



VIETNAM EDUCATION PUBLISHING HOUSE LIMITED COMPANY
BINH DINH BOOK AND EQUIPMENT JOINT STOCK COMPANY

Tax code: 4100259437

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ANNUAL REPORT



Year 2024

ANNUAL REPORT

BINH DINH BOOK AND EQUIPMENT JOINT STOCK COMPANY

Year 2024

I. GENERAL INFORMATION

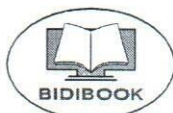
Binh Dinh Book and Equipment Joint Stock Company was incorporated on the basis of equitization of Binh Dinh Book and Equipment Company under Decision No. 485/QD-CTUBND dated February 28, 2007 of the People's Committee of Binh Dinh Province. The Company is an independent accounting unit, operating in production and business under the Business Registration Certificate No. 3503000141 dated July 2, 2007 by the Department of Planning and Investment of Binh Dinh Province with Business Code No. 4100259437 (This Business Registration Certificate was most recently amended on May 11, 2020), the Law on Enterprises, the Company Charter and other relevant current legal provisions.

The Company is a member unit of Vietnam Education Publishing House.

On December 25, 2009, the Company listed its shares with the stock code BDB on the Hanoi Stock Exchange. The date of first trading was January 29, 2010.

Charter capital under the Business Registration Certificate: 11,264,740,000 VND equivalent to: 1,126,474 shares

- Name of company: **CONG TY CO PHAN SACH VA THIET BI BINH DINH**
- English name: Binh Dinh Book and Equipment Joint Stock Company
- Abbreviation: **BIDIBOOK**
- Address: No. 219 Nguyen Lu, Ngo May Ward, Quy Nhon City, Binh Dinh Province
- Tel: 0256.3522645 – 0256.3522453
- Fax: 0256.3522853
- Email : **bidisabico@vnn.vn**
- Website: **<http://www.sachthietbibinhdinh.com.vn/>**
- Logo:



BIDIBOOK

+ Main business lines

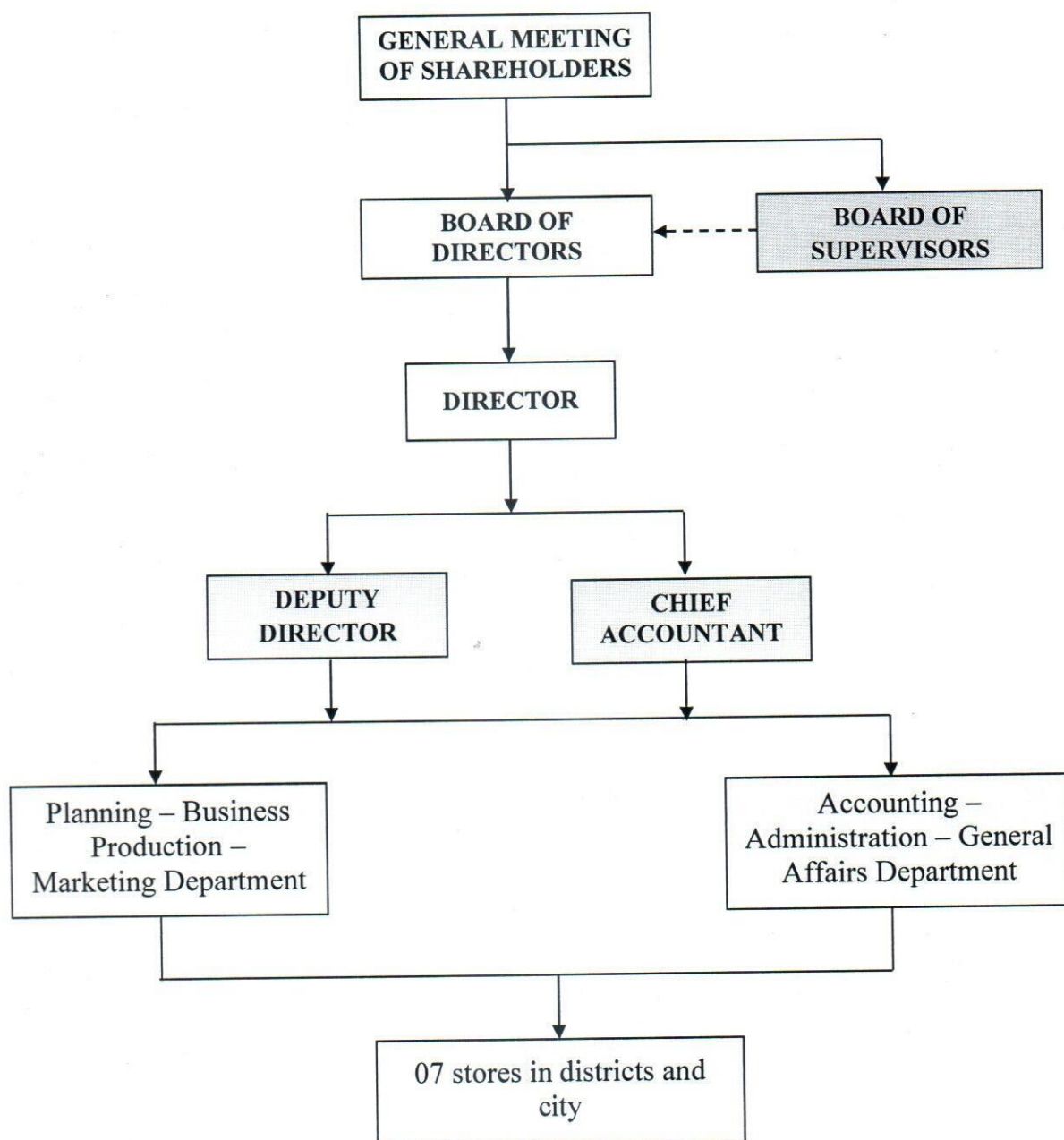
- Wholesale of other household items (Details: Purchase and sale of sports equipment and toys for children; Purchase and sale of cultural products and items; Purchase and sale of teaching, vocational training and office equipment; Purchase of textbooks, books of all kinds and stationery; Wholesale of beds, cabinets, wardrobes, tables, chairs and similar interior furniture).
- Short-term accommodation services (Details: Hotels).
- Restaurants and mobile catering services. Details: Restaurants, eateries and food stalls;
- Trading in real estate and land use rights of owners, users and tenants;
- Warehousing and cargo storage;
- Retail in general stores;
- Retail of computers, peripherals, software and telecommunications equipment in specialized stores;
- Cargo transport by road;
- Silk-screen printing;
- Wholesale of electronic and telecommunication equipment and components;
- Computer programming (Details: Production of computer software);
- Production of electronic components;
- Production of computers and computer peripherals;
- Production of communication equipment;
- Wholesale of other machinery, equipment and spare parts. Details: Wholesale of machinery, equipment and materials for the education sector;
- Other specialized wholesale not elsewhere classified. Details: Purchase and sale of packaging of all kinds;
- Production of other products from paper and cardboard not elsewhere classified. Details: Production of packaging of all kinds;

- Manufacture of other products from wood; manufacture of products from bamboo, rattan, straw, thatch and plaiting materials.
 - For conditional business lines, the enterprises may conduct business only when they satisfy all conditions and have licenses under the law.
 - Retail of food, foodstuffs, beverages, cigarettes and Brazilian tobacco accounting for a large proportion in general stores.
 - Retail of household electrical appliances, beds, cabinets, wardrobes, tables, chairs and similar interior furniture, lamps and electric lighting sets, and other household items not elsewhere classified in specialized stores.
- + **Headquarters of Company:**

The Headquarters of the Company has an area of about 2,100 m² located in Quy Nhon City – the provincial center. The Company has 7 wholesale and retail stores located in the city center and evenly distributed in the centers of districts / townships of the Province.



