



AAC AUDITING AND ACCOUNTING CO., LTD
A member of PrimeGlobal

**QUANG NGAI SUGAR
JOINT STOCK COMPANY**
Consolidated Financial Statements
For the year ended 31 December 2024

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REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Quang Ngai Sugar Joint Stock Company is pleased to present this report together with the audited consolidated financial statements for the year ended 31/12/2024.

Overview

Quang Ngai Sugar Joint Stock Company (“the Company”) is incorporated on the basis of equitizing the State-Owned Enterprise (Quang Ngai Sugar Company belonging to the Ministry of Agriculture and Rural Development) under Decision No. 2610/QD/BNN-DMDN dated 30/9/2005 by the Minister of Agriculture and Rural Development. The Company is an independent accounting entity, operating in accordance with Business Registration Certificate (now being the Enterprise Registration Certificate) No. 3403000079 issued by the Department of Planning and Investment of Quang Ngai Province on 28/12/2005, the Enterprise Law, its Charter and relevant regulations. Since the establishment date, the Enterprise Registration Certificate (the current number is 4300205943) has been amended 26 times and the most recent amendment was made on 05/08/2024.

The Company registered to list and trade its common shares on UPCoM at Hanoi Stock Exchange on 20/12/2016 with stock symbol QNS.

Charter capital as at 31/12/2024: VND3,676,481,530,000.

As at 31/12/2024, the Company had 16 dependent units which do independent accounting and one subsidiary:

Dependent units

- Dung Quat Beer Factory;
- An Khe Agricultural and Mechanical Workshop;
- Vietnam Soya Products Factory VINASOY;
- Vietnam Soya Products Factory VINASOY Bac Ninh;
- Vietnam Soya Products Factory VINASOY Binh Duong;
- VINASOY Soybean Research and Application Center;
- VINASOY Soybean Research and Development Center;
- Pho Phong Sugar Factory;
- Environment and Clean Water Center;
- An Khe Sugar Factory;
- An Khe Biomass Power Plant;
- BISCAFUN Confectionery Factory;
- Thach Bich Mineral Water Factory;
- Quang Ngai Glucose Factory;
- Mechanical Factory;
- Gia Lai Sugarcane Seed Study and Application Center.

Subsidiary

Company name	Address	Principal activities	% holding and voting right
Thanh Phat Trade One Member Limited Company	02 Nguyen Chi Thanh, Quang Ngai City	Trading	100%

REPORT OF THE BOARD OF MANAGEMENT (CONT'D)

Head office

- Address: 02 Nguyen Chi Thanh Street, Quang Phu Ward, Quang Ngai City, Quang Ngai Province
- Tel: (84) 0255.3726 110
- Fax: (84) 0255.3822 843
- Website: www.qns.com.vn

Principal operating activities

- Manufacturing sugar;
- Processing soya milk and products from soya milk;
- Manufacturing malt liquors and malt;
- Manufacturing soft drinks and mineral water;
- Manufacturing cocoa, chocolate and sugar confectionery;
- Manufacturing pastry cooks' products from flours;
- Generating electricity;
- Trading beer, beverages;
- Trading sugar, molasses, milk, confectionary; Trading glucose syrup, maltose syrup;
- Propagation and growing of sugar cane; Propagation and growing of soybean trees;
- Planting sugar cane;
- Machining; treatment and coating of metals: Machining mechanical products for manufacture and civil industries;
- Mineral water extraction;
- Sewerage and waste water treatment;
- Filling, grading, excavating land, building infield ditch roads and traffic of sugar cane area;
- Post-harvest crop activities.

Employees

As at 31/12/2024, the Company had 4,086 employees (as at 01/01/2024: 4,133 employees), including 110 managing officers.

Members of the Board of Directors, Board of Supervisors, Board of Management and Chief Accountant during the year and up to this reporting date are as follows:

Board of Directors

- | | | |
|------------------------|--------------------------|---------------------------|
| • Mr. Tran Ngoc Phuong | Chairman of the BOD | Reappointed on 08/04/2021 |
| • Mr. Vo Thanh Dang | Vice Chairman of the BOD | Appointed on 08/04/2021 |
| • Mr. Nguyen Huu Tien | Non-Executive BOD member | Reappointed on 03/04/2021 |
| • Mr. Ngo Van Tu | Non-Executive BOD member | Reappointed on 03/04/2021 |
| • Mr. Dang Phu Quy | Executive BOD member | Reappointed on 03/04/2021 |
| • Mr. Nguyen Van Dong | Independent BOD member | Appointed on 03/04/2021 |



AAC AUDITING AND ACCOUNTING CO., LTD

AN INDEPENDENT MEMBER OF PRIMEGLOBAL

AUDITING - ACCOUNTING - FINANCE SPECIALITY

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No. 141/2025/BCKT-AAC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, Board of Directors and Board of Management
Quang Ngai Sugar Joint Stock Company**

We have audited the consolidated financial statements prepared on 26/02/2025 of Quang Ngai Sugar Joint Stock Company ("the Company") as set out on pages 5 to 39, which comprise the consolidated balance sheet as at 31/12/2024, the consolidated income statement and the consolidated statement of cash flows for the year then ended and the notes thereto.

Board of Management's Responsibility for the Financial Statements

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

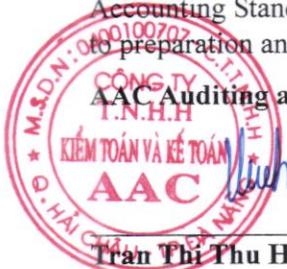
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, 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 consolidated 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 Board of Management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 31/12/2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

AAC Auditing and Accounting Co., Ltd.



Trần Thị Thu Hiền – Deputy General Director
Audit Practicing Registration Certificate
No. 0753-2023-010-1
Da Nang, 26 February 2025

Dinh Ngoc Hong Hanh – Auditor
Audit Practicing Registration Certificate
No. 4452-2023-010-1

CONSOLIDATED BALANCE SHEET
As at 31 December 2024

Form B 01 – DN/HN
Issued under Circular No. 202/2014/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		10,010,993,374,030	8,093,319,101,947
I. Cash and cash equivalents	110		539,202,757,999	289,482,272,858
1. Cash	111	5	539,202,757,999	289,482,272,858
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		7,299,000,000,000	6,165,000,000,000
1. Trading securities	121		-	-
2. Held-to-maturity investments	123	6	7,299,000,000,000	6,165,000,000,000
III. Short-term receivables	130		810,251,740,031	661,338,432,336
1. Short-term trade receivables	131	7	344,494,692,566	248,116,226,127
2. Short-term prepayments to suppliers	132	8	429,953,442,576	379,855,956,240
3. Other short-term receivables	136	9.a	55,918,442,333	52,593,372,855
4. Provision for doubtful short-term debts	137	10	(20,114,837,444)	(19,227,122,886)
IV. Inventories	140		1,323,444,326,308	958,387,940,269
1. Inventories	141	11	1,323,458,133,517	961,027,161,702
2. Provision for decline in value of inventories	149		(13,807,209)	(2,639,221,433)
V. Other current assets	150		39,094,549,692	19,110,456,484
1. Short-term prepaid expenses	151	12.a	23,875,900,105	18,369,074,400
2. Creditable VAT	152		15,180,430,505	-
3. Taxes and amounts receivable from the State	153	18	38,219,082	741,382,084
B. NON-CURRENT ASSETS	200		3,797,494,687,605	3,959,445,424,756
I. Long-term receivables	210		434,783,710	786,569,947
1. Long-term trade receivables	211		-	-
2. Other long-term receivables	216	9.b	434,783,710	786,569,947
II. Fixed assets	220		3,451,568,841,989	3,666,269,497,383
1. Tangible fixed assets	221	13	3,434,424,189,917	3,650,217,131,046
- Cost	222		9,380,758,826,546	9,204,317,361,309
- Accumulated depreciation	223		(5,946,334,636,629)	(5,554,100,230,263)
2. Intangible fixed assets	227	14	17,144,652,072	16,052,366,337
- Cost	228		78,177,331,109	74,486,330,425
- Accumulated amortization	229		(61,032,679,037)	(58,433,964,088)
IV. Non-current assets in progress	240		81,773,023,093	53,483,559,255
1. Long-term work in process	241		-	-
2. Construction in progress	242	15	81,773,023,093	53,483,559,255
V. Long-term financial investments	250		-	-
VI. Other non-current assets	260		263,718,038,813	238,905,798,171
1. Long-term prepaid expenses	261	12.b	263,668,345,507	238,880,008,227
2. Deferred income tax assets	262		49,693,306	25,789,944
TOTAL ASSETS	270		13,808,488,061,635	12,052,764,526,703

