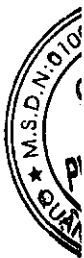


VINH HOAN CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



VINH HOAN CORPORATION

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

TABLE OF CONTENTS	PAGE
Corporate information	1
Statement of the Legal representative	2
Independent Auditor's report	3
Consolidated balance sheet (Form B 01 – DN/HN)	5
Consolidated income statement (Form B 02 – DN/HN)	8
Consolidated cash flow statement (Form B 03 – DN/HN)	9
Notes to the consolidated financial statements (Form B 09 – DN/HN)	10

TP.CK
M.S.D.

VINH HOAN CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate

No. 1400112623 dated 17 April 2007 was initially issued by the Department of Planning and Investment of Dong Thap Province and the latest 18th amendment dated 11 March 2025 was issued by the Department of Finance of Dong Thap Province

Board of Directors

Ms. Truong Thi Le Khanh	Chairperson
Ms. Nguyen Ngo Vi Tam	Member
Ms. Truong Tuyet Hoa	Member
Ms. Nguyen Thi Kim Dao	Member
Mr. Nguyen Bao Anh	Independent member
Mr. Bui Ba Trung	Independent member

Board of Supervision

Ms. Nguyen Thi Cam Van	Head
Mr. Nguyen Quang Vinh	Member
Mr. Mai Thanh Trong Nhan	Member

Board of Management

Ms. Nguyen Ngo Vi Tam	Chief Executive Officer
Mr. Huynh Duc Trung	Head of Health and Safety
Ms. Nguyen Thi Kim Dao	Chief Financial Officer
Ms. Ho Thanh Hue	Head of Production
Ms. Truong Tuyet Hoa	Head of Sales - Seafood
Ms. Tran Thi Hoang Thu	Head of Sales – Vinh Wellness and Vinh Agri

Legal representative

Ms. Truong Thi Le Khanh	Chairperson
-------------------------	-------------

Registered office

National Highway 30, My Ngai Ward, Cao Lanh City, Dong Thap Province, Vietnam

Auditor

PwC (Vietnam) Limited

VINH HOAN CORPORATION

STATEMENT OF THE LEGAL REPRESENTATIVE

Statement of responsibility of the Legal representative of the Company in respect of the consolidated financial statements

The Legal representative of Vinh Hoan Corporation ("the Company") is responsible for preparing consolidated financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Legal representative of the Company is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going-concern basis unless it is inappropriate to presume that the Group will continue in business.

The Legal representative of the Company is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and which enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Legal representative of the Company is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or error.

Approval of the consolidated financial statements

I hereby approve the accompanying consolidated financial statements as set out on pages 5 to 55 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.



Truong Thi Le Khanh
Chairperson
Legal Representative

Dong Thap Province, SR Vietnam
28 March 2025



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VINH HOAN CORPORATION

We have audited the accompanying consolidated financial statements of Vinh Hoan Corporation ("the Company") and its subsidiaries (together, "the Group") which were prepared on 31 December 2024 and approved by the Legal representative of the Company on 28 March 2025. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 55.

The Legal representative's Responsibility

The Legal representative of the Company is responsible for the preparation and the true and fair presentation of these consolidated financial statements of the Group in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements, and for such internal control which the Legal representative 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements of the Group 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 auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and true 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Legal representative, 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.



Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Pham Thai Hung
Audit Practising Licence No.
3444-2025-006-1
Authorised signatory

Trương Hoàng Anh
Audit Practising Licence No.
4594-2023-006-1

Report reference number: HCM16587
Ho Chi Minh City, 28 March 2025

CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2024 VND	2023 VND
100	CURRENT ASSETS		8,238,447,590,991	7,888,156,657,832
110	Cash and cash equivalents	3	570,012,125,911	232,805,453,082
111	Cash		568,912,125,911	232,805,453,082
112	Cash equivalents		1,100,000,000	-
120	Short-term investments		2,340,406,525,686	2,068,507,997,500
121	Trading securities	4(a)	161,593,749,801	181,207,601,155
122	Provision for diminution in value of trading securities	4(a)	(41,752,806,201)	(38,884,103,655)
123	Investments held to maturity	4(b)	2,220,565,582,086	1,926,184,500,000
130	Short-term receivables		2,200,504,540,314	1,577,896,986,414
131	Short-term trade accounts receivable	5	1,851,065,385,738	1,438,581,654,081
132	Short-term prepayments to suppliers	6	314,252,842,657	103,435,378,308
136	Other short-term receivables	7	42,152,978,245	42,038,075,351
137	Provision for doubtful debts – short-term		(6,966,666,326)	(6,158,121,326)
140	Inventories	8	2,914,883,330,804	3,763,498,912,609
141	Inventories		3,159,305,888,179	4,184,850,311,711
149	Provision for decline in value of inventories		(244,422,557,375)	(421,351,399,102)
150	Other current assets		212,641,068,276	245,447,308,227
151	Short-term prepaid expenses		15,863,032,771	13,360,715,097
152	Value added tax ("VAT") to be reclaimed	14(a)	196,778,035,505	231,936,593,130
153	Tax and other receivables from the State		-	150,000,000

The notes on pages 10 to 55 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
 (continued)

