

**Phuoc An Coffee Joint Stock
Company**

=★=

No: 21. -2025/CV-CPPA

**SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness**

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Dak Lak, 28 March 2025

PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS

To:

- **Hanoi Stock Exchange**
- **The State Securities Commission.**

Comply with the provisions of Clause 3, Clause 4, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the securities market. Phuoc An Coffee Joint Stock Company implements the information disclosure of The 2024 Audited Financial Statements as follows:

1. Organisation Name: Phuoc An Coffee Joint Stock Company

- Stock code: CPA
- Address: Km 26, National Route 26, Ea Yong Ward, Krong Pak District, DakLak Province, Viet Nam.
- Tel: 02623.521149 Fax:
- Email: Ntn21@gmail.com Website: www.phuocancoffee.com.vn

2. Contents of information to be announced:

- The 2024 Audited Financial Statements:

☒ Separate financial statements (TCNY does not have subsidiaries and superior accounting units have affiliated units);

☐ Consolidated financial statements (TCNY has subsidiaries)

☐ General financial statements (TCNY has an accounting unit under the organization of its own accounting apparatus).

- Cases subject to explanation of causes:

+ The auditing organization gives an opinion that is not a fully accepted opinion on the financial statements (for audited financial statements):

☐ Yes

☐ No

Written explanation in case of accumulation:

☐ Yes

☐ No

+ Profit after tax in the reporting period has a difference of 5% or more between before and after audit, shifting from loss to profit or vice versa (for audited financial statements 2023):

☐ Yes

☐ No

Written explanation in case of accumulation:

☐ Yes

☐ No

+ Profit after corporate income tax in the report on production and business results of the reporting period changes by 10% or more compared to the report of the same period of the previous year:

☐ Yes

☐ No

Written explanation in case of accumulation:

☐ Yes

☐ No

+ Profit after tax in the reporting period suffers a loss, transferred from profit in the same reporting period of the previous year to loss in this period or vice versa:

☐ Yes

☐ No

Written explanation in case of accumulation:

☐ Yes

☐ No

This information has been published on the company's website on 28/03/2025 at the link: www.phuocancoffee.com.vn.

We hereby commit that the information disclosed above is true and we are fully responsible before the law for the content of the disclosed information

PHUOC AN COFFEE JOINT STOCK COMPANY

Attachments:

- The 2024 Audited Financial Statements;



Nguyen Huyen Tram

Phuoc An Coffee Joint Stock Company

Financial statements

For the year ended 31 December 2024



**Shape the future
with confidence**

Phuoc An Coffee Joint Stock Company

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Phuoc An Coffee Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Phuoc An Coffee Joint Stock Company ("the Company") incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 6000183273 issued by the Department of Planning and Investment of Dak Lak Province on 20 June 1996. The Company subsequently received the amended Enterprise Registration Certificates ("ERC"), with the latest being the 18th amended ERC on 19 June 2023.

The current principal activities of the Company are to produce and trade agricultural products, and leasing warehouse.

The Company's shares were registered for trading in the market of unlisted public companies managed by the Hanoi Stock Exchange ("HNX") with the code of CPA in accordance with the Decision No. 861/QD-SGDHN issued by HNX on 20 December 2019.

The Company's registered head office is located at Km26, Highway 26, Ea Yong Commune, Krong Pak District, Dak Lak Province, Vietnam.

BOARD OF DIRECTORS

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

Mr. Le Nguyen Hoa	Chairman
Mr. Ho Sy Trung	Vice Chairman
Ms. Ton Thi Bich Van	Member
Ms. Nguyen Huyen Tram	Member
Mr. Duong Kim Nhung	Member

BOARD OF SUPERVISION

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

Mrs Nguyen Thi Tri	Head
Mrs Tran Thi Kim Oanh	Member
Mr Le Van Khuan	Member

MANAGEMENT

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

Ms. Nguyen Huyen Tram	General Director
Mr. Duong Kim Nhung	Deputy General Director

LEGAL REPRESENTATIVES

The legal representatives of the Company during the year and at the date of this report are:

Mr. Le Nguyen Hoa	Chairman
Ms. Nguyen Huyen Tram	General Director

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

Phuoc An Coffee Joint Stock Company

REPORT OF MANAGEMENT

Management of Phuoc An Coffee Joint Stock Company ("the Company") is pleased to present its report and the financial statements of the Company for the year ended 31 December 2024.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of its results of its operations and cash flows for the year. In preparing those 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 financial statements; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company 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 financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its operations and its 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 financial statements.

For and on behalf of management:



Nguyen Huyen Tram
General Director

Dak Lak Province, Vietnam

25 March 2025

Reference: 11940988/67725879

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Phuoc An Coffee Joint Stock Company

We have audited the accompanying financial statements of Phuoc An Coffee Joint Stock Company ("the Company") as prepared on 25 March 2025 and set out on pages 5 to 32 which comprise the balance sheet as at 31 December 2024, the income statement and the cash flow statement 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 the Company's financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the 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 Company's 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 give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2024, and of the results of its operations and its 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 financial statements.