CONSOLIDATED BALANCE SHEET (cont'd)
As at 31 December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
C. LIABILITIES	300		3,806,970,982,376	3,472,205,987,868
I. Current liabilities	310		3,626,832,974,969	3,281,488,129,991
1. Short-term trade payables	311	16	464,095,068,931	456,319,808,742
2. Short-term advances from customers	312	17	56,336,078,973	35,532,426,204
3. Taxes and amounts payable to the State budget	313	18	158,664,563,895	145,721,654,219
4. Payables to employees	314		95,083,947,966	111,461,532,617
5. Short-term accrued expenses	315	19	4,821,918,376	3,339,377,086
6. Short-term unearned revenue	318		712,727	712,727
7. Other short-term payables	319	20.a	50,614,459,856	42,427,563,697
8. Short-term loans and finance lease liabilities	320	21	2,713,580,820,203	2,411,316,232,933
9. Reward and welfare fund	322		83,635,404,042	75,368,821,766
II. Long-term liabilities	330		180,138,007,407	190,717,857,877
1. Other long-term payables	337	20.b	8,301,854,364	8,251,004,364
2. Science and technology development fund	343	22	171,836,153,043	182,466,853,513
D. OWNERS' EQUITY	400		10,001,517,079,259	8,580,558,538,835
I. Equity	410	23	10,001,517,079,259	8,580,558,538,835
1. Share capital	411	23	3,676,481,530,000	3,569,399,550,000
- Common shares with voting rights	411a		3,676,481,530,000	3,569,399,550,000
- Preferred shares	411b		-	-
2. Share premium	412	23	528,846,222,426	353,499,663,780
3. Treasury shares	415	23	(834,457,318,216)	(834,457,318,216)
4. Investment and development fund	418	23	779,879,626,112	714,375,667,849
5. Undistributed profit	421	23	5,850,767,018,937	4,777,740,975,422
- Undistributed profit up to prior year-end	421a		3,786,186,314,405	2,895,681,049,975
- Undistributed profit this year	421b		2,064,580,704,532	1,882,059,925,447
6. Non-controlling interests	429		-	-
II. Budget sources and other funds	430		-	-
TOTAL RESOURCES	440		13,808,488,061,635	12,052,764,526,703



Vo Thanh Dang
Chief Executive Officer

Quang Ngai Province, 26 February 2025

Nguyen The Binh
Chief Accountant

Nguyen Hong Diep
Preparer

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2024

Form B 02 – DN/HN
Issued under Circular No. 202/2014/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	25	10,315,835,017,750	10,081,617,871,279
2. Deductions	02	26	72,569,612,724	60,382,607,080
3. Net revenue from sales and service provision	10		10,243,265,405,026	10,021,235,264,199
4. Cost of goods sold	11	27	6,759,246,728,248	6,670,392,634,780
5. Gross profit from sales and service provision	20		3,484,018,676,778	3,350,842,629,419
6. Financial income	21	28	262,267,815,860	340,607,535,831
7. Financial expenses	22	29	95,928,285,041	138,891,494,695
<i>Including: Interest expense</i>	23		93,610,782,278	136,264,011,316
8. Selling expenses	25	30.a	862,662,368,859	805,491,960,579
9. Administrative expenses	26	30.b	240,538,806,846	391,346,215,563
10. Operating profit	30		2,547,157,031,892	2,355,720,494,413
11. Other income	31	31	99,430,695,134	93,995,949,879
12. Other expenses	32	32	1,397,239,452	2,868,560,251
13. Other profit	40		98,033,455,682	91,127,389,628
15. Accounting profit before tax	50		2,645,190,487,574	2,446,847,884,041
16. Current corporate income tax expense	51	33	268,520,138,404	263,301,665,333
17. Deferred corporate income tax expense	52		(23,903,362)	80,943,261
18. Profit after tax	60		2,376,694,252,532	2,183,465,275,447
19. Attributable to parent company	61		2,376,694,252,532	2,183,465,275,447
20. Attributable to the non-controlling interests	62			
21. Basic earnings per share	70	34	7,680	7,172
22. Diluted earnings per share	71	34	7,680	7,172



Vo Thanh Dang
Chief Executive Officer

Quang Ngai Province, 26 February 2025

Nguyen The Binh
Chief Accountant

Nguyen Hong Diep
Preparer

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31/12/2024

Form B 03 – DN/HN
Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Year 2024 VND	Year 2023 VND
I. Cash flows from operating activities			
1. Profit before tax	01	2,645,190,487,574	2,446,847,884,041
2. Adjustments for			
- Depreciation and amortization of fixed assets and land rent	02	443,728,016,028	445,442,805,149
- Provisions	03	(1,737,699,666)	3,327,627,630
- Foreign exchange (gains)/losses from revaluation of foreign currency balances	04	230,712,508	321,055,146
- (Profits)/losses from investing activities	05	(233,722,954,009)	(311,142,845,270)
- Interest expense	06	93,610,782,278	136,264,011,316
- Other adjustments	07	-	150,000,000,000
3. Operating profit before changes in working capital	08	2,947,299,344,713	2,871,060,538,012
- Decrease/increase in receivables	09	(164,082,381,874)	(63,960,851,173)
- Decrease/increase in inventories	10	(362,430,971,815)	(12,705,219,283)
- Decrease/increase in payables (excluding loan interest and corporate income tax payable)	11	22,756,441,319	(6,873,449,313)
- Decrease/increase in prepaid expenses	12	(35,730,116,068)	21,261,649,770
- Interest paid	14	(93,836,988,403)	(136,605,687,173)
- Corporate income tax paid	15	(257,533,155,111)	(245,637,015,090)
- Other payments for operating activities	17	(23,836,447,952)	(18,418,446,194)
- Net cash provided by operating activities	20	<u>2,032,605,724,809</u>	<u>2,408,121,519,556</u>
II. Cash flows from investing activities			
1. Purchases of fixed assets and other non-current assets	21	(252,774,678,154)	(219,442,528,152)
2. Sales, disposals of fixed assets and other non-current assets	22	4,758,938,870	448,861,168
3. Purchases of debt instruments, loans given	23	(12,784,000,000,000)	(10,554,000,000,000)
4. Recovery of loans, sales of debt instruments	24	11,650,000,000,000	8,685,000,000,000
5. Received loan interest, dividends, profits	27	231,054,182,522	306,386,890,947
Net cash used in investing activities	30	<u>(1,150,961,556,762)</u>	<u>(1,781,606,776,037)</u>
III. Cash flows from financing activities			
1. Proceeds from stock issuance, capital contribution	31	282,428,538,646	-
2. Proceeds from borrowings	33	7,350,587,854,135	6,761,780,787,221
3. Repayment of loan principal	34	(7,048,323,266,865)	(6,246,359,786,374)
4. Cash paid for dividends, profit to owners	36	(1,216,336,172,000)	(1,054,889,415,600)
Net cash used in financing activities	40	<u>(631,643,046,084)</u>	<u>(539,468,414,753)</u>
Net cash flows for the year	50	<u>250,001,121,963</u>	<u>87,046,328,766</u>
Cash and cash equivalents at the beginning of the year	60	289,482,272,858	202,619,119,038
Impacts of exchange rate fluctuations	61	(280,636,822)	(183,174,946)
Cash and cash equivalents at the end of the year	70	<u>539,202,757,999</u>	<u>289,482,272,858</u>



Võ Thanh Đăng
Chief Executive Officer

Quang Ngai Province, 26 February 2025

Nguyen The Binh
Chief Accountant

Nguyen Hong Diep
Preparer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

Form B 09 – DN/HN
Issued under Circular No. 202/2014/TT – BTC
dated 22/12/2014 by the Ministry of Finance

1. Nature of operations

1.1. Overview

Quang Ngai Sugar Joint Stock Company (“the Company”) is incorporated on the basis of equitizing the State-Owned Enterprise (Quang Ngai Sugar Company belonging to the Ministry of Agriculture and Rural Development) under Decision No. 2610/QD/BNN-DMDN dated 30/9/2005 by the Minister of Agriculture and Rural Development. The Company is an independent accounting entity, operating in accordance with Business Registration Certificate (now being the Enterprise Registration Certificate) No. 3403000079 issued by the Department of Planning and Investment of Quang Ngai Province on 28/12/2005, the Enterprise Law, its Charter and relevant regulations. Since the establishment date, the Enterprise Registration Certificate (the current number is 4300205943) has been amended 26 times and the most recent amendment was made on 05/08/2024.