- Organizational structure of the Company:



- + General Meeting of Shareholders is the highest authority of the Company.
- + Board of Directors consists of 5 people.
- + Board of Supervisors consists of 3 people.

+ Board of Management and Chief Account: Director, Deputy Director and Chief Accountant.

+ The structure of the Company includes:

- 02 functional departments: Planning – Business Production – Marketing Department and Accounting – Administration – General Affairs Department;
- 07 stores distributed evenly in districts and cities

Development orientation

+ **Main goals of the Company:**

Binh Dinh Book and Equipment Joint Stock Company is a logistics unit of the local education sector, taking business as a means to achieve the goal of profit. It continuously expands and develops lines, in order to better meet the needs of education sector and society, maximize profits for itself and its shareholders, improve working conditions, increase income for employees, fully fulfill obligations to the State, and develop itself to become stronger and more sustainable.

+ **Medium and long-term development strategy:**

- Strengthening and investing appropriately in all aspects marketing activities to capture the market and increase revenue and income;
- Expanding retail system and bookstores by many measures;
- Expanding business lines, taking advantage of existing advantages of the Company to increase revenue and profit.

II. PERFORMACE SITUATION IN THE YEAR

1. Production and business operation situation.

+ **Production and business outcome in the year.**

In 2024, the economic situation of the country in general and Binh Dinh Province in particular had many difficulties and challenges. It is the last year of socialization of textbook compilation, printing and distribution, with heavy impact of the Russia – Ukraine war and the war in the Middle East, which is the cause of increased prices of other goods and services.

With the above characteristics, the Company strived to organize production and business to meet the needs of books and equipment for people in the whole province well. The efforts have achieved the following results:

Indicators	Implemented in 2023 (1,000 VND)	Plan for 2024 (1,000 VND)	Implemented in 2024 (1,000 VND)	Comparison (%)	
				Implemented in 2023	Plan for 2024
1- Total revenue	64,723,691	67,100,000	69,071,069	106.72	102.94
In which: Revenue from sale of goods and services rendered	64,475,719	67,100,000	69,059,167	107.11	102.92
2- Total expenses	5,567,314	5,814,450	5,222,954	93.81	89.83
In which: Cost of goods sold	57,951,321	60,085,550	62,949,510	108.62	104.77
3- Ratio of cost to net revenue (%)	89.88	89.55	91.15	101.42	101.79
4- Profit before tax	1,205,056	1,200,000	886,703	73.58	73.89

Last year, the Company made great efforts in implementing the production and business tasks, delivering books to schools and dealers in the province in a timely manner for students, so the total revenue was 2.94% compared to the plan and nearly 6.72% compared to the previous year. However, the profit before tax only reached 73.89% compared to the plan and 73.58% compared to the same period. Reasons:

- Due to the slow supply of books from the regional focal company compared to other regions, books from other places flooded in. Combined with pirated books released by book dealers to the market at high discounts, the Company was forced to increase discounts, leading to a decrease in income;

- Books were imported sporadically and many times, making distribution and transportation costly;

- Although books have been delivered to schools, students have reused many old textbooks and rarely used exercise books due to high book prices and difficult living conditions. As a result, sales have dropped dramatically and many schools have returned many books.

- In 2024, Vietnam Education Publishing House cut the input discount for textbooks by 2% compared to 2023, but the distribution discount of the Company could not be reduced accordingly, so the gross profit from sale of goods was significantly reduced;

- The Russia – Ukraine war and the war in the Middle East have severely affected the world economy, including Vietnam, the supply and demand chain has been broken, and the sharp increase in gasoline prices has caused the prices of other goods and services to increase accordingly.

2. Organization and personnel

- The Executive Board of the Company consists of 3 people

- Mr. Pham Dinh Thuan - Director of the Company;
- Mr. Nguyen Quoc Quan - Deputy Director

- Ms. Doan Thi Le Kieu - Chief Accountant

- Summary of the personal profiles of the Executive Board

* **Mr. Pham Dinh Thuan** - Position: Member of the Board of Directors – Director of the Company

Date of birth: February 16, 1964

Native place: Nhon My, An Nhon, Binh Dinh

Permanent address: No. 11/4 Ngo May, Quy Nhon City, Binh Dinh

Professional qualification: University of Finance and Accountancy

Number of shares owned by individuals: 14,500 shares

Number of shares held by stakeholders: None

* **Ms. Doan Thi Le Kieu** - Position: Chief Accountant of the Company.

Date of birth: May 4, 1982

Native place: Hoai Son Commune, Hoai Nhon Township, Binh Dinh Province

Address: No. 84 Bui Duc Son, Quy Nhon City, Binh Dinh Province

Professional qualification: University of Finance and Accountancy

Number of shares owned by individuals: 0 (Zero) shares

Number of shares held by stakeholders: None.

* **Mr. Nguyen Quoc Quan** - Position: Deputy Director of the Company.

Date of birth: January 12, 1976

Native place: Cat Son Commune, Phu Cat District, Binh Dinh Province

Address: No. 25/3/4 Ly Thai To, Quy Nhon City, Binh Dinh Province

Professional qualification: University of Mathematics and Information Technology

Number of shares owned by individuals: 700 shares

Number of shares held by stakeholders: None.

+ The total number of employees of the Company as of December 31, 2024 is 31 people.

+ Policy for employees:

- The Company signs labor contracts and pays social insurance, health insurance and unemployment insurance premiums as well as other benefits of employees under the law.

- Developing and implementing the Regulations on Salary and Bonus throughout the Company as prescribed. The salary paid to employees is based on the minimum wage in the province. The average income in 2024 is 7,400,000 VND/person/month.

3. Investment and project implementation situation: No

4. Financial position*** Financial position**

Indicators	Implemented in 2023 (1,000 VND)	Implemented in 2024 (1,000 VND)	2024/2023 (%)
1- Total value of assets	19,661,963	25,563,547	130.02
2- Net revenue	64,460,865	69,059,167	107.13
3- Profit from operating activities	1,086,988	760,524	69.97
4- Other profits	118,068	126,178	106.87
5- Profit before tax	1,205,056	886,702	73.58
6- Profit after tax	943,105	687,855	72.94
7- Dividend payout ratio (%)	8.00	7.00	87.50

*** Main financial indicators:**

	Year 2024	Year 2023
+ Solvency:		
- Current ratio (Current assets/Current liabilities)	1.78	2.59
- Quick ratio [(Current assets - Inventories)/Current liabilities]	0.29	0.54
* Operating capacity		
- Net revenue/Total assets	2.70	3.28
- Inventory turnover	4.58	5.04
* Asset structure		
- Current assets/Total assets	0.84	0.78
- Non-current assets/Total assets	0.16	0.22
* Equity structure		
+ Liabilities/Total equity	0.47	0.30
+ Owners' equity/Total equity	0.53	0.70
+ Profitability:	Year 2024	Year 2023
- Profit after tax/Net revenue ratio:	0.01	0.015
- Profit after tax/Owners' equity ratio:	0.05	0.069
- Profit after tax/Total assets ratio:	0.027	0.048
- Profit from operating activities/Net revenue ratio:	0.011	0.017

*** Shareholder structure, change in owners' equity**

Shareholder capital structure as of	Number of	Value (1,000 VND)	Ratio
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March 1, 2024	shares		
1- State shareholder (Vietnam Education Publishing House)	452,523	4,525,230	40.17%
2- Other shareholders	1,111,274	11,112,740	98.65
- Institutions	744,473	7,444,730	66.09
- Individuals	366,801	3,668,010	32.56
3- Internal shareholders	15,200	152,000	1.35
- Board of Directors, Board of Management and Chief Accountant	15,200	152,000	1.35
- Board of Supervisors			

* Total number of shares as of December 31, 2024: 1,126,474 shares. Of which:

- Total number of ordinary shares: 1,126,474 shares
- Total number of preferred shares: None

* Total number of outstanding bonds as of December 31, 2024: None (by class of convertible bonds, non-convertible bonds, ...)

