

VIETNAM FUMIGATION JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

**AUDITED SEPARATE
FINANCIAL STATEMENTS**

For the year ended 31 December 2024

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STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Vietnam Fumigation Joint Stock Company (the "Company") presents this report together with the Company's separate financial statements for the year ended 31 December 2024.

THE BOARDS OF DIRECTORS, MANAGEMENT AND SUPERVISORS

The members of the Boards of Directors, Management and Supervisors of the Company during the year and to the date of this report are as follows:

Board of Directors

Ms. Nguyen Bach Tuyet	Chairwoman
Mr. Truong Cong Cu	Member
Mr. Tran Van Dung	Member
Ms. Nguyen Vu Thuy Huong	Member
Mr. Mai Tuan Anh	Independent Member
Mr. Nguyen Thanh Tung	Independent Member (resigned on 25 April 2024)

Board of Management

Mr. Truong Cong Cu	Chief Executive Officer
Ms. Nguyen Bach Tuyet	Executive Officer
Mr. Tran Van Dung	Executive Officer
Mr. Dao Xuan Trong	Executive Officer

Board of Supervisors

Mr. Vo Van Quoc	Head of the Board of Supervisors
Ms. Phan Thi Bich Lan	Member
Mr. Nguyen Anh Tuan	Member

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the separate financial statements;
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the separate financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

The Board of Management of the Company 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 that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these separate financial statements.

For and on behalf of the Board of Management,



Truong Cong Cu
Chief Executive Officer
*(According to Authorization letter
No. 20/2023/UQ-HĐQT dated 27 April 2023)*

21 March 2025

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No.: 0698/VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders
The Board of Directors, Management and Supervisors
Vietnam Fumigation Joint Stock Company**

We have audited the accompanying separate financial statements of Vietnam Fumigation Joint Stock Company (the "Company"), prepared on 21 March 2025 as set out from page 05 to page 34, which comprise the balance sheet as at 31 December 2024, the statement of income, statement of cash flow for year then ended and a summary of significant accounting policies and other explanatory information.

Board of Management's Responsibility for the Separate Financial Statements

The Board of Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the accompanying separate 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 perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgement, 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 separate 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 separate financial statements.

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

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INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

Other matter

The financial statements of the Company for the year ended 31 December 2023 were audited by another independent auditing firm, which expressed an unmodified opinion on those statements on 25 March 2024.



Phạm Tuấn Linh
Deputy General Director
Audit Practising Registration Certificate
No. 3001-2024-001-1



Hoang Le Thu Phuong
Auditor
Audit Practising Registration Certificate
No. 5603-2025-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

21 March 2025
Hanoi, S.R Vietnam



BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS		Codes	Notes	Closing balance	Opening balance
A.	CURRENT ASSETS	100		2,112,689,581,964	2,572,762,883,973
I.	Cash	110	4	791,581,737,034	129,881,543,766
1.	Cash	111		791,581,737,034	129,881,543,766
II.	Short-term financial investments	120		814,956,000	200,288,056,000
1.	Held-to-maturity investments	123	5	814,956,000	200,288,056,000
III.	Short-term receivables	130		367,653,875,915	1,177,748,818,926
1.	Short-term trade receivables	131	6	364,284,691,072	709,975,224,585
2.	Short-term advances to suppliers	132		5,338,857,500	2,983,614,536
3.	Short-term loan receivables	135		-	450,000,000,000
4.	Other short-term receivables	136	7	16,320,459,209	32,161,449,580
5.	Provision for short-term doubtful debts	137	8	(18,290,131,866)	(17,371,469,775)
IV.	Inventories	140	9	944,539,192,437	1,062,519,677,715
1.	Inventories	141		950,855,337,793	1,078,980,860,967
2.	Provision for devaluation of inventories	149		(6,316,145,356)	(16,461,183,252)
V.	Other short-term assets	150		8,099,820,578	2,324,787,566
1.	Short-term prepayments	151	10	2,370,555,933	2,321,800,821
2.	Value added tax deductibles	152		5,729,264,645	2,986,745
B.	NON-CURRENT ASSETS	200		230,149,190,605	372,844,764,962
I.	Long-term receivables	210		1,999,800,226	1,848,754,720
1.	Other long-term receivables	216	7	1,999,800,226	1,848,754,720
II.	Fixed assets	220		153,259,213,318	153,236,787,257
1.	Tangible fixed assets	221	11	100,024,802,917	98,583,969,763
	- Cost	222		280,978,504,289	276,872,473,294
	- Accumulated depreciation	223		(180,953,701,372)	(178,288,503,531)
2.	Intangible assets	227	12	53,234,410,401	54,652,817,494
	- Cost	228		71,474,565,648	71,044,565,648
	- Accumulated amortisation	229		(18,240,155,247)	(16,391,748,154)
III.	Investment property	230	13	14,101,438,213	14,861,443,459
	- Cost	231		27,647,980,011	27,647,980,011
	- Accumulated depreciation	232		(13,546,541,798)	(12,786,536,552)
IV.	Long-term assets in progress	240		-	2,879,505,600
1.	Construction in progress	242		-	2,879,505,600
V.	Long-term financial investments	250	5	40,000,000,000	179,514,814,098
1.	Investments in subsidiary	251		40,000,000,000	-
2.	Investments in joint-ventures	252		-	179,514,814,098
VI.	Other long-term assets	260		20,788,738,848	20,503,459,828
1.	Long-term prepayments	261	10	7,949,475,690	10,935,641,696
2.	Deferred tax assets	262	14	12,839,263,158	9,567,818,132
	TOTAL ASSETS (270=100+200)	270		2,342,838,772,569	2,945,607,648,935


The accompanying notes are an integral part of these separate financial statements

BALANCE SHEET (Continued)

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		850,911,910,153	1,699,980,061,130
I. Current liabilities	310		849,933,729,023	1,697,986,612,054
1. Short-term trade payables	311	15	118,320,561,431	511,847,511,491
2. Short-term advances from customers	312		5,721,567,952	3,261,333,344
3. Taxes and amounts payable to the State budget	313	16	57,184,731,252	66,101,119,943
4. Payables to employees	314		257,355,588,170	243,950,961,510
5. Short-term accrued expenses	315	17	150,310,247,656	280,271,877,959
6. Short-term unearned revenue	318		2,198,972,160	324,028,320
7. Other current payables	319	18	21,173,900,234	176,996,382,862
8. Short-term loans	320	19	172,385,892,579	373,737,397,248
9. Bonus and welfare funds	322	20	65,282,267,589	41,495,999,377
II. Long-term liabilities	330		978,181,130	1,993,449,076
1. Long-term unearned revenue	336		366,495,360	-
2. Other long-term payables	337	18	611,685,770	1,993,449,076
D. EQUITY	400		1,491,926,862,416	1,245,627,587,805
I. Owners' equity	410	21	1,491,926,862,416	1,245,627,587,805
1. Owners' contributed capital	411		417,146,140,000	417,146,140,000
- Ordinary shares carrying voting rights	411a		417,146,140,000	417,146,140,000
2. Treasury shares	415		(20,000,000)	(20,000,000)
3. Investment and development fund	418		203,462,343,942	203,462,343,942
4. Other reserves	420		21,974,704,575	20,061,904,659
5. Retained earnings	421		849,363,673,899	604,977,199,204
- Retained earnings accumulated to the prior year end	421a		516,555,630,438	391,225,293,525
- Retained earnings of the current year	421b		332,808,043,461	213,751,905,679
TOTAL RESOURCES (440=300+400)	440		2,342,838,772,569	2,945,607,648,935