Code	ASSETS (continued)	Note	As at 31 December	
			2024 VND	2023 VND
200	LONG-TERM ASSETS		3,995,732,630,546	4,054,392,813,318
210	Long-term receivables		1,548,813,275	2,871,356,075
216	Other long-term receivables		1,548,813,275	2,871,356,075
220	Fixed assets		3,415,114,149,837	3,383,339,452,872
221	Tangible fixed assets	10(a)	2,944,000,097,264	2,920,796,646,213
222	Historical cost		5,359,639,698,567	4,952,017,221,796
223	Accumulated depreciation		(2,415,639,601,303)	(2,031,220,575,583)
227	Intangible fixed assets	10(b)	471,114,052,573	462,542,806,659
228	Historical cost		555,595,802,285	524,268,583,375
229	Accumulated amortisation		(84,481,749,712)	(61,725,776,716)
240	Long-term assets in progress		109,478,057,239	159,945,648,828
242	Construction in progress	11	109,478,057,239	159,945,648,828
250	Long-term investments		69,482,351,695	67,242,951,618
252	Investment in an associate	4(c)	13,539,921,717	11,300,521,640
253	Investments in other entities		5,942,429,978	5,942,429,978
255	Investments held to maturity	4(b)	50,000,000,000	50,000,000,000
260	Other long-term assets		400,109,258,500	440,993,403,925
261	Long-term prepaid expenses	9	204,832,933,286	213,020,982,434
262	Deferred income tax assets	20(a)	4,920,025,714	2,499,442,324
269	Goodwill	12	190,356,299,500	225,472,979,167
270	TOTAL ASSETS		12,234,180,221,537	11,942,549,471,150

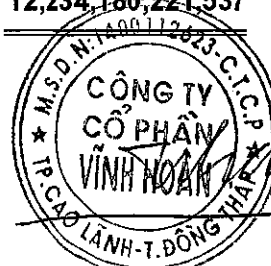
The notes on pages 10 to 55 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
 (continued)

Code	RESOURCES	Note	As at 31 December	
			2024 VND	2023 VND
300	LIABILITIES		3,240,574,236,572	3,351,493,695,011
310	Short-term liabilities		3,183,722,367,033	3,232,914,913,265
311	Short-term trade accounts payable	13	277,792,113,348	308,584,163,295
312	Short-term advances from customers		36,847,487,571	16,466,420,387
313	Tax and other payables to the State	14(b)	61,084,003,387	133,711,886,921
314	Payables to employees	15	264,815,428,393	210,419,210,495
315	Short-term accrued expenses	16	68,322,274,083	176,965,442,997
319	Other short-term payables	17	94,662,500,960	98,504,177,512
320	Short-term borrowings	18(a)	2,277,106,532,564	2,157,386,405,831
322	Bonus and welfare funds	21	103,092,026,727	130,877,205,827
330	Long-term liabilities		56,851,869,539	118,578,781,746
337	Other long-term payables		531,886,500	-
338	Long-term borrowings	18(b)	-	101,863,000,000
341	Deferred income tax liabilities	20(b)	6,520,214,320	8,060,012,568
342	Provision for long-term liabilities	19	18,836,176,120	8,352,244,491
343	Fund for scientific and technological development	22	30,963,592,599	303,524,687
400	OWNERS' EQUITY		8,993,605,984,965	8,591,055,776,139
410	Capital and reserves		8,993,605,984,965	8,591,055,776,139
411	Owners' capital	23, 24	2,244,531,590,000	1,870,444,950,000
411a	- Ordinary shares with voting rights		2,244,531,590,000	1,870,444,950,000
412	Share premium	24	263,561,289,678	263,561,289,678
417	Foreign exchange differences	24	(361,485,161)	259,040,388
421	Undistributed earnings	24	6,167,569,660,225	6,213,263,998,030
421a	- Undistributed post-tax profits of previous years		4,941,364,722,030	5,295,111,718,768
421b	- Post-tax profits of current year		1,226,204,938,195	918,152,279,262
429	Non-controlling interests	24	318,304,930,223	243,526,498,043
440	TOTAL RESOURCES		12,234,180,221,537	11,942,549,471,150

Thung

 Ha Thi Phuong Thuy Hong Nhung
 Preparer and Chief Accountant



Thung

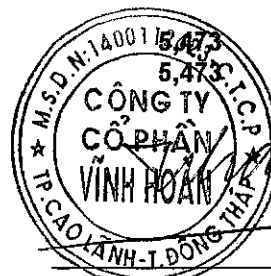
 Trương Thị Lê Khanh
 Legal representative
 28 March 2025

The notes on pages 10 to 55 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

Code	Note	Year ended 31 December	
		2024 VND	2023 VND
01	Revenue from sales of goods and rendering of services	12,567,803,303,224	10,075,768,816,568
02	Less deductions	(55,009,822,179)	(42,752,364,474)
10	Net revenue from sales of goods and rendering of services	27 12,512,793,481,045	10,033,016,452,094
11	Cost of goods sold and services rendered	28 (10,617,752,697,948)	(8,540,191,778,235)
20	Gross profit from sales of goods and rendering of services	1,895,040,783,097	1,492,824,673,859
21	Financial income	29 423,311,813,167	377,047,027,503
22	Financial expenses	30 (216,754,271,673)	(228,560,765,049)
23	- Including: Interest expense	30 (73,329,339,325)	(133,346,693,090)
24	Profit sharing from associate	4(c) 2,239,400,077	800,693,951
25	Selling expenses	31 (296,508,835,027)	(216,294,674,914)
26	General and administration expenses	32 (357,769,168,574)	(307,655,327,848)
30	Net operating profit	1,449,559,721,067	1,118,161,627,502
31	Other income	66,282,923,431	50,022,102,680
32	Other expenses	(31,217,534,422)	(23,155,469,799)
40	Net other income	33 35,065,389,009	26,866,632,881
50	Accounting profit before tax	1,484,625,110,076	1,145,028,260,383
51	Corporate income tax ("CIT") - current	34 (185,937,868,339)	(169,226,702,958)
52	CIT - deferred	20, 34 3,960,381,638	(2,044,716,118)
60	Profit after tax	1,302,647,623,375	973,756,841,307
	Attributable to:		
61	Shareholders of the Company	1,226,204,938,195	919,191,032,965
62	Non-controlling interests	76,442,685,180	54,565,808,342
70	Basic earnings per share	25	4,103
71	Diluted earnings per share	25	4,103