The Company registered to list and trade its common shares on UPCoM at Hanoi Stock Exchange on 20/12/2016 with stock symbol QNS.

1.2. Principal scope of business: *Industrial manufacture and commercial trading/service/construction/multi-industry business.*

1.3. Principal operating activities

- Manufacturing sugar;
- Processing soya milk and products from soya milk;
- Manufacturing malt liquors and malt;
- Manufacturing soft drinks and mineral water;
- Manufacturing cocoa, chocolate and sugar confectionery;
- Manufacturing pastry cooks’ products from flours;
- Generating electricity;
- Trading beer, beverages;
- Trading sugar, molasses, milk, confectionary; Trading glucose syrup, maltose syrup;
- Propagation and growing of sugar cane; Propagation and growing of soybean trees;
- Planting sugar cane;
- Machining; treatment and coating of metals. Detail: Machining mechanical products for manufacture and civil industries;
- Mineral water extraction;
- Sewerage and waste water treatment;
- Filling, grading, excavating land, building infield ditch roads and traffic of sugar cane area;
- Post-harvest crop activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

1.4. Normal operating cycle

The Company's normal operating cycle is 12 months. The normal operating cycle of An Khe Sugar Factory and An Khe Biomass Power Plant is seasonal and typically from October of the preceding year to May of the following year.

1.5. Company structure

As at 31/12/2024, the Company had 16 dependent units which do independent accounting and one subsidiary as follows:

Dependent units

- Dung Quat Beer Factory;
- An Khe Agricultural and Mechanical Workshop;
- Vietnam Soya Products Factory VINASOY;
- Vietnam Soya Products Factory VINASOY Bac Ninh;
- Vietnam Soya Products Factory VINASOY Binh Duong;
- VINASOY Soybean Research and Application Center;
- VINASOY Soybean Research and Development Center;
- Pho Phong Sugar Factory;
- Environment and Clean Water Center;
- An Khe Sugar Factory;
- An Khe Biomass Power Plant;
- BISCAFUN Confectionery Factory;
- Thach Bich Mineral Water Factory;
- Quang Ngai Glucose Factory;
- Mechanical Factory;
- Gia Lai Sugarcane Seed Study and Application Center.

Subsidiary

Company name	Address	Principal activities	% holding and voting right
Thanh Phat Trade One Member Limited Company	02 Nguyen Chi Thanh, Quang Ngai City	Trading	100%

2. Accounting period, currency used in accounting

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

3. Applied accounting standards and system

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

These consolidated financial statements are prepared and presented in accordance with the provisions of Circular No. 202/2014/TT-BTC dated 22/12/2014 by the Ministry of Finance.

4. Summary of significant accounting policies

4.1 Principles and methods of preparing consolidated financial statements

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary.

Subsidiary

Subsidiary is entity controlled by the Company. Control is achieved where the Company has the power to directly or indirectly govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. The financial statements of subsidiary are consolidated from the effective date of control up to the date of cease to control.

The financial statements of the subsidiary are prepared for the same year as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiary and the Company.

Capital divestment of the Company from a subsidiary that does not result in a loss of control is accounted for as transactions with owners. If the capital divestment results in a loss of control, any resulting gain or loss is recognized in the consolidated income statement.

All intra-company balances and transactions, unrealized profits or losses arising from intra-company transactions, have been eliminated in full when preparing the consolidated financial statements.

Non-controlling interests

Non-controlling interests represent the portion of net assets in subsidiary not held by the Company and are presented within equity in the consolidated balance sheet, separately from parent shareholders' equity.

Non-controlling interests include non-controlling interests which are measured at their holding proportion in fair value of the net assets of subsidiary at the acquisition date and non-controlling interests in the fluctuations of total equity as from the consolidation date. Losses in subsidiary are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests represent the portion of profit or loss of subsidiary not held by the Company, are determined based on the ratio of non-controlling interests and profit after corporate income tax of subsidiary and are presented separately in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.2 Exchange rate difference applied in accounting

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

At the balance sheet date, monetary items denominated in foreign currency which are classified as assets are revaluated using the purchasing exchange rate and monetary items denominated in foreign currency which are classified as liabilities are revaluated using the selling exchange rate of the commercial bank where the Company regularly conducts transactions. For foreign currency deposited in bank, the exchange rate upon revaluation is the purchasing exchange rate of the bank where the Company opens foreign currency accounts.

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

4.3 Cash and cash equivalents

Cash includes: cash on hand, demand deposits and cash in transit.

Cash equivalents are short-term investments which are collectible or mature within 3 months at the date of purchase, readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date.

4.4 Held-to-maturity investments

Held-to-maturity investments are term deposits (including treasury bills, promissory notes), bonds, preferred shares which the issuer is required to re-buy them at a certain time in the future and held-to-maturity loans to earn profits periodically and other held-to-maturity investments.

Held-to-maturity investments are recorded at book value upon revaluation. Provision for loss of held-to-maturity investments shall be recorded as a decrease directly in the book value of investments.

4.5 Receivables

Receivables include trade receivables and other receivables.

- Trade receivables include commercial receivables generating from purchase-sale related transactions between the Company and buyers;
- Other receivables include non-commercial receivables, receivables not related to purchase-sale and intra-company transactions.

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

4.6 Inventories

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Cost of inventories comprises:

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

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

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

4.7 Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Depreciation

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

<u>Kinds of assets</u>	<u>Depreciation period (years)</u>
Buildings, architectures	5 - 25
Machinery, equipment	7 - 15
Motor vehicles	6 - 15
Office equipment	3 - 10

4.8 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

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 legally obtaining the 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 over their estimated useful lives. Amortization period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. Details are as follows:

<u>Kinds of assets</u>	<u>Amortization period (years)</u>
Computer software	3 - 8

4.9 Asset leases

An operating lease is a lease in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

4.10 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:

- Land rental and all costs related to the leased land are amortized in accordance with the straight-line method over the term of the lease;
- Tools, instruments, empty bottles, boxes which were put into use are amortized in accordance with the straight-line method for a period ranging from 1 year to 3 years;
- 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.

4.11 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 their remaining terms at the balance sheet date.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.12 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.

4.13 Unearned revenue

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

4.14 Loans and finance lease liabilities

Loans and finance lease liabilities are reflected at cost and classified into current liabilities and long-term liabilities based on their remaining terms at the balance sheet date.

The Company monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and original currencies.

Borrowing costs

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

4.15 Scientific and technological development fund

Scientific and technological development fund is established by the Company to form finance source to invest in its activities of science and technology through activities of research, application and development, technology innovation, product innovation, production rationalization in order to improve the competitiveness of the Company.

The appropriation of provision for and use of Scientific and technological development fund are guided by Circular No. 05/2022/TT-BKHHCN dated 31/05/2022 of the Ministry of Science and Technology providing guidance on the establishment, organization, operation, management, and use of Scientific and technology development fund of enterprises (effective from 01/06/2022), and Circular No. 67/2022/TT-BTC dated 07/11/2022 of the Ministry of Finance providing guidance on tax obligations when enterprises appropriate and utilize the Scientific and technological development fund (effective from 23/12/2022).

4.16 Owners' equity

Share capital represents the amount of capital actually contributed by shareholders.

Share premium

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of shares; the capital component of convertible bonds as they fall due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Treasury shares

Treasury shares are the amounts payable to repurchase the shares that the Company has issued and all costs directly related to this repurchase transaction.

Profit distribution

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

The dividends 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.

4.17 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.
 - ✓ Interest is recognized on the basis of the actual term and interest rates;
 - ✓ Dividends and profits shared are recognized when the Company assumes the rights to receive dividends or profit from the capital contribution. 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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.19 Cost of goods sold

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

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

4.20 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 losses 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.

