529,821,224,450
319	7. Other short-term payables	20	1,097,356,578,786	794,558,454,124
320	8. Short-term loans	21	754,797,266,641	865,445,722,221
<b>330</b>	<b>II. Non-current liabilities</b>		<b>2,380,800,336,397</b>	<b>1,422,658,703,029</b>
336	1. Long-term unearned revenue	19	93,377,724,615	99,177,031,928
337	2. Other long-term liabilities		333,497,000	305,659,674
338	3. Long-term loans	21	1,248,764,604,683	617,728,536,712
341	4. Deferred tax liability		1,014,669,999,699	685,540,710,915
342	5. Long-term provision	22	23,654,510,400	19,906,763,800
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,270,178,048,519</b>	<b>2,810,100,050,226</b>
<b>410</b>	<b>I. Capital</b>		<b>1,270,178,048,519</b>	<b>2,810,100,050,226</b>
411	1. Share capital	23	287,360,000,000	287,360,000,000
412	2. Share premium	23	(409,833,750,565)	(409,833,750,565)
417	3. Foreign exchange differences	23	46,254,546,484	15,684,217,402
421	4. Undistributed earnings	23	998,259,603,247	2,842,320,047,141
421a	- Undistributed earnings by the end of prior year		1,916,192,410,843	4,943,330,305,805
421b	- Loss of current year		(917,932,807,596)	(2,101,010,258,664)
429	5. Non-controlling interests		348,137,649,353	74,569,536,248
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>9,459,826,660,436</b>	<b>9,594,666,618,825</b>



Le Thi Hong Hanh  
Preparer



Le Trung Tin  
Chief Accountant



Le Hong Minh  
Legal Representative

24 January 2025

# VNG Corporation

B02-DN/HN

## CONSOLIDATED INCOME STATEMENT for the year ended 31 December 2024

VND

Code	ITEMS	Notes	4 <sup>th</sup> Quarter		Accumulated from the beginning of the year to the end of this quarter	
			Current year	Previous year	Current year	Previous year
10	1. Net revenue from sale of goods and rendering of services	24.1	2,612,644,207,354	2,321,192,110,271	9,504,846,417,470	7,592,705,115,305
11	2. Cost of goods sold and services rendered	27	(1,630,915,315,820)	(1,567,759,132,243)	(6,060,576,371,898)	(5,304,370,047,476)
20	3. Gross profit from sale of goods and rendering of services		981,728,891,534	753,432,978,028	3,444,270,045,572	2,288,335,067,829
21	4. Finance income	24.2	37,807,492,715	23,685,232,425	157,996,664,312	94,385,288,448
22	5. Finance expenses	25	(48,164,809,226)	(76,697,185,273)	(180,958,798,866)	(220,854,441,272)
23	- In which: Interest expenses		(35,738,986,202)	(29,312,087,987)	(145,335,261,844)	(84,267,203,480)
24	6. Share of loss from associates		(309,818,246,716)	(36,885,600,417)	(385,357,835,213)	(298,125,424,395)
25	7. Selling expenses	27	(427,040,446,846)	(569,580,424,715)	(1,970,622,287,737)	(2,385,651,703,488)
26	8. General and administrative expenses	27	(359,929,722,496)	(477,516,331,202)	(1,317,904,956,375)	(1,564,028,649,250)
30	9. Operating loss		(125,416,841,035)	(383,561,331,154)	(252,577,168,307)	(2,085,939,862,128)
31	10. Other income	26	2,146,324,688	(3,405,342,445)	18,556,319,071	14,610,087,651
32	11. Other expenses	26	(303,106,653,849)	(53,248,091,282)	(350,509,299,646)	(78,496,462,200)
40	12. Other loss	26	(300,960,329,161)	(56,653,433,727)	(331,952,980,575)	(63,886,374,549)
50	13. Accounting loss before tax		(426,377,170,196)	(440,214,764,881)	(584,530,148,882)	(2,149,826,236,677)
51	14. Current corporate income tax expense		7,209,581,619	(7,344,128,905)	(96,318,828,010)	(74,131,700,238)
52	15. Deferred tax expense		(2,054,855,016)	(15,542,264,809)	(337,210,025,045)	(93,286,957,521)
60	16. Net loss after tax		(421,222,443,593)	(463,101,158,595)	(1,018,059,001,937)	(2,317,244,894,436)
61	17. Net loss after tax attributable to shareholders of the parent		(412,502,333,990)	(401,382,121,466)	(917,932,807,596)	(2,101,010,258,664)
62	18. Net loss after tax attributable to non-controlling interests		(8,720,109,603)	(61,719,037,129)	(100,126,194,341)	(216,234,635,772)

*[Signature]*

*[Signature]*



Le Thi Hong Hanh  
Preparer  
24 January 2025

Le Trung Tin  
Chief Accountant

Le Hong Minh  
Legal Representative



CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Accounting loss before tax		(584,530,148,882)	(2,149,826,236,677)
	Adjustments for:			
02	Depreciation and amortisation of fixed assets and goodwill	27	563,803,122,062	414,587,390,902
03	Provisions		297,601,875,210	169,361,141,950
04	Foreign exchange gains arising from revaluation of monetary accounts denominated in foreign currency		(18,048,006,939)	(13,684,852,415)
05	Losses from investing activities		281,300,411,920	295,146,975,195
06	Interest expenses	25	145,335,261,844	84,267,203,480
08	Operating profit (loss) before changes in working capital		685,462,515,215	(1,200,148,377,565)
09	Decrease in receivables		24,626,237,936	236,564,950,450
10	Decrease in inventories		36,237,797,341	5,542,036,899
11	Increase in payables		429,444,450,462	2,120,153,344,506
12	Increase in prepaid expenses		(89,117,911,126)	(121,856,055,487)
14	Interest paid		(137,924,744,090)	(82,573,517,628)
15	Corporate income tax paid		(95,963,069,526)	(60,191,709,638)
20	Net cash flows from operating activities		852,765,276,212	897,490,671,537
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(1,292,500,662,521)	(970,319,716,244)
22	Proceeds from disposal of fixed assets		22,684,466,457	280,915,887
23	Net payment to bank deposits		(797,426,232,062)	-
24	Net proceeds from bank deposits		-	190,372,630,216
25	Payments for investments in other entities		(1,251,920,748,612)	(28,881,459,812)
26	Proceeds from disposal of investment in another entity		623,499,455,743	16,423,176,338
27	Interest and dividends received		36,591,824,733	49,597,166,329
30	Net cash flows used in investing activities		(2,659,071,896,262)	(742,527,287,286)
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Deposits received for shares purchase capital contributed by non-controlling shareholders		231,951,479,760	14,932,822,171
33	Borrowings received	21	2,612,875,248,395	1,830,202,074,627
34	Borrowings repaid	21	(2,156,468,639,319)	(791,058,925,722)
35	Payment of principal of finance lease liabilities	21	(32,495,702,508)	-
36	Dividend paid		(600,000)	(2,780,018)
40	Net cash flows from financing activities		655,861,786,328	1,054,073,191,058

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net (decrease) increase in cash and cash equivalents for the year		(1,150,444,833,722)	1,209,036,575,309
60	Cash and cash equivalents at beginning of the year	4	3,837,906,886,822	2,629,077,198,459
61	Impact of exchange rate fluctuation		5,445,153,535	(206,886,946)
70	Cash and cash equivalents at end of the year	4	2,692,907,206,635	3,837,906,886,822



Le Thi Hong Hanh  
Preparer



Le Trung Tin  
Chief Accountant



Le Hong Minh  
Legal Representative

24 January 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2024 and for the year then ended

**1. CORPORATE INFORMATION**

VNG Corporation ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002645 issued by the Department of Planning and Investment of Ho Chi Minh City on 9 September 2004, and as amended.