Ernst & Young Vietnam Limited



Le Vu Truong
Deputy General Director
Audit Practicing Registration Certificate
No. 1588-2023-004-1



Tran Thanh Thuy
Auditor
Audit Practicing Registration Certificate
No. 3076-2024-004-1

Ho Chi Minh City, Vietnam

25 March 2025

BALANCE SHEET
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		29,172,827,738	42,068,392,523
110	I. Cash	4	4,418,262,999	3,300,115,501
111	1. Cash		4,418,262,999	3,300,115,501
130	II. Current accounts receivable		2,258,665,398	15,756,526,593
131	1. Short-term trade receivables	5.1	276,521,600	44,150,000
132	2. Short-term advances to suppliers	5.2	411,805,682	411,805,682
136	3. Other short-term receivables	6	48,987,412,570	44,775,714,117
137	4. Provision for short-term doubtful receivables	8	(47,417,074,454)	(29,475,143,206)
140	III. Inventories	7	22,403,646,610	22,911,860,198
141	1. Inventories		22,403,646,610	22,911,860,198
150	IV. Other current assets		92,252,731	99,890,231
151	1. Short-term prepaid expenses		10,158,331	17,795,831
153	2. Tax and other receivables from the State	15	82,094,400	82,094,400
200	B. NON-CURRENT ASSETS		74,257,899,214	84,857,958,604
220	I. Fixed assets		65,882,882,391	75,838,548,209
221	1. Tangible fixed assets	9	65,226,002,391	75,095,988,209
222	Cost		296,104,105,466	295,727,666,080
223	Accumulated depreciation		(230,878,103,075)	(220,631,677,871)
227	2. Intangible fixed assets	10	656,880,000	742,560,000
228	Cost		1,285,200,000	1,285,200,000
229	Accumulated amortisation		(628,320,000)	(542,640,000)
230	II. Investment properties	11	6,618,620,998	7,382,308,036
231	1. Cost		7,636,870,381	7,636,870,381
232	2. Accumulated depreciation		(1,018,249,383)	(254,562,345)
240	III. Long-term asset in progress		1,349,910,662	1,078,185,259
242	1. Construction in progress	12	1,349,910,662	1,078,185,259
260	IV. Other long-term assets		406,485,163	558,917,100
261	1. Long-term prepaid expenses	13	406,485,163	558,917,100
270	TOTAL ASSETS		103,430,726,952	126,926,351,127

BALANCE SHEET (continued)
as at 31 December 2024

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		62,562,537,751	69,422,047,948
310	I. Current liabilities		24,640,803,828	64,222,947,996
311	1. Short-term trade payables	14.1	3,550,144,771	4,310,315,079
312	2. Short-term advances from customers	14.2	3,410,000,000	3,979,554,000
313	3. Statutory obligations	15	1,378,575,257	1,953,741,970
314	4. Payables to employees		191,628,908	207,553,387
315	5. Short-term accrued expenses		36,000,000	78,000,000
318	6. Short-term unearned revenues	16	4,200,000,000	4,200,000,000
319	7. Other short-term payables	17	11,868,671,059	10,312,999,727
320	8. Short-term loans	19	-	39,170,000,000
322	9. Bonus and welfare fund	3.15	5,783,833	10,783,833
330	II. Non-current liabilities		37,921,733,923	5,199,099,952
336	1. Long-term unearned revenues	16	2,440,177,548	4,570,468,477
338	2. Long-term loans	19	35,000,000,000	-
342	3. Other long-term provision	18	481,556,375	628,631,475
400	D. OWNERS' EQUITY		40,868,189,201	57,504,303,179
410	I. Owners' equity	20	40,868,189,201	57,504,303,179
411	1. Share capital		236,279,900,000	236,279,900,000
411a	- Ordinary shares with voting rights		236,279,900,000	236,279,900,000
421	2. Accumulated losses		(195,411,710,799)	(178,775,596,821)
421a	- Accumulated losses by the end of prior year		(178,775,596,821)	(162,907,335,781)
421b	- Loss of current year		(16,636,113,978)	(15,868,261,040)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		103,430,726,952	126,926,351,127



Nguyen Thi Thanh Nhan
Preparer



Bui Quoc Thinh
Chief Accountant



Dak Lak Province, Vietnam
25 March 2025

Nguyen Huyen Tram
General Director

INCOME STATEMENT
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenue from sale of goods and rendering of services	21	30,302,374,349	22,602,665,175
11	2. Cost of goods sold and services rendered	22	(23,551,744,474)	(19,393,335,784)
20	3. Gross profit from sale of goods and rendering of services		6,750,629,875	3,209,329,391
21	4. Finance income		89,220,956	65,603,989
22	5. Finance expenses	23	(3,082,954,928)	(3,860,723,190)
23	- In which: Interest expense		(3,082,954,928)	(3,860,723,190)
25	6. Selling expenses	24	(451,270,355)	(521,151,001)
26	7. General and administrative expenses	24	(20,639,490,038)	(15,909,299,402)
30	8. Operating loss		(17,333,864,490)	(17,016,240,213)
31	9. Other income	25	715,180,394	2,898,433,419
32	10. Other expenses	25	(17,429,882)	(1,750,454,246)
40	11. Other profit	25	697,750,512	1,147,979,173
50	12. Accounting loss before tax		(16,636,113,978)	(15,868,261,040)
51	13. Current Enterprise Income Tax expense	27.1	-	-
60	14. Net loss after corporate income tax		(16,636,113,978)	(15,868,261,040)
70	15. Basic loss per share (VND/share)	20.3	(704)	(672)
71	16. Diluted loss per share (VND/share)	20.3	(704)	(672)