Thuan
Ha Thi Phuong Thuy Hong Nhung
Preparer and Chief Accountant



Truong Thi Le Khanh
Legal representative
28 March 2025

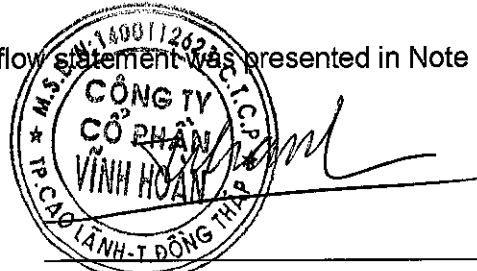
The notes on pages 10 to 55 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

Code	Note	Year ended 31 December	
		2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		1,484,625,110,076	1,145,028,260,383
Accounting profit before tax			
Adjustments for:			
02			
Depreciation, amortisation of fixed assets and allocation of goodwill			
03	10, 12, 35	456,178,821,893	402,253,182,629
04		(162,252,190,552)	(14,037,225,222)
05		(27,022,141,806)	(30,553,815,599)
06	29	(122,522,215,673)	(134,239,852,408)
07		73,329,339,325	133,346,693,090
08	30	1,702,336,723,263	1,501,797,242,873
Operating profit before changes in working capital			
09		(535,335,513,849)	718,606,666,707
10		1,025,794,423,532	(855,599,830,220)
11		212,186,482,877	(352,075,031,629)
12		9,499,311,253	19,323,683,891
13		19,613,851,354	(1,888,141,799)
14		(73,949,592,731)	(132,956,870,630)
15	14	(258,829,640,506)	(315,269,829,637)
17		(28,300,651,100)	(34,921,448,295)
20		2,073,015,394,093	547,016,441,261
Net cash inflows from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
21		(677,527,089,191)	(676,969,024,318)
22			
Purchases of fixed assets and other long-term assets			
23		2,320,677,311	4,491,383,168
24		(4,171,435,575,237)	(3,551,994,500,000)
25		3,877,054,493,151	3,290,982,798,630
26		114,542,027,511	140,217,977,382
27		(855,045,466,455)	(793,271,365,138)
30		(855,045,466,455)	(793,271,365,138)
Net cash outflows from investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
31			56,675,390,000
32			
Proceeds from issuance of share and increase capital from non-controlling interests			
33	18	10,620,041,480,808	11,256,281,203,319
34	18	(10,602,184,354,075)	(11,385,487,660,545)
35		(897,789,190,000)	-
36		(879,932,063,267)	(72,531,067,226)
40		(879,932,063,267)	(72,531,067,226)
Net cash outflows from financing activities			
50		338,037,864,371	(318,785,991,103)
Net increase/(decrease) in cash			
60	3	232,805,453,082	553,169,450,129
61		(831,191,542)	(1,578,005,944)
70	3	570,012,125,911	232,805,453,082
Cash and cash equivalents at end of year			
Cash and cash equivalents at beginning of year			

Additional information relating to the consolidated cash flow statement was presented in Note 36.


 Ha Thi Phuong Thuy Hong Nhung
 Preparer and Chief Accountant


 Trương Thị Lê Khanh
 Legal representative
 28 March 2025

The notes on pages 10 to 55 are an integral part of these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 GENERAL INFORMATION

Vinh Hoan Corporation (“the Company”) is a joint stock company which was transformed from Vinh Hoan Co., Ltd. established in SR Vietnam pursuant to the initial Enterprise registration certificate No. 1400112623, which was issued by the Department of Planning and Investment of Dong Thap Province on 17 April 2007 with the latest 18th amended which was issued by the Department of Finance of Dong Thap Province on 11 March 2025 to update the address due to the merger of administrative units.

The Company’s shares started to be traded on the Ho Chi Minh Stock Exchange (“HOSE”) on 24 December 2007 in accordance with Decision No. 179/QD-SGDHCM issued by HOSE with the ticker symbol “VHC”.

The principal activities of the Company and its subsidiaries (together referred to as “the Group”) are:

- growing domestic aquaculture; processing and preserving aquatic products and products made from aquatic products; trading aquatic products, materials serving the production and processing of aquatic products and processing of aquatic feed;
- extracting and manufacturing of hydrolized collagen and gelatin for medicine, cosmetics and food;
- producing and trading food: shrimp-chips, noodles, rice noodles; and
- process and preserve vegetables.

The normal business cycle of the Group is within 12 months.