4.21 Selling expenses, administrative expenses

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

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

4.22 Corporate income tax expense

Corporate income tax expenses include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

4.23 Financial instruments

Initial recognition

Financial assets

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

Financial liabilities

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

Subsequent measurement

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.24 Tax rates and charges payable to the State Budget which the Company is applying

- Value Added Tax (VAT):
 - ✓ 5% is applicable to sugar, molasses, malt.
 - ✓ 10% is applicable to products: mineral water, confectionery, milk, beer, commercial electricity. For the period from 01/01/2024 to 31/12/2024, a tax rate of 8% was applied to these goods (except beer) according to the Government's Decree No. 94/2023/ND-CP and Decree No. 72/2024/ND-CP.
 - ✓ Other products, services are subject to prevailing tax rates.
- Special consumption tax: A tax rate of 65% is applicable to beer.
- Natural resources tax:
 - ✓ Activity of exploiting mineral water at VND325,000/m³ x tax rate (10%);
 - ✓ Activity of exploiting Tra Khuc River water at VND4,000/m³ x tax rate (1%).
- Corporate Income Tax (CIT):

Applicable CIT rate is 20%.

Incentives for some dependent units are listed below:

 - ✓ Agricultural and Mechanical Workshop: Income from the activities of ploughing land and harvesting sugar cane is free of tax.
 - ✓ VINASOY Soybean Research and Development Center (Nghia Hanh District, Quang Ngai Province): tax rate of 10% is applicable to the activities of planting and processing farm produce in area with difficult socio-economic conditions.
 - ✓ An Khe Sugar Factory (An Khe Town, Gia Lai Province):
 - + For income from processing farm produce: CIT exemption is applicable to income from processing farm produce in area with extremely difficult socio-economic conditions.
 - + For the project of "Investment in RE refined sugar production line" which is a new investment project in the area with extremely difficult socio-economic conditions (under Investment Registration Certificate with project code No. 4022187241 dated 13/05/2019), CIT incentives would be applied as below:
 - CIT would be levied at the rate of 10% for the first 15 years of revenue generation from the project. In 2021, the Company generated revenue from the project, thus, CIT rate of 10% would be applied from 2021 to 2035.
 - CIT would be waived for 4 years and would be halved for the succeeding 9 years starting from the time of taxable income derivation from the project. In 2021, the Company derived taxable income from the project. Hence, the Company would enjoy CIT exemption from 2021 to 2024 and 50% CIT liability reduction from 2025 to 2033.
 - ✓ An Khe Biomass Power Plant has the new investment project in the area with extremely difficult socio-economic conditions. Accordingly, the Plant is entitled to the tax rate of 10% for 15 years (from 2018 to 2032), tax exemption for 4 years (from 2018 to 2021) and 50% reduction of tax amount payable in the subsequent 9 years (from 2022 to 2030).
 - ✓ Gia Lai Sugarcane Seed Study and Application Center: CIT exemption is applicable to the activities of planting and processing farm produce in area with extremely difficult socio-economic conditions.
- Other taxes and charges are paid in accordance with relevant regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

4.25 Related parties

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

Unit: VND

5. Cash

	31/12/2024		01/01/2024	
Cash on hand		17,591,340,187		17,688,823,033
+ VND		17,583,090,187		17,654,238,033
+ Monetary gold (SJC gold bar)		-	4 bars	28,400,000
+ Monetary gold (SJC gold ring)	1 ring	8,250,000	1 ring	6,185,000
Cash in bank		521,611,417,812		271,793,449,825
+ VND		496,236,764,960		260,494,056,753
+ USD	1,004,913.23 #	25,374,652,852	470,668.06 #	11,299,375,403
+ EUR		-	0.67 #	17,669
Total		<u>539,202,757,999</u>		<u>289,482,272,858</u>

6. Held-to-maturity investments

	31/12/2024	01/01/2024
Term deposits	7,299,000,000,000	6,165,000,000,000
Total	<u>7,299,000,000,000</u>	<u>6,165,000,000,000</u>

As at 31/12/2024, held-to-maturity investments of the Company are bank deposits with terms ranging from 6 months to 1 year. The Board of Management assesses that these investments are not impaired in value.

7. Short-term trade receivables

	31/12/2024	01/01/2024
MM Mega Market (Vietnam) Company Limited	2,425,205,350	2,538,250,683
EB Service Co., Ltd	3,572,691,012	2,654,937,103
Vietnam Electricity	101,706,599,240	47,217,431,595
Tetra Pak Vietnam Joint Stock Company	59,877,172,747	59,548,069,081
Frieslandcampina Ha Nam Co., Ltd	-	3,363,994,516
Frieslandcampina Vietnam Co., Ltd	7,673,925,000	20,970,495,000
Nutifood Nutrition Food Joint Stock Company	22,923,915,000	17,521,455,000
Other customers	146,315,184,217	94,301,593,149
Total	<u>344,494,692,566</u>	<u>248,116,226,127</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

8. Short-term prepayments to suppliers

	31/12/2024	01/01/2024
Prepayments to farmers for buying sugarcane	378,568,762,715	340,404,070,458
Other suppliers	51,384,679,861	39,451,885,782
Total	<u>429,953,442,576</u>	<u>379,855,956,240</u>

9. Other receivables

a. Short-term

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Accrued bank interest	43,579,457,531	-	43,746,273,974	-
Advances	6,800,753,277	-	2,362,552,599	-
Deposits, collaterals	482,682,237	-	473,999,655	-
Other receivables	5,055,549,288	18,451,050	6,010,546,627	18,451,050
Total	<u>55,918,442,333</u>	<u>18,451,050</u>	<u>52,593,372,855</u>	<u>18,451,050</u>

b. Long-term

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
Deposits, collaterals	434,783,710	-	786,569,947	-
Total	<u>434,783,710</u>	<u>-</u>	<u>786,569,947</u>	<u>-</u>

10. Provision for short-term doubtful debts

a. Provision for doubtful debts

	31/12/2024	01/01/2024
Provision for doubtful debts at the beginning of the year	19,227,122,886	17,467,671,134
Provision for doubtful debts made during the year	887,714,558	1,759,451,752
Reversal of provision for doubtful debts during the year	-	-
Provision for doubtful debts at the end of the year	<u>20,114,837,444</u>	<u>19,227,122,886</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Bad debts

Overdue receivables	31/12/2024			01/01/2024		
	Cost	Recoverable amount	Overdue period	Cost	Recoverable amount	Overdue period
- Trinh Van Hung	478,245,050	-	Over 3 years	478,245,050	-	Over 3 years
- Energy and Technology Development Company	750,000,000	-	Over 3 years	750,000,000	-	Over 3 years
- Pham Thi Chinh	117,903,750	-	Over 3 years	117,903,750	-	Over 3 years
- Vietnam Vinashin Mechanical Company	140,732,500	-	Over 3 years	140,732,500	-	Over 3 years
- Thuan Thanh Co., Ltd	272,811,481	-	Over 3 years	272,811,481	-	Over 3 years
- Nguyen Tai Danh	175,416,672	-	Over 3 years	175,416,672	-	Over 3 years
- Others	19,216,735,288	1,037,007,297	0,5 - 24 years	18,724,846,788	1,432,833,355	0,5 - 23 years
Total	<u>21,151,844,741</u>	<u>1,037,007,297</u>		<u>20,659,956,241</u>	<u>1,432,833,355</u>	

11. Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
Goods in transit	46,744,060,379	-	36,879,787,829	-
Materials, raw materials	838,950,563,790	-	513,792,990,569	2,639,221,433
Tools, instruments	12,609,485,737	-	15,145,109,649	-
Work in process	48,034,525,832	-	52,064,386,622	-
Finished products	355,482,910,485	13,807,209	331,022,095,344	-
Merchandise goods	21,636,587,294	-	11,750,770,103	-
Goods on consignment	-	-	372,021,586	-
Total	<u>1,323,458,133,517</u>	<u>13,807,209</u>	<u>961,027,161,702</u>	<u>2,639,221,433</u>

- Value of inventories being finished products that were stagnant, of poor quality as at 31/12/2024 was VND13,807,209.
- No inventories were mortgaged and pledged as security for debts as at 31/12/2024.