Pham Thi Ngoc Phuong
Preparer/Chief Accountant



Truong Cong Cu
Chief Executive Officer

21 March 2025

The accompanying notes are an integral part of these separate financial statements

INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	23	3,786,853,850,082	3,557,307,559,071
2. Deductions	02	23	310,054,611,652	294,887,704,514
3. Net revenue from goods sold and services rendered (10=01-02)	10	23	3,476,799,238,430	3,262,419,854,557
4. Cost of sales	11	24	2,575,704,256,263	2,483,468,450,394
5. Gross profit from goods sold and services rendered (20=10-11)	20		901,094,982,167	778,951,404,163
6. Financial income	21	26	227,271,428,051	71,895,891,553
7. Financial expenses	22	27	106,986,721,598	39,297,352,423
- In which: Interest expense	23		6,103,281,091	15,143,833,635
8. Selling expenses	25	28	436,921,589,669	353,026,887,379
9. General and administration expenses	26	28	81,922,533,218	81,595,742,730
10. Operating profit (30=20+(21-22)-(25+26))	30		502,535,565,733	376,927,313,184
11. Other income	31		7,529,415,698	1,767,691,953
12. Other expenses	32		5,414,384,110	2,962,400,676
13. Profit/(loss) from other activities (40=31-32)	40		2,115,031,588	(1,194,708,723)
14. Accounting profit before tax (50=30+40)	50		504,650,597,321	375,732,604,461
15. Current corporate income tax expense	51	29	86,365,739,954	89,722,988,948
16. Deferred corporate tax (income)	52	29	(3,271,445,026)	(9,567,818,132)
17. Net profit after corporate income tax (60=50-51-52)	60		421,556,302,393	295,577,433,645



Pham Thi Ngoc Phuong
Preparer/ Chief Accountant



Truong Cong Cu
Chief Executive Officer

21 March 2025

The accompanying notes are an integral part of these separate financial statements

CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	504,650,597,321	375,732,604,461
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	20,322,957,267	22,194,446,472
Provisions	03	(9,226,375,805)	(2,509,803,139)
Foreign exchange loss/(gain) arising from translating foreign currency items	04	336,626,680	(455,520,007)
(Gain) from investing activities	05	(186,996,037,770)	(38,606,169,854)
Interest expense	06	6,103,281,091	15,143,833,635
3. Operating profit before movements in working capital	08	335,191,048,784	371,499,391,568
Increase, decrease in receivables	09	340,438,569,210	(116,789,664,322)
Increase, decrease in inventories	10	128,125,523,174	(4,295,829,603)
Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	(562,834,705,254)	(145,364,259,260)
Increase, decrease in prepaid expenses	12	2,937,410,894	368,005,895
Interest paid	14	(7,505,795,379)	(15,707,760,764)
Corporate income tax paid	15	(80,740,480,087)	(66,226,421,072)
Other cash inflows	16	442,350,000	-
Other cash outflows	17	(24,414,055,343)	(30,798,129,052)
Net cash generated by/(used in) operating activities	20	131,639,865,999	(7,314,666,610)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(14,304,929,082)	(15,994,443,875)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	4,105,133,636	885,416,369
3. Cash outflow for lending, buying debt instruments of other entities	23	(450,526,900,000)	(1,820,446,275,178)
4. Cash recovered from lending, selling debt instruments of other entities	24	1,100,000,000,000	1,690,446,275,178
5. Cash recovered from investments in other entities	26	20,000,000,000	-
6. Interest earned, dividends and profits received	27	195,751,292,438	26,789,337,868
Net cash generated by/(used in) investing activities	30	855,024,596,992	(118,319,689,638)

The accompanying notes are an integral part of these separate financial statements



CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	177,844,152,579	954,799,797,941
2. Repayment of borrowings	34	(379,195,657,248)	(763,469,962,279)
3. Dividends and profits paid	36	(123,629,823,000)	(144,234,793,500)
Net cash (used in)/generated by financing activities	40	(324,981,327,669)	47,095,042,162
Net increase/(decrease) in cash (50=20+30+40)	50	661,683,135,322	(78,539,314,086)
Cash at the beginning of the year	60	129,881,543,766	208,420,873,572
Effects of changes in foreign exchange rates	61	17,057,946	(15,720)
Cash at the end of the year (70=50+60+61)	70	791,581,737,034	129,881,543,766



Pham Thi Ngoc Phuong
Preparer/ Chief Accountant



Truong Cong Cu
Chief Executive Officer

21 March 2025

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying separate financial statements

1. GENERAL INFORMATION**Structure of ownership**

Vietnam Fumigation Joint Stock Company (the "Company") was formerly a State-owned enterprise under the Ministry of Agriculture and Rural Development. On 03 May 2001, the Company was equitized under Decision No. 70/QD-TTg of the Prime Minister. Accordingly, the Company was granted the Certificate of Business Registration No. 0302327629 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on 31 December 2001, and amended for the 30th amendment (the latest) on 29 September 2022.

The Company's shares are listed on the Ho Chi Minh Stock Exchange ("HOSE") with the trading code VFG under Decision No. 157/QD-SGDHCM issued by HOSE on 11 December 2009.

The Company has its registered head office at No. 29, Ton Duc Thang Street, Ben Nghe Ward, District 1, Ho Chi Minh City and the Factory is located at Lot B, No. 107, Thai Hoa Industrial Park, Tan Lap Hamlet, Duc Lap Ha Commune, Duc Hoa District, Long An Province, Vietnam.

The total number of employees of the Company as at 31 December 2024 is 1,433 (as at 31 December 2023: 1,390).

Operating industry and principal activities

The Company's principal activities are manufacturing, processing and trading of products from disinfectants and agricultural chemicals; providing disinfection-related services and office rental services.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

Characteristics of the business activities in the fiscal year which have impact on the financial statements

According to Decision No. 01/2024/QDST-KDTM dated 19 August 2024, the People's Court of Khanh Hoa Province recognized the content of the agreement between the Company and FOCOCEV Vietnam Joint Stock Company (formerly known as Technology Investment Food Company) ("FOCOCEV") regarding disputes over the request to cancel the joint venture contract. The main contents of the agreement between the parties include the Charter of operation, charter capital and the division of profits from the operations of Hai Yen Company Limited ("Hai Yen"). Accordingly, the Company's capital contribution to Hai Yen is VND 40,000,000,000, equivalent to 66.67% of Hai Yen's charter capital. The Company becomes the parent company of Hai Yen with an ownership and voting ratio of 66.67% from this date.

The Company's structure

As at 31 December 2024, the Company has 1 subsidiary and 8 branches (as at 31 December 2023: 1 joint venture and 8 branches).