* Total number of outstanding shares as of December 31, 2024: 1,126,474 shares.

* Number of reserved shares and treasury shares by class: None.

* Dividend: Expected dividend to be paid to shareholders: 7%/year, equivalent to: 788,531,800 VND

III. REPORT AND ASSESSMENT OF BOARD OF MANAGEMENT

1. Production and business performance assessment

In 2024, the lives of people faced many difficulties, prices of many goods increased, especially for transportation costs, the book market in the area was subject to fierce competition. However, thanks to the close and timely direction of Vietnam Education Publishing House, Education Publishing House in Da Nang as well as the Board of Directors, the Board of Management and all employees, the Company have tried to overcome difficulties and find many solutions to carry out the production and business tasks and achieved some specific results as follows:

Indicators	Implemented in 2023 (1,000 VND)	Plan for 2024 (1,000 VND)	Implemented in 2024 (1,000 VND)	Comparison (%)	
				Implemented in 2023	Plan for 2024
1- Total revenue	64,723,691	67,100,000	69,071,069	106.72	102.94
In which: Revenue from sale of goods and services rendered	64,475,719	67,100,000	69,059,167	107.11	102.92
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3- Ratio of cost to net revenue (%)	89.88	89.55	91.15	101.42	101.79
4- Profit before tax	1,205,056	1,200,000	886,703	73.58	73.89
5- Profit after tax	943,105	960,000	687,855	72.94	71.65

- In 2024, the Executive Board of the Company has made great effort in implementing the production and business tasks, proactively finding measures to maintain and expand market share. The Company implemented a flexible sales mechanism, in line with the market from time to time and each customer, organized the book distribution and transportation to schools to promptly meet the needs of students, so the total revenue increased by 6.72% over the same period and exceeded the plan by 2.94%.

- Regarding the profit before tax: Although the revenue increased as above, due to the influence of many different factors (as analyzed in the section of revenue and profit results above), the profit in 2024 only reached about 74% compared to the previous year.

2. Financial position

BRIEF BALANCE SHEET 2024:

ASSETS	Closing balance (December 31, 2024)	Opening balance (January 1, 2024)
A. SHORT-TERM ASSETS	21,506,975,167	15,307,826,225
I. Cash and cash equivalents	640,979,395	705,533,145
II. Short-term financial investments		
III. Short-term receivables	2,778,752,104	2,408,987,700
VI. Inventories	18,036,302,116	12,141,259,188
V. Other short-term assets	50,941,552	52,046,192
B. LONG-TERM ASSETS	4,056,571,888	4,354,136,487
I. Long-term receivables		
II. Fixed assets	3,843,317,872	4,048,071,388
Of which:		
1- Residual value of tangible fixed	935,844,425	1,059,868,337

assets		
+ Original cost of tangible fixed assets	6,317,629,279	6,317,629,279
+ Accumulated depreciation	-3,381,784,854	-5,257,760,942
2 – Residual value of intangible fixed assets	2,907,473,447	2,988,203,051
+ Original cost of intangible fixed assets	4,038,215,400	4,038,215,400
+ Accumulated depreciation	-1,130,741,953	-1,050,012,349
3 – Construction in progress		
III. Long-term financial investments		
IV. Other long-term assets	213,254,016	306,065,099
TOTAL ASSETS	25,563,547,055	19,661,962,712
C. LIABILITIES	12,105,139,534	5,917,817,064
I. Short-term liabilities	12,080,139,534	5,917,817,064
I Long-term liabilities	25,000,000	
D. EQUITY	13,458,407,521	13,744,145,648
I. Owner's investment capital	13,458,407,521	13,744,145,648
II. Other sources of funding and funds		
TOTAL CAPITAL SOURCES	25,563,547,055	19,661,962,712

- Total assets at the end of the year increased by 30.02% compared to the beginning of the year, which was caused by the increase in inventories (*increase by 48.55% compared to the beginning of the year*). Inventories are at a high level, demonstrating that the company has not managed its inventory effectively. Reason: Due to the ordering mechanism of Vietnam Education Publishing House (Ordering from the end of the previous year. Once ordered, the quantity of goods must be received in full, so even though the goods has not been consumed in full, goods must be received); people's lives face numerous difficulties, students reuse old books and do not use exercise books. Therefore, in the coming year, the Company should focus on ordering and consumption, otherwise there will be a risk of increasing interest expenses.

- Similar to assets, the end-of-year capital sources also increased by 30.02% compared to the beginning of the year. Of which, the main factor was the increase in liabilities (*an increase by 104.55% compared to the beginning of the year*). This indicates that the company has appropriated the capital of suppliers, which can easily results in fines due to breach of contract, or legal disputes regarding economic contractual relationships.

3. Future development plans.

+ General direction.

- Sufficiently provide to promptly meet demands for books and equipment in the area. Make every effort to complete the plan assigned by the Vietnam Education Publishing House;

- Continue applying solutions to increase the proportion of retail sales through the network of agents and schools, and to reduce the proportion of wholesale sales. Strive to reach inventories at 8 billion VND, outstanding debt at \leq 02 billion VND, and stores alone \leq 4% of annual revenue by December 31, 2025.

- Continue applying solutions to maintain and increase market share, especially in Tam Quan area to retain the Northern market of the province.

- Maintain and promote advantages, overcome shortcomings and limitations. Continue to promote the issuance method through school distribution channels to increase the retail sales proportion, maintain and develop good relationships with the Departments, Divisions of Education and Training as well as schools to successfully coordinate in implementing the above method.

- Further promote the consumption of teaching equipment, especially Math - Vietnamese Practice Sets for all grades;

- Continue and maintain to exploit the advantages of the Company's physical facilities such as: leasing; joint ventures, partnerships, etc.; to increase revenue and income.

+ Plan indicators for 2025.

No.	Indicators	Implemented in 2024 (1,000 VND)	Planned in 2024 (1,000 VND)
01	Total Revenue.	69,071,069	67,00,000
06	Profit	886,703	1,000,000
07	Dividend (%)	7	7

IV. BOARD OF DIRECTORS' REVIEW

In 2024, people's lives faced numerous difficulties, prices of goods and services increased, input discounts decreased, resulting in the fact that the profit indicator has not been achieved as expected. However, the Company's Board of Directors directed the Executive Board to apply production and business solutions to fulfill the political task of fully and promptly serving the demands for books and equipment from people in the province, preventing the situation of book shortages or book price surges from occurring. In 2024, the Company continued to properly exploit its existing facilities and to cooperate with

its partners. Thanks to the resonable use of capital, bank loan interest expenses have significantly increased, contributing to stable profits.