12. Prepaid expenses

a. Short-term

	31/12/2024	01/01/2024
Operating lease of fixed assets	170,059,333	170,059,341
Tools and instruments put into use pending allocation	7,684,294,900	5,641,026,667
Others	16,021,545,872	12,557,988,392
Total	<u>23,875,900,105</u>	<u>18,369,074,400</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Long-term

	31/12/2024	01/01/2024
Land lease	163,873,767,160	169,308,720,243
Tools and instruments put into use pending allocation	21,521,800,380	27,427,402,008
Bottles, cases	7,440,922,203	5,727,772,904
Others	70,831,855,764	36,416,113,072
Total	<u>263,668,345,507</u>	<u>238,880,008,227</u>

13. Tangible fixed assets

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Total
Cost					
Beginning balance	1,541,494,821,066	7,251,039,815,092	286,721,311,931	125,061,413,220	9,204,317,361,309
Newly-purchased	1,934,244,866	10,642,422,000	2,105,000,000	5,810,784,771	20,492,451,637
Self-constructed	11,107,886,181	166,604,963,176	166,800,000	23,814,979,809	201,694,629,166
Other increase	-	-	-	-	-
Sold, disposed	5,787,260,499	39,711,104,158	90,909,091	156,341,818	45,745,615,566
Ending balance	<u>1,548,749,691,614</u>	<u>7,388,576,096,110</u>	<u>288,902,202,840</u>	<u>154,530,835,982</u>	<u>9,380,758,826,546</u>
Depreciation					
Beginning balance	1,060,425,426,088	4,188,878,006,858	205,565,253,883	99,231,543,434	5,554,100,230,263
Increase in the year	86,082,883,032	330,600,867,164	11,917,878,229	7,455,042,567	436,056,670,992
- Depreciation	86,065,571,365	330,579,651,399	11,917,878,229	7,131,247,003	435,694,347,996
- Using STDF	17,311,667	21,215,765	-	323,795,564	362,322,996
- Other increase	-	-	-	-	-
Sold, disposed	4,322,724,779	39,252,288,938	90,909,091	156,341,818	43,822,264,626
Ending balance	<u>1,142,185,584,341</u>	<u>4,480,226,585,084</u>	<u>217,392,223,021</u>	<u>106,530,244,183</u>	<u>5,946,334,636,629</u>
Net book value					
Beginning balance	481,069,394,978	3,062,161,808,234	81,156,058,048	25,829,869,786	3,650,217,131,046
Ending balance	<u>406,564,107,273</u>	<u>2,908,349,511,026</u>	<u>71,509,979,819</u>	<u>48,000,591,799</u>	<u>3,434,424,189,917</u>

- As at 31/12/2024, tangible fixed assets with a carrying value of VND0 have been mortgaged as collateral for borrowings granted to the Company.
- Cost of tangible fixed assets fully depreciated but still in active use as at 31/12/2024 was VND3,068,179,696.573.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

14. Intangible fixed assets

	Land use rights	Computer software	Total
Cost			
Beginning balance	2,474,678,545	72,011,651,880	74,486,330,425
Newly-purchased	-	3,691,000,684	3,691,000,684
Decrease	-	-	-
Ending balance	2,474,678,545	75,702,652,564	78,177,331,109
Amortization			
Beginning balance	964,025,460	57,469,938,628	58,433,964,088
Charge for the year	32,223,034	2,566,491,915	2,598,714,949
- Amortization	32,223,034	2,566,491,915	2,598,714,949
- Using STDF	-	-	-
Decrease	-	-	-
Ending balance	996,248,494	60,036,430,543	61,032,679,037
Net book value			
Beginning balance	1,510,653,085	14,541,713,252	16,052,366,337
Ending balance	1,478,430,051	15,666,222,021	17,144,652,072

- No intangible fixed assets were mortgaged as collateral for debts as at 31/12/2024.
- Cost of intangible fixed assets fully amortized but still in active use as at 31/12/2024 was VND55,904,879,175.

15. Construction in progress

	31/12/2024	01/01/2024
Purchases	12,480,298,597	12,480,298,597
- Land of households	12,480,298,597	12,480,298,597
Constructions	69,292,724,496	41,003,260,658
- Biomass thermal power plant project	-	1,597,406,604
- Bottled mineral water production line system	41,280,861,458	-
- Others	28,011,863,038	39,405,854,054
Total	81,773,023,093	53,483,559,255

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

16. Short-term trade payables

	31/12/2024	01/01/2024
Asia Packing Industries Vietnam Co., Ltd.	8,185,218,716	5,906,133,045
Thai Tan Trading Transport Co., Ltd	2,642,149,614	4,928,606,906
Brenntag Vietnam Co., Ltd	5,572,452,889	5,706,568,560
Khatoco Package Printing JSC	8,047,212,403	6,555,291,001
Tetra Pak Vietnam JSC	13,906,792,202	13,550,135,298
Vietnam Japan Fertilizer Company	15,011,053,000	15,115,698,000
Asia Chemical Corporation	12,354,263,927	7,035,765,913
Kinh Bac Packaging JSC	3,419,533,368	5,518,008,036
TKL Corporation	29,823,177,435	16,982,015,339
Minh Thong Production and Trading Co., Ltd.	2,030,664,600	2,046,423,620
Technology Development & Application Co., Ltd	95,578,355,678	95,578,355,678
Crown Beverage Cans Danang Limited	833,924,809	2,594,162,633
Others	266,690,270,290	274,802,644,713
Total	<u>464,095,068,931</u>	<u>456,319,808,742</u>

17. Short-term advances from customers

	31/12/2024	01/01/2024
KV2 - Hoang Trung Trading Co. Ltd	209,586,273	71,584,654
TH Ngoc Anh Service and Trading Co., Ltd	534,378,099	445,266,337
Binh Huy Hoang Co., Ltd	-	453,145,917
Lan Son Trading Co., Ltd	616,362,604	641,073,750
Thang Thuy Trading and Service Co., Ltd	166,763,746	63,721,101
Viet Chien Transport Co., Ltd	429,797,572	73,211,007
Wala Wang investment Co., Ltd	86,656,357	86,656,357
CKL Food Industries Pte Ltd	6,470,962,806	4,269,047,506
Fujiura Ltd, (Fujiura)	7,155,798,336	3,803,687,240
Others	40,665,773,180	25,625,032,335
Total	<u>56,336,078,973</u>	<u>35,532,426,204</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

18. Taxes and other amounts receivable from/payable to the State

	Beginning balance		Occurrence in the year		Ending balance	
	Receivable	Payable	Amount to be paid	Actual amount paid	Receivable	Payable
VAT	-	15,659,118,571	407,199,231,412	402,643,385,120	-	20,214,964,863
Import VAT	-	-	31,460,364,785	31,460,364,785	-	-
Special consumption tax	-	16,772,148,370	260,648,519,398	263,293,569,821	-	14,127,097,947
Import-export duty	-	-	1,140,478,148	1,140,478,148	-	-
CIT	-	113,035,155,111	268,520,138,404	257,533,155,111	-	124,022,138,404
PIT	-	69,239,857	54,805,426,204	54,810,880,059	-	63,786,002
Natural resources tax	-	173,921,530	2,297,575,377	2,298,012,157	-	173,484,750
Land and house tax, land rent	741,382,084	-	6,297,069,815	5,593,906,813	38,219,082	-
Other taxes	-	1,386,530	1,110,290,724	1,059,438,575	-	52,238,679
Fees and charges	-	10,684,250	182,076,750	181,907,750	-	10,853,250
Total	741,382,084	145,721,654,219	1,033,661,171,017	1,020,015,098,339	38,219,082	158,664,563,895

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

19. Short-term accrued expenses

	31/12/2024	01/01/2024
Accrued selling expenses	1,313,316,748	538,163,543
Accrued loan interest	1,916,770,669	2,142,976,794
Other accruals	1,591,830,959	658,236,749
Total	4,821,918,376	3,339,377,086

20. Other payables

a. Short-term

	31/12/2024	01/01/2024
Trade union fees	-	400,655,177
Social insurance, health insurance, unemployment insurance	901,226,689	901,226,689
Short-term deposits, collaterals received	13,469,649,704	13,942,107,004
Dividend, profit payable	143,703,175	150,277,175
Others	36,099,880,288	27,033,297,652
Total	50,614,459,856	42,427,563,697

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Long-term

	31/12/2024	01/01/2024
Long-term deposits, collaterals received	8,301,854,364	8,251,004,364
Total	<u>8,301,854,364</u>	<u>8,251,004,364</u>