Nguyen Thi Thanh Nhan
Preparer



Bui Quoc Thinh
Chief Accountant



Dak Lak Province, Vietnam
25 March 2025

Nguyen Huyen Tram
General Director

CASH FLOW STATEMENT
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting loss before tax		(16,636,113,978)	(15,868,261,040)
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	9, 10,11	11,095,792,242	12,184,747,774
03	Provisions		17,941,931,248	11,744,275,871
05	Profit from investing activities		(23,755,790)	(914,264,088)
06	Interest expenses	23	3,082,954,928	3,860,723,190
08	Operating profit before changes in working capital		15,460,808,650	11,007,221,707
09	Increase in receivables		(4,444,070,053)	(5,310,491,518)
10	Decrease (increase) in inventories		508,213,588	(854,232,785)
11	(Decrease) increase in payables		(4,179,276,086)	6,401,817,115
12	Decrease in prepaid expenses		160,069,437	165,438,640
14	Interest paid		(1,588,189,039)	(3,379,004,150)
17	Other cash outflows for operating activities		(5,000,000)	(6,000,000)
20	Net cash flows from operating activities		5,912,556,497	8,024,749,009
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and investment properties		(648,164,789)	(13,344,485,594)
22	Proceeds from disposals of fixed assets		-	9,137,977,679
27	Interest received		23,755,790	17,326,599
30	Net cash flows used in investing activities		(624,408,999)	(4,189,181,316)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings	19	2,700,000,000	34,020,000,000
34	Repayment of borrowings	19	(6,870,000,000)	(43,118,500,000)
40	Net cash flows used in financing activities		(4,170,000,000)	(9,098,500,000)

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

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase (decrease) in cash for the year		1,118,147,498	(5,262,932,307)
60	Cash at beginning of year		3,300,115,501	8,563,047,808
70	Cash at end of year	4	4,418,262,999	3,300,115,501



Nguyen Thi Thanh Nhan
Preparer



Bui Quoc Thinh
Chief Accountant



Dak Lak Province, Vietnam
25 March 2025

Nguyen Huyen Tram
General Director

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

1. CORPORATE INFORMATION

Phuoc An Coffee Joint Stock Company ("the Company") incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 6000183273 issued by the Department of Planning and Investment of Dak Lak Province on 20 June 1996. The Company subsequently received the amended Enterprise Registration Certificates ("ERC"), with the latest being the 18th amended ERC on 19 June 2023.

The current principal activities of the Company are to produce and trade agricultural products, and leasing warehouse.

The Company's shares were registered for trading in the market of unlisted public companies managed by the Hanoi Stock Exchange ("HNX") with the code of CPA in accordance with the Decision No. 861/QD-SGDHN issued by HNX on 20 December 2019.

The Company's registered head office are located at Km26, Highway 26, Ea Yong Commune, Krong Pak District, Dak Lak Province, Vietnam.

The Company's normal course of business cycle is 12 months after the investment period, the investment period is over 3 years.

The Company's number of employees as at 31 December 2024 is 18 (31 December 2023: 20).

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The financial statements of the Company, 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 the:

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

Accordingly, the accompanying 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 financial position and the results of operations and the cash flows of the Company in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Going concern assumption*

As shown in the financial statements, the Company incurred a net loss of VND 16,636,113,978 for the year ended 31 December 2024 and, as of that date, the Company had accumulated losses of VND 195,411,710,799. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern without the continuing financial support of its shareholders.

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

2. BASIS OF PREPARATION (continued)

2.2 *Going concern assumption* (continued)

The Company's major shareholders have confirmed its willingness and ability to provide ongoing financial support for the Company to meet its liabilities as and when they fall due, and to continue operations in next 12 months. The Company's related party, Binh Duong Nutifood Nutrition Food Joint Stock Company also confirmed that it will not demand payment for amounts due from the Company until such time when liabilities to third parties have been settled and it is in a position to repay the same. On this basis, the Company's management considers it as appropriate to prepare the Company's financial statements on the going concern basis.

Thus, the financial statements do not include any adjustments related to the recoverable possibilities and reclassifications of asset items recorded, or items and reclassifications of payables, which are necessary if the Company fails to continue in operation based on going concern assumption.

2.3 *Applied accounting documentation system*

The Company's applied accounting documentation system is the General Journal.

2.4 *Fiscal year*

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

2.5 *Accounting currency*

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash*

Cash comprise cash on hand and cash in banks.

3.2 *Inventories*

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor 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.

Cultivated products are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value ("NRV") 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 inventories, which are valued as follows:

Raw materials	- cost of purchase on a weighted average basis.
Finished goods and work-in process	- cost of finished goods and work-in process on a weighted average basis.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Inventories (continued)

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 other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the income statement.