During the year, the Company's Board of Management also complied with regulations of the law, the Charter, the Resolutions of the General Meeting of Shareholders, the Board of Directors and with internal rules of the Company, prevented no violations from occuring during the production and business operations; made payment to the state budget in full and in compliance with regulations; well implemented the policies for employees, guaranteed jobs, stabilized the lives of employees within the company; well performed the work of gratitude and social welfare.

Plans and directions of the Board of Directors

- Research to find suitable solutions so that market organization and implementation are not affected by encroachment and unauthorized distribution, and the increasingly sophisticated and complicated problem of counterfeit and pirated books;

- Continue to effectively forecast, make plans, closely follow the market and proactively create supply sources to improve the ability to meet demand and significantly reduce inventories;

- Continue to consolidate and develop the retail sales network through company stores and to educational institutions throughout the province;

- Continue to retain joint ventures and partnerships with partners to take advantage of the company's existing facilities for increasing revenue and income;

- Make a plan to utilize human resources for improving labor productivity, and to trai, develop potential successors.

V. Corporate Governance

+ The Company's Board of Directors consists of 05 members who represent Vietnam Education Publishing House and Danang Education Investment And Development Joint Stock Company. Of which, 04 members do not directly participate in management and 01 member directly participates in company management..

+ Number of shares, voting rights ownership ratio of the Board of Directors members are as follows:

No.	Position	End of year	
		Number of shares	Ratio %
1	Chairman	450,523	40.00



2	Member	15,500	1.38
3	Member	291,950	25.92
4	Member	1,000	009
5	Member		

+ Operations of subcommittees within the Board of Directors/Members' Council: No

+ Operations of the Board of Directors.

The Board of Directors always complies with internal regulations and the Company Charter, strictly adheres to Resolutions of the 2022 Annual General Meeting of Shareholders and regularly monitors, inspects and controls the operations of the Executive Board.

+ The Board of Directors has held regular meetings in full (once every quarter). The meetings were all held seriously, in compliance with regulations, in the presence of full members and with practical content. The contents discussed were all agreed upon and voted upon with a high consensus rate and became resolutions of the Board of Directors. This indicates that there is high consensus within the Board of Directors. In particular, the Board of Directors held 06 meetings in 2023.

+ **First meeting:** the meeting of the Board of Directors was held on January 15, 2024.

- Approved the business performance in 2023 and scheduled the business plan in 2024.

- Approved the last registration date for 2023 dividend advance payment and for attendance at the 2024 Annual General Meeting of Shareholders

+ **Second meeting:** the meeting of the Board of Directors was held on March 27, 2024

- Preliminarily approved the first quarter's business performance and scheduled a plan for the second quarter of 2024.

- Approved the authorization for Mr. Pham Dinh Thuan - Company Director to use the company's assets (physical materials) as collateral and to negotiate, conclude credit agreements for a bank loan to support the Company's business operations

+ **Third meeting:** Meeting on June 24, 2024

- Approved the assignment of the 2024 salary unit price as 3,132 VND/1,000 VND of profit

- Approved the selection of AAC Auditing And Accounting Company Limited - an independent auditor with sufficient qualifications and conditions as stipulated by the Ministry of Finance, in accordance with the 2024 Annual General Meeting of Shareholders to audit the company's financial statements in 2024.

+ **Fourth meeting:** the meeting of the Board of Directors was held on October 13, 2024.

- Approved the 9-month business performance and scheduled a business plan for the 4th quarter of 2024;

b- Regarding the supervision against the the Executive Board and managers.

In addition to conducting inspections and supervisions according to the responsibilities of each BOD member, the assignment of 01 BOD member to directly participate in the Company's management and operation, holding the position as Company Director has created favorable conditions for supervision by the Board of Directors against the Executive Board and managers. Therefore, the members of the Board of Directors have closely grasped the situation of implementing the Resolutions and decisions of the General Meeting of Shareholders and the Board of Directors. Timely provide directions and correct the operations of the Executive Board and managers when any deviation is observed.

Therefore, any aspect of operation by the Executive Board and managers are in the right direction, for the common benefit of the Company and Shareholders, in compliance with Resolutions of the ' General Meeting of Shareholders, the Board of Directors and with the law, without any case of wrongdoing or self-interest.

+ Operations of the independent non-executive member of the Board of Directors.

The Company's independent, non-executive members of the Board of Directors consist of 02 members representing Vietnam Education Publishing House and 02 members representing Danang Education Investment And Development Joint Stock Company. These 04 members fully attended all BOD meetings and were responsible for discussing and expressing their opinions on the issues discussed in the meeting.

In addition, the above members are also active and regular in understanding information about the Company's production and business position to make timely proposals for promotion or correction.

+ The Company's Board of Supervisors consists of 03 members. None of them concurrently holds executive positions within the Company.

+ Operations of the Board of Supervisors:

- With its functions and duties, the Company's Board of Supervisors has assigned specific duties to each member. On such basis, each member always closely follows the actual situation to supervise operations of the Board of Directors and the Board of Management, as well as consider the legality, reasonableness, honesty and prudence in the Company's management and operation.

- Participate in meetings of the Company's Board of Directors. Audit the Company's semi-annual and annual financial statements together with the audit firm.

- On the basis of understanding the actual situation, the Board of Supervisors holds quarterly meetings and makes recommendations to the Board of Directors and shareholders for amendments and supplements if deemed unreasonable.

- Directly participate in monthly and quarterly inventory of cash funds and deposits.

- On quarterly and yearly basis, the Board of Supervisors conducts an appraisal and provides its independent opinion on financial statements and income statements.

+ Remuneration of the Board of Directors - Board of Supervisors: Total remuneration of the Board of Directors and Board of Supervisors in 2024 is: 96,000,000 VND

+ Salary and income of the Executive Board: Total salary and income of the Board of Directors and Chief Accountant received in 2024 is: 648,127,026 VND.

Of which: - Director:	268,124,686 VND
- Deputy Director:	185,377,470 VND
- Chief Accountant:	194,624,870 VND

+ Bonus: Received according to the Company's general commendation and reward regulations.

+ Stock transactions of internal shareholders: no

+ Transaction contracts with internal shareholders: no.

No. 183/2025/BCKT-AAC
independent auditors' report

To: The Shareholders, Board of Directors and Management
Binh Dinh Book and Equipment Joint Stock Company

We have audited the financial statements which were prepared on 06/03/2025 of Binh Dinh Book and Equipment Joint Stock Company ("the Company") as set out on pages 5 to 28, 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.

AAC Auditing and Accounting Co., Ltd

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

Da Nang City, ngày 06 tháng 03 năm 2025

Thai Thi Anh Nhung – Auditor
Audit Practicing Registration Certificate
No. 3313-2025-010-1

U.S.D.A.