As at 31 December 2024 and 31 December 2023, the Company had 8 subsidiaries and 1 associate. The details are presented below:

	Principal activities	Address of registered Office	2024		2023	
			Ownership rights (%)	Voting rights (%)	Ownership rights (%)	Voting rights (%)
Subsidiaries						
Vinh Phuoc Food Co., Ltd (*)	Manufacturing and preserving aquatic products and products made from aquatic products	An Phu Hamlet, An Nhon Commune, Chau Thanh District, Dong Thap Province	100	100	100	100
Vinh Hoan Collagen Co., Ltd.	Extracting and manufacturing of collagen and gelatin	National Highway 30, My Ngai Ward, Cao Lanh City, Dong Thap Province	100	100	100	100
Thanh Binh Dong Thap One Member Co., Ltd	Manufacturing and preserving aquatic products and products made from aquatic products	Industrial Cluster Thanh Binh, Binh Thanh Commune, Thanh Binh District, Dong Thap Province	100	100	100	100

1 GENERAL INFORMATION (continued)

	Principal activities	Address of registered office	2024		2023	
			Ownership rights (%)	Voting rights (%)	Ownership rights (%)	Voting rights (%)
Subsidiaries (continued)						
Vinh Hoan Fish Hatchery Co., Ltd	Fish hatchery	Vinh Buong Hamlet, Vinh Hoa Commune, Thanh Binh District, Dong Thap Province	99.33	99.33	99.33	99.33
Feed One Company Limited	Manufacturing livestock and aquatic feeds	Industrial Cluster My Hiep, My Hiep Commune, Cao Lanh District, Dong Thap Province	75	75	75	75
Sa Giang Import Export Corporation	Manufacturing shrimp chips, rice products and drinking water	Lot CII-3, Industrial Park C, Tan Quy Dong Ward, Sa Dec City, Dong Thap Province	76.72	76.72	76.72	76.72
Vinh Technology Pte Ltd	Import and export trading of seafood products, and functional foods	1 Scotts Road #24-10, Shaw Center, Singapore	100	100	100	100
Thanh Ngoc Agriculture Food Corporation (**)	Producing and preserving vegetables	An Phu Hamlet, An Nhon Commune, Chau Thanh District, Dong Thap Province	90	90	90	90
Associate Mai Thien Thanh Company Limited	Processing and disposing non-hazardous waste	My Dong Bon Hamlet, My Tho Commune, Cao Lanh City, Dong Thap Province	27.5	27.5	27.5	27.5

1 GENERAL INFORMATION (continued)

- (*) Pursuant to the Resolution of the Board of Directors dated 8 April 2024, the Board of Directors approved a capital commitment increase of VND350,000,000,000 in Vinh Phuoc Food Company Limited. As at 31 December 2024, the charter capital has been fully contributed.
- (**) According to the enterprise registration certificate dated 1 July 2024, Thanh Ngoc Agriculture Food Company Limited has transformed its type of business to Thanh Ngoc Agriculture Food Corporation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of the consolidated financial statements**

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention except for investments in associates and business combinations as presented in Note 2.5.

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam's. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated financial statements in the Vietnamese language are the official statutory consolidated financial statements of the Group. The consolidated financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.3 Currency**

The consolidated financial statements are measured and presented in Vietnamese Dong (“VND” or “Dong”), which is the Company’s accounting currency.

On consolidating, if the currencies used on financial statements of its subsidiaries and associate are different from that of the Company, the Company is required to translate those financial statements into the currency used in the Company’s consolidated financial statements under the following principles:

- Assets, liabilities and goodwill incurred on acquisition of overseas subsidiaries is translated at actual exchange rate at the year end;
- Undistributed earnings or losses incurred after capital contribution date are translated based on the translation of income and expenses in the income statement;
- Items of the income statement and the cash flow statement are translated at the average exchange rate of the financial year if it approximates the actual rate at the time of the transaction (with the difference not exceeding 2%); and
- The cumulative amount of exchange differences is presented in a separate component of equity. Accumulated exchange differences arising from translation and attributable to the Company are presented in “Foreign exchange differences”. Those arising from translation and attributable to non-controlling interests are allocated to “Non-controlling interests”. Accumulated exchange differences arising from translation of unamortised goodwill are attributable to the Company.

2.4 Exchange rates

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised as income or expenses in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the consolidated balance sheet date of the commercial bank with which the Group regularly trades. Foreign currencies deposited in banks at the consolidated balance sheet date are translated at the buying exchange rate of the commercial bank where the Group opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation****Subsidiaries**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling transactions and interests

The Group applies a policy for transactions with non-controlling interests as transactions with external parties to the Group.

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

A divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of the Group's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

In a divestment of the Group's interest in a subsidiary that results in a loss of control, the difference between the Group's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation (continued)****Associates**

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in joint ventures and associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

Subsequently, the Group's share of its the post-acquisition profits or losses of its associates is recognised in the consolidated income statement with a corresponding increase or decrease to the carrying amount of the investment. Dividends or profits distributed from the associates must be accounted for as a reduction in the carrying value of the investment. Additionally, adjustments to the carrying value of the investment must also be made when the Group's interest changes due to changes in the equity of the investee that are not reflected in the investee's profit or loss for the accounting financial year. If the Group's share of losses in an associate equals or exceeds the carrying amount of the investment, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of associates.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

2.6 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associates at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on a straight-line basis over its estimated period of benefit but not exceeding a period of 10 years.

The goodwill acquired from the purchase of an investment in a joint venture or associate is included in the carrying amount of the investment at the time of purchase. The group does not amortize this goodwill over time.