The registered principal activities based on the BRCs of the Company are:

- ▶ operation and distribution of online games;
- ▶ computer consulting and computer system administration;
- ▶ computer programming, software production, consulting services and software supply;
- ▶ commercial advertising;
- ▶ online data and information access services, online data and information processing services, database construction, database storage, and database exploitation; and
- ▶ the agent for buying and selling phone cards, internet cards, and game cards.

On 28 December 2022, the Company's ordinary shares were approved to be traded on the Unlisted Public Company Market of Vietnam ("UPCOM"), a trading venue for unlisted entities, in accordance with the Decision No. 874/QĐ-SGDHN issued by Ha Noi Stock Exchange. The first trading date was 5 January 2023.

The Company's registered head office is located at No. Z06, Street 13, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam.

The number of employees of the Company and its subsidiaries ("the Group") as at 31 December 2024 was 3,324 employees (31 December 2023: 3,589 employees).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

1. **CORPORATE INFORMATION** (continued)

**Group structure**

As at 31 December 2024, the Company has eleven (11) direct subsidiaries and twenty-seven (27) indirect subsidiaries with details are as follows:

No.	Name of subsidiaries	Percentage of ownership of the Company (%)	Percentage of voting rights of the Company (%)	Location	Principal activities
<b>I.</b>	<b>Direct subsidiaries</b>				
1.	Vinadata Information Technology Services Joint Stock Company ("VinaData")	99.989	99.989	Ho Chi Minh City, Vietnam	Provision of information technology services
2.	EPI Technologies Joint Stock Company	100.00	100.00	Ha Noi City, Vietnam	Provision of online advertising, design website, software and other media technology
3.	VNG Online Company Limited	100.00	100.00	Ha Noi City, Vietnam	Provision of portal and production of software
4.	Vinanet Services Joint Stock Company	99.50	99.50	Ho Chi Minh City, Vietnam	Provision of mobile and telecommunications value-added services
5.	VNG Software Development Company Limited	100.00	100.00	Ho Chi Minh City, Vietnam	Production and development of software
6.	Zie Company Limited	100.00	100.00	Ha Noi City, Vietnam	Operation and distribution of online games
7.	Zion Joint Stock Company	99.999	99.999	Ho Chi Minh City, Vietnam	Intermediary payment service
8.	ZingPlay Vietnam Company Limited	100.00	100.00	Da Nang City, Vietnam	Operation and distribution of online games
9.	A4B Joint Stock Company	69.80	69.80	Ho Chi Minh City, Vietnam	Computer programming, production software
10.	Dream Maker Foundation	100.00	100.00	Ho Chi Minh City, Vietnam	Charitable organization
11.	Verichains Company Limited	100.00	100.00	Ho Chi Minh City, Vietnam	Production and development of software



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

1. **CORPORATE INFORMATION** (continued)

*Group structure* (continued)

As at 31 December 2024, the Company eleven (11) direct subsidiaries and twenty-seven (27) indirect subsidiaries with details are as follows: (continued)

No.	Name of subsidiaries	Percentage of ownership of the Company (%)	Percentage of voting rights of the Company (%)	Location	Principal activities
<b>II. Indirect subsidiaries</b>					
1.	Minh Phuong Thinh Communication Company Limited	100.00	100.00	Da Nang City, Vietnam	Operation and distribution of online games
2.	VNG Data Center Joint Stock Company	50.994	51.00	Ho Chi Minh City, Vietnam	Provision of information technology services
3.	VNG Singapore Pte. Ltd.	99.989	100.00	Singapore	Developing and trading software, computer equipment and spare parts; providing software related and post-sale services
4.	VNG Myanmar Company Limited	99.989	100.00	Yangon City, Myanmar	Operation and distribution of online games
5.	MLT Hong Kong Limited (*)	100.00	100.00	Hong Kong	Operation and distribution of online games
6.	VNG Games Co., Ltd	99.989	100.00	Bangkok City, Thailand	Develop and update of mobile games and online games
7.	XFM Joint Stock Company	99.989	99.989	Ho Chi Minh City, Vietnam	Music recording and publishing activities
8.	ZingPlay International Pte. Ltd.	99.989	100.00	Singapore	Developing and trading software, computer equipment and spare parts
9.	Thanh Son Communication Services Trading Company Limited	99.999	100.00	Ha Noi City, Vietnam	Trading in prepaid game and telco cards

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

1. **CORPORATE INFORMATION** (continued)

**Group structure** (continued)

As at 31 December 2024, the Company has eleven (11) direct subsidiaries and twenty-seven (27) indirect subsidiaries with details are as follows: (continued)

No.	Name of subsidiaries	Percentage of ownership of the Company (%)	Percentage of voting rights of the Company (%)	Location	Principal activities
<b>II. Indirect subsidiaries</b> (continued)					
10.	Adtima Joint Stock Company	99.999	99.999	Ho Chi Minh City, Viet Nam	Provision of online advertising
11.	Fiza Joint Stock Company	99.997	99.998	Ho Chi Minh City, Viet Nam	Provision of online advertising
12.	VNG Solutions Co., Ltd.	99.50	100.00	Ho Chi Minh City, Vietnam	Software production and development
13.	Mixus Joint Stock Company	99.934	99.934	Ho Chi Minh City, Viet Nam	Music recording and publishing activities
14.	KMZ Interactive Entertainment (Shenzhen) Co., Ltd (*)	99.989	100.00	China	Provision of Information technology service
15.	Verichains SG Pte. Ltd	100.00	100.00	Singapore	Development of software and applications; other business support service activities
16.	InstantiaPay Holdings Pte. Ltd. (i) (*)	47.730	66.67	Singapore	Investment holdings
17.	InstantiaPay SG Pte. Ltd. (*)	47.730	100.00	Singapore	Financial services
18.	InstantiaPay Pty Ltd	47.730	100.00	Australia	Financial services
19.	InstantiaPay Limited (United Kingdom) (*)	47.730	100.00	United Kingdom	Financial services
20.	InstantiaPay Limited (Hongkong) (*)	47.730	100.00	Hong Kong	Financial services
21.	InstantiaPay VN Limited Liability Company (*)	100.00	100.00	Ho Chi Minh City, Vietnam	Software production and development

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

1. **CORPORATE INFORMATION** (continued)

**Group structure** (continued)

As at 31 December 2024, the Company has eleven (11) direct subsidiaries and twenty-seven (27) indirect subsidiaries with details are as follows: (continued)

No.	Name of subsidiaries	Percentage of ownership of the Company (%)	Percentage of voting rights of the Company (%)	Location	Principal activities
<b>II. Indirect subsidiaries</b> (continued)					
22.	VNG Investment Pte. Ltd. (*)	100.00	100.00	Singapore	Developing and trading software, computer equipment and spare parts; and post-sale services
23.	YoPlatform FZE (*)	100.00	100.00	Dubai, United Arab Emirates	Operation and distribution of online games
24.	Greennode Joint Stock Company	98.989	99.00	Ho Chi Minh City, Vietnam	Provision of information technology services
25.	Greennode Pte. Ltd.	99.989	100.00	Singapore	Data centers
26.	Greennode Co., Ltd	99.989	100.00	Thailand	Data centers
27.	VNG Technologies LLC (*)	100.00	100.00	Dubai, United Arab Emirates	Information technology network services; computer systems and communication equipment; software design; distributed ledger technology services; IT consultant

(i) The Group holds 47.73% direct ownership rights in InstantiaPay Holdings Pte. Ltd. according to the Business Registration Certificate of this entity. The voting rights of 66.67% includes the indirect voting rights of the Group.