Information about the subsidiary company is as follows:

Subsidiary	Place of establishment and operation	Closing balance		Opening balance		Principal activities
		Proportion of ownership interest (%)	Proportion of voting power held (%)	Proportion of ownership interest (%)	Proportion of voting power held (%)	
Hai Yen Company Limited	Khanh Hoa	66.67	66.67	(i)	(i)	Providing hotel and restaurant services

(i) As at 01 July 2004, the Company signed a joint venture capital contribution contract with General III Import-Export Company ("Centrimex") to establish Hai Yen Company Limited ("Hai Yen") with its registered headquarter at 50 Tran Phu Street, Nha Trang City, Khanh Hoa Province. As at 09 October 2007, Centrimex was merged into FOCOCEV. After the merger, FOCOCEV did not agree with the ownership interest of the joint venture parties in Hai Yen. Accordingly, the Company filed a lawsuit against FOCOCEV at the People's Court of Khanh Hoa Province ("Court") to resolve this dispute. As at the opening balance date, this dispute is still under process and the Company's voting ratio, interest ratio in Hai Yen were not determined.

Information about the branches is as follows:

No.	Name	Address
1	Branch of Vietnam Fumigation Joint Stock Company in the North	Hanoi
2	Branch of Vietnam Fumigation Joint Stock Company in Da Nang City	Da Nang
3	Branch of Vietnam Fumigation Joint Stock Company in Quy Nhon	Quy Nhon
4	Branch of Vietnam Fumigation Joint Stock Company in Nha Trang	Nha Trang
5	Branch of Vietnam Fumigation Joint Stock Company in Ho Chi Minh City	Ho Chi Minh City
6	Vietnam Fumigation Joint Stock Company - Nam Song Hau Branch	Can Tho
7	Vietnam Fumigation Joint Stock Company - Bac Song Hau Branch	An Giang
8	Vietnam Fumigation Joint Stock Company - Duc Hoa Long An Branch	Long An

The main business of the branches is to provide disinfection services, extermination of pests of agricultural and forestry products and other objects.

Disclosure of information comparability in the separate financial statements

Comparative figures are the figures of the Company's audited separate financial statements for the year ended 31 December 2023.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying separate financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying separate financial statements are not intended to present the financial position, results of operations, cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.



The Company also prepares the consolidated financial statements which include the separate financial statements of the Company and the financial statements of its subsidiary. Readers should read these separate financial statements together with the consolidated financial statements in order to have a better understanding of the Company's overall financial position.

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these separate financial statements, are as follows:

Estimates

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Cash

Cash comprises cash on hand and demand deposits.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits.

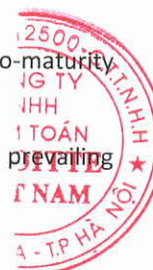
Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for impairment of held-to-maturity investments.

Provision for impairment of held-to-maturity investments is made in accordance with prevailing accounting regulations.

Loan receivables

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.



Investments in subsidiary

Investment in subsidiary

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Interests in subsidiary are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiary are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiary are made when there is reliable evidence for declining in value of these investments at the balance sheet date.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value:

- For merchandises, raw materials and tools, equipments: Cost comprises cost of purchases and other directly attributable expenses.
- For work in progress and finished goods: Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

The Company applies perpetual method to account for inventories. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence is made at a rate of 100% for expired goods.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	05 - 50
Machinery and equipment	03 - 07
Motor vehicles	05 - 10
Office equipment	03 - 05
Others	03 - 06



Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net proceeds from sales or disposals of assets and their carrying amount and is recognised in the income statement.

Leasing

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

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are charged to the income statement when incurred or charged to the income statement using straight-line method over the lease term.

The Company as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Intangible assets and amortisation

Intangible assets represent the value of land use rights and computer software that are stated at cost less accumulated depreciation.

Intangible assets are amortised using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Land use rights	20 - 50
Computer software	03 - 05

Investment properties

Investment properties are composed of land use rights, buildings and structures held by the Company to earn rentals or for capital appreciation. Investment properties held to earn rentals are stated at cost less accumulated depreciation while investment properties held for capital appreciation are stated at cost less impairment loss. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

The Company's investment properties include:

- Land use rights with indefinite term; therefore, no depreciation is provided; and
- Buildings and structures are depreciated using the straight-line method over their estimated useful lives of 17 to 20 years.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including office rental, insurance fees, repair and maintenance costs, office renovation costs, tools and supplies issued for consumption and other prepaid expenses.

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Office rental and insurance fees represent the amount of office rental and insurance fees that have been paid in advance. Prepaid office rental and insurance fees are allocated to the interim income statement on a straight-line basis over the lease term and the insurance period.

Repair and maintenance costs, office renovation costs, tools and supplies issued for consumption and other prepaid expenses are expected to provide future economic benefits to the Company. These expenditures have been capitalized as prepayments and are allocated to the interim income statement using the straight-line method in accordance with the current accounting regulations.

Unearned Revenue

Unearned revenue is the amounts received in advance relating to results of operations of for multiple financial years for services that have been yet provided or delivered. The Company recognizes unearned revenue in proportion to its obligations that the Company will have to perform in the future. When the revenue recognition conditions are satisfied, unearned revenue will be recognized in the income statement for the year corresponding to the portion that meets the revenue recognition conditions.

Revenue recognition

Revenue from the sales of goods

Revenue from the sale of goods is recognized when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with neither ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from rendering of services

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest on deposits and interest on investments

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Interest from investments is recognized when the Company's right to receive payment has been established.

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Sales deductions

Sales deductions include trade discounts and sales returns.

Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year. In case that sales deductions for sales of products, goods or rendering of services sold in the year incurred after the balance sheet date but before the issuance of the financial statements, the Company recorded as revenue deductions for the year.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax 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 never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited 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 to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.



4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	909,331,331	662,965,339
Bank demand deposits	<u>790,672,405,703</u>	<u>129,218,578,427</u>
	<u>791,581,737,034</u>	<u>129,881,543,766</u>

5. FINANCIAL INVESTMENTS

	<u>Closing balance</u>		<u>Opening balance</u>	
	VND	VND	VND	VND
	Cost	Carrying amount	Cost	Carrying amount
a. Short-term held-to-maturity investments				
- Term deposits (i)	814,956,000	814,956,000	200,288,056,000	200,288,056,000
	<u>814,956,000</u>	<u>814,956,000</u>	<u>200,288,056,000</u>	<u>200,288,056,000</u>

- (i) As at 31 December 2024, term deposits represent deposits with original terms of more than 3 months and remaining terms of no more than 12 months at commercial banks with interest rates ranging from 4.2%/year to 5%/year (as at 31 December 2023: from 5.45%/year to 6.8%/year). These deposits have been used by the Company to secure payment guarantees at the banks where the Company deposits money.

	<u>Closing balance</u>		<u>Opening balance</u>	
	VND	VND	VND	VND
	Cost	Provision	Cost	Provision
b. Investments in other entities				
Investments in subsidiary				
Hai Yen Company Limited	40,000,000,000	-	-	-
	<u>40,000,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments in joint-venture				
Hai Yen Company Limited	-	-	179,514,814,098	-
	<u>-</u>	<u>-</u>	<u>179,514,814,098</u>	<u>-</u>

The Company has not assessed fair value of its financial investments as at the balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value of these financial investments.