BALANCE SHEET

As at 31 December 2024

Form No. B 09 - DN

Issued under Circular 200/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
A. CURRENT ASSETS	100		21,506,975,167	15,307,826,225
I. Cash and cash equivalents	110		640,979,395	705,533,145
1. Cash	111	5	640,979,395	705,533,145
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		-	-
III. Short-term receivables	130		2,778,752,104	2,408,987,700
1. Short-term trade receivables	131	6	2,786,800,397	2,280,187,203
2. Short-term prepayments to suppliers	132		1,984,320	-
3. Other short-term receivables	136	7	37,342,299	177,771,409
4. Provision for doubtful debts	137	8	(47,374,912)	(48,970,912)
IV. Inventories	140	9	18,036,302,116	12,141,259,188
1. Inventories	141		18,112,152,353	12,312,577,934
2. Provision for decline in value of inventories	149		(75,850,237)	(171,318,746)
V. Other current assets	150		50,941,552	52,046,192
1. Short-term prepaid expenses	151	10.a	31,357,791	30,501,583
2. Taxes and amounts receivable from the State	153	14	19,583,761	21,544,609
B. LONG-TERM ASSETS	200		4,056,571,888	4,354,136,487
I. Long-term receivables	210		-	-
II. Fixed assets	220		3,843,317,872	4,048,071,388
1. Tangible fixed assets	221	11	935,844,425	1,059,868,337
- Cost	222		6,317,629,279	6,317,629,279
- Accumulated depreciation	223		(5,381,784,854)	(5,257,760,942)
2. Intangible fixed assets	227	12	2,907,473,447	2,988,203,051
- Cost	228		4,038,215,400	4,038,215,400
- Accumulated amortization	229		(1,130,741,953)	(1,050,012,349)
III. Investment properties	230		-	-
IV. Long-term assets in progress	240		-	-
V. Long-term financial investments	250		-	-
VI. Other long-term assets	260		213,254,016	306,065,099
1. Long-term prepaid expenses	261	10.b	213,254,016	306,065,099
2. Other long-term assets	268		-	-
TOTAL ASSETS	270		25,563,547,055	19,661,962,712

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
C. LIABILITIES	300		12,105,139,534	5,917,817,064
I. Current liabilities	310		12,080,139,534	5,917,817,064
1. Short-term trade payables	311	13	7,468,598,693	996,209,586
2. Taxes and amounts payable to the State budget	313	14	71,064,606	144,618,358
3. Payables to employees	314		3,718,458	-
4. Short-term accrued expenses	315		3,889,759	3,901,947
5. Short-term unearned revenue	318	15	59,690,910	99,190,909
6. Other short-term payables	319	16.a	224,122,321	284,975,334
7. Short-term loans and finance lease liabilities	320	17	4,240,000,000	4,282,000,000
8. Reward and welfare fund	322		9,054,787	106,920,930
II. Long-term liabilities	330		25,000,000	-
1. Long-term trade payables	331		-	-
2. Other long-term payables	337	16.b	25,000,000	-
D. EQUITY	400		13,458,407,521	13,744,145,648
I. Owners' equity	410		13,458,407,521	13,744,145,648
1. Share capital	411	18	11,264,740,000	11,264,740,000
- Common shares with voting rights	411a		11,264,740,000	11,264,740,000
- Preferred shares	411b		-	-
2. Investment and development fund	418	18	1,065,008,599	1,017,853,344
3. Undistributed profit after tax	421	18	1,128,658,922	1,461,552,304
- Undistributed profit after tax up to prior year-end	421a		447,200,492	518,447,197
- Undistributed profit after tax for current period	421b		681,458,430	943,105,107
II. Budget sources and other funds	430		-	-
TOTAL RESOURCES	440		25,563,547,055	19,661,962,712

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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	21	69,071,068,533	64,475,719,262
2. Revenue deductions	02	22	11,901,090	14,854,060
3. Net revenue from sales and service provision	10		69,059,167,443	64,460,865,202
4. Cost of goods sold	11	23	62,949,509,706	57,951,321,574
5. Gross profit from sales and service provision	20		6,109,657,737	6,509,543,628
6. Financial income	21	24	59,042,875	81,803,264
7. Financial expenses	22	25	152,775,793	395,784,894
<i>Including: Interest expense</i>	23		152,775,793	395,784,894
8. Selling expenses	25	26.a	2,931,662,105	2,631,144,289
9. Administrative expenses	26	26.b	2,323,738,337	2,477,429,861
10. Operating profit	30		760,524,377	1,086,987,848
11. Other income	31	27	173,564,798	166,168,939
12. Other expenses	32	28	47,386,613	48,100,769
13. Other profit	40		126,178,185	118,068,170
14. Accounting profit before tax	50		886,702,562	1,205,056,018
15. Current corporate income tax expense	51	29	205,244,132	261,950,911
16. Deferred corporate income tax expense	52		-	-
17. Profit after tax	60		681,458,430	943,105,107
18. Basic earnings per share	70	30	605	779
19. Diluted earnings per share	71	30	605	779

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
I. Cash flows from operating activities				
1. Cash receipts from sales, service and other income	01		68,538,785,174	64,538,275,297
2. Cash paid to suppliers	02		(63,375,064,615)	(60,357,873,745)
3. Cash paid to employees	03		(2,632,934,303)	(3,057,538,179)
4. Interest paid	04	25	(152,787,981)	(395,656,453)
5. Corporate income tax paid	05	14	(217,991,642)	(310,473,514)
6. Other cash receipts from operating activities	06		1,891,393,808	2,293,552,710
7. Other payments for operating activities	07		(3,187,406,356)	(1,919,997,823)
Net cash provided by operating activities	20		863,994,085	790,288,293
II. Cash flows from investing activities				
1. Purchases, construction of fixed assets and other long-term assets	21		-	-
2. Proceeds from loans interest, dividends, shared profit	27	24	13,035,365	10,795,171
Net cash provided by investing activities	30		13,035,365	10,795,171
III. Cash flows from financing activities				
1. Proceeds from borrowings	33	17	25,409,740,228	53,844,887,066
2. Repayment of borrowings	34	17	(25,451,740,228)	(53,562,887,066)
3. Cash paid for dividends, profit to owners	36	16,18	(899,583,200)	(1,131,746,500)
Net cash used in financing activities	40		(941,583,200)	(849,746,500)
Net cash flows for the year	50		(64,553,750)	(48,663,036)
Cash and cash equivalents at the beginning of the year	60	5	705,533,145	754,196,181
Impacts of exchange rate fluctuations	61		-	-
Cash and cash equivalents at the end of the year	70		640,979,395	705,533,145

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

Binh Dinh Book and Equipment Joint Stock Company ("the Company") was incorporated on the basis of equitization of Binh Dinh Book and Equipment Company under Decision No. 485/QĐ-CTUBND dated 28/02/2007 of Binh Dinh Province People's Committee. The Company is an independent accounting entity, operating in accordance with Business Registration Certificate (now being Enterprise Registration Certificate) No. 3503000141 dated 02/07/2007 of the Planning and Investment Department of Binh Dinh Province (this Enterprise Registration Certificate has been amended 9 times and the nearest amendment was made on 22/11/2022), the Enterprise Law, the Company's Charter and other relevant regulations.

1.2. Principal scope of business: *Manufacture, trading and service.*

1.3. Operating activities

- Wholesale of other household products. Detail: Trading instruments for sports, children's toys; Trading cultural products and items; trading teaching equipment, vocational training equipment and office equipment; Trading textbooks, books of all kinds, stationery; Wholesale of furniture and the like;
- Trading own or rented property and land use right;
- Wholesale of machinery, equipment and supplies for the education sector;
- Trading various kinds of packaging;
- Manufacture of other products of wood; manufacture of articles of cork, straw; Manufacture of other wood products;

(For conditional business lines, enterprises can only conduct business when they have sufficient conditions and licenses as prescribed by law);

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.

4. Summary of significant accounting policies

4.1 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.

4.2 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.

4.3 Inventories

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

Value of inventories is accounted for using the perpetual method and calculated using the weighted average method. Inventories at the bookstores are calculated using the retail inventory method.