(\*) These companies are in pre-operating status, which are in the investment stage and have not commenced its operations as at 31 December 2024.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**2. BASIS OF PREPARATION**

**2.1 *Applied accounting standards and system***

The consolidated financial statements of the Company and its subsidiaries ("the Group"), expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**2.2 *Applied accounting documentation system***

The Group's applied accounting documentation system is General Journal system.

**2.3 *Fiscal year***

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

**2.4 *Accounting currency***

The consolidated financial statements are prepared in VND which is also the Company's accounting currency.

**2.5 *Basis of consolidation***

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2024.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulted from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

**3.2 Inventories**

Inventories are measured at their historical costs. The cost of inventories comprise costs of purchase, costs of conversion (including raw materials, direct labour cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record tools and supplies, promotion goods, prepaid game cards and merchandise, which are valued at cost of purchase on a weighted average basis.

*Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of tools and supplies, promotion goods, prepaid game cards and merchandise owned by the Group, based on appropriate evidence of impairment available at the consolidated balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

**3.3 Receivables**

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the consolidated balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement.

**3.4 Prepaid expenses**

Prepaid expenses are reported either as short-term or long-term prepaid expenses in the consolidated balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

*Prepaid land rental*

The prepaid land rental represents the unamortised balance of advance payment made in accordance with the lease contracts signed with Tan Thuan Corporation No. 258/TTC-NV.13 dated 31 December 2013 and No. 078/TTC-NV.16 dated 27 April 2016 for a period until 23 September 2041, the lease contract No. 111/TTC-NV.20 dated 17 April 2020 for a period until 23 September 2041. Such prepaid rentals are recognised as long-term prepaid expenses for allocation to the project cost or the consolidated income statement over the remaining lease period according to the Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance providing guidance on management, use and calculation of depreciation of fixed assets.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.5 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

Depreciation of tangible fixed assets is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 - 21 years
Machinery and equipment	3 - 10 years
Transportations and transmission facilities	3 - 6 years
Office equipment	2 - 10 years
Others	2 - 5 years

Where parts of an item of tangible fixed assets have different useful lives, cost is allocated on a reasonable basis among parts and each part is depreciated separately.

**3.6 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Group is the lessee*

Assets held under finance leases are capitalised in the consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful live of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

*Where the Group is the lessor*

Assets subject to operating leases are included as the Group's fixed assets in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated income statement as incurred.

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.7 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

*Software*

Software is stated at cost and amortised on a straight-line basis over the shorter of the estimated economic life and the license period.

*Research and development costs*

Research costs are expensed as incurred. Development expenditure on an individual project is recognized as an intangible asset only if the Group can demonstrate all of the following conditions:

- ▶ The technical feasibility study of completing the intangible fixed asset so that it will be available for use or sale;
- ▶ The intention to complete and use or sell the intangible fixed asset;
- ▶ The ability to use or sell the intangible fixed asset; the asset will generate probable future economic benefits;
- ▶ The availability of resources to complete the development and to use or sell the intangible fixed asset; and
- ▶ The ability to measure reliably the expenditure during the development.

Development costs capitalised as intangible asset are stated at cost less accumulated amortisation. Amortisation of the asset begins when development is completed, and the asset is available for use.

*Website and internally used software development costs*

All website and internally used software development costs in connection with the planning phase and costs associated with repairs or maintenance of the existing websites and software are recorded as expenses in the consolidated income statement. Costs incurred during the development phase which satisfy the criteria for development costs capitalisation are capitalised and amortised over the estimated product life.

*Intangible fixed asset acquired in a business combination*

The cost of intangible fixed assets acquired in a business combination is measured as the fair value at the date of acquisition and are amortised on a straight-line basis over an estimated useful life (8 - 10 years).

**3.8 Construction in progress**

Construction in progress is recognised at cost and comprises the following:

*Games and software in progress*

Games and software in progress represent the costs incurred for games, software development and construction which have not been fully completed as at the balance sheet date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.8 Construction in progress (continued)**

*Assets under construction*

Assets under construction represent asset items purchased which are under construction or have not been completed at the balance sheet date. Assets under construction include the construction cost, installation cost of equipment and other direct costs incurred until such time as the relevant assets are completed and put into use.

Construction in progress is not depreciated until such time the relevant assets are ready for use.

**3.9 Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of a business combination is measured at the fair value of assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over a period of from eight (8) to ten (10) years on a straight-line basis.

**3.10 Investments**

*Investments in associates*

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

*Investments in other entities*

Investments in other entities are stated at their acquisition costs.

*Provision for diminution in value of investments*

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the consolidated income statement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.10 Investments (continued)**

*Held-to-maturity investments*

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the consolidated financial statements and deducted against the value of such investments.

**3.11 Payables and accruals**

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

**3.12 Accrual for severance pay**

The severance pay to employee is accrued at the end of each reporting year for employees who have been worked at Group with the accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified until 31 December 2008 in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation is adjusted at the end of each reporting year following the average monthly salary of the last 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the severance allowance to be paid to employee upon termination of their labour contract following Article 46 of the Labour Code.

**3.13 Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the year in which they are incurred.

**3.14 Foreign currency transactions**

Transactions in currencies other than the Group's accounting currency of VND are recorded at the actual exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rate of the commercial bank designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rate of the commercial bank designated for payment;
- Capital contributions are recorded at the buying exchange rate of the commercial banks designated for capital contribution; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at consolidated balance sheet date which are determined as follows:

- Monetary assets are translated at the buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- Monetary liabilities are translated at the selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

All foreign exchange differences resulting from conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange differences reserve" on the interim consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.14 Foreign currency transactions (continued)**

***Conversion of the financial statements of foreign operations***

Conversion of the financial statements of the Group's subsidiaries which maintains their accounting records in other currency rather than the Group's accounting currency of VND for the consolidation purpose is as follows:

- Assets and liabilities are converted into VND by using the buying and selling exchange rates, respectively, as announced by the commercial banks where the Group frequently conducts its transactions at balance sheet date;
- Revenues, other income and expenses are converted into VND by using the actual transactional exchange rates; or the average exchange rates if the average exchange rates do not exceed +/- 2% the transactional exchange rates; and
- All foreign exchange differences resulting from conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange reserve" on the consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.

**3.15 Appropriation of net profits**

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval by the appropriate level of authority in the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

**3.16 Share-based payment transactions**

Management decided not to recognise any share payment transactions in the consolidated financial statements until the call option is exercised. As there is no specific guidance on accounting for share payment transactions in the existing Vietnamese Accounting Standards and Vietnamese Enterprise Accounting System.

**3.17 Treasury shares**

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, re-issue or cancellation of the Group's own equity instruments.

**3.18 Revenue recognition**

***Revenue from online games***

The Group distributes games, including self-developed games and licensed games from game developers, through personal computer (PC), mobile based application or web browser and certain app stores for online-enabled games and online games that allow players to play for free or with subscription fees. Within these games, players can purchase virtual currency to obtain virtual goods or may purchase virtual goods directly ("virtual items") to enhance their game-playing experience. When cash is received for virtual currency or virtual item purchased by gamers directly or when gamers use top-up cards to purchase virtual currency or virtual item, this is recorded as unearned revenue.