The operations of the subsidiary during the year are as follows:

	<u>Current year</u>	<u>Prior year</u>
Hai Yen Company Limited	Operating at profit	Not yet a subsidiary

Significant transactions between the Company and its subsidiary during the year are presented in Note 30.

6. SHORT-TERM TRADE RECEIVABLES

As at 31 December 2024 and 31 December 2023 do not have any entity with a balance of 10% or more of the total short-term receivables from customers. Details of short-term receivables from customers by customer group are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Receivables from agricultural chemicals customers	282,751,388,352	634,817,473,772
Receivables from Pestman customers	45,610,186,454	45,063,499,838
Receivables from fumigation services customers	35,616,713,882	29,739,274,894
Others	306,402,384	354,976,081
	<u>364,284,691,072</u>	<u>709,975,224,585</u>
In which:		
Short-term trade receivables from related parties (Details stated in Note 30)	272,231,592	168,190,040

7. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Personal income tax receivable paid on behalf of	7,464,704,099	9,554,347,459
Advances to employees	3,289,228,344	4,592,233,930
Deposits and mortgages	429,816,713	829,567,550
Interest on deposits and loans	-	11,926,134,833
Others	5,136,710,053	5,259,165,808
	<u>16,320,459,209</u>	<u>32,161,449,580</u>
In which:		
Other short-term receivables from related parties (Details stated in Note 30)	-	9,808,767,125
b. Non-current		
Deposits	1,999,800,226	1,848,754,720
	<u>1,999,800,226</u>	<u>1,848,754,720</u>

8. BAD DEBTS

As at 31 December 2024 and 31 December 2023 do not have any entities with balances accounting for 10% or more of the total overdue debt. Details of overdue debt by customer group are as follows:

	<u>Closing balance</u>		<u>Opening balance</u>	
	Cost	Recoverable amount	Cost	Recoverable amount
Receivables from agricultural chemicals customers	24,841,080,193	8,593,452,251	28,126,734,376	12,594,961,092
Receivables from Pestman customers	3,474,140,202	1,808,441,341	2,589,623,973	1,386,601,847
Receivables from fumigation services customers	787,916,110	411,111,047	1,323,169,390	686,495,025
	<u>29,103,136,505</u>	<u>10,813,004,639</u>	<u>32,039,527,739</u>	<u>14,668,057,964</u>
Provision for short-term doubtful debts	<u>18,290,131,866</u>		<u>17,371,469,775</u>	

The recoverable amount of bad debts is determined by the original cost of the debts minus the provision value made.

9. INVENTORIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Merchandise	687,913,510,281	(671,863,280)	651,176,441,037	(4,200,125,259)
Raw materials	175,621,420,285	-	364,037,921,792	(4,672,542,612)
Finished goods	63,849,332,415	(5,644,282,076)	47,961,659,101	(7,588,515,381)
Work in progress	7,853,966,955	-	8,258,347,317	-
Goods in transit	12,751,865,325	-	4,618,492,560	-
Tools and supplies	2,865,242,532	-	2,927,999,160	-
	950,855,337,793	(6,316,145,356)	1,078,980,860,967	(16,461,183,252)

Details of changes in inventory provisions during the year are as follows:

	Current year	Prior year
	VND	VND
Opening balance	16,461,183,252	24,435,429,377
Provision during the year	1,975,074,946	4,914,153,950
(Reversal) of provision during the year	(12,120,112,842)	(12,888,400,075)
Closing balance	6,316,145,356	16,461,183,252

10. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
Tools and supplies issued for consumption	1,342,841,833	1,069,806,216
Repair and maintenance costs	446,616,514	553,395,471
Insurance	404,078,768	520,398,680
Office rental	177,018,818	178,200,454
	2,370,555,933	2,321,800,821
b. Non-current		
Office renovation costs	3,748,880,700	5,196,002,389
Tools and supplies issued for consumption	3,525,725,629	4,600,912,065
Others	674,869,361	1,138,727,242
	7,949,475,690	10,935,641,696



11. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	141,172,042,692	29,370,771,994	96,166,539,133	5,243,316,301	4,919,803,174	276,872,473,294
Additions	223,120,000	3,576,884,080	11,090,897,669	1,071,493,000	-	15,962,394,749
Transfer from construction in progress	3,192,983,333	-	-	-	-	3,192,983,333
Disposal	(645,752,409)	(233,024,720)	(14,170,569,958)	-	-	(15,049,347,087)
Closing balance	143,942,393,616	32,714,631,354	93,086,866,844	6,314,809,301	4,919,803,174	280,978,504,289
ACCUMULATED DEPRECIATION						
Opening balance	74,599,415,876	23,879,557,193	70,919,571,907	4,339,637,322	4,550,321,233	178,288,503,531
Charge for the year	7,074,094,427	2,719,741,271	7,005,254,970	694,344,262	221,109,998	17,714,544,928
Disposal	(645,752,409)	(233,024,720)	(14,170,569,958)	-	-	(15,049,347,087)
Closing balance	81,027,757,894	26,366,273,744	63,754,256,919	5,033,981,584	4,771,431,231	180,953,701,372
NET BOOK VALUE						
Opening balance	66,572,626,816	5,491,214,801	25,246,967,226	903,678,979	369,481,941	98,583,969,763
Closing balance	62,914,635,722	6,348,357,610	29,332,609,925	1,280,827,717	148,371,943	100,024,802,917

As at 31 December 2024, the cost of the Company's fixed assets includes VND 103,545,967,355 (as at 31 December 2023: VND 102,063,870,984) of assets which have been fully depreciated but are still in use.

12. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
COST			
Opening balance	65,750,630,035	5,293,935,613	71,044,565,648
Additions	-	430,000,000	430,000,000
Closing balance	<u>65,750,630,035</u>	<u>5,723,935,613</u>	<u>71,474,565,648</u>
ACCUMULATED DEPRECIATION			
Opening balance	11,679,371,766	4,712,376,388	16,391,748,154
Charge for the year	1,375,634,202	472,772,891	1,848,407,093
Closing balance	<u>13,055,005,968</u>	<u>5,185,149,279</u>	<u>18,240,155,247</u>
NET BOOK VALUE			
Opening balance	<u>54,071,258,269</u>	<u>581,559,225</u>	<u>54,652,817,494</u>
Closing balance	<u>52,695,624,067</u>	<u>538,786,334</u>	<u>53,234,410,401</u>

As at 31 December 2024, the cost of the Company's fixed assets includes VND 4,547,940,457 (as at 31 December 2023: VND 4,292,625,457) of assets which have been fully depreciated but are still in use.