21. Short-term loans and finance lease liabilities

	Beginning balance	Increase in the year	Decrease in the year	Ending balance
Short-term loans	2,411,316,232,933	7,350,587,854,135	7,048,323,266,865	2,713,580,820,203
- BIDV - Quang Ngai Branch	1,108,717,681,865	2,653,781,608,661	2,689,204,987,936	1,073,294,302,590
- VietinBank - Quang Ngai Branch	572,460,754,974	2,541,591,426,674	2,303,393,295,857	810,658,885,791
- Vietcombank - Quang Ngai Branch	576,404,012,088	2,155,214,818,800	1,901,991,199,066	829,627,631,822
- Military Bank - Quang Ngai Branch	153,733,784,006	-	153,733,784,006	-
Total	<u>2,411,316,232,933</u>	<u>7,350,587,854,135</u>	<u>7,048,323,266,865</u>	<u>2,713,580,820,203</u>

22. Scientific and technological development fund

	Year 2024	Year 2023
Beginning balance	182,466,853,513	41,030,436,646
Increase in the year (appropriation for fund)	-	150,000,000,000
Decrease in the year	10,630,700,470	8,563,583,133
Ending balance	<u>171,836,153,043</u>	<u>182,466,853,513</u>

23. Owners' equity

a. Statement of changes in owners' equity

	Share capital	Share premium	Treasury shares	Quỹ đầu tư phát triển	Development investment fund
As at 01/01/2023	3,569,399,550,000	353,499,663,780	(834,457,318,216)	675,773,360,282	3,700,664,168,398
Increase in the year	-	-	-	38,602,307,567	2,183,465,275,447
Decrease in the year	-	-	-	-	1,106,388,468,423
As at 31/12/2023	<u>3,569,399,550,000</u>	<u>353,499,663,780</u>	<u>(834,457,318,216)</u>	<u>714,375,667,849</u>	<u>4,777,740,975,422</u>
As at 01/01/2024	3,569,399,550,000	353,499,663,780	(834,457,318,216)	714,375,667,849	4,777,740,975,422
Increase in the year	107,081,980,000	175,368,158,646	-	65,503,958,263	2,376,694,252,532
Decrease in the year	-	21,600,000	-	-	1,303,668,209,017
As at 31/12/2024	<u>3,676,481,530,000</u>	<u>528,846,222,426</u>	<u>(834,457,318,216)</u>	<u>779,879,626,112</u>	<u>5,850,767,018,937</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

b. Capital transactions with owners

	Year 2024	Year 2023
Share capital		
- Beginning balance	3,569,399,550,000	3,569,399,550,000
- Increase in the year	107,081,980,000	-
- Decrease in the year	-	-
- Ending balance	3,676,481,530,000	3,569,399,550,000

Changes in share capital in the year are as follows:

	Year 2024		Year 2023	
	Number of shares	Share capital	Number of shares	Share capital
Beginning balance	356,939,955	3,569,399,550,000	356,939,955	3,569,399,550,000
Increase in the year (*)	10,708,198	107,081,980,000	-	-
Decrease in the year	-	-	-	-
Ending balance	367,648,153	3,676,481,530,000	356,939,955	3,569,399,550,000

(*) The Company increased its capital by issuing shares under the Employee Stock Ownership Plan (ESOP) based on the following documents:

- Resolution No. 21/NQ/QNS-DHDCD2023 dated 01/04/2023 of the 2023 Annual General Shareholders' Meeting;
- Resolution No. 16/NQ/QNS-DHDCD2024 dated 30/3/2024 of the 2024 Annual General Shareholders' Meeting;
- Resolution No. 20/NQ/QNS-HDQT dated 24/04/2024 of the Company's Board of Directors;
- Notification No. 197/QNS-TCKT dated 19/06/2024.

Accordingly, the specific ESOP issuance plan is as follows:

- Number of shares issued: 10,708,198 shares.
- Issuance price: VND26,377 per share.
- Payment period for purchasing shares: from 24/6/2024 to the end of 15/7/2024.
- Total amount collected upon completion of the issuance: **VND282,450,138,646**.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

c. Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of shares registered to be issued	367,648,153	356,939,955
Number of shares issued publicly	367,648,153	356,939,955
- Common shares	367,648,153	356,939,955
- Preferred shares	-	-
Number of shares bought back (treasury shares)	55,534,605	55,534,605
- Common shares	55,534,605	55,534,605
- Preferred shares	-	-
Number of outstanding shares	312,113,548	301,405,350
- Common shares	312,113,548	301,405,350
- Preferred shares	-	-
Par value of outstanding shares: VND10,000 each		

The Company's treasury shares are held by its subsidiary (Thanh Phat Trade One Member Limited Company). As at 31/12/2024 and 01/01/2024, Thanh Phat Trade One Member Limited Company was holding 55,534,605 shares of the Company (of which, number of purchased shares: 16,467,808 shares; number of shares from stock dividends: 39,066,797 shares).

d. Undistributed profit

	Year 2024	Năm 2023
Profit brought forward	4,777,740,975,422	3,700,664,168,398
Profit after corporate income tax this year	2,376,694,252,532	2,183,465,275,447
Distribution of profit	1,303,668,209,017	1,106,388,468,423
- Distribution of prior-year profit	991,554,661,017	804,983,118,423
+ Appropriated to development investment fund	65,503,958,263	38,602,307,567
+ Appropriated to reward and welfare fund	21,834,652,754	12,867,435,856
+ Paying cash dividend	904,216,050,000	753,513,375,000
- Temporary distribution of current-year profit	312,113,548,000	301,405,350,000
+ Paying cash dividend	312,113,548,000	301,405,350,000
Undistributed profit after tax	<u>5,850,767,018,937</u>	<u>4,777,740,975,422</u>

The 2023 profit after tax was distributed in accordance with Resolution No. 16/NQ/QNS-DHDCD2024 dated 30/03/2024.

e. Dividends

Payment of 2023 dividends:

Resolution No. 16/NQ/QNS-DHDCD2024 dated 30/03/2024 of the 2024 Annual General Shareholders' Meeting approved to pay dividends from the profit of the year 2023 (in cash) at the rate of 40% of the charter capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

The Company paid dividends as follows:

- ✓ 1st payment: Paying in advance at the rate of 10% of the charter capital, equivalent to VND356,939,955,000 (Date of finalizing the list of shareholders: 24/08/2023; payment date: 07/09/2023);
- ✓ 2nd payment: Paying in advance at the rate of 10% of the charter capital, equivalent to VND356,939,955,000 (Date of finalizing the list of shareholders: 11/01/2024; Payment date: 24/01/2024);
- ✓ 3rd payment: Paying the remaining dividends at the rate of 20% of the charter capital, equivalent to VND713,879,910,000 (Date of finalizing the list of shareholders: 17/04/2024; Payment date: 26/04/2024).

Advance payment of 2024 dividends:

According to Resolution No. 39/NQ/QNS-HDQT dated 15/08/2024 of the Board of Directors, the first advance payment of 2024 dividends is made in cash at the rate of 10% of the charter capital, equivalent to VND367,648,153,000 (Date of finalizing the list of shareholders: 29/08/2024, payment date: 11/09/2024).