In accordance with license arrangements with game developers, when the Group is responsible for the hosting, operation and maintenance of the game, including maintenance of the operational and security team, testing environment and customer services, the Group recognized revenue on a gross basis. Royalties to game developers (which are based on revenue-sharing ratios) are recorded in 'cost of revenues' when incurred. In other situations, revenue is recorded on a net basis, ie, net off royalties.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.18 Revenue recognition (continued)**

*Revenue from online games (continued)*

For online games, the Group's identified performance obligation is to make the game and the ongoing game-related services available to the gamers. Revenue is recognized when the performance obligation was fulfilled. For purposes of determining the performance obligation period, the Group has considered a number of factors including: the nature of each game, the nature of virtual items sold, how the virtual items are sold and their importance to gamers.

On a quarterly basis, the Group estimates the average playing period of players for each game based on churn rate using a broad range of data points across the three months of the quarter. To compute the churn rate, the Group identifies the population of paying players who make payment at the first month of each quarter and tracks player behaviour to determine the subsequent churn rate of paying players, i.e. the number of paying players who do not log in to the game in the following two months of the quarter. The Group determines that a player 'churns' if it makes payment at the first month of the quarter but does not return to play the game in the remaining months of that quarter. For some specific games, or when a new game is launched and only a limited period of paying player data is available, the Group considers other factors to determine the estimated playing period of players such as the estimated playing period of players of other games with similar characteristics.

While the Group believes its estimates to be reasonable based on game player information available at the time, the estimated average playing period may be revised if a game's player characteristics change. An adjustment to revenue arising from a change in estimate of the average playing period in a given quarter is accounted for prospectively as a change in an accounting estimate. Such a change is the result of new information on game player behaviour patterns.

The Group offers many ways for users to pay for in-game virtual items, including ZaloPay platform, bank transfers, credit cards, mobile phone billing, its own prepaid cards which are sold through agents and other online payment gateways.

For revenue earned through mobile platforms, the transaction price is the gross amount that the Group charges players as the Group is the principal in the transaction. The Group controls the service of providing games to players and has a direct contractual arrangement with the paying players. The related platforms and payment processing fees are recorded as cost of revenues.

For revenue earned through other distribution channels (such as through agents, telcos and online platforms), the Group is also the principal in the transaction. The Group recognizes revenue at the consideration received from the distributors. These distributors may choose to alter the Group's requested price by offering a discount or other incentives to players. The Group does not receive information from these distributors indicating the amount of such discounts or incentives or the actual amount paid by players.

The Group recognizes channel costs as incremental costs, consistently with the pattern of recognition of the respective revenues. For games where the factors indicate the overall gaming experience and the virtual environment is more important to players than the virtual items sold, channel cost is recognized over the estimated average playing period of players. For games where the factors indicate the virtual items are more important to players than the overall gaming experience, channel cost is recognized on a consistent basis with the associated revenue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.18 Revenue recognition (continued)**

*Online advertising services*

Online advertising services revenue is mainly derived from fees charged on selling advertising space in the Group's websites and games websites in the form of banners, links and logos, etc. Revenue is recognised based on the actual time period that the advertisement appears in the Group's websites.

*Fintech and long-term opportunities*

Revenue is recognised when services have been rendered.

When providing services in programs for traditional customers meet the conditions in accordance with the Circular No. 200/2014/TT-BTC, revenue is recognised on the basis that the total amount received minuses unearned revenue being the fair value of the goods and services provided free or discounted amount for customers. Revenue for such goods, services provided shall be recognised until obligations for the customers are fulfilled or the customers did not meet the conditions and enjoy the free services.

*Sale of goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

*Sale of services*

Revenue is recognised when the services have been completed.

*Interest*

Interest is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

*Dividends*

Dividend is recognised when the Group's entitlement as an investor to receive the dividend is established.

**3.19 Cost of goods sold and services rendered**

Cost of goods sold and services rendered includes cost of purchase of goods, costs incurred for game license, royalty fee, cost of game development, game operation, data center and other overhead expenses directly attributable to the services provided and the goods sold.

**3.20 Taxation**

*Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.20 Taxation (continued)**

*Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporary differences associated with investments in subsidiaries and associates where timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised, or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity; or when the Group intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

4. CASH AND CASH EQUIVALENTS

	VND	
	Ending balance	Beginning balance
Cash on hand	634,144,916	246,056,841
Cash in banks	2,289,723,061,719	2,318,667,730,803
Cash equivalents (*)	402,550,000,000	1,518,993,099,178
<b>TOTAL</b>	<b>2,692,907,206,635</b>	<b>3,837,906,886,822</b>

(\*) Cash equivalents represent bank deposits with an original term of not more than three (3) months and earn interest at rates up to 3.8% per annum.

5. HELD-TO-MATURITY INVESTMENTS

Short-term held-to-maturity investments comprise deposits at commercial banks with remaining term of less than one (1) year and earn interest at rates up to 5.5% per annum.

Long-term held-to-maturity investment as at 31 December 2024 comprises a deposit at Deutsche Bank AG – Ho Chi Minh Branch with remaining term of more than one (1) year and earn interest at rate 4.4% per annum. The Group pledged certain long-term held-to-maturity investment as collateral for a bank loan (Note 21).

6. SHORT-TERM TRADE RECEIVABLES

	VND	
	Ending balance	Beginning balance
Third party customers	501,407,060,676	507,962,013,419
Related parties	45,257,202,165	30,241,229,216
<b>TOTAL</b>	<b>546,664,262,841</b>	<b>538,203,242,635</b>
Provision for short-term trade receivables	(17,850,937,028)	(19,244,795,160)
<b>NET</b>	<b>528,813,325,813</b>	<b>518,958,447,475</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

7. ADVANCES TO SUPPLIERS

	VND	
	Ending balance	Beginning balance
Advance to suppliers	198,239,817,078	207,208,904,911
- Znews	64,395,100,000	71,495,100,000
- Vietunion Online Services Corporation (Payoo)	49,165,988,342	8,380,531,173
- Hong Kong NetEase Interactive Entertainment Limited	25,401,000,000	-
- Other suppliers	59,277,728,736	127,333,273,738
Advances to related parties	7,112,280,000	6,790,000,000
<b>TOTAL</b>	<b>205,352,097,078</b>	<b>213,998,904,911</b>
Provision for advances to suppliers	(63,395,100,000)	(63,395,100,000)
<b>NET</b>	<b>141,956,997,078</b>	<b>150,603,804,911</b>

8. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>244,780,161,144</b>	<b>275,982,480,210</b>
Deposits for business activities	66,855,045,977	19,592,846,084
Receipts from banks - Zalopay services	49,317,375,443	93,316,631,133
Interest receivable	18,272,065,910	6,023,633,584
Advance to employees	12,310,697,285	6,809,379,528
Others	98,024,976,529	150,239,989,881
<b>Long-term - Deposits</b>	<b>13,566,125,480</b>	<b>10,888,049,512</b>
<b>TOTAL</b>	<b>258,346,286,624</b>	<b>286,870,529,722</b>

9. INVENTORIES

	VND			
	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Tools and supplies	16,387,967,482	-	21,744,302,878	-
Merchandise goods	16,308,495,204	-	21,104,611,235	-
Work in process	9,584,304,003	-	36,937,285,273	-
Promotion goods	5,891,985,163	(1,060,683,025)	4,624,349,807	(956,107,119)
<b>TOTAL</b>	<b>48,172,751,852</b>	<b>(1,060,683,025)</b>	<b>84,410,549,193</b>	<b>(956,107,119)</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

10. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Transportation and transmission facilities	Office equipment	Others	Total
						VND
<b>Cost:</b>						
Beginning balance	1,532,160,959,798	1,708,394,164,533	40,295,594,935	156,467,780,623	52,682,908,587	3,490,001,408,476
New purchases	500,000,000	48,912,320,996	7,930,542,236	5,961,553,629	428,208,167	63,732,625,028
Transfer from construction in progress	-	895,508,620,106	-	164,120,941	-	895,672,741,047
Disposals and write-offs	(14,470,714,692)	(226,377,336,572)	(811,028,819)	(11,138,509,187)	(822,564,128)	(253,620,153,398)
Foreign exchange differences due to the conversion of the subsidiary's financial statements from foreign currency to VND	(770,143,604)	46,984,108	-	270,292,841	-	(452,866,655)
Ending balance	1,517,420,101,502	2,426,484,753,171	47,415,108,352	151,725,238,847	52,288,552,626	4,195,333,754,498
<b>Accumulated depreciation:</b>						
Beginning balance	(185,856,801,657)	(1,024,081,693,363)	(31,681,712,565)	(125,646,495,376)	(52,085,761,905)	(1,419,352,464,866)
Depreciation for the year	(77,807,595,097)	(289,379,583,061)	(9,135,317,155)	(21,459,084,064)	(256,040,394)	(398,037,619,771)
Disposals and write-offs	12,470,720,728	212,717,114,989	811,028,819	9,494,786,908	822,564,128	236,316,215,572
Foreign exchange differences due to the conversion of the subsidiary's financial statements from foreign currency to VND	(8,264,708)	(5,387,822,660)	-	(173,680,688)	-	(5,569,768,056)
Ending balance	(251,201,940,734)	(1,106,131,984,095)	(40,006,000,901)	(137,784,473,220)	(51,519,238,171)	(1,586,643,637,121)
<b>Net carrying amount:</b>						
Beginning balance	1,346,304,158,141	684,312,471,170	8,613,882,370	30,821,285,247	597,146,682	2,070,648,943,610
Ending balance	1,266,218,160,768	1,320,352,769,076	7,409,107,451	13,940,765,627	769,314,455	2,608,690,117,377
<b>In which:</b>						
Pledged as loan security (Note 21)	1,264,744,882,710	309,445,739,879	-	-	-	1,574,190,622,589



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

11. FINANCE LEASES

VND

Machinery and equipment

**Cost:**

Beginning balance	-
New leases	161,305,595,964
Ending balance	161,305,595,964

**Accumulated depreciation:**

Beginning balance	-
Depreciation for the period	(21,293,742,027)
Foreign exchange differences due to the conversion of the subsidiary's financial statements from foreign currency to VND	(301,815,794)
Ending balance	(21,595,557,821)

**Net carrying amount:**

Beginning balance	-
Ending balance	139,710,038,143

12. INTANGIBLE ASSETS

VND

Software

Others

Total

**Cost:**

Beginning balance	942,594,083,418	42,360,625,489	984,954,708,907
New purchases	43,479,796,000	7,751,649,333	51,231,445,333
Transferred from software development in progress	114,224,970,305	15,640,437,473	129,865,407,778
Disposal and write-offs	(163,116,379,466)	(2,000,000,000)	(165,116,379,466)
Foreign exchange differences due to conversion of subsidiary's financial statements from foreign currency to VND	9,840,248,504	151,101,553	9,991,350,057
Ending balance	947,022,718,761	63,903,813,848	1,010,926,532,609

**Accumulated amortisation:**

Beginning balance	(728,733,524,868)	(39,177,121,864)	(767,910,646,732)
Amortisation for the year	(140,523,426,621)	(1,884,604,555)	(142,408,031,176)
Provision	(98,956,872,034)	-	(98,956,872,034)
Disposal and write-offs	160,673,185,590	2,000,000,000	162,673,185,590
Foreign exchange differences due to conversion of subsidiary's financial statements from foreign currency to VND	(8,582,305,463)	(30,320,482)	(8,612,625,945)
Ending balance	(816,122,943,396)	(39,092,046,901)	(855,214,990,297)

**Net carrying amount:**

Beginning balance	213,860,558,550	3,183,503,625	217,044,062,175
Ending balance	130,899,775,365	24,811,766,947	155,711,542,312

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**13. CONSTRUCTION IN PROGRESS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Software development in progress	95,045,817,824	172,071,827,271
Servers under installation	20,568,206,332	23,356,780,860
Others	8,846,294,943	17,556,843,531
<b>TOTAL</b>	<b><u>124,460,319,099</u></b>	<b><u>212,985,451,662</u></b>

**14. LONG-TERM INVESTMENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investment in associates (Note 14.1)	845,707,665,100	992,467,125,745
Investment in other entities (Note 14.2)	734,431,898,405	291,173,144,967
Long-term held-to-maturity investments (Note 5)	823,259,000,000	1,000,000,000
Provision for investment (Note 14.2)	(597,482,974,871)	(102,792,808,196)
<b>TOTAL</b>	<b><u>1,805,915,588,634</u></b>	<b><u>1,181,847,462,516</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

14. LONG-TERM INVESTMENTS (continued)

14.1 Investment in associates

	Tiki Global	Rocketeer	Ecotruck	DayOne Holding	Beijing YouTu	Telio	Funding Asia	OCG	Cloudverse	VTH	NCV	Total	VN8
Cost of investment													
Beginning balance	510,119,999,037	33,093,946,920	143,509,456,217	138,120,000,000	35,338,249,520	515,282,476,878	512,549,703,860	104,224,076,340	-	-	-	1,992,237,908,772	
Addition	-	-	-	-	-	-	-	-	-	221,133,094,568	17,465,280,000	238,598,374,568	
Decrease in year	(510,119,999,037)	-	-	-	-	-	-	-	-	-	-	(510,119,999,037)	
Ending balance	-	33,093,946,920	143,509,456,217	138,120,000,000	35,338,249,520	515,282,476,878	512,549,703,860	104,224,076,340	-	221,133,094,568	17,465,280,000	1,720,716,284,303	
Accumulated share in post-acquisition profit (loss) of the associates													
Beginning balance	(510,119,999,037)	(33,093,946,920)	(39,389,360,565)	8,315,671,114	(35,338,249,520)	(299,467,729,830)	(87,458,954,383)	(3,218,213,886)	-	-	-	(999,770,783,027)	
Share in post-acquisition (loss)	-	-	(104,120,095,652)	2,608,709,150	-	(215,814,747,048)	(52,257,277,123)	(13,150,501,096)	-	(2,623,923,444)	-	(385,357,835,213)	
Decrease in year	510,119,999,037	-	-	-	-	-	-	-	-	-	-	510,119,999,037	
Ending balance	-	(33,093,946,920)	(143,509,456,217)	10,924,380,264	(35,338,249,520)	(515,282,476,878)	(139,716,231,506)	(16,368,714,982)	-	(2,623,923,444)	-	(875,008,619,203)	
Net carrying amount													
Beginning balance	-	-	104,120,095,652	146,435,671,114	-	215,814,747,048	425,090,749,477	101,005,862,454	-	-	-	992,467,125,745	
Ending balance	-	-	-	149,044,380,264	-	-	372,833,472,354	87,855,361,358	-	218,509,171,124	17,465,280,000	845,707,665,100	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**14. LONG-TERM INVESTMENTS (continued)**

**14.1 Investment in associates (continued)**

*Tiki Global Pte. Ltd ("TiKi Global")*

Tiki Global was established in accordance with Unique Entity Number 202117645H on 19 May 2021. The head office of Tiki Global is located at No. 10, Anson Road, #21-07 International Plaza, Singapore. The principal activity of Tiki Global is acting as a holding company.

On 28 October 2024, the Group holds 14.61% ownership interest in TiKi Global, the Group resigned two (2) members of the Group from the Board of Directors of Tiki Global and no longer has significant influence in TiKi Global. Accordingly, Tiki Global was no longer an associate of the Group from this date.