13. INCREASES, DECREASES IN INVESTMENT PROPERTY

INVESTMENT PROPERTY HELD TO EARN RENTALS

	Land use rights	Buildings and structures	Total
	VND	VND	VND
COST			
Opening balance	8,092,241,500	19,555,738,511	27,647,980,011
Closing balance	<u>8,092,241,500</u>	<u>19,555,738,511</u>	<u>27,647,980,011</u>
ACCUMULATED DEPRECIATION			
Opening balance	-	12,786,536,552	12,786,536,552
Charge for the year	-	760,005,246	760,005,246
Closing balance	<u>-</u>	<u>13,546,541,798</u>	<u>13,546,541,798</u>
NET BOOK VALUE			
Opening balance	<u>8,092,241,500</u>	<u>6,769,201,959</u>	<u>14,861,443,459</u>
Closing balance	<u>8,092,241,500</u>	<u>6,009,196,713</u>	<u>14,101,438,213</u>

Investment property held to earn rentals includes the value of land use rights and buildings and structures at VFC Tower Building at 29 Ton Duc Thang, Ben Nghe Ward, District 1, Ho Chi Minh City of the Company used for office lease.

According to the provisions of Vietnamese Accounting Standard No. 05 - Investment Properties, the fair value of investment properties as at 31 December 2024 must be presented. However, the Company has not yet determined this fair value, so the fair value of investment properties as at 31 December 2024 has not been presented in the Notes to the separate financial statements. To determine this fair value, the Company will have to hire an independent consulting company to assess the fair value of investment properties. Currently, the Company has not found an appropriate consulting company to perform this work.

Revenue and cost of sales of this investment property rentals are presented in Notes 23 and 24, respectively.



14. DEFERRED TAX ASSETS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Corporate income tax rates used for determination of value of deferred tax assets	20%	20%
Deferred tax assets related to deductible temporary differences	12,839,263,158	9,567,818,132
	<u>12,839,263,158</u>	<u>9,567,818,132</u>

15. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
	Amount/ Amount able to be paid off	Amount/ Amount able to be paid off
Itochu Chemical Frontier Corporation	47,711,893,320	28,805,868,000
King Elong Group Limited	23,273,894,880	4,906,494,000
Intech Organics Australia Pty, Ltd.	16,562,106,076	13,678,367,450
Syngenta Vietnam Company Limited	-	328,126,782,218
Corteva Agriscience Vietnam Company Limited	-	107,399,044,562
Others	30,772,667,155	28,930,955,261
	<u>118,320,561,431</u>	<u>511,847,511,491</u>

16. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	<u>Opening balance</u>	<u>Payable during the year</u>	<u>Paid during the year</u>	<u>Closing balance</u>
	VND	VND	VND	VND
Value added tax	12,449,851,250	67,375,627,250	79,377,321,809	448,156,691
Corporate income tax	41,785,348,537	86,365,739,954	80,740,480,087	47,410,608,404
Personal income tax	9,877,281,594	50,658,265,979	53,065,394,389	7,470,153,184
Others	1,988,638,562	20,169,761,418	20,302,587,007	1,855,812,973
	<u>66,101,119,943</u>	<u>224,569,394,601</u>	<u>233,485,783,292</u>	<u>57,184,731,252</u>

17. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Sales discounts	142,932,270,000	272,323,168,811
Commissions expenses	7,013,655,837	6,181,873,041
Interest expenses	364,321,819	1,766,836,107
	<u>150,310,247,656</u>	<u>280,271,877,959</u>

18. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a. Current		
Dividend payables	6,747,422,500	5,239,403,500
Remuneration of Board of Directors	6,226,986,246	8,074,107,319
Payables to employees (i)	3,870,320,000	34,784,900,000
Payables to Hai Yen Company Limited	-	116,500,000,000
Borrowing from employees	-	9,797,400,000
Others	4,329,171,488	2,600,572,043
	21,173,900,234	176,996,382,862
In which: Other short-term payables to related parties (Details stated in Note 30)	-	119,643,700,000
b. Non-current		
Receive deposits	611,685,770	1,993,449,076
	611,685,770	1,993,449,076

(i) As at 31 December 2024, the payable to employees reflects the principal and interest received from the Company's employees to invest in Hai Yen Company Limited but has not yet been repaid.

19. SHORT-TERM LOANS

	Opening balance		In the year		Closing balance	
	VND		VND		VND	
	Amount/Amount	Increases	Decreases	Amount/Amount	able to be	paid off
	able to be			able to be	paid off	
	paid off			paid off		
Loans from banks	373,737,397,248	722,308,981,349	929,206,741,701	166,839,636,896		
Vietnam Joint Stock Commercial Bank for Investment and Development - Ho Chi Minh City Branch (i)	-	119,510,893,129	-	119,510,893,129		
Shinhan Bank Vietnam One Member Limited (ii)	-	144,110,205,964	119,865,042,717	24,245,163,247		
The Siam Commercial Bank Public Company Limited - Ho Chi Minh City Branch (iii)	90,000,000,000	196,331,835,438	263,248,254,918	23,083,580,520		
Vietnam Joint Stock Commercial Bank for Industry and Trade	-	128,433,997,553	128,433,997,553	-		
HSBC Bank (Vietnam) Limited	203,682,831,048	-	203,682,831,048	-		
Kasikornbank Public Company Limited	80,054,566,200	123,922,049,265	203,976,615,465	-		
Standard Chartered Bank (Vietnam) Limited	-	10,000,000,000	10,000,000,000	-		
Loans from others	-	11,004,515,683	5,458,260,000	5,546,255,683		
Union of Vietnam Fumigation Joint Stock Company (iv)	-	11,004,515,683	5,458,260,000	5,546,255,683		
	373,737,397,248	733,313,497,032	934,665,001,701	172,385,892,579		

- (i) Represents the unsecured loan from Vietnam Joint Stock Commercial Bank for Investment and Development - Ho Chi Minh City Branch under Contract No. 01/2024/626411/HĐTD dated 07 August 2024 with a limit of VND 120,000,000,000 to supplement working capital for the Company's production and business. The credit term is from 07 August 2024 to 30 June 2025. The loans have a term of not exceeding 5 months and the lending interest rate is specified in the debt receipts. The applicable interest rate as of 31 December 2024 is 3.5% per annum.
- (ii) Represents the unsecured loan from Shinhan Bank Vietnam One Member Limited under Contract No. SHBVN/CMC/432023/HĐTD/KHUTRUNG dated 23 November 2023 with a limit of VND 120,000,000,000 to supplement working capital for the Company's production and business. The credit term is extended to 23 November 2025 according to contract extension dated 22 November 2024. The loans have a term of not exceeding 4 months and the lending interest rate is specified in the debt receipts. The applicable interest rate as of 31 December 2024 is 3.5% per annum.
- (iii) Represents the unsecured loan from The Siam Commercial Bank Public Company Limited - Ho Chi Minh City Branch under Contract No. HDTD.021/SCB.HCM/2020 dated 20 May 2021 with a limit of USD 3,900,000 to supplement working capital for the Company's production and business. The credit term is 1 year from 20 May 2021 and is extended to 17 May 2025 according to the extension letter dated 17 May 2024. The loans have a term of not exceeding 6 months and the lending interest rate is specified in the debt receipts. The applicable interest rate as of 31 December 2024 is 3.4% per annum (as of 31 December 2023: 3.9% per annum).
- (iv) Represents the unsecured loan from Union of Vietnam Fumigation Joint Stock Company under Contract No. 01/2024/HDV/VFC-CĐ dated 16 July 2024 to supplement working capital for the Company's production and business. The loans have a term of 6 months from 16 July 2024 with interest rate of 5% per annum. According to the contract appendix dated 17 January 2025, the loan was extended until 16 July 2025.