24. Off-balance sheet items

a. Leased assets

The amounts of minimum lease payments payable under operating leases are as follows:

	31/12/2024	01/01/2024
Not later than 1 year	6,898,069,842	6,898,069,842
Later than 1 year and not later than 5 years	27,592,279,368	27,592,279,368
Later than 5 years	257,393,059,233	264,310,027,896
Total	291,883,408,443	298,800,377,106

b. Foreign currencies

	31/12/2024	01/01/2024
Cash in bank		
+USD	1,004,913.23	470,668.06
+EUR	-	0.67

c. Monetary gold

	31/12/2024	01/01/2024
+ Monetary gold (SJC gold bar)	-	4 bars
+ Monetary gold (SJC gold ring)	1 ring	1 ring

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

25. Revenue from sales and service provision

	Year 2024	Year 2023
Revenue from sales of finished products	9,963,208,070,497	9,761,689,554,629
Revenue from sales of merchandise goods	284,972,510,000	253,293,210,000
Revenue from rendering of services	67,654,437,253	66,635,106,650
Total	<u>10,315,835,017,750</u>	<u>10,081,617,871,279</u>

26. Revenue deductions

	Year 2024	Year 2023
Trade discounts	61,674,203,868	54,099,835,134
Sales returns	10,895,408,856	6,282,771,946
Total	<u>72,569,612,724</u>	<u>60,382,607,080</u>

27. Cost of goods sold

	Year 2024	Year 2023
Cost of finished products sold	6,400,952,905,771	6,339,686,159,414
Cost of merchandise goods sold	284,972,510,000	253,293,210,000
Cost of services rendered	75,946,726,701	75,845,089,488
Appropriation to/(Reversal of) provision for decline in value of inventories	(2,625,414,224)	1,568,175,878
Total	<u>6,759,246,728,248</u>	<u>6,670,392,634,780</u>

28. Financial income

	Year 2024	Year 2023
Deposit interest, loan interest	230,887,366,079	310,693,984,102
Foreign exchange gains	5,758,749,464	5,639,220,769
Payment discounts	25,621,700,317	24,274,330,960
Total	<u>262,267,815,860</u>	<u>340,607,535,831</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

29. Financial expenses

	Year 2024	Year 2023
Loan interest	93,610,782,278	136,264,011,316
Payment discounts	1,599,702,023	1,374,353,988
Foreign exchange losses	717,800,740	1,253,129,391
Total	<u>95,928,285,041</u>	<u>138,891,494,695</u>

30. Selling expenses and administrative expenses

a. Selling expenses

	Year 2024	Year 2023
Staff costs	297,424,766,387	293,757,619,661
Transportation, loading and unloading expenses	243,202,154,233	243,474,606,862
Advertising and media expenses	160,519,092,504	145,051,675,982
Expenses for promotion, free samples, giveaways	34,087,826,891	28,558,002,784
Showroom, sampling expenses	39,144,809,582	24,214,136,763
Agent commission, sales support	32,473,793,086	16,291,619,125
Other outside service expenses	37,916,269,511	35,047,207,606
Others	17,893,656,665	19,097,091,796
Total	<u>862,662,368,859</u>	<u>805,491,960,579</u>

b. Administrative expenses

	Year 2024	Year 2023
Staff costs	129,477,616,116	134,765,741,506
Outside service expenses	36,928,169,646	28,411,422,490
Guest entertainment expenses	4,689,308,665	4,878,660,497
Materials, office supplies expenses	6,535,617,877	5,512,760,778
Appropriation to science and technology development fund	-	150,000,000,000
Appropriation to/(reversal of) provision for doubtful debts	887,714,558	1,759,451,752
Others	62,020,379,984	66,018,178,540
Total	<u>240,538,806,846</u>	<u>391,346,215,563</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

31. Other income

	Year 2024	Year 2023
Marketing support received	88,974,329,304	86,441,598,565
Proceeds from disposals of materials, fixed assets	6,539,017,367	5,509,129,490
Others	3,917,348,463	2,045,221,824
Total	99,430,695,134	93,995,949,879

32. Other expenses

	Year 2024	Year 2023
Penalties, late payment fines	7,265,645	419,217,226
Others	1,389,973,807	2,449,343,025
Total	1,397,239,452	2,868,560,251

33. Current corporate income tax expense

	Year 2024	Year 2023
Accounting profit before tax	2,645,190,487,574	2,446,847,884,041
Adjustments to taxable income	7,477,342,674	8,891,801,239
- Increase	7,359,890,864	9,302,242,542
+ Foreign exchange loss from revaluation of balances of cash, receivables	282,701,822	185,919,946
+ Foreign exchange gain from revaluation of balance of cash, receivables - prior year	1,860,000	831,624,159
+ Non-deductible expenses as per tax law	7,075,329,042	8,284,698,437
- Decrease	2,065,000	5,725,000
+ Foreign exchange gain from revaluation of balances of cash, receivables	2,065,000	2,745,000
+ Other decrease adjustments	-	2,980,000
- Adjustment to unrealized gain/loss	119,516,810	(404,716,303)
+ Increase from unrealized profit this year	248,466,530	128,949,720
+ Decrease from prior-year profit realized this year	(128,949,720)	(533,666,023)
Total taxable income	2,652,667,830,248	2,455,739,685,280
Tax-exempted income	956,171,641,309	968,101,956,457
Total assessable income	1,696,496,188,939	1,487,637,728,823
Current corporate income tax expense	268,520,138,404	263,301,665,333
In which:		
- Current-year income tax expenses	268,520,138,404	262,526,215,459
- Adjusting prior-year income tax expenses to current-year income tax expenses	-	775,449,874

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

34. Basic/diluted earnings per share

	Year 2024	Year 2023
Profit after corporate income tax	2,376,694,252,532	2,183,465,275,447
Adjustments increasing or decreasing profit after tax	(23,766,942,525)	(21,834,652,754)
- Increase	-	-
- Decrease (appropriated to reward and welfare fund)	23,766,942,525	21,834,652,754
Profit or loss attributable to common shareholders	2,352,927,310,007	2,161,630,622,693
Weighted average number of outstanding common shares	306,379,103	301,405,350
Basic/diluted earnings per share	7,680	7,172

Weighted average number of outstanding common shares in the year

	Year 2024	Year 2023
Common shares brought forward from prior year (excluding treasury shares)	301,405,350	301,405,350
Effect of common shares issued to pay dividends	-	-
Effect of additional shares issued to employees	4,973,753	-
Weighted average number of outstanding common shares in the year	306,379,103	301,405,350

35. Operating expenses by element

	Year 2024	Year 2023
Materials expenses	4,624,897,723,171	4,832,874,140,432
Labor costs	646,393,657,509	637,773,076,870
Depreciation expenses	438,293,062,945	440,007,852,073
Outside service expenses	599,171,832,380	646,331,212,221
Other cash expenses	705,047,447,086	677,885,286,777
Total	7,013,803,723,091	7,234,871,568,373

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

36. Segment reporting

Segment reporting of the Company was prepared in accordance with business activities of each dependent unit and subsidiary as follows:

Segment report by operating activities	Sugar		Soy milk		Thanh Phat		Others		Elimination		Total	
	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023
Segment revenue	3,939,439,526,736	4,036,798,413,675	4,173,521,197,927	4,002,769,608,392	2,112,359,519,069	2,434,219,040,500	1,841,052,092,101	1,707,841,382,931	(1,823,106,930,807)	(2,160,393,181,299)	10,243,265,405,026	10,021,235,264,199
Cost of segment	2,649,501,089,986	2,780,400,608,753	2,535,983,890,839	2,359,956,789,086	2,068,813,551,834	2,394,770,912,457	1,314,675,193,139	1,283,204,045,788	(1,809,726,997,550)	(2,147,939,721,304)	6,759,246,728,248	6,670,392,634,780
Gross profit	1,289,938,436,750	1,256,397,804,922	1,637,537,307,088	1,642,812,819,306	43,545,967,235	39,448,128,043	526,376,898,962	424,637,337,143	(13,379,933,257)	(12,453,459,995)	3,484,018,676,778	3,350,842,629,419
Financial income											262,267,815,860	340,607,535,831
Financial expenses											95,928,285,041	138,891,494,695
Selling expenses											862,662,368,859	805,491,960,579
Administrative expenses											240,538,806,846	391,346,215,563
Operating profit											2,547,157,031,892	2,355,720,494,413
Other income											99,430,695,134	93,995,949,879
Other expenses											1,397,239,452	2,868,560,251
Other profit											98,033,455,682	91,127,389,628
Profit before tax											2,645,190,487,574	2,446,847,884,041
Corporate income tax											268,496,235,042	263,382,608,594
Profit after tax											2,376,694,252,532	2,183,465,275,447