*Rocketeer Holding Limited ("Rocketeer")*

Rocketeer was established in accordance with BRC No. 379385 on 29 July 2021. The head office of Rocketeer is located at the offices of ICS Corporate Services (Cayman) Limited, 3-212 Governors Square, 23 Line Tree Bay Avenue, P.O. Box 30746, Seven Mile Beach, Grand Cayman KY1-1203, Cayman Islands. The principal activity of Rocketeer is acting as a holding company.

As at 31 December 2024, the Group holds 11.25% ownership interest in Rocketeer. According to the shareholder agreement, the Group maintains its rights to nominate one (1) out of five (5) members to the Board of Directors of Rocketeer, including other rights, and has significant influence in *Rocketeer*.

*Ecotruck Technology Joint Stock Company ("Ecotruck")*

Ecotruck was established in accordance with BRC No. 0314715626 issued by the Planning and Investment Department of Ho Chi Minh on 3 November 2017. The head office of Ecotruck is located at No. 139/1A, Phan Dang Luu Street, Ward 2, Phu Nhuan District, Ho Chi Minh city, Vietnam. The principal activities of Ecotruck are software production and other supporting services related to transport.

As at 31 December 2024, the Group holds 23.94% ownership interest with equivalent voting rights in Ecotruck.

*DayOne Holding Joint Stock Company ("DayOne Holding")*

On 28 November 2024, the Group has completely swapped its interest in DayOne Joint Stock Company ("DayOne") for interest in DayOne Holding with 641,559 shares. DayOne Holding was established in accordance with BRC No. 0318506038 issued by the Planning and Investment Department of Ho Chi Minh on 12 June 2024. The head office of DayOne Holding is located at No 102 Nguyen Dinh Chinh Street, Ward 15, Phu Nhuan District, Ho Chi Minh City, Vietnam. The principal activity of DayOne Holding is management consulting services.

As at 31 December 2024, the Group holds 22.46% ownership interest with equivalent voting rights in DayOne Holding.

*Beijing Youtu Interactive Co., Ltd ("Beijing Youtu")*

Beijing Youtu was established in accordance with BRC No. 91110105MA01YKF977 on 5 January 2021. The head office of Beijing Youtu is located at 576 East, 202B, 2nd Floor, Building 1, No. 1, Lize Middle Road, Changyang District, Beijing, China. The principal activity of Beijing Youtu is game development.

As at 31 December 2024, the Group holds 14% ownership interest in Beijing Youtu. According to the shareholder agreement, the Group maintains its rights to nominate one (1) out of three (3) members to the Board of Directors of Beijing Youtu, including other rights, and has significant influence in Beijing Youtu.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**14. LONG-TERM INVESTMENTS (continued)**

**14.1 Investment in associates (continued)**

*Telio Pte. Ltd. ("Telio")*

Telio was established in accordance with BRC No. 201902507W on 21 January 2019. The head office of Telio is located at No. 30, Cecil Street, #19-08 Prudential Tower, Singapore. The principal activity of Telio is acting as a holding company.

As at 31 December 2024, the Group holds 16.55% ownership interest in Telio. According to the shareholder agreement, the Group maintains the rights to nominate one (1) out of three (3) members to the Board of Directors of Telio, including other rights, and has significant influence in Telio.

*The Group of Funding Asia Group Pte. Ltd. ("Funding Asia")*

Funding Asia was established in accordance with BRC No. 201537647E on 14 October 2015. The head office of Funding Asia is located at No. 5, Shenton Way, #10-01, UIC Building, Singapore. The principal activities of Funding Asia are operating and managing digital financing platform.

As at 31 December 2024, the Group holds 4.54% ownership interest in Funding Asia. According to the shareholder agreement, the Group maintains the rights to nominate one (1) out of nine (9) members to the Board of Directors of Funding Asia, including other rights, and has significant influence in Funding Asia.

*Open Commerce Holding Pte. Ltd. ("OCG")*

OCG was established in accordance with BRC No. 202140908D on 24 November 2021. The head office of OCG is located at No. 1 Raffles Place #40-02 One Raffles Place Singapore 048616. The principal activity of OCG is e-commerce.

As at 31 December 2024, the Group holds 12.17% ownership interest in OCG. According to the shareholder agreement, the Group maintains the rights to nominate one (1) out of four (4) members of the Board of Director of OCG, including other rights, and has significant influence in OCG.

*Cloudverse Pte. Ltd ("Cloudverse")*

Cloudverse was established in accordance with BRC No. 202141526E on 30 November 2021. The head office of Cloudverse is located at No. 80 Raffles Place #25-01 UOB Plaza Singapore 048624. The principal activity of Cloudverse is information technology consultant and hosting service.

As at 31 December 2024, the Group holds 30% ownership interest with equivalent voting rights in Cloudverse.

*VTH Development Software Joint Stock Company ("VTH")*

VTH was established in accordance with BRC No. 0317484078 issued by the Planning and Investment Department of Ho Chi Minh for the first time on 21 September 2022. The head office of VTH is located at No. Z06, Street 13, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam. The principal activity of VTH is investment, construction and trading in industrial park infrastructure and office leasing.

As at 31 December 2024, the Group holds 35% ownership interest with equivalent voting rights in VTH.

*NCV Games Pte. Ltd. ("NCV")*

NCV was established in accordance with BRC No. 202425231Z on 24 June 2024. The head office of NCV is located at No. 9 Raffles Place, #26-01, Republic Plaza, Singapore. The principal activity of NCV is game development.

On 15 November 2024, the Group completed the capital contribution of USD 690,000 to NCV. Accordingly, the Group holds 30% ownership interest with equivalent voting rights in NCV from this date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**14. LONG-TERM INVESTMENTS (continued)**

**14.2 Investment in other entities**

	Ending balance				Beginning balance			
	Quantity (No. of shares)	Ownership (%)	Value (VND)	Provision (VND)	Quantity (No. of shares)	Ownership (%)	Value (VND)	Provision (VND)
Tiki Global Pte. Ltd	4,639,533	14.61	510,119,999,037	(510,119,999,037)	-	-	-	-
Haegin, Co. Ltd,	55,555	0.57	106,155,034,938	-	55,555	0.57	101,344,813,088	-
Wildseed Games, Inc.	-	-	53,310,018,537	(34,020,875,834)	-	-	48,500,000,000	(48,500,000,000)
Transcend Fund II	-	-	50,802,000,000	(50,802,000,000)	-	-	50,894,372,250	(32,479,281,877)
Bonds to Victoria Shanghai Education Foundation Limited	-	-	11,504,745,893	-	-	-	10,983,429,310	-
Real Stake Pte Ltd	-	-	2,540,100,000	(2,540,100,000)	-	-	2,425,000,000	(2,425,000,000)
FPT Online Service Joint Stock Company	-	-	-	-	847,603	4.63	77,025,530,319	(19,388,526,319)
<b>TOTAL</b>			<b>734,431,898,405</b>	<b>(597,482,974,871)</b>			<b>291,173,144,967</b>	<b>(102,792,808,196)</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

15. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>298,402,941,056</b>	<b>212,379,601,605</b>
Channel costs	144,785,660,035	112,870,019,896
Royalty fees	72,962,111,525	14,312,196,797
Service fees	66,250,022,464	60,494,873,228
Tools and supplies	8,462,324,449	13,624,939,875
Others	5,942,822,583	11,077,571,809
<b>Long-term</b>	<b>235,356,261,061</b>	<b>386,388,659,539</b>
Prepaid land rental (*)	103,097,280,168	267,360,110,056
Tools and supplies	72,768,343,737	63,166,162,582
Music copy rights	21,928,050,045	32,684,967,909
Office renovation	14,800,341,481	13,182,914,521
Channel costs	10,080,560,323	4,634,148,881
Others	12,681,685,307	5,360,355,590
<b>TOTAL</b>	<b>533,759,202,117</b>	<b>598,768,261,144</b>

(\*) The Group pledged prepaid land rental as collateral for bank loans (Note 21).