20. BONUS AND WELFARE FUND

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Opening balance	41,495,999,377	32,895,498,137
Increase during the year	45,114,714,458	36,272,132,457
- Bonus and welfare fund deduction during the year	44,672,364,458	36,259,125,218
- Other increases	442,350,000	13,007,239
Decrease during the year	(21,328,446,246)	(27,671,631,217)
- Bonus and welfare fund expenditure during the year	(21,326,855,259)	(27,671,631,217)
- Other decreases	(1,590,987)	
Closing balance	<u>65,282,267,589</u>	<u>41,495,999,377</u>

21. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Treasury shares	Investment and development fund	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND	VND
Prior year's opening balance	417,146,140,000	(20,000,000)	203,462,343,942	20,188,402,492	498,519,835,765	1,139,296,722,199
Profit for the year	-	-	-	-	295,577,433,645	295,577,433,645
Dividends	-	-	-	-	(145,994,149,000)	(145,994,149,000)
Appropriation to bonus and welfare fund	-	-	-	-	(36,259,125,218)	(36,259,125,218)
Appropriation for social and charity fund	-	-	-	3,000,000,000	(3,000,000,000)	-
Appropriation to remuneration of Board of Directors	-	-	-	-	(3,853,788,748)	(3,853,788,748)
Others	-	-	-	(3,126,497,833)	(13,007,240)	(3,139,505,073)
Current year's opening balance	417,146,140,000	(20,000,000)	203,462,343,942	20,061,904,659	604,977,199,204	1,245,627,587,805
Profit for the year	-	-	-	-	421,556,302,393	421,556,302,393
Dividends (i) (ii)	-	-	-	-	(125,137,842,000)	(125,137,842,000)
Appropriation to bonus and welfare fund (i)	-	-	-	-	(44,672,364,458)	(44,672,364,458)
Appropriation for social and charity fund (i)	-	-	-	5,000,000,000	(5,000,000,000)	-
Appropriation to bonus, remuneration of Board of Directors (i)	-	-	-	-	(2,363,280,474)	(2,363,280,474)
Use of funds	-	-	-	(3,087,200,084)	-	(3,087,200,084)
Others	-	-	-	-	3,659,234	3,659,234
Current year's closing balance	417,146,140,000	(20,000,000)	203,462,343,942	21,974,704,575	849,363,673,899	1,491,926,862,416

- (i) According to Resolution No. 02/NQ-ĐHĐCĐ/2024 dated 25 April 2024, the General Meeting of Shareholders approved the allocation of funds, dividend distribution, remuneration of the Board of Directors, and bonuses for the Board of Directors and the Executive Board from the profits in 2023. The difference between the amount provisionally allocated to funds in the previous year's financial statements and the amount approved by the General Meeting of Shareholders has been supplemented/adjusted in this year's financial statements.

Also pursuant to this Resolution, the Company has provisionally allocated funds, distributed dividends, remuneration of the Board of Directors, and bonuses for the Board of Directors and the Executive Board from the profit after tax in 2024. This provisionally amount will be submitted to the General Meeting of Shareholders for approval at the next meeting and the difference (if any) will be adjusted accordingly in the financial statements.



- (ii) In the year, the Company pays dividends from the profits in 2023 and advanced dividends from profits in 2024 according to the Resolutions of the General Meeting of Shareholders and the Board of Directors. Details are as follows:

<u>No.</u>	<u>Description</u>	<u>Resolution of the General Meeting of Shareholders</u>	<u>Resolution of the Board of Directors</u>	<u>Record date</u>	<u>Payment date</u>	<u>Amount</u>
1	The 2nd dividend payment of 2023	Resolution No. 02/NQ-ĐHĐCĐ/2023 dated 26 April 2023	Resolution No. 01/2024/NQ-HĐQT dated 17 January 2024	07/02/2024	08/3/2024	41,712,614,000
2	The 3rd dividend payment of 2023	Resolution No. 02/NQ-ĐHĐCĐ/2023 dated 26 April 2023	Resolution No. 08/2024/NQ-HĐQT dated 14 May 2024	30/5/2024	14/6/2024	41,712,614,000
3	The 1st dividend payment of 2024	Resolution No. 02/NQ-ĐHĐCĐ/2024 dated 25 April 2024	Resolution No. 14/2024/NQ-HĐQT dated 23 July 2024	09/8/2024	22/8/2024	41,712,614,000
					Total	<u><u>125,137,842,000</u></u>

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
Number of shares issued to the public	41,714,614	41,714,614
<i>Ordinary shares</i>	41,714,614	41,714,614
Treasury shares	(2,000)	(2,000)
<i>Ordinary shares</i>	(2,000)	(2,000)
Number of outstanding shares in circulation	41,712,614	41,712,614
<i>Ordinary shares</i>	41,712,614	41,712,614

An ordinary share has par value of VND 10,000.

Charter capital

According to the Company's 30th Certificate of Business Registration amendment on 29 September 2022, the Company's charter capital are VND 417,146,140,000 (as at 31 December 2023: VND 417,146,140,000). The charter capital contributions by the shareholders as at 31 December 2024 had been fully made as follows:

	<u>Contributed capital</u>			
	<u>Closing balance</u>		<u>Opening balance</u>	
	VND	%	VND	%
PAN Farm Joint Stock Company	213,791,910,000	51.251%	213,791,910,000	51.251%
Other shareholders	203,334,230,000	48.744%	203,334,230,000	48.744%
	<u>417,126,140,000</u>	<u>99.995%</u>	<u>417,126,140,000</u>	<u>99.995%</u>
Treasury shares	20,000,000	0.005%	20,000,000	0.005%
	<u>417,146,140,000</u>	<u>100%</u>	<u>417,146,140,000</u>	<u>100%</u>

22. OFF BALANCE SHEET ITEMS

Foreign currency

	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar (USD)	33,048.29	34,358.37

Operating lease assets

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Minimum lease payment in the future under non-cancellable operating lease under the following terms:		
Within one year	671,393,443	624,000,000
In the second to fifth year inclusive	310,000,000	1,352,000,000
	<u>981,393,443</u>	<u>1,976,000,000</u>

Operating leases represent the total rental amount for business premises and housing for the Company's employees under lease contracts with terms of 1 to 5 years.