3.3 Receivables

Receivables are presented in the balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful receivables.

The provision for doubtful receivables represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded into general and administration expenses account in the income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the income statement.

3.4 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 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 income statement.

3.5 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 Company is the lessee

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

Where the Company is the lessor

Assets subject to operating leases are included as the Company's investment property in the balance sheet.

For other cases under an operating lease, lease income is recognised in the income statement on a straight-line basis over the lease term.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 *Intangible assets*

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible 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 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 income statement.

Land used rights

Land use rights are recorded as intangible assets representing the value of the rights to use the lands acquired by the Company. The advance payment for land rental, of which the land lease contracts and Land use rights certificate being issued, are recorded as intangible asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

The useful life of land use rights are assessed as either definite or indefinite. Accordingly, the land use rights with definite useful life representing the land lease are amortised over the lease term while the land use rights with indefinite useful lives is not amortised.

3.7 *Depreciation and amortisation*

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

Buildings and structures	5 - 25 years
Machinery and equipment	5 - 13 years
Perennial trees garden	5 - 25 years
Means of transportation	10 years
Office equipment	3 - 8 years
Land use right	15 years

3.8 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation. Investment properties held for capital appreciation are not depreciated/amortised but subject to impairment review.

Subsequent expenditure relating to an investment property that has already been recognised is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings	10 years
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For long-term lease of investment properties which the Company receives rental fee in advance for many periods and rental income is recognised one time at the entire rental amount received in advance as presented in Note 3.16, depreciation and amortisation of these investment properties are recognised with entire amount at the point of revenue recognition.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Construction in progress

Construction in progress represents the costs of acquiring new assets that have not yet been fully installed or the costs of construction that have not yet been fully completed. Construction in progress is stated at cost, which includes all necessary costs to construct, repair, renovate, expand, or re-equip the projects with technologies, such as construction costs, tools and equipment costs, project management costs, construction consulting costs, and borrowing costs that are eligible for capitalization.

Construction in progress will be transferred to the appropriate fixed asset account when these assets are fully installed or the construction project is fully completed, and depreciation of these assets will commence when they are ready for their intended use.

Construction costs are recognized as expenses when such costs do not meet the conditions to be recognized as fixed assets.

3.10 Borrowing costs

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

3.11 Prepaid expenses

Prepaid expenses are reported as long-term prepaid expenses on the balance sheet including goodwill arisen from business combination that does not result in parent-subsidary relationship and, are amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.12 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 Company.

3.13 Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting year for employees who have been worked for more than 12 months at the Company. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labor Code and related implementing guidance. The average monthly salary used in this calculation is adjusted at the end of each reporting period 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 income statement.

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

3.14 Shared capital

Ordinary shares

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognised as a deduction from share premium.



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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Appropriation of net profits

Net profit after tax is available for appropriation to the investor after approval by the appropriate level of authority, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit after tax as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting:

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the balance sheet.

3.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

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.

Rental income

Rental income arising from operating leases is recognised in income statement on a straight-line basis over the terms of the lease.

Interest income

Interest is recognized on an accrual basis based on the time and actual interest rate for each period.

3.17 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 as at the balance sheet date.

Current income tax is charged or credited to the 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 Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 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 purpose.

Deferred tax liabilities are recognised for all taxable temporary differences. 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.

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 year 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 income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

3.18 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.19 Segment information

A segment is a component determined separately by the Company which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Company's principal activities are to produce and trade agricultural products. In addition, these activities are mainly taking place within Vietnam. Therefore, the Company's risks and returns are not impacted by the Company's products that the Company is manufacturing or the locations where the Company is trading. As a result, the Company's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Related parties

Parties are considered to be related parties of the Company if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families

4. CASH

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	124,597,391	232,716,518
Cash in banks	4,293,665,608	3,067,398,983
TOTAL	4,418,262,999	3,300,115,501

5. SHORT-TERM TRADE RECEIVABLES AND SHORT-TERM ADVANCES TO SUPPLIERS

5.1 Short-term trade receivables

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Due from a related party (Note 28)	273,888,100	-
Due from other parties	2,633,500	44,150,000
TOTAL	276,521,600	44,150,000

5.2 Short-term advances to suppliers

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
An Loc Phat Fire Protection Technical and Trading Company Limited	307,800,000	307,800,000
Others	104,005,682	104,005,682
TOTAL	411,805,682	411,805,682
Provision for doubtful advances to suppliers	(104,005,682)	(104,005,682)
NET	307,800,000	307,800,000

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

6. OTHER SHORT-TERM RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Receivables from farmers on shortage of contracted products	41,937,029,590	37,211,437,694
Receivables from farmers on planting avocado at An Thuan perennial trees	2,733,236,593	2,745,315,819
Receivables on reclaim of perennial trees garden	1,506,348,685	1,506,348,685
Receivables on transfer of perennial trees garden	1,182,587,954	1,184,050,954
Advances to employees	1,094,080,438	1,594,431,655
Others	534,129,310	534,129,310
TOTAL	48,987,412,570	44,775,714,117
Provision for doubtful other receivables	(47,313,068,792)	(29,371,137,524)
NET	1,674,343,778	15,404,576,593

Detail of movements of provision for doubtful short-term receivables:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	29,371,137,524	17,649,740,653
Add: Provision made during the year	18,022,276,910	11,789,307,150
Less: Reversal of provision	(80,345,662)	(67,910,279)
Ending balance	47,313,068,772	29,371,137,524

7. INVENTORIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Work in process (*)	13,782,330,370	14,873,003,721
Raw materials	8,126,523,691	8,022,692,869
Finished goods	478,588,911	-
Tools and supplies	16,203,638	16,163,608
TOTAL	22,403,646,610	22,911,860,198

(*) This is the growing cost of coffee and durian waiting to be harvested. It includes fertilizer cost, labor cost, depreciation cost, protection cost, electricity, water, wastewater treatment and other monetary costs.