On disposal of subsidiaries, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is carried at cost less accumulated amortisation and is tested annually for impairment. If there is evidence that the impairment during the year is higher than the annual goodwill charge, the Group records the impairment immediately in the financial year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks and other short-term investments with an original maturity of three months or less.

2.8 Receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties) or based on the estimated loss that may arise. Bad debts are written off when identified. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of general and administrative expenses in the year. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of raising, costs of conversion and other directly related costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual method for inventories.

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Investments****(a) Trading securities**

Trading securities are securities which the Group hold for sales and hold for main purpose of trading to earn profits.

Trading securities are initially recorded at historical cost including cost of acquisition and any expenditure that is directly attributable to the cost of acquisition. Subsequently, the Legal representative reviews all outstanding investments to determine the amount of provision to recognise at the year end. The provision for diminution in value of trading securities is made when their carrying value is higher than their market value. Changes in the provision balance during the year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

The Group recognises trading securities when it has ownership of the assets, specifically as follows:

- Listed securities are recognised at the time of order matching; and
- Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

Profit or loss from liquidation or disposal of trading securities is recognised in the consolidated income statement. The costs of trading securities disposed of are determined by using the moving weighted average method.

(b) Investments held to maturity

Investments held to maturity are investments which the Group has positive intention and ability to hold until maturity.

Investments held to maturity include term deposits, bonds and other investments held to maturity. Those investments are initially accounted for at cost. Subsequently, the Legal representative reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Investments (continued)****(c) Investments in associates**

Investments in associates are accounted for using the equity method when preparing the consolidated financial statements (Note 2.5).

(d) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Legal representative reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for investments in other entities is made when there is a diminution in value of the investments at the year end. It is calculated based on market value if market value can be determined reliably. If market value can not be determined reliably, the provision for investments in other entities is calculated based on the loss of investees.

Changes in the provision balance during the year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.11 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred in the period.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line method so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives are as follows:

Plants and structures	2 – 25 years
Machinery and equipment	2 – 20 years
Motor vehicles	4 – 15 years
Office equipment	3 – 10 years
Computer software	2 – 8 years
Land use rights	3 – 50 years

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.11 Fixed assets (continued)**

Land use rights comprise of land use rights granted by the State for which land use fees are collected, land use rights acquired in a legitimate transfer, and prepaid land use rights obtained under land rental contracts which are effective before the effective date of Land law 2003 (ie. 1 July 2004) and which land use rights certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consist of their purchase prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line basis over the terms of the land use rights certificates.

Indefinite land use rights are stated at costs and not amortised.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; project management expenditure; and construction consulting expenditure for qualifying in accordance with the Company's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.12 Leased assets**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

2.13 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the consolidated balance sheet. Short-term prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services; or tools, which do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in 2.11 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.

2.14 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables and not related to purchase of goods and services.

Payables are classified into short-term and long-term payables on the consolidated balance sheet based on remaining period from the consolidated balance sheet date to the maturity date.

2.15 Borrowings

Borrowings include borrowings from banks.

Borrowings are classified into short-term and long-term based on the consolidated balance sheet based on their remaining terms from the consolidated balance sheet date to the maturity date.

Borrowing costs are recognised in the consolidated income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.16 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the year are recorded as an increase or decrease in operating expenses.

2.18 Fund for Science and Technology development

The fund for Science and Technology development is appropriated on the basis of maximum 10% of profit before tax, recognised as an operating expense in the financial year in accordance with Circular No. 200/2014/TT-BTC issued on 22 December 2014 by the Ministry of Finance and approved by the Board of Directors. This fund is presented as a liability on the consolidated balance sheet. This fund is set aside for the purpose of investment in science and technology of the Group in Vietnam.

2.19 Provision for severance allowances

In accordance with Vietnamese labour laws, employees of the Group who have worked regularly for full 12 months or longer are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Group less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Group.

The severance allowance is accrued at the end of the reporting year on the basis that each employee is entitled half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee contract's average salary for the six-month period prior to the consolidated balance sheet date.

This allowance will be paid as a lump sum when employees terminate their labour contracts in accordance with current regulations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.20 Capital and reserves**

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Undistributed earnings record the Group's results after CIT at the reporting date.

2.21 Appropriation of net profit*Dividends*

The Company's dividends are recognised as a liability in the Company's consolidated financial statements in the period based on the closing date of the list of shareholders in accordance with the Resolution of the Board of Directors after the dividend payment plan is approved at the Company's General Meeting of Shareholders.

Net profit after CIT could be distributed to shareholders after approval at a General Meeting of shareholders, and after appropriation to other funds in accordance with the Group's charter and Vietnamese regulations.

The Group's funds are as below:

Bonus and welfare fund

The bonus and welfare fund is appropriated from the Group's profit after CIT and subject to shareholders' approval at the General Meeting. This fund is presented as a liability on the consolidated balance sheet. This fund is set aside for the purpose of rewarding, encouragement, increasing common benefits and improvement of the employees' welfare and is recognised as a liability item in the consolidated balance sheet.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Revenue recognition****(a) Revenue from sales of goods**

Revenue from sale of goods is recognised in the consolidated income statement when all five (5) of the following conditions are satisfied:

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

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sale obligation. If the Group gives promotional goods to customers associated with their purchases, the Group allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the consolidated income statement.