23. REVENUE OF GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Sales of goods and services rendering		
In which:		
<i>Revenue from sales of goods and finished products</i>	3,221,981,728,693	3,039,229,857,319
<i>Revenue from services rendered</i>	551,409,208,245	505,160,218,629
<i>Revenue from rental services</i>	13,462,913,144	12,917,483,123
	<u>3,786,853,850,082</u>	<u>3,557,307,559,071</u>
Deductions		
<i>Sale discount</i>	310,054,611,652	289,467,072,914
<i>Sales return</i>	-	5,420,631,600
	<u>310,054,611,652</u>	<u>294,887,704,514</u>
Net revenue	<u>3,476,799,238,430</u>	<u>3,262,419,854,557</u>
In which:		
Revenue from major related parties (Details stated in Note 30)	3,677,370,564	3,464,442,000

24. COST OF SALES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Cost of goods and finished products	2,247,478,210,520	2,154,973,145,606
Cost of services rendered	337,611,078,393	335,709,545,667
Cost of rental services	760,005,246	760,005,246
(Reversal) for impairment of inventory	(10,145,037,896)	(7,974,246,125)
	<u>2,575,704,256,263</u>	<u>2,483,468,450,394</u>

25. PRODUCTION COST BY NATURE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Raw materials	737,065,340,545	629,357,133,289
Labour and commissions	487,912,486,077	446,879,664,112
Out-sourced services	42,421,198,831	39,814,177,794
Depreciation and amortisation	20,322,957,267	22,194,446,472
(Reversal) provision	(9,226,375,805)	(2,509,803,139)
Other expenses	114,349,525,046	195,719,354,021
	<u>1,392,845,131,961</u>	<u>1,331,454,972,549</u>



26. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Distributed profits	159,795,211,533	-
Payment discounts	29,084,853,743	11,131,679,737
Interest on deposits and loans	24,029,946,072	37,721,084,073
Late payment interest	11,949,094,986	21,104,049,626
Foreign exchange gain	2,412,321,717	1,939,078,117
	<u>227,271,428,051</u>	<u>71,895,891,553</u>
In which:		
Financial income from related parties (Details stated in Note 30)	182,447,239,904	9,808,767,125

27. FINANCIAL EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Payment discount	31,839,405,812	22,173,048,500
Loan interest	6,103,281,091	15,143,833,635
Foreign exchange loss	3,912,116,556	1,941,805,261
Others	65,131,918,139	38,665,027
	<u>106,986,721,598</u>	<u>39,297,352,423</u>
In which:		
Loan interest from related parties (Details stated in Note 30)	162,912,563	-

28. GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Selling expenses		
Labour and commissions	312,245,526,934	228,884,026,346
Marketing costs	67,080,753,462	60,085,781,785
Out-sourced services	29,400,804,963	27,431,187,798
Depreciation expenses	6,211,331,446	5,528,765,057
Others	21,983,172,864	31,097,126,393
	<u>436,921,589,669</u>	<u>353,026,887,379</u>
General and administration expenses		
Labor expense	63,251,831,083	61,874,653,163
Out-sourced services	3,198,339,003	3,010,186,878
Depreciation expenses	3,000,114,570	2,700,394,843
Provision for doubtful debts	918,662,091	5,464,442,986
Others	11,553,586,471	8,546,064,860
	<u>81,922,533,218</u>	<u>81,595,742,730</u>

29. CORPORATE INCOME TAX EXPENSE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	86,365,137,954	86,995,727,456
Adjustments for corporate income tax expense in previous years to the current year	602,000	2,727,261,492
Total current corporate income tax expense	<u>86,365,739,954</u>	<u>89,722,988,948</u>

The current corporate income tax expense for the year was computed as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Profit before tax	504,650,597,321	375,732,604,461
Adjustments for taxable profit		
<i>Add: Adjustments that increase profit before tax</i>	<i>135,317,813,744</i>	<i>59,790,628,550</i>
<i>Deduct: Non-taxable incomes</i>	<i>(159,795,211,533)</i>	-
<i>Deduct: Adjustments that reduce profit before tax</i>	<i>(47,839,090,658)</i>	-
Taxable profit	432,334,108,874	435,523,233,011
<i>Taxable profit at normal tax rate of 20%</i>	<i>428,944,648,181</i>	<i>431,892,594,811</i>
<i>Taxable profit at incentive tax rate of 17%</i>	<i>3,389,460,693</i>	<i>3,630,638,200</i>
Corporate income tax expense based on taxable profit in the current year	<u>86,365,137,954</u>	<u>86,995,727,456</u>

The Company's corporate income tax rate is applied as follows:

- Long An Factory: the applicable tax rate is 17% within 10 years from the date of revenue (2017), tax exemption for 2 years and 50% reduction of tax payable within the next 4 years from the first year of profit (2017). 2024 is the 8th year that the Company enjoys an incentive tax rate of 17% on income from Long An Factory.
- Income from the Company's remaining activities is subject to the normal tax rate of 20%.

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the results of the inspection by the competent tax authority.

Deferred corporate income tax expense

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Deferred corporate income tax expense		
Reversal of deferred tax assets	9,567,818,132	-
Deductible temporary differences	(12,839,263,158)	(9,567,818,132)
Total deferred corporate income tax expense	<u>(3,271,445,026)</u>	<u>(9,567,818,132)</u>

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30. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the year:

<u>Related parties</u>	<u>Relationship</u>
PAN Group Joint Stock Company	Ultimate Parent Company
PAN Farm Joint Stock Company	Parent Company
Hai Yen Company Limited	Join venture until 19 August 2024 Subsidiary from 19 August 2024
Southern Seed Joint Stock Company	Company in the same Group
Vietnam Rice Company Limited	Company in the same Group
Vietnam National Seed Group Joint Stock Company	Company in the same Group
Vinaseed Hanoi Development and Investment Joint Stock Company	Company in the same Group
Long An Food Processing Export Joint Stock Company	Company in the same Group
Western Bibica One Member Company Limited	Company in the same Group
584 Nha Trang Seaproduct Joint Stock Company	Company in the same Group
Khang An Foods Joint Stock Company	Company in the same Group
Bibica Bien Hoa One Member Company Limited	Company in the same Group
Bibica Hanoi One Member Company Limited	Company in the same Group
Golden Beans Coffee Joint Stock Company	Company in the same Group
PAN Consumer Goods Distribution Joint Stock Company	Company in the same Group
Quang Nam National Seed Joint Stock Company	Company in the same Group
Ms. Nguyen Bach Tuyet	Chairwoman/Executive Officer
Mr. Truong Cong Cu	Member of Board of Directors/Chief Executive Officer
Mr. Tran Van Dung	Member of Board of Directors/Executive Officer
Mr. Dao Xuan Trong	Executive Officer
Ms. Pham Thi Ngoc Phuong	Chief Accountant
Mr. Nguyen Hoang Anh	Close family member of the Chairwoman

During the year, the Company entered into the following significant transactions with its related parties:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Revenue from of goods sold and services rendered	3,677,370,564	3,464,442,000
Vietnam National Seed Group Joint Stock Company	1,018,906,564	1,614,126,000
Southern Seed Joint Stock Company	679,530,000	671,170,000
Vietnam Rice Company Limited	647,820,000	602,120,000
Long An Food Processing Export Joint Stock Company	433,215,000	391,526,000
Western Bibica One Member Company Limited	261,023,000	-
Quang Nam National Seed Joint Stock Company	234,661,000	-
Hai Yen Company Limited	162,400,000	162,400,000
584 Nha Trang Seaproduct Joint Stock Company	80,000,000	-
Bibica Hanoi One Member Company Limited	42,300,000	-
Bibica Bien Hoa One Member Company Limited	38,965,000	-
Khang An Foods Joint Stock Company	33,000,000	23,100,000
Vinaseed Hanoi Development and Investment Joint Stock Company	28,350,000	-
Golden Beans Coffee Joint Stock Company	13,200,000	-
PAN Farm Joint Stock Company	4,000,000	-
Purchases of goods and services	5,836,337,510	4,214,397,554
PAN Consumer Goods Distribution Joint Stock Company	5,655,827,746	1,979,094,667
Hai Yen Company Limited	180,509,764	1,555,502,887
Vietnam National Seed Group Joint Stock Company	-	679,800,000