16. SHORT-TERM TRADE PAYABLES

	VND	
	Ending balance	Beginning balance
Trade payables to suppliers	427,976,345,434	333,889,718,374
- Google Asia Pacific Pte. Ltd.	81,996,292,982	46,817,181,314
- Seasun Games Corporation Limited	32,033,728,695	38,920,796,627
- Other suppliers	313,946,323,757	248,151,740,433
Trade payables to related parties	186,605,763,354	200,134,880,865
<b>TOTAL</b>	<b>614,582,108,788</b>	<b>534,024,599,239</b>

17. STATUTORY OBLIGATIONS

	VND	
	Ending balance	Beginning balance
Value-added tax	60,463,051,528	35,488,318,236
Personal income tax	40,483,955,505	35,718,937,086
Corporate income tax	28,836,478,581	43,736,519,053
Foreign contractor withholding tax	31,680,389,494	13,983,713,541
<b>TOTAL</b>	<b>161,463,875,108</b>	<b>128,927,487,916</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**18. SHORT-TERM ACCRUED EXPENSES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Royalty fees	655,992,569,973	838,904,705,351
Salaries and bonus	317,242,281,138	359,709,238,542
Expenses for external services	80,267,313,571	40,117,579,424
Marketing expenses	44,177,689,235	60,419,093,392
Others	127,300,832,032	86,296,566,335
<b>TOTAL</b>	<b><u>1,224,980,685,949</u></b>	<b><u>1,385,447,183,044</u></b>

**19. UNEARNED REVENUES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>1,842,829,083,277</b>	<b>1,529,821,224,450</b>
Online game services	1,614,616,290,554	1,433,097,680,020
Other services	228,212,792,723	96,723,544,430
<b>Long-term</b>	<b>93,377,724,615</b>	<b>99,177,031,928</b>
Online game services	93,282,337,848	99,060,513,973
Other services	95,386,767	116,517,955
<b>TOTAL</b>	<b><u>1,936,206,807,892</u></b>	<b><u>1,628,998,256,378</u></b>

**20. OTHER SHORT-TERM PAYABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Receipts on behalf	805,007,576,118	729,192,221,667
Deposits received for shares purchase	168,841,570,000	17,849,830,000
Foreign contractor withholding tax	29,351,930,195	23,500,614,867
Trade union fees	12,726,775,790	15,826,936,535
Others	81,428,726,683	8,188,851,055
<b>TOTAL</b>	<b><u>1,097,356,578,786</u></b>	<b><u>794,558,454,124</u></b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

21. LOANS AND FINANCE LEASES

	Beginning balance	Increase in year	Decrease in year	Reclassification	Decrease due to loss of control in a subsidiary	VND Ending balance
<b>Short-term:</b>	<b>865,445,722,221</b>	<b>1,860,663,914,213</b>	<b>(2,188,964,341,827)</b>	<b>232,501,972,034</b>	<b>(14,850,000,000)</b>	<b>754,797,266,641</b>
Short-term loan from the banks (Note 21.1)	718,480,706,210	1,850,313,914,213	(2,010,753,623,307)	-	-	558,040,997,116
Current portion of long- term loan (Note 21.2)	146,965,016,011	-	(138,865,016,012)	166,016,835,812	(14,850,000,000)	159,266,835,811
Current portion of finance leases (Note 21.4)	-	-	(32,495,702,508)	66,485,136,222	-	33,989,433,714
Short-term loan from individual (Note 21.3)	-	10,350,000,000	(6,850,000,000)	-	-	3,500,000,000
<b>Long-term:</b>	<b>617,728,536,712</b>	<b>913,516,904,745</b>	<b>-</b>	<b>(232,501,972,034)</b>	<b>(49,978,864,740)</b>	<b>1,248,764,604,683</b>
Long-term loan from the banks (Note 21.2)	617,728,536,712	752,211,334,182	-	(166,016,835,812)	(49,978,864,740)	1,153,944,170,342
Finance leases (Note 21.4)	-	161,305,570,563	-	(66,485,136,222)	-	94,820,434,341
<b>TOTAL</b>	<b>1,483,174,258,933</b>	<b>2,774,180,818,958</b>	<b>(2,188,964,341,827)</b>	<b>-</b>	<b>(64,828,864,740)</b>	<b>2,003,561,871,324</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**21. LOANS AND FINANCE LEASES (continued)**

**21.1 Short-term loan from the banks**

Details of the short-term bank loans at commercial banks to finance the working capital requirements are as follows:

Bank	Ending balance (VND)	Term	Interest rate (%/year)	Description of collateral
Joint-Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh Branch	337,673,970,253	From 3 January 2025 to 31 January 2025	5.5	(i) Land use rights and related ownership of assets on the land belonging to Land Lot No 24, Map No 31 (according to measurement documents in 2023), located at Lot Z.03b-04 and Lot Z.05-06-07, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City.
Vietnam Maritime Commercial Joint Stock Bank – Tan Binh Branch	220,367,026,863	From 28 February 2025 to 30 June 2025	5.5	(ii) 40,000,000 ordinary shares owned by the Company in VinaData.
<b>TOTAL</b>	<b>558,040,997,116</b>			Unsecured loan

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**21. LOANS AND FINANCE LEASES (continued)**

**21.2 Long-term loan from the banks**

Details of long-term bank loans at commercial banks to financing for the "Data Center and Software Production" project and investment for fixed assets are as follows:

<i>Bank</i>	<i>Ending balance (VND)</i>	<i>Term</i>	<i>Interest rate (%/year)</i>	<i>Description of collateral</i>
Deutsche Bank AG – Singapore Branch	750,959,786,982	1 August 2027	1.65 per annum over the 3-month Term SOFR	Long-term held-to-maturity investment in VinaData (Note 5)
Vietnam Maritime Commercial Joint Stock Bank – Tan Binh branch				
- Contract 1	384,999,999,981	From 26 February 2025 to 20 May 2028	8.5	Prepaid land rental and assets formed in the future including construction on land and machineries belong to the project "Data Center and Software Production"
- Contract 2	1,251,547,200	From 29 November 2025 to 29 August 2031	8.5	
Joint-Stock Commercial Bank for Foreign Trade of Vietnam – Tan Sai Gon branch				
- Contract 1	119,505,526,950	From 26 January 2025 to 31 March 2028	7.4	Machinery and equipment
- Contract 2	56,494,145,040	From 26 January 2025 to 28 September 2028	7.4	
<b>TOTAL</b>	<b>1,313,211,006,153</b>			
<i>In which:</i>				
Current portion	159,266,835,811			
Non-current portion	1,153,944,170,342			



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**21. LOANS AND FINANCE LEASES (continued)**

**21.3 Short-term loan from individual**

Details of short-term loan from individual to finance the working capital requirements is as follows:

<i>Individual</i>	<i>Ending balance (VND)</i>	<i>Term</i>	<i>Interest rate (%/year)</i>	<i>Description of collateral</i>
Individual	3,500,000,000	2 March 2025	5.18	Unsecured loan

**21.4 Finance lease obligations**

The Group currently leases machinery and equipment under finance lease arrangements. Future obligations due under finance leases agreements as at the balance sheet dates were as follows:

	<i>Ending balance</i>			<i>Beginning balance</i>			<i>VND</i>
	<i>Total minimum lease payments</i>	<i>Finance charges</i>	<i>Lease liabilities</i>	<i>Total minimum lease payments</i>	<i>Finance charges</i>	<i>Lease liabilities</i>	
Less than 1 year	43,463,752,704	9,474,318,990	33,989,433,714	-	-	-	-
From 1 to 5 years	105,037,402,368	10,216,993,428	94,820,434,341	-	-	-	-
<b>TOTAL</b>	<b>148,501,155,072</b>	<b>19,691,312,418</b>	<b>128,809,868,055</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**22. LONG-TERM PROVISION**

Long-term provision represents the provision for severance allowance in accordance with Article 46 in the Labor Code, as mentioned in Note 3.12.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

23. OWNERS' EQUITY

*Movements in owners' equity*

	Share capital	Share premium	Treasury shares	Foreign exchange differences	Undistributed earnings	Total
						VND
<b>Previous year</b>						
Beginning balance	358,442,620,000	783,503,561,013	(1,264,419,931,578)	9,835,765,373	5,092,951,627,944	4,980,313,642,752
Cancellation of treasury shares	(71,082,620,000)	(1,193,337,311,578)	1,264,419,931,578	-	-	-
Net loss for the year	-	-	-	-	(2,101,010,258,664)	(2,101,010,258,664)
Change in interest ownership in subsidiary	-	-	-	-	(149,621,322,139)	(149,621,322,139)
Foreign exchange differences due to conversion of subsidiary's financial statements from foreign currency to VND	-	-	-	5,848,452,029	-	5,848,452,029
Ending balance	287,360,000,000	(409,833,750,565)	-	15,684,217,402	2,842,320,047,141	2,735,530,513,978
<b>Current year</b>						
Beginning balance	287,360,000,000	(409,833,750,565)	-	15,684,217,402	2,842,320,047,141	2,735,530,513,978
Net loss for the year	-	-	-	-	(917,932,807,596)	(917,932,807,596)
Change in interest ownership in subsidiary	-	-	-	-	(926,127,636,298)	(926,127,636,298)
Foreign exchange differences due to conversion of subsidiary's financial statements from foreign currency to VND	-	-	-	30,570,329,082	-	30,570,329,082
Ending balance	287,360,000,000	(409,833,750,565)	-	46,254,546,484	998,259,603,247	922,040,399,166

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**24. REVENUES**

**24.1 Net revenue from sale of goods and rendering of services**

	VND	
	Current year	Previous year
Online games services	6,439,722,869,012	5,482,545,050,342
Value-added services on telecommunication network and internet	1,835,588,503,803	971,686,733,497
Online advertising services	933,892,050,911	916,528,012,789
Music and ring-tone services	73,427,649,222	41,420,640,757
Other services	222,215,344,522	180,524,677,920
<b>TOTAL</b>	<b>9,504,846,417,470</b>	<b>7,592,705,115,305</b>

**24.2 Finance income**

	VND	
	Current year	Previous year
Gain from disposal of long-term investment	58,769,268,625	649,716,829
Foreign exchange gains	49,729,738,301	48,356,061,557
Interest income	48,840,257,059	38,750,167,961
Dividends earned	-	4,273,515,000
Others	657,400,327	2,355,827,101
<b>TOTAL</b>	<b>157,996,664,312</b>	<b>94,385,288,448</b>

**25. FINANCE EXPENSES**

	VND	
	Current year	Previous year
Interest expenses	145,335,261,844	84,267,203,480
Foreign exchange losses	34,679,322,649	16,964,153,270
(Revert provision) provision for diminution in value of long-term investments	(19,388,526,319)	98,747,310,429
Others	20,332,740,692	20,875,774,093
<b>TOTAL</b>	<b>180,958,798,866</b>	<b>220,854,441,272</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**26. OTHER INCOME AND EXPENSES**

	VND	
	Current year	Previous year
<b>Other income</b>	<b>18,556,319,071</b>	<b>14,610,087,651</b>
Gains from disposal of fixed assets	13,051,985,913	280,915,887
Incentive income	-	6,396,837,450
Others	5,504,333,158	7,932,334,314
<b>Other expense</b>	<b>(350,509,299,646)</b>	<b>(78,496,462,200)</b>
Provision for impairment of game licenses	(314,531,937,155)	(15,394,014,610)
Loss from assets disposal and written-off	(16,604,088,304)	(20,101,250,122)
Compensation fees	(16,097,585,327)	(24,947,520,046)
Others	(3,275,688,860)	(18,053,677,422)
<b>OTHER LOSS</b>	<b>(331,952,980,575)</b>	<b>(63,886,374,549)</b>

**27. OPERATING COSTS BY ELEMENTS**

	VND	
	Current year	Previous year
Expenses for external services	4,059,149,716,773	3,939,169,841,416
Labour costs	2,717,687,649,537	2,711,863,112,043
Royalty fees	1,759,400,441,346	1,868,066,990,497
Depreciation and amortisation of fixed assets and goodwill	563,803,122,062	414,587,390,902
Tools and supplies	112,747,025,307	137,395,036,358
Others	136,315,660,985	182,968,028,998
<b>TOTAL</b>	<b>9,349,103,616,010</b>	<b>9,254,050,400,214</b>

**28. CORPORATE INCOME TAX**

The statutory corporate income tax ("CIT") applicable to the Group is 20% of taxable income, with certain exemptions and/or reductions as follows:

- ▶ VNG Software Development Company Limited is entitled to an exemption from CIT for a period of four years commencing from the first year in which a taxable income is earned (2012) and preferential CIT rate of 5% for the next nine years and 10% for subsequent years up to 2026;
- ▶ VNG Singapore Pte., Ltd., ZingPlay International Pte. Ltd., VNG Investment Pte. Ltd., Instantiapay Holdings Pte. Ltd., Instantiapay SG Pte. Ltd., Verichains SG Pte. Ltd and Greennode Pte. Ltd. is obliged to pay CIT at rate of 17%;
- ▶ VNG Myanmar Company Limited is obliged to pay CIT at rate of 22%;
- ▶ MLT Hong Kong Limited and InstantiaPay Limited (Hongkong) is obliged to pay CIT at the rate of 8.25% on the first HKD 2 million of assessable profits and 16.5% on the remainder of assessable profits;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**28. CORPORATE INCOME TAX (continued)**

- ▶ Instantiapay Pty Ltd is obliged to pay CIT at rate of 25%.
- ▶ InstantiaPay Limited (United Kingdom) is obliged to pay CIT at rate of 19%, applicable to businesses with taxable profits below GBP 50,000;
- ▶ KMZ Interactive Entertainment (Shenzhen) Co., is obliged to pay CIT at rate of 25% entitled to an exemption from CIT for a period of two years commencing from the first year in which a taxable income is earned and preferential CIT rate of 12.5% for the next three years;
- ▶ Vinadata Information Technology Services Joint Stock Company is obliged to pay CIT at rate of 10% entitled to an exemption from CIT for two (2) years commencing from the date of issue the Certificate of High-Tech Enterprise (2021) and a 50% reduction of the applicable CIT tax rate for the following six (6) years. This tax exemption and reduction are only applicable to income from groups of products and services classified as high-tech products and services;
- ▶ Dream Maker Foundation is entitle to CIT exemption on donation income for the charity purpose in accordance with the Vietnamese Law on Corporate Income Tax; and
- ▶ YoPlatform FZE và VNG Technologies LLC is obliged to pay CIT at the rate of 0% on the first AED 375 million of assessable profits and 9% on the remainder of assessable profits.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.



Le Thi Hong Hanh  
Preparer



Le Trung Tin  
Chief Accountant



Le Hong Minh  
Legal Representative

24 January 2025