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

31/12/2024	Segment assets					Depreciation of fixed assets in 2024
	Cost of tangible fixed assets	Accumulated depreciation	Receivables	Total assets	Payables	
Manufacturing and trading Sugar	3,749,666,262,043	(2,069,378,933,645)	509,235,437,513	2,770,647,594,645	131,114,453,822	223,699,855,355
Manufacturing and trading Soya milk	2,283,812,166,440	(1,899,520,184,124)	96,784,258,137	1,043,694,827,231	194,639,908,731	80,964,540,180
Thanh Phat Trade One Member Limited Compan	2,733,593,085	(2,632,833,390)	203,537,144,510	1,039,692,495,175	17,395,468,512	44,799,818
Other operating activities	3,344,546,804,978	(1,974,802,685,470)	204,608,643,369	10,792,588,195,812	3,667,300,111,099	133,583,867,592
	9,380,758,826,546	(5,946,334,636,629)	1,014,165,483,529	15,646,623,112,863	4,010,449,942,164	438,293,062,945
Eliminations	-	-	(203,478,959,788)	(1,838,135,051,228)	(203,478,959,788)	-
Total	9,380,758,826,546	(5,946,334,636,629)	810,686,523,741	13,808,488,061,635	3,806,970,982,376	438,293,062,945

01/01/2024	Segment assets					Depreciation of fixed assets in 2023
	Cost of tangible fixed assets	Accumulated depreciation	Receivables	Total assets	Payables	
Manufacturing and trading Sugar	3,714,930,538,073	(1,885,360,525,937)	409,514,989,748	2,504,949,114,986	165,543,576,530	219,267,312,886
Manufacturing and trading Soya milk	2,163,783,924,889	(1,822,349,155,176)	96,922,592,379	989,005,768,060	168,360,214,580	80,260,339,896
Thanh Phat Trade One Member Limited Compan	2,733,593,085	(2,588,033,572)	175,287,437,837	1,011,552,806,106	16,591,637,850	44,799,818
Other operating activities	3,322,869,305,262	(1,843,802,515,578)	155,254,463,009	9,356,671,796,233	3,296,565,039,598	140,435,399,473
	9,204,317,361,309	(5,554,100,230,263)	836,979,482,973	13,862,179,485,385	3,647,060,468,558	440,007,852,073
Eliminations	-	-	(174,854,480,690)	(1,809,414,958,682)	(174,854,480,690)	-
Total	9,204,317,361,309	(5,554,100,230,263)	662,125,002,283	12,052,764,526,703	3,472,205,987,868	440,007,852,073

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

37. Risk management

a. Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

b. Financial risk management

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

Market risk management: The Company's activities expose it primarily to the financial risks of changes in interest rates, exchange 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 Board of Management assesses that uncontrollable risks arising from fluctuations of interest rates are low.

Exchange rate risk management

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

Book value of financial instruments in foreign currencies at the end of the year is as follows:

	31/12/2024	01/01/2024
Financial assets		
Cash		
- USD	1,004,913.23	470,668.06
- EUR	-	0.67
Financial liabilities		
Trade payables (USD)	583,566.35	488,728.01
Trade payables (EUR)	157,170.00	35,000.00
Other payables (USD)	75,221.00	72,773.25

Price risk management

The Company purchases goods, materials from domestic and overseas suppliers for its business production activities; it is therefore exposed to risks of changes in prices of input goods, materials. Since materials account for a high proportion of the total cost of products, the Company pays special attention to the risks of changes in price of materials used in its business production activities. To minimize this risk, the Company selects reputable suppliers, long-term cooperation suppliers and always requires updates of the most timely price fluctuations. Besides, cross-checks of prices are often done in order to ensure sufficient material sources at the most reasonable prices. With such price management policies, the Board of Management assesses that the Company's exposure to uncontrollable risks of changes in commodity prices is low.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

Credit risk management

Trade receivables

The Company sells goods by the following methods: wholesale through the main distributors and agents and retail sale through its subsidiary, Thanh Phat Trade One Member Limited Company, as well as e-commerce channels.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's financial risks arise from some amounts receivable. The Company minimizes credit risk by various measures depending on the sale method:

- Selling goods through main distributors: Making payment before receiving goods or late payment.
- Selling goods through agents: The Company has a system of agents who have good financial status. Agents will be entitled to preferential sales policies on price, volume, and payment discount. Depending on each item and each time, the agents shall be entitled to appropriate payment terms such as payment before receiving goods (Sugar, Milk, Beer ...) or late payment.
- Retail sale: through retail outlets of Thanh Phat Trade One Member Limited Company with the form of cash collection or bank transfer.
- Retail sale through e-commerce channels: Payment policies vary based on the regulations of each platform.

Therefore, the Board of Management assesses that the Company's exposure to significant credit risk arising from trade receivables is controllable.

Financial investments

Bank deposits of the Company are transacted at large banks. The Board of Management of the Company assesses that the Company has no significant credit risk with respect to bank deposits.

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 line with their maturity as follows:

31/12/2024	Within 1 year	Over 1 year	Total
Trade payables	464,095,068,931	-	464,095,068,931
Accrued expenses	4,821,918,376	-	4,821,918,376
Loans and finance lease liabilities	2,713,580,820,203	-	2,713,580,820,203
Other payables	49,713,233,167	8,301,854,364	58,015,087,531
Total	3,232,211,040,677	8,301,854,364	3,240,512,895,041
01/01/2024	Within 1 year	Over 1 year	Total
Trade payables	456,319,808,742	-	456,319,808,742
Accrued expenses	3,339,377,086	-	3,339,377,086
Loans and finance lease liabilities	2,411,316,232,933	-	2,411,316,232,933
Other payables	41,125,681,831	8,251,004,364	49,376,686,195
Total	2,912,101,100,592	8,251,004,364	2,920,352,104,956

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

The Company is not exposed to liquidity risk in the short term. Thus the Board of Management believes that the Company 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	539,202,757,999	-	539,202,757,999
Held-to-maturity investments	7,299,000,000,000	-	7,299,000,000,000
Trade receivables	340,559,149,690	-	340,559,149,690
Other receivables	49,099,238,006	434,783,710	49,534,021,716
Total	8,227,861,145,695	434,783,710	8,228,295,929,405
01/01/2024	Within 1 year	Over 1 year	Total
Cash and cash equivalents	289,482,272,858	-	289,482,272,858
Held-to-maturity investments	6,165,000,000,000	-	6,165,000,000,000
Trade receivables	244,460,458,051	-	244,460,458,051
Other receivables	50,212,369,206	786,569,947	50,998,939,153
Total	6,749,155,100,115	786,569,947	6,749,941,670,062

38. Related party information

a. Related parties

	Relationship
Phuc Think One Member Co., Ltd	The enterprise is owned by Mr. Tran Tan Huyen (brother-in-law of Mr. Nguyen Thanh Huy - Member of the Board of Supervisors).
Hong Van Service Trading One Member Co., Ltd	Owned by Mrs. Ta Thi Hong Van (Spouse of Mr. Dang Phu Quy - Member of Boards of Directors and Deputy CEO).

b. Significant transactions with related parties

Related parties	Particulars	Year 2024	Year 2023
Phuc Think One Member Co., Ltd	Purchasing supplies; outsourcing fire protection system repair and maintenance services	5,731,870,065	2,255,781,165
Hong Van Service Trading One Member Co., Ltd	Renting accommodation and passenger transportation services	30,574,074	30,496,632

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

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

c. Balances with related parties

	31/12/2024	01/01/2024
Phuc Thinh One Member Co., Ltd		
Short-term trade payables	892,690,732	158,088,965

d. Salaries, remuneration of the Board of Directors, Board of Supervisors, Board of Management and Chief Accountant

In 2024, the Board of Directors and the Board of Supervisors did not receive any remuneration. The Board of Management and Chief Accountant received salaries for their participation in the management of the Company. Details are as follows:

Name	Position	Year 2024	Year 2023
Vo Thanh Dang	CEO	1,708,212,000	1,673,834,000
Tran Ngoc Phuong	Deputy CEO	1,081,400,000	1,072,900,000
Dang Phu Quy	Deputy CEO	1,157,252,000	1,072,900,000
Nguyen The Binh	Chief Accountant	821,400,000	812,900,000

39. Events after the balance sheet date

On 25/12/2024, the Board of Directors of the Company issued Resolution No. 50/NQ/QNS-HDQT on the 2nd advance payment of 2024 dividends in cash at the rate of 10% of the charter capital, equivalent to VND367,648,153,000. Accordingly, the date for finalizing the list of shareholders receiving dividends: 10/01/2025, the date of dividend payment: 21/01/2025.

Apart from that, there have been no other significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.

40. Corresponding figures

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



Vo Thanh Dang
Chief Executive Officer

Quang Ngai Province, 26 February 2025

Nguyen The Binh
Chief Accountant

Nguyen Hong Diep
Preparer