	Current year	Prior year
	VND	VND
Individuals lend money to Company	-	4,177,600,000
Ms. Nguyen Bach Tuyet	-	1,161,900,000
Mr. Truong Cong Cu	-	1,232,550,000
Mr. Tran Van Dung	-	1,033,900,000
Ms. Pham Thi Ngoc Phuong	-	293,850,000
Mr. Dao Xuan Trong	-	272,250,000
Mr. Nguyen Hoang Anh	-	183,150,000
The Company repays the borrowed money to the individuals	3,143,700,000	1,033,900,000
Mr. Truong Cong Cu	1,232,550,000	-
Ms. Nguyen Bach Tuyet	1,161,900,000	-
Ms. Pham Thi Ngoc Phuong	293,850,000	-
Mr. Dao Xuan Trong	272,250,000	-
Mr. Nguyen Hoang Anh	183,150,000	-
Mr. Tran Van Dung	-	1,033,900,000
Lending	-	450,000,000,000
PAN Group Joint Stock Company	-	450,000,000,000
Recover loans	450,000,000,000	-
PAN Group Joint Stock Company	450,000,000,000	-
Loans interest	22,652,028,371	9,808,767,125
PAN Group Joint Stock Company	22,652,028,371	9,808,767,125
Distributed profit	159,795,211,533	-
Hai Yen Company Limited	159,795,211,533	-
Receive loan interest	32,460,795,496	-
PAN Group Joint Stock Company	32,460,795,496	-
Interest expense	162,912,563	-
Ms. Nguyen Bach Tuyet	60,211,886	-
Mr. Truong Cong Cu	63,873,105	-
Ms. Pham Thi Ngoc Phuong	15,227,871	-
Mr. Dao Xuan Trong	14,108,517	-
Mr. Nguyen Hoang Anh	9,491,184	-
Dividends	42,758,382,000	74,827,168,500
PAN Farm Joint Stock Company	42,758,382,000	74,827,168,500



Significant related party balances as at the balance sheet date were as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Short-term trade receivables	272,231,592	168,190,040
Southern Seed Joint Stock Company	201,264,000	97,650,000
Western Bibica One Member Company Limited	49,619,600	19,155,800
Vietnam National Seed Group Joint Stock Company	12,167,992	-
Bibica Hanoi One Member Company Limited	4,644,000	4,644,000
Bibica Bien Hoa One Member Company Limited	3,348,000	3,348,000
Golden Beans Coffee Joint Stock Company	1,188,000	2,376,000
Quang Nam National Seed Joint Stock Company	-	41,016,240
Short-term advances to suppliers	-	1,008,049,689
PAN Consumer Goods Distribution Joint Stock Company	-	1,008,049,689
Short-term loan receivables	-	450,000,000,000
PAN Group Joint Stock Company	-	450,000,000,000
Other short-term receivables	-	9,808,767,125
PAN Group Joint Stock Company	-	9,808,767,125
Other current payables	-	119,643,700,000
Hai Yen Company Limited	-	116,500,000,000
Ms. Nguyen Bach Tuyet	-	1,161,900,000
Mr. Truong Cong Cu	-	1,232,550,000
Ms. Pham Thi Ngoc Phuong	-	293,850,000
Mr. Dao Xuan Trong	-	272,250,000
Mr. Nguyen Hoang Anh	-	183,150,000

Remuneration paid to the Company's Board of Directors, Board of Management and other managements during the year was as follows:

Name	Position	<u>Current year</u>	<u>Prior year</u>
		VND	VND
Mr. Truong Cong Cu	Member of Board of Directors/Chief Executive Officer	7,829,658,760	7,081,431,944
Ms. Nguyen Bach Tuyet	Chairwoman/Executive Officer	7,721,958,760	6,982,993,603
Mr. Tran Van Dung	Member of Board of Directors/Executive Officer	6,408,637,479	5,630,363,854
Mr. Dao Xuan Trong	Executive Officer	2,362,111,391	2,697,610,734
Ms. Pham Thi Ngoc Phuong	Chief Accountant	1,681,599,417	1,793,692,045
Mr. Mai Tuan Anh	Independent Member	1,360,687,253	489,106,583
Mr. Nguyen Thanh Tung	Independent Member (resigned on 25 April 2024)	1,310,687,253	489,106,583
Ms. Nguyen Vu Thuy Huong	Member of Board of Directors	1,260,687,253	489,106,583
		<u>29,936,027,566</u>	<u>25,653,411,929</u>

In addition, the Company paid bonus funds from previous years instead of the program "Issuing shares under the employee stock option program (ESOP) for the period 2023 – 2025" to the executive board with an amount of VND 50.96 billion in the first quarter of 2024 which was presented at the 2024 General Meeting of Shareholders.



Remuneration paid to the Company's Board of Supervisors during the year was as follows:

Name	Position	Current year	Prior year
		VND	VND
Mr. Vo Van Quoc	Head of the Board of Supervisors	280,000,000	263,000,000
Mr. Nguyen Anh Tuan	Member	140,000,000	132,000,000
Ms. Phan Thi Bich Lan	Member	140,000,000	132,000,000
		560,000,000	527,000,000

31. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash recovered from investments in other entities exclude an amount of VND 116,500,000,000 (2023: VND 0), representing an amount offset against other short-term payables with capital contribution to Hai Yen Company Limited. Consequently, increase, decrease in payables in accounts payable have been adjusted by the same amount.

Interest paid during the year excludes VND 364,321,819 (2023: VND 1,766,836,107), which is the amount of interest during the year but not yet paid to lenders. Consequently, increase, decrease in payables have been adjusted by the same amount.

Acquisition and construction of fixed assets and other long-term assets during the year include VND 2,400,943,400 (2023: VND 0), which is the amount paid in advance to suppliers for the purchase of assets during the year. Consequently, increase, decrease in receivables have been adjusted by the same amount.

Dividends and profits paid to owners during the year do not include VND 6,747,422,500 (2023: VND 5,239,403,500), which is the amount of dividends payable but not yet paid to owners. Consequently, increase, decrease in payables have been adjusted by the same amount.

32. SUBSEQUENT EVENTS

According to Resolution of the General Meeting of Shareholders No. 02/NQ-ĐHĐCĐ/2024 dated 25 April 2024 and Resolution of the Board of Directors No. 05/2025/NQ-HĐQT dated 06 March 2025, the Board of Directors has approved the provisional payment of the second dividend of 2024 in cash to existing shareholders at the rate of 10% of the par value of the shares, equivalent to VND 1,000/share. The last registration date as announced by the Ho Chi Minh Stock Exchange is 19 March 2025.



Pham Thi Ngoc Phuong
 Preparer/Chief Accountant



Truong Cong Cu
 Chief Executive Officer

21 March 2025