Cost of inventories is determined as follows:

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

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

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

4.4 Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Depreciation

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 assets</u>	<u>Depreciation period (years)</u>
Buildings, architectures	10 - 25
Motor vehicles	8 - 10

4.5 Intangible fixed assets

Cost

Intangible fixed assets are stated at cost less accumulated amortization.

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

Land use rights

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 obtaining the legal land use rights.

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.

Other intangible fixed assets are amortized in accordance with the straight-line method. Amortization rate is based on their cost and 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>Kind of asset</u>	<u>Amortization period (years)</u>
Computer software	Fully amortization

4.6 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 ranging from 12 to 24 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.

4.7 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.

4.8 Accrued expenses

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

4.9 Unearned revenue

Unearned revenue of the Company is the amount received in advance for one or many accounting periods for services rendered to customers that is amortized over the period for which the Company has received the payment in advance.

4.10 Loans and finance lease liabilities

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

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies. Loans and finance lease liabilities denominated in foreign currency are reevaluated using the selling exchange rate at the end of the year of the commercial bank where the Company regularly conducts transactions.

Borrowing costs

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

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

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

4.11 Owners' equity

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

Profit distribution

Profit after corporate income tax is available for appropriation to funds and to shareholders as provided for in the Company's Charter or 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.

4.12 Recognition of revenue and other income

- Revenue from sales and service provision is recognized to the extent that it is probable to obtain economic benefits, it can be reliably measured and the following conditions are also met:
 - ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods;
 - ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
 - ✓ Interests are recognized on the basis of the actual term and interest rates;
 - ✓ Dividends and profits shared are recognized when the Company 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.

4.13 Revenue deductions

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

In case where revenue is recognized in during the year but the corresponding revenue deductions arise after the balance sheet date, revenue shall be decreased in accordance with the following principles:

- If the corresponding deductions arise before the date of releasing the financial statements, they shall be charged against revenue of the reporting year;
- If the corresponding revenue deductions arise after the date of releasing the financial statements, they shall be charged against revenue of the next reporting year.

4.14 Cost of goods sold

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

4.15 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, interest on installment purchase, interest on finance lease, payment discounts for buyers, expenses and 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.

4.16 Selling expenses, administrative expenses

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

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

4.17 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.

4.18 Financial instruments

Initial recognition

Financial assets

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

Financial liabilities

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

Subsequent measurement

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

4.19 Tax rates and charges paid to the State Budget that the Company is applying

- Value Added Tax (VAT):
 - ✓ Textbooks, reference books supplementing textbooks are not subject to VAT;
 - ✓ Reference books not supplementing textbooks, teaching aids, dictionaries are subject to a 5% VAT rate;
 - ✓ Other goods such as office supplies, calendars, equipment, etc are subject to a tax rate of 10%. In 2024, the Company applied the VAT rate of 8% to these goods as stipulated in Decree No.

94/2023/ND-CP dated 28/12/2023 and Decree No. 72/2024/ND-CP dated 30/06/2024 of the Government.

- Corporate Income Tax (CIT): CIT rate of 20 % is applicable.
- Other taxes and charges are paid in accordance with the prevailing regulations.

4.20 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.

Unit: VND

5. Cash

	31/12/2024	01/01/2024
Cash on hand	113,413,731	259,468,774
Cash in bank	527,565,664	446,064,371
Total	640,979,395	705,533,145

6. Short-term trade receivables

	31/12/2024	01/01/2024
Tran Thi Thang	230,500,456	230,307,000
Tran Thi Thuy	131,600,561	131,217,561
Le Thi Bich Trieu	177,195,000	121,125,070
Others	2,247,504,380	1,797,537,572
Total	2,786,800,397	2,280,187,203

7. Other short-term receivables

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Personal Income Tax receivable	19,133,302	-	45,825,834	-
Other receivables	18,208,997	-	131,945,575	-
Total	37,342,299	-	177,771,409	-

8. Provision for doubtful debts**a. Short-term**

	Year 2024	Year 2023
Beginning balance	48,970,912	78,743,881
Appropriation in the year	-	-
Reversal in the year	1,596,000	29,772,969
Ending balance	47,374,912	48,970,912

b. Bad debts

	31/12/2024		
	Cost	Recoverable value	Overdue period Note
Trade receivables	47,374,912	-	
- Nguyen Thi Lieu	47,374,912	-	Over 3 years Hard to recover
Total	47,374,912	-	

	01/01/2024		
	Cost	Recoverable value	Overdue period Note
Trade receivables	48,970,912	-	
- Nguyen Thi Lieu	48,970,912	-	Over 3 years Hard to recover
Total	48,970,912	-	

9. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Materials, raw materials	279,692,988		82,590,635	-
Tools, instruments	2,487,716	-	4,650,726	-
Finished products	34,160,742	-	29,085,698	-
Merchandise goods	17,795,810,907	(75,850,237)	12,196,250,875	(171,318,746)
Total	18,112,152,353	(75,850,237)	12,312,577,934	(171,318,746)



- The value of slow-moving, poor-quality, and unsalable inventories as at 31/12/2024 is VND75,850,237. Currently, the Company is planning to reduce price to liquidate consumable items and dispose of the remaining items.
- No inventories were pledged, mortgaged as security for debts as at 31/12/2024.

10. Prepaid expenses**a. Short-term**

	31/12/2024	01/01/2024
Insurance premium	30,365,541	29,577,583
Other prepaid expenses	992,250	924,000
Total	31,357,791	30,501,583

b. Long-term

	31/12/2024	01/01/2024
Costs of tools, instruments awaiting amortization	119,848,232	113,071,251
Office repair costs	93,148,410	191,680,162
Others	257,375	1,313,686
Total	213,254,016	306,065,099

11. Tangible fixed assets

	Buildings architectures	Buildings architectures	Total
Cost			
Beginning balance	5,165,510,188	1,152,119,091	6,317,629,279
Increase in the year	-	-	-
Decrease in the year	-	-	-
Ending balance	5,165,510,188	1,152,119,091	6,317,629,279
Depreciation			
Beginning balance	4,442,605,940	815,155,002	5,257,760,942
Charge for the year	49,143,000	74,880,912	124,023,912
Decrease in the year	-	-	-
Ending balance	4,491,748,940	890,035,914	5,381,784,854
Net book value			
Beginning balance	722,904,248	336,964,089	1,059,868,337
Ending balance	673,761,248	262,083,177	935,844,425

- Net book value of tangible fixed assets which were were pledged, mortgaged as security for loans as at 31/12/2024 is VND0.
- Cost of tangible fixed assets fully depreciated but still in active use as at 31/12/2024 is VND4,441,081,901.
- No tangible fixed assets were pending disposal as at 31/12/2024.

12. Intangible fixed assets

	Land use right	Computer software	Total
Cost			
Beginning balance	3,988,215,400	50,000,000	4,038,215,400
New purchase	-	-	-
Sale, disposal	-	-	-
Ending balance	3,988,215,400	50,000,000	4,038,215,400
Amortization			
Beginning balance	1,000,012,349	50,000,000	1,050,012,349
Charge for the year	80,729,604	-	80,729,604
Sale, disposal	-	-	-
Ending balance	1,080,741,953	50,000,000	1,130,741,953
Net book value			
Beginning balance	2,988,203,051	-	2,988,203,051
Ending balance	2,907,473,447	-	2,907,473,447

- The land use right at An Nhon Bookstore has an original cost of VND187,048,000 and is valid until 08/03/2050.