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

8. OVERDUE DEBTS

	<i>Ending balance</i>			<i>Beginning balance</i>			<i>VND</i>
	<i>Debtor cost</i>	<i>Provision</i>	<i>Net amount</i>	<i>Debtor cost</i>	<i>Provision</i>	<i>Net amount</i>	
Receivables from farmers on shortage of contracted products	44,670,266,183	44,670,266,183	-	33,849,897,516	26,726,871,914	7,123,025,602	
Receivables on transfer of perennial trees garden	1,182,587,954	1,182,587,954	-	1,184,050,954	1,184,050,954	-	
Advances to employees	1,094,080,438	926,085,324	167,995,114	926,085,345	926,085,345	-	
Advances to suppliers	104,005,682	104,005,682	-	104,005,682	104,005,682	-	
Others	534,129,310	534,129,310	-	534,129,311	534,129,311	-	
TOTAL	47,585,069,567	47,417,074,454	167,995,114	36,598,168,808	29,475,143,206	7,123,025,602	

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

9. TANGIBLE FIXED ASSETS

						VND
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Perennial trees garden</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Total</i>
Cost						
Beginning balance	85,789,833,153	41,155,998,443	166,389,775,848	800,000,000	1,592,058,636	295,727,666,080
New purchase	50,326,000	97,057,486	229,055,900	-	-	376,439,386
Ending balance	85,840,159,153	41,253,055,929	166,618,831,748	800,000,000	1,592,058,636	296,104,105,466
<i>In which:</i>						
<i>Fully depreciated</i>	21,448,999,619	25,906,019,000	1,574,878,461	-	1,485,450,000	50,415,347,080
Accumulated depreciation						
Beginning balance	72,239,060,716)	37,233,316,566	108,920,927,375	674,819,562	1,563,553,652	220,631,677,871
Depreciation for the year	3,736,777,805	1,497,719,314	4,951,250,758	42,379,844	18,297,483	10,246,425,204
Ending balance	75,975,838,521	38,731,035,880	113,872,178,133	717,199,406	1,581,851,135	230,878,103,075
Carrying amount						
Beginning balance	13,550,772,437	3,922,681,877	57,468,848,473	125,180,438	28,504,984	75,095,988,209
Ending balance	9,864,320,632	2,522,020,049	52,746,653,615	82,800,594	10,207,501	65,226,002,391

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

10. INTANGIBLE FIXED ASSETS

VND

Land use right

Cost

Beginning and ending balances	1,285,200,000
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Accumulated amortisation

Beginning balance	542,640,000
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Amortisation for the year	85,680,000
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Ending balance	628,320,000
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Carrying amount

Beginning balance	742,560,000
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Ending balance	656,880,000
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11. INVESTMENT PROPERTY FOR RENT

VND

Buildings

Cost:

Beginning and ending balances	7,636,870,381
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Accumulated depreciation:

Beginning balance	254,562,345
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Depreciation for the year	763,687,038
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Ending balance	1,018,249,383
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Net carrying amount:

Beginning balance	7,382,308,036
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Ending balance	6,618,620,998
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The rental income and operating expenses relating to investment properties is presented as below:

VND

	<i>Current year</i>	<i>Previous year</i>
Rental income from investment properties	4,683,960,564	2,642,454,545
Direct operating expenses of investment properties that generated rental income during the year	1,034,536,937	678,331,981

The rental income and operating expenses information relating to investment property is presented in Note 21 and Note 22.

The fair value of the investment properties had not yet been formally assessed and determined as at 31 December 2024. However, given the market value, it is management's assessment that these properties' fair values are higher than their carrying values at the balance sheet date.

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

12. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Avocado & durian planting project	<u>1,349,910,662</u>	<u>1,078,185,259</u>

13. LONG-TERM PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Goodwill (i)	<u>406,485,163</u>	<u>558,917,100</u>
(i) This is the goodwill of the Company which was determined when transforming from a state-owned company into a joint stock company according to the Decision 43/QD-UBND dated 6 January 2017 of the Dak Lak Province People's Committee on approval the value of equitization. Goodwill was gradually allocated to expenses for a period of 10 years since 1 September 2017 according to Circular No. 127/2014/TT-BTC issued by the Ministry of Finance on 5 September 2014.		

14. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

14.1 Short-term trade payables

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Payables to farmers on over-contracted products	3,481,452,351	4,020,279,381
Others	<u>68,692,420</u>	<u>290,035,698</u>
TOTAL	<u>3,550,144,771</u>	<u>4,310,315,079</u>

14.2 Short-term advances from customers

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances from other customers	3,410,000,000	232,016,500
<i>Cu Ne Wind Power Investment and Management Company Limited</i>	<u>3,410,000,000</u>	-
<i>Others</i>	-	232,016,500
Advances from a related party (Note 28)	-	<u>3,747,537,500</u>
TOTAL	<u>3,410,000,000</u>	<u>3,979,554,000</u>

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

15. TAX AND OTHER RECEIVABLES FROM THE STATE

	<i>Beginning balance</i>	<i>Increase in the year</i>	<i>Decrease in the year</i>	<i>VND Ending balance</i>
Receivables				
Corporate income tax	82,094,400	-	-	82,094,400
Payable				
Property tax and land rental	1,749,314,587	2,410,480,695	(2,869,315,293)	1,290,479,989
Value added tax	200,246,115	1,021,762,303	(1,137,703,871)	84,304,547
Personal income tax	4,181,268	45,190,434	(45,580,981)	3,790,721
TOTAL	1,953,741,970	3,477,433,432	(4,052,600,145)	1,378,575,257

16. UNEARNED REVENUE

Unearned revenue as at 31 December 2024 included the rental fees which were received in advance for the whole rental year and are amortised periodically.

17. OTHER SHORT-TERM PAYABLES

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Other payables to third parties	9,821,654,623	9,760,749,180
- Land Fund Development Center of Krong Buk District	6,787,453,717	6,787,453,717
- Equitization payables to farmers	2,603,658,717	2,603,658,717
- Short-term deposits received	75,000,000	270,000,000
- Others	355,542,189	99,636,746
Other payables to a related party (Note 28)	2,047,016,436	552,250,547
TOTAL	11,868,671,059	10,312,999,727

18. OTHER LONG-TERM PROVISIONS

This represents the severance allowance pay to employees.

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

19. LOANS

					VND
	<i>Beginning balance</i>	<i>Drawdown</i>	<i>Repayment</i>	<i>Reclassification</i>	<i>Ending balance</i>
Short-term	39,170,000,000	2,700,000,000	(6,870,000,000)	(35,000,000,000)	-
Short-term loans from related parties	39,170,000,000	2,700,000,000	(6,870,000,000)	(35,000,000,000)	-
Long-term	-	-	-	35,000,000,000	35,000,000,000
Long-term loans from a related party	-	-	-	35,000,000,000	35,000,000,000
TOTAL	39,170,000,000	2,700,000,000	(6,870,000,000)	-	35,000,000,000

Details of the unsecured loan from a related party to finance working capital are as follows:

<i>Lender</i>	<i>Ending balance</i> <i>(VND)</i>	<i>Maturity date</i>	<i>Interest rate</i> <i>(%/p.a.)</i>
Binh Duong Nutifood Nutrition Food Joint Stock Company (<i>Note 28</i>)	<u>35,000,000,000</u>	31 December 2026	8.0 – 8.5

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

20. OWNERS' EQUITY

20.1 Increase and decrease in owners' equity

			VND
	Share capital	Accumulated losses	Total
Previous year			
Beginning balance	236,279,900,000	(162,907,335,781)	73,372,564,219
Net loss for the year	-	(15,868,261,040)	(15,868,261,040)
Ending balance	<u>236,279,900,000</u>	<u>(178,775,596,821)</u>	<u>57,504,303,179</u>
Current year			
Beginning balance	236,279,900,000	(178,775,596,821)	57,504,303,179
Net loss for the year	-	(16,636,113,978)	(16,636,113,978)
Ending balance	<u>236,279,900,000</u>	<u>(195,411,710,799)</u>	<u>40,868,189,201</u>

20.2 Shares

	Number of shares	
	Current year	Previous year
Authorised shares	23,627,990	23,627,990
Shares issued and fully paid		
<i>Ordinary shares</i>	23,627,990	23,627,990
Shares in circulation		
<i>Ordinary shares</i>	23,627,990	23,627,990

Shares of the Company issued with par value of VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

20.3 Loss per share

	Current year	Previous year
Net loss attributable to shareholders holding ordinary shares of the Company (VND)	(16,636,113,978)	(15,868,261,040)
Weighted average number of ordinary shares in circulation (shares)	<u>23,627,990</u>	<u>23,627,990</u>
Basic and diluted loss per share (VND/share)	<u>(704)</u>	<u>(672)</u>

There have been no dilutive potential ordinary shares during the year and up to the date of these financial statements.