(b) Revenue from rendering of services

Revenue from rendering of services is recognised in the consolidated income statement when the services are rendering, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(c) Interest income

Interest income is recognised in the consolidated income statement on the basis of the actual time and interest rates for each period when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company; and
- Income can be measured reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Revenue recognition (continued)****(d) Dividends income**

Income from dividends is recognised in the consolidated income statement when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company; and
- Income can be measured reliably.

Income from dividends is recognised when the Company has established receiving rights from investees.

2.23 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. 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.

Sales deductions for sales of products, goods or rendering of services which are sold in the year but are incurred after the consolidated balance sheet date but before the issuance of the consolidated financial statements are recorded as a deduction from the revenue of the year.

2.24 Cost of goods sold and services rendered

Cost of goods sold and services rendered are the cost of finished goods, merchandise, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudent basis.

2.25 Financial expenses

Finance expenses are expenses incurred in the year for financial activities mainly including interest expense, provision for diminution in value of investments, losses from foreign exchange differences and other financial expenses.

2.26 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods and providing services.

2.27 General and administration expenses

General and administrative expenses represent expenses that are incurred for administrative purposes.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Current and deferred income tax**

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.29 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Group, including holding companies, subsidiaries, fellow subsidiaries and associate are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including members of Board of Directors, Legal representation of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Group considers the substance of the relationship not merely the legal form.

2.30 Segment reporting

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services ("business segment"), or sales of goods or rendering of services within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. The Legal representative of the Company has determined that the business's risk and profitability are primarily influenced the fact that the Group operates in various geographical areas. As a result, the primary segment reporting of the Group is presented in respect of the Group's geographical segments.

1/3/2011
W
AN
SONG

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.31 Critical accounting estimates**

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the consolidated financial statements requires the Legal representative 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 consolidated financial statements and the reported amounts of revenues and expenses during the financial year.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the consolidated financial statements of the Group and that are assessed by the Legal representative to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	2024 VND	2023 VND
Cash on hand	687,018,665	1,489,891,798
Cash at banks	568,225,107,246	231,315,561,284
Cash equivalents (*)	1,100,000,000	-
	<u>570,012,125,911</u>	<u>232,805,453,082</u>

(*) As at 31 December 2024, cash equivalents represent term deposits in Vietnamese Dong at a commercial bank with original maturity of three months or less.

VINH HOAN CORPORATION

Form B 09 – DN/HN

4 INVESTMENTS

(a) Trading securities

	2024			2023		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Shares						
Nam Long Investment Corporation (NLG)	83,453,584,680	72,303,210,000	(11,150,374,680)	96,349,371,862	83,855,200,000	(12,494,171,862)
Dat Xanh Real Estate Services JSC (DXS)	60,266,465,669	33,525,093,600	(26,741,372,069)	60,266,465,669	34,921,972,500	(25,344,493,169)
Kinh Bac City Development Holding Corporation (KBC)	15,268,068,780	12,476,640,000	(2,791,428,780)	19,152,509,597	18,811,875,000	(340,634,597)
Others	2,605,630,672	1,536,000,000	(1,069,630,672)	5,439,254,027	4,734,450,000	(704,804,027)
	<u>161,593,749,801</u>	<u>119,840,943,600</u>	<u>(41,752,806,201)</u>	<u>181,207,601,155</u>	<u>142,323,497,500</u>	<u>(38,884,103,655)</u>

(b) Investments held to maturity

	2024		2023	
	Cost VND	Book value VND	Cost VND	Book value VND
i. Short-term				
Term deposits at banks (*)	2,220,565,582,086	2,220,565,582,086	1,926,184,500,000	1,926,184,500,000
ii. Long-term				
Bonds (**)	50,000,000,000	50,000,000,000	50,000,000,000	50,000,000,000

4 INVESTMENTS (continued)**(b) Investments held to maturity (continued)**

- (*) As at 31 December 2024 and 31 December 2023, investments held to maturity represent term deposits with maturity of more than three months and less than one year in Vietnamese Dong, interest rate is determined on each specific case.

As at 31 December 2024, term deposit at bank with a balance of VND60,000,000,000 were pledged to Joint Stock Commercial Bank for Investment and Development of Viet Nam – Tien Giang Branch as security for a credit facility (Note 18(a)(iv)).

- (**) Including bonds with maturity of 7 years from the issuance date 24 December 2020 and earning interest at floating interest rates in Vietnamese Dong.

(c) Investment in an associate

	2024			2023		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Mai Thien Thanh Co., Ltd.	13,539,921,717	(*)	-	11,300,521,640	(*)	-

- (*) As at 31 December 2024 and 31 December 2023, the Group did not determine the fair value of this investment for disclosure in the consolidated financial statements because it does not have listed prices. The fair value of this investment may be different from its book value.

Movements of the investment in an associate during the year are as follows:

	Amount VND
As at 1 January 2023	10,499,827,689
Profit sharing from associate	800,693,951
As at 31 December 2023	11,300,521,640
Profit sharing from associate	2,239,400,077
As at 31 December 2024	13,539,921,717

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2024 VND	2023 VND
Third parties	788,969,693,133	623,146,667,203
Related parties (Note 38(b))	1,062,095,692,605	815,434,986,878
	<u>1,851,065,385,738</u>	<u>1,438,581,654,081</u>

As at 31 December 2024 and 31 December 2023, there were no third-party customers who had a balance accounting for 10% or more of the total short-term trade accounts receivables.