- The land use right at Hoai Nhon Bookstore has an original cost of VND112,815,400 and is valid until 28/03/2051.
- The land use right at 414 Tran Hung Dao Street, Quy Nhon City, Binh Dinh Province has an original cost of VND3,688,352,000 and is valid until 23/12/2061.
- As at 31/12/2024, intangible fixed assets with a carrying value of VND2,729,380,519 have been mortgaged, pledged to secure loans.
- Cost of intangible fixed assets fully amortized but still in active use as at 31/12/2024 is VND50,000,000.

13. Short-term trade payables

	31/12/2024	01/01/2024
Central Books and Educational Equipment Joint Stock Company	4,956,277,938	-
Danang Education Publishing Services Joint Stock Company	1,541,960,000	227,518,000
Others	970,360,755	768,691,586
Total	7,468,598,693	996,209,586

Of which: Trade payables to related parties

	Relationship	31/12/2024	01/01/2024
Danang Education Investment and Development JSC	Investor	292,454,775	17,492,345
Central Books and Educational Equipment JSC	Having same investor	4,956,277,938	-
Danang Education Publishing Services JSC	Having same investor	1,541,960,000	227,518,000
Total		6,790,692,713	245,010,345

14. Taxes and amounts payable to the State

	Beginning balance		Amount to be paid in the year	Actual amount paid in the year	Ending balance	
	Receivable	Payable			Receivable	Payable
VAT	-	93,504,425	215,288,252	276,094,494	-	32,698,183
CIT	-	51,113,933	205,244,132	217,991,642	-	38,366,423
Personal Income Tax	21,544,609	-	17,236,888	15,276,040	19,583,761	-
Land & house tax, land rent	-	-	433,003,519	433,003,519	-	-
Business-license tax	-	-	12,000,000	12,000,000	-	-
Total	21,544,609	144,618,358	882,772,791	954,365,695	19,583,761	71,064,606

15. Short-term unearned revenue

	31/12/2024	01/01/2024
Revenue received in advance for leasing assets	59,690,910	99,190,909
Total	59,690,910	99,190,909

16. Other payable**a. Short-term**

	31/12/2024	01/01/2024
Trade union fee	10,007,340	9,241,996
Received deposits, collaterals	96,000,000	186,000,000
Other payables	118,114,981	89,733,338
- Dividend payable	4,467,750	2,871,750
- Other payables	113,647,231	86,861,588
Total	224,122,321	284,975,334

b. Long-term

	31/12/2024	01/01/2024
Received deposits, collaterals	25,000,000	-
Total	25,000,000	-

17. Short-term loans and finance lease liabilities

	Beginning balance	Increase in the year	Decrease in the year	Ending balance
Obtaining short-term loan from "Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch"	4,282,000,000	25,409,740,228	25,451,740,228	4,240,000,000
Total	4,282,000,000	25,409,740,228	25,451,740,228	4,240,000,000

18. Owners' equity**a. Statement of changes in owners' equity**

	Share capital	Investment and development	Undistributed profit after tax	Total
As at 01/01/2023	11,264,740,000	948,112,707	1,959,615,928	14,172,468,635
Increase in the year	-	69,740,637	943,105,107	1,012,845,744
Decrease in the year	-	-	1,441,168,731	1,441,168,731
As at 31/12/2023	11,264,740,000	1,017,853,344	1,461,552,304	13,744,145,648
As at 01/01/2024	11,264,740,000	1,017,853,344	1,461,552,304	13,744,145,648
Increase in the year	-	47,155,255	681,458,430	728,613,685
Decrease in the year	-	-	1,014,351,812	1,014,351,812
As at 31/12/2024	11,264,740,000	1,065,008,599	1,128,658,922	13,458,407,521

b. Breakdown of share capital

	31/12/2024	01/01/2024
Vietnam Education Publishing House Co., Ltd	4,525,230,000	4,525,230,000
Other shareholders	6,739,510,000	6,739,510,000
Total	11,264,740,000	11,264,740,000

c. Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of shares registered for issuance	1,126,474	1,126,474
Number of shares issued publicly	1,126,474	1,126,474
- Common shares	1,126,474	1,126,474
- Preferred shares (classified as owners' equity)	-	-
Number of outstanding shares	1,126,474	1,126,474
- Common shares	1,126,474	1,126,474
- Preferred shares (classified as owners' equity)	-	-
Par value of outstanding shares: VND10,000 each		

d. Capital transactions with the owners and distribution of profit

	Year 2024	Year 2023
Share capital		
- Beginning balance	11,264,740,000	11,264,740,000
- Increase in the year	-	-
- Decrease in the year	-	-
- Ending balance	11,264,740,000	11,264,740,000
Paid dividend, profit	901,179,200	1,126,474,000

e. Undistributed profit after tax

	Year 2024	Year 2023
Profit brought forward	1,461,552,304	1,913,259,931
Profit after CIT of current year	681,458,430	943,105,107
Distribution of profit	1,014,351,812	1,394,812,734
- Distribution of prior-year profit	1,014,351,812	1,394,812,734
+ Paying dividends to shareholders	901,179,200	1,126,474,000
+ Appropriated for investment and development fund	47,155,255	69,740,637
+ Appropriated for reward and welfare fund	66,017,357	100,961,206
+ Remuneration for the Board of Directors, Supervisory Board	-	97,636,891
- Temporary distribution of current year profit	-	-
Undistributed profit after tax at the year end	1,128,658,922	1,461,552,304

The Company distributed the 2023 profit after tax in accordance with Resolution of the 2024 Annual General Shareholders' Meeting held on 28/03/2024.

f. Dividends

The 2024 Annual General Meeting of Shareholders on 28/03/2024 approved the plan to pay dividends from 2023 after-tax profits at a rate of 8% of the charter capital (equivalent to VND901,179,200). Accordingly, the Company paid all of the above dividends in 2024.

19. Assets held under trust

The asset held under trust of the State is the carrying value of the assets upon equitization of the Company, amounting to VND8,252,589 of which the carrying value of the last room of the working office on the 3rd floor at 120 Le Lợi Street is VND3,985,929 and the carrying value of the Van Canh shop is VND4,266,660.

20. Off-balance sheet items

Bad debt written off	VND	Reason for write-off
Nguyen Thi Dieu	27,777,969	Uncollectible

21. Revenue from sales and service provision

	Year 2024	Year 2023
Sales of books	52,542,308,827	46,247,824,351
Sales of educational equipment	14,816,426,486	16,552,533,487
Other revenue	1,712,333,220	1,675,361,424
Total	69,071,068,533	64,475,719,262

22. Revenue deduction

	Year 2024	Year 2023
Sales returns	11,901,090	14,854,060
Total	11,901,090	14,854,060

23. Cost of goods sold

	Year 2024	Year 2023
Cost of books sold	49,049,798,538	42,351,231,676
Cost of educational equipment sold	13,669,987,272	15,267,914,828
Cost of others	325,192,405	334,931,806
Reversal/appropriation of provision for decline in value of inventories	(95,468,509)	(2,756,736)
Total	62,949,509,706	57,951,321,574

24. Financial income

	Year 2024	Year 2023
Deposit interest, loan interest	13,035,365	10,795,171
Payment discounts	46,007,510	71,008,093
Total	59,042,875	81,803,264

25. Financial expenses

	Year 2024	Year 2023
Interest expense	152,775,793	395,784,894
Total	152,775,793	395,784,894