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

21. REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	VND	
	Current year	Previous year
Net revenue from sale of goods and rendering of services	30,302,374,349	22,602,665,175
<i>In which:</i>		
<i>Sale of finished goods</i>	19,517,142,007	14,650,648,284
<i>Rental income</i>	4,683,960,564	2,642,454,545
<i>Sale of merchandise goods</i>	2,831,652,000	486,353,256
<i>Sale of others</i>	3,269,619,778	4,823,209,090
<i>In which:</i>		
<i>Sale to a related party (Note 28)</i>	7,970,167,200	4,252,462,500
<i>Sales to others</i>	22,332,207,149	18,350,202,675

22. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of of finished goods	18,283,527,097	17,667,180,364
Cost of rental	1,034,536,937	678,331,981
Cost of of merchandises	1,934,607,775	371,401,064
Cost of others	2,299,072,665	676,422,375
TOTAL	23,551,744,474	19,393,335,784

23. FINANCE EXPENSES

	VND	
	Current year	Previous year
Interest expenses	3,082,954,928	3,860,723,190

24. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	451,270,355	521,151,001
Labor costs	304,052,269	303,479,135
Expenses for external services	147,218,086	163,949,700
Others	-	53,722,166
General and administrative expenses	20,639,490,038	15,909,299,402
Provision for doubtful debts	17,941,931,248	11,779,396,871
Depreciation and amortisation	1,224,033,526	2,060,306,770
Labor costs	477,735,889	673,049,158
Expenses for external services	557,182,136	138,771,306
Audit fee	200,836,845	117,417,273
Others	237,770,394	1,140,358,024
TOTAL	21,090,760,393	16,430,450,403

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

25. OTHER INCOME AND OTHER EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Other income	715,180,394	2,898,433,419
Compensation	437,500,000	2,350,523,962
Income from agricultural contracted products	277,680,394	509,694,457
Others	-	38,215,000
Other expenses	(17,429,882)	(1,750,454,246)
Disposal of fixed assets	-	(1,453,586,472)
Penalties	-	(110,480,874)
Others	(17,429,882)	(186,386,900)
NET PROFIT	<u>697,750,512</u>	<u>1,147,979,173</u>

26. PRODUCTION AND OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Provision for doubtful debts	17,941,931,248	11,779,396,871
Depreciation and amortisation (Notes 9, 10 and 11)	11,095,792,242	12,184,747,774
Cost of raw materials	8,233,402,147	7,292,965,306
Labour costs	3,099,396,176	3,339,687,091
Expenses for external services	1,934,995,492	2,763,368,084
Cost of merchandises	-	371,401,064
Other expenses	3,406,790,133	3,467,268,175
TOTAL	<u>45,712,307,438</u>	<u>41,198,834,365</u>

27. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

The tax returns filed by the Company 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 financial statements could change at a later date upon final determination by the tax authorities.

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

27. CORPORATE INCOME TAX (continued)

27.1 CIT expense

Reconciliation between CIT expense and the accounting loss before tax multiplied by CIT rate is presented below:

	VND	
	Ending balance	Beginning balance
Accounting loss before tax	(16,636,113,978)	(15,868,261,040)
At CIT rate of 20%	(3,327,222,796)	(3,173,652,208)
<i>Adjustments:</i>		
Unrecognised deferred tax on temporary differences	3,543,371,230	1,921,138,721
Non-deductible expenses	598,899,019	799,167,253
Unrecongised deferred tax assets on taxable losses carried forward	-	453,346,234
Utilised tax loss carried forward	(815,047,453)	-
CIT expense	-	-

27.2 Current tax

The current CIT payable is based on taxable profit for the current year. The taxable income (tax loss) of the Company for the year differs from the profit (loss) as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

27.3 Tax losses carried forward

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five consecutive years subsequent to the year in which the loss was incurred. At the balance sheet date, the Company has aggregated accumulated tax losses of VND 38,484,453,919 (31 December 2023: VND 75,830,668,588) available for offset against future taxable profits. Details are as follows:

					VND
Originating year	Can be utilised up to	Tax loss amount	Utilised up to 31 December 2024	Unutilised at 31 December 2024	Forfeited
2019	2024	37,346,214,669 (*)	(4,075,237,267)	33,270,977,402	-
2020	2025	27,684,347,640 (*)	-	-	27,684,347,640
2021	2026	5,510,108,236 (*)	-	-	5,510,108,236
2022	2027	3,023,266,875 (*)	-	-	3,023,266,875
2023	2028	2,266,731,168 (*)	-	-	2,266,731,168
TOTAL		75,830,668,588	(4,075,237,267)	33,270,977,402	38,484,453,919

(*) Estimated tax loss as per the Company's CIT declaration is have not been audited by the local tax authorities as of the date of these financial statements.

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

27. CORPORATE INCOME TAX (continued)

27.4 Interest expense exceeds the prescribed threshold

The Company is entitled to carry forward interest expense exceeding the prescribed threshold that have not been deducted when calculating CIT for the current year ("non-deductible interest expenses") to the following year when determining the total deductible interest expenses of the following year. The subsequent period that the interest expense can be carried forward to will not exceed consecutive period of 5 years subsequent to the year in which the non-deductible interest expense incurred. At the balance sheet date, the Company has aggregated non-deductible interest expenses available as follows:

VND

Originating year	Can be used as deductible interest expense up to		Non-deductible interest expense incurred	Non-deductible interest expense carried forward to 31 December 2024	Forfeited	Non-deductible interest expense available to be carried forward as at 31 December 2024
2019	2024	(**)	7,094,722,521	-	(7,094,722,521)	-
2020	2025	(**)	3,898,816,960	-	-	3,898,816,960
2021	2026	(**)	2,301,130,522	-	-	2,301,130,522
2022	2027	(**)	2,688,805,602	-	-	2,688,805,602
TOTAL			15,983,475,605	-	(7,094,722,521)	8,888,753,084

(**) Estimated non-deductible interest expense as per the Company's corporate income tax declaration for the year ended 31 December 2024 has not been audited by the local tax authorities as of the date of these financial statements.