As at 31 December 2024 and 31 December 2023, trade accounts receivable (no need to specify the subject, however, it must ensure that the value is not lower than the value specified in the loan agreement) with a carrying value of USD21,000,000 (equivalent to VND530,271,000,000 and VND505,680,000,000 as translated using the exchange rate as at 31 December 2024 and 31 December 2023, respectively) were pledged to ANZ Bank (Vietnam) Ltd. – Ho Chi Minh Branch as security for a credit facility (Note 18(a)(ii)).

As at 31 December 2024 and 31 December 2023, trade accounts receivable (no need to specify the subject, however, it must ensure that the value is not lower than the value specified in the loan agreement) with a carrying value of VND377,000,000,000 was pledged to HSBC Bank (Vietnam) Ltd. as security for a credit facility (Note 18(a)(iii)).

As at 31 December 2024 and 31 December 2023, trade accounts receivable (no need to specify the subject, however, it must ensure that the value is not lower than the value specified in the loan agreement) with a carrying value of USD15,000,000 (equivalent to VND378,765,000,000 and VND361,200,000,000 as translated using the exchange rate as at 31 December 2024 and 31 December 2023, respectively) were pledged to United Overseas Bank Limited (Vietnam) as security for a credit facility (Note 18(a)(vi)).

As at 31 December 2024 and 31 December 2023, the balance of short-term trade accounts receivable which were past due amounted to VND6,162,228,144.

601
CÔ
CÔ
VIN
LAA

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2024 VND	2023 VND
Third parties		
<i>Mr. Tran Tuan Khanh (*)</i>	13,946,380,000	13,946,380,000
<i>Ventilex B.V</i>	-	15,066,354,675
<i>Others</i>	40,373,462,657	54,489,643,633
Related parties (Note 38(b)) (*)(**)	259,933,000,000	19,933,000,000
	<u>314,252,842,657</u>	<u>103,435,378,308</u>

(*) As at 31 December 2024 and 31 December 2023, prepayments to suppliers, third parties and related parties, amounted to VND33,879,380,000 for the purpose of acquiring land use rights.

(**) As at 31 December 2024, the prepayment to related party amounted to VND240,000,000,000 for the purpose of acquiring land use rights and assets attached to the land from an individual related to Chairperson. As at 6 January 2025, the land use rights and assets attached to the land were transferred to the Group.

7 OTHER SHORT-TERM RECEIVABLES

	2024 VND	2023 VND
Advances to employees (*)	24,333,879,742	21,560,813,312
Interest receivables from bank deposits	12,190,883,938	13,361,566,195
Others	3,716,460,885	6,935,414,282
Related parties (Note 38(b))	1,911,753,680	180,281,562
	<u>42,152,978,245</u>	<u>42,038,075,351</u>

(*) As at 31 December 2024, the balance includes advances to employees for a total of VND22,692,494,280 (as at 31 December 2023: VND19,472,494,280) are secured by the employees with land use rights.

As at 31 December 2024 and 31 December 2023, there was no balance of other short-term receivables that was past due or not past due but doubtful.

8 INVENTORIES

	2024		2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Finished goods	1,077,338,324,367	(244,422,557,375)	1,847,154,911,125	(421,351,399,102)
Work in progress	936,414,564,634	-	1,492,279,565,367	-
Goods in transit	495,105,714,417	-	281,501,430,366	-
Raw materials	384,920,051,202	-	327,812,584,853	-
Properties for sales	209,349,276,732	-	209,099,276,732	-
Tools and supplies	26,300,772,752	-	22,358,969,221	-
Merchandises	17,882,606,617	-	345,858,744	-
Goods on consignment	11,994,577,458	-	4,297,715,303	-
	<u>3,159,305,888,179</u>	<u>(244,422,557,375)</u>	<u>4,184,850,311,711</u>	<u>(421,351,399,102)</u>

As at 31 December 2024 and 31 December 2023, inventories (no need to specify the quantity and type, however, it must ensure that the value is not lower than the value specified in the loan agreement) with a carrying value of USD4,000,000 (equivalent to VND101,004,000,000 and VND96,320,000,000 as translated using the exchange rate as at 31 December 2024 and 31 December 2023, respectively) were pledged to ANZ Bank (Vietnam) Ltd. – Ho Chi Minh Branch as security for a credit facility (Note 18(a)(ii)).

As at 31 December 2024 and 31 December 2023, inventories (no need to specify the quantity and type, however, it must ensure that the value is not lower than the value specified in the loan agreement) with a carrying value of VND206,500,000,000 were pledged to HSBC Bank (Vietnam) Ltd. as security for a credit facility (Note 18(a)(iii)).

Movements in the provision for decline in value of inventories during the year were as follows:

	Year ended 31 December	
	2024 VND	2023 VND
Beginning of year	421,351,399,102	396,329,357,303
(Reversal)/increase of provision (Note 28)	(176,928,841,727)	25,022,041,799
End of year	<u>244,422,557,375</u>	<u>421,351,399,102</u>

9 LONG-TERM PREPAID EXPENSES

	2024 VND	2023 VND
Fishpond construction and fishery reinforcements	98,828,832,079	109,530,697,549
Tools and supplies	34,098,239,648	28,273,556,465
Renovations	25,454,060,161	17,345,968,081
Compensation costs for land lease	15,699,643,725	16,090,506,225
Others	30,752,157,673	41,780,254,114
	<u>204,832,933,286</u>	<u>213,020,982,434</u>

As at 31 December 2024, long-term prepaid expenses related to land use rights with a carrying value of VND3,760,490,910 (as at 31 December 2023: VND3,867,842,222) were pledged as security for borrowings granted by Joint Stock Commercial Bank for Foreign Trade of Vietnam – Dong Thap Branch (Note 18(a)(v)).