26. Selling expenses and administrative expenses**g. Selling expenses**

	Year 2024	Year 2023
Labor costs	2,221,144,517	1,884,316,836
Transportation and loading/unloading expenses	127,773,948	162,971,106
Others	582,743,640	583,856,347
Total	2,931,662,105	2,631,144,289

h. Administrative expenses

	Year 2024	Year 2023
Labor costs	1,120,948,319	1,036,770,375
Land rent	324,076,601	334,080,232
Others	878,713,417	1,106,579,254
Total	2,323,738,337	2,477,429,861

27. Other income

	Year 2024	Year 2023
Settlement of surplus inventory	74,168,009	-
Bonus for meeting or exceeding sales targets	49,680,000	-
Other income	49,716,789	166,168,939
Total	173,564,798	166,168,939

28. Other expenses

	Year 2024	Year 2023
Listing management fee, record date fee	18,500,000	18,500,000
Other expenses	28,886,613	29,600,769
Total	47,386,613	48,100,769

29. Current corporate income tax expense

	Year 2024	Year 2023
Accounting profit before tax	886,702,562	1,205,056,018
Adjustment to taxable income	107,535,644	104,698,530
- Increases	107,535,644	104,698,530
+ Listing management fee, record date fee	18,500,000	18,500,000
+ Non-deductible expenses	89,035,644	86,198,530
- Decreases	-	-
Total taxable income	994,238,206	1,309,754,548
Current corporate income tax expense	205,244,132	261,950,911
<i>Of which:</i>		
- Current CIT expense incurred in current year	198,847,641	261,950,911
- Adjustment of current CIT expense of previous year to current CIT expense of current year	6,396,491	-

30. Basic, diluted earnings per share

	Year 2024	Year 2023
Profit after corporate income tax	681,458,430	943,105,107
Adjustments increasing or decreasing profit after tax	-	(66,017,357)
- Increase	-	-
- Decrease (appropriated to reward and welfare fund)	-	66,017,357
Profit or loss attributable to common shareholders	681,458,430	877,087,750
Weighted average number of outstanding common shares	1,126,474	1,126,474
Basic, diluted earnings per share	605	779

Basis, diluted earnings per share of the year 2024 is computed before deducting the reward and welfare fund. The plan of General Shareholders' Meeting and the Company's Charter do not specify the appropriation rate of reward and welfare fund. Annually, the Management will propose a specific rate for appropriating reward and welfare fund based on the business results at the end of the year. Therefore, these figures may change depending on the Profit Distribution Decision of the General Meeting of Shareholders in the future.

The item "Basic, diluted earnings per share" of the year 2023 is restated based on the profit distribution figures approved according to the Resolution of the 2024 Annual General Meeting of Shareholders on 28/03/2024.

31. Production and business expenses by element

	Year 2024	Year 2023
Materials expenses	104,507,232	140,337,410
Labor costs	3,345,354,836	2,924,667,211
Depreciation and amortization expenses	204,753,516	224,067,346
Outside service expenses	972,806,528	501,180,567
Other cash expenses	955,989,398	1,684,577,207
Total	5,583,411,510	5,474,829,741

32. 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 actual operations, the Management assesses that business segments and segments by geographical area have no differences in bearing risks and obtaining returns. Accordingly, the Company is operating in the main business segment of trading books and school equipment and the main geographical segment of Binh Dinh Province, Vietnam.

33. 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.

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 interest rates and prices.

Interest rate risk management

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

Price risk management

The Company mainly purchases textbooks, reference books and educational equipment from domestic suppliers to serve its commercial activities, it is therefore exposed to the risk of changes in the price of purchased goods. However, the prices of these goods are usually stable, and they are typically consumed

within a short period after purchase, so the Company assumes that the price risk in business activities is low.

Credit risk management

The Company's main customers are the education departments, schools in Binh Dinh Province, book agents, bookstores, and retail book counters. Due to the fact that most of the customers are regular and have been transacting with the company for many years, with timely payment of purchases, the Company's Management assumes that the Company does not have significant credit risk with customers. Additionally, for overdue receivables, the Company regularly urges debt collection and makes provisions for doubtful debts as regulated.

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	7,468,598,693	-	7,468,598,693
Accrued expenses	3,889,759	-	3,889,759
Loans and finance lease liabilities	4,240,000,000	-	4,240,000,000
Other payables	214,114,981	25,000,000	239,114,981
Total	11,926,603,433	25,000,000	11,951,603,433
01/01/2024	Within 1 year	Over 1 year	Total
Trade payables	996,209,586	-	996,209,586
Accrued expenses	3,901,947	-	3,901,947
Loans and finance lease liabilities	4,282,000,000	-	4,282,000,000
Other payables	275,733,338	-	275,733,338
Total	5,557,844,871	-	5,557,844,871

The Management assumes that the Company is currently exposed to liquidity risk but believes that it can generate sufficient resources to meet its financial obligations as they fall due.

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

31/12/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	640,979,395	-	640,979,395
Trade receivables	2,739,425,485	-	2,739,425,485
Other receivables	37,342,299	-	37,342,299
Total	3,417,747,179	-	3,417,747,179
01/01/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	705,533,145	-	705,533,145
Trade receivables	2,231,216,291	-	2,231,216,291
Other receivables	177,771,409	-	177,771,409
Total	3,114,520,845	-	3,114,520,845

34. Related party information

a. Related parties

	Relationship
Vietnam Education Publishing House Co., Ltd	Investor
Danang Education Investment and Development JSC	Investor
Central Books and Educational Equipment JSC	Having same investor
Danang Education Publishing Services JSC	Having same investor

b. Material related-party transactions arising in the year

	Transactions	Year 2024	Year 2023
Danang Education Investment and Development JSC	Purchasing goods	9,162,003,314	7,507,052,070
	Selling goods	1,038,729,275	-
Central Books and Educational Equipment JSC	Purchasing goods	30,354,975,698	23,147,160,796
	Selling goods	1,999,909,950	-
Danang Education Publishing Services JSC	Purchasing goods	2,391,960,000	1,308,200,000

c. Income of key managing officers

		Year 2024	Year 2023
Remuneration of the Board of Directors		75,294,118	51,778,319
Mr. Ho Phu Cuong	Chairman	18,823,529	12,944,580
Mr. Pham Dinh Thuan	Member	16,941,176	11,650,123
Ms. Diep Cam Nhung	Member	-	2,265,301
Mr. Huynh Thanh Long	Member	13,176,471	9,061,206
Mr. Hoang Quoc Hiep	Member	13,176,471	6,795,904
Mr. Nguyen Duy Nham	Member	-	2,265,301
Mr. Huynh Hoang Phuong	Member	13,176,471	6,795,904
Income of the Supervisory Board		20,705,882	14,239,038
Mr. Dang Cong Duc	Head	9,411,765	6,472,290
Mr. Ho Ngung	Member	5,647,059	3,883,374
Mr. Tran Huu Duy Trung	Member	5,647,059	3,883,374
Salaries and bonus of the Management			
Mr. Pham Dinh Thuan	Director	268,124,686	310,530,437
Mr. Nguyen Quoc Quan	Vice Director	185,377,470	195,857,296
Ms. Doan Thi Le Kieu	Chief Accountant	194,624,870	145,592,741

35. Events after the balance sheet date

The Company has announced the closing of the list of shareholders eligible for advance payment of dividend for 2024 (at a rate of 5%) on 28/02/2025 which was expected to be paid on 27/06/2025.

In addition, 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.

36. Corresponding figures

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

**DIRECTOR***Phạm Đình Thuận*