No deferred tax assets were recognised in respect of the remaining non-deductible interest expense of VND 8,888,753,084 as at 31 December 2024 (31 December 2023: VND 15,983,475,605) because of the uncertainty in predicting whether this non-deductible interest expense will be carried forward in the remaining time limit or not.

27.5 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items due to uncertainty of future taxable income:

VND

	Ending balance	Beginning balance
Taxable losses carried forward (Note 27.3)	38,484,453,919	75,830,668,588
Adjustment of non-deductible interest expense in accordance with Decree No. 132/2020/ND-CP	8,888,753,084	15,983,475,605
Temporary differences, in which:	47,898,630,829	30,103,774,681
Provision for doubtful receivables	47,417,074,454	29,475,143,206
Accrual for severance allowance	481,556,375	628,631,475
TOTAL	95,271,837,832	121,917,918,874

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

28. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have a controlling relationship with the Company and other related parties that have transactions with the Company during the year and as at 31 December 2024 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Binh Duong Nutifood Nutrition Food Joint Stock Company	Related company with Chairman
Mr. Le Nguyen Hoa	Chairman
Mr. Ho Sy Trung	Vice Chairman
Ms. Nguyen Huyen Tram	Member of BOD
Mr. Duong Kim Nhung	Member of BOD
Ms. Ton Thi Bich Van	Member of BOD
Mrs. Nguyen Thi Tri	Head of BOS
Mrs. Tran Thi Kim Oanh	Member of BOS
Mr. Le Van Khuan	Member of BOS

Significant transactions of the Company with related parties during the year were as follows:

<i>Related parties</i>	<i>Transaction</i>	<i>VND</i>	
		<i>Current year</i>	<i>Previous year</i>
Binh Duong Nutifood Nutrition Food Joint Stock Company	Sale of goods	7,970,167,200	4,252,462,500
	Loan payment	6,870,000,000	9,150,000,000
	Borrowing interest	3,082,954,928	2,852,107,120
	Loan drawdown	2,700,000,000	32,020,000,000
Ms. Nguyen Huyen Tram	Loan drawdown	-	2,000,000,000
	Loan payment	-	2,000,000,000
	Borrowing interest	-	28,795,892

Amounts due to related parties at the balance sheet date were as follows:

			VND
<i>Related parties</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term advance from a customer			
Binh Duong Nutifood Nutrition Food Joint Stock Company	Sale of goods	-	3,747,537,500

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from and due to related parties at the balance sheet date were as follows:
(continue)

		VND	
<i>Related parties</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Loan (Note 19)			
Binh Duong Nutifood Nutrition Food Joint Stock Company	Loan borrowing	<u>35,000,000,000</u>	<u>39,170,000,000</u>
Other short-term payables (Note 17)			
Binh Duong Nutifood Nutrition Food Joint Stock Company	Borrowing interest	<u>2,047,016,436</u>	<u>552,250,547</u>
Short term trade receivables (Note 5.1)			
Binh Duong Nutifood Nutrition Food Joint Stock Company	Sale of goods	<u>273,888,100</u>	<u>-</u>

Remuneration to members of the Board of Directors ("BOD"), Board of Supervision ("BOS") and management during the year was as follows:

		VND	
<i>Individuals</i>	<i>Position</i>	<i>Remuneration</i>	
		<i>Current year</i>	<i>Previous year</i>
Ms. Nguyen Huyen Tram	General Director and Member of BOD	240,000,000	240,000,000
Mr. Duong Kim Nhung	Deputy General Director	372,000,000	360,000,000
Mr. Ho Sy Trung	Vice Chairman	122,697,100	124,623,600
Mr. Le Van Khuan	Member of BOS	-	65,000,000
TOTAL		<u>734,697,100.</u>	<u>789,623,600</u>

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

29. COMMITMENTS

Operating lease commitments (lessee)

The Company leases land under operating lease arrangements. The minimum future lease payable under these operating lease agreements as at balance sheet dates were as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	3,402,211,979	3,402,211,979
From 1 - 5 years	13,608,847,915	13,608,847,915
More than 5 years	46,780,414,709	50,182,626,687
TOTAL	63,791,474,603	67,193,686,581

Operating lease commitment (lessor)

The Company lets out warehouse and office under operating lease arrangements. The future minimum rental receivables as at the balance sheet dates under the operating lease agreements are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
From 1-5 years	8,179,897,973	9,854,803,398
More than 5 years	20,004,944,594	22,266,414,907
TOTAL	28,184,842,567	32,121,218,305

30. EVENTS AFTER THE BALANCE SHEET DATE

There is no significant matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the financial statements of the Company.



Nguyen Thi Thanh Nhan
Preparer



Bui Quoc Thinh
Chief Accountant



Dak Lak Province, Vietnam
25 March 2025

Nguyen Huyen Tram
General Director