VINH HOAN CORPORATION

Form B 09 – DN/HN

10	FIXED ASSETS	Plants and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
(a)	Tangible fixed assets						
	Historical cost						
	As at 1 January 2024	1,966,158,994,126	2,828,453,308,730	107,682,793,290	42,470,917,329	7,251,208,321	4,952,017,221,796
	New purchases	18,237,105,511	80,512,070,699	6,021,055,645	340,259,444	186,135,000	105,296,626,299
	Transfers from construction in progress (Note 11)	61,371,995,252	257,848,571,094	1,146,225,011	665,759,014	133,600,000	321,166,150,371
	Other increases (Note 33)	-	5,013,036,000	-	-	-	5,013,036,000
	Disposals	(7,912,917,313)	(14,083,762,067)	(1,755,419,700)	(101,236,819)	-	(23,853,335,899)
	As at 31 December 2024	2,037,855,177,576	3,157,743,224,456	113,094,654,246	43,375,698,968	7,570,943,321	5,359,639,698,567
	Accumulated depreciation						
	As at 1 January 2024	697,160,775,450	1,248,387,473,365	57,142,892,476	27,345,785,768	1,183,648,524	2,031,220,575,583
	Charge for the year	89,823,342,178	286,321,042,277	13,693,585,317	7,407,823,136	1,060,376,322	398,306,169,230
	Disposals	(3,059,163,822)	(10,393,279,561)	(342,425,943)	(92,274,184)	-	(13,887,143,510)
	As at 31 December 2024	783,924,953,806	1,524,315,236,081	70,494,051,850	34,661,334,720	2,244,024,846	2,415,639,601,303
	Net book value						
	As at 1 January 2024	1,268,998,218,676	1,580,065,835,365	50,539,900,814	15,125,131,561	6,067,559,797	2,920,796,646,213
	As at 31 December 2024	1,253,930,223,770	1,633,427,988,375	42,600,602,396	8,714,364,248	5,326,918,475	2,944,000,097,264

10 FIXED ASSETS (continued)**(a) Tangible fixed assets (continued)**

As at 31 December 2024, the Group's tangible fixed assets with a total carrying value of VND78,601,228,038 (as at 31 December 2023: VND250,102,142,982) were pledged as security for borrowings granted by Vietnam Joint Stock Commercial Bank for Foreign Trade – Ho Chi Minh Branch (Note 18(a)(i))

As at 31 December 2024, the Group's tangible fixed assets with a total carrying value of VND4,086,522,107 (as at 31 December 2023: VND6,657,968,051) were pledged as security for borrowings granted by Vietnam Joint Stock Commercial Bank for Foreign Trade – Dong Thap Branch (Note 18(a)(v)).

The historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2024 was VND843,248,106,629 (as at 31 December 2023: VND781,753,352,718).

(b) Intangible fixed assets

	Land use rights VND	Computer software VND	Total VND
Historical cost			
As at 1 January 2024	512,227,048,881	12,041,534,494	524,268,583,375
New purchases	-	1,292,300,000	1,292,300,000
Transfers from construction in progress (Note 11)	23,495,650,310	6,539,268,600	30,034,918,910
As at 31 December 2024	<u>535,722,699,191</u>	<u>19,873,103,094</u>	<u>555,595,802,285</u>
Accumulated amortisation			
As at 1 January 2024	55,424,894,239	6,300,882,477	61,725,776,716
Charge for the year	20,504,203,915	2,251,769,081	22,755,972,996
As at 31 December 2024	<u>75,929,098,154</u>	<u>8,552,651,558</u>	<u>84,481,749,712</u>
Net book value			
As at 1 January 2024	<u>456,802,154,642</u>	<u>5,740,652,017</u>	<u>462,542,806,659</u>
As at 31 December 2024	<u><u>459,793,601,037</u></u>	<u><u>11,320,451,536</u></u>	<u><u>471,114,052,573</u></u>

As at 31 December 2024, the Group's land use rights with a net book value of VND34,599,950,355 (as at 31 December 2023: VND35,530,894,071) were pledged as security for borrowings granted by Vietnam Joint Stock Commercial Bank for Foreign Trade – Ho Chi Minh Branch (Note 18(a)(i))

10 FIXED ASSETS (continued)**(b) Intangible fixed assets (continued)**

As at 31 December 2024, land use rights of the Group with a net book value of VND3,177,183,196 (as at 31 December 2023: VND3,261,346,984) were pledged as security for borrowings granted by Vietnam Joint Stock Commercial Bank for Foreign Trade – Dong Thap Branch (Note 18(a)(vii)).

The historical cost of fully amortised intangible fixed assets as at 31 December 2024 was VND4,157,521,912 (as at 31 December 2023 was VND3,239,592,379).

11 CONSTRUCTION IN PROGRESS

	2024 VND	2023 VND
Fixed assets	68,948,772,812	71,622,687,771
Expenditure related to fishponds	23,281,063,719	29,960,823,117
Construction of factories and offices	8,499,402,723	55,176,150,297
Housing for employees	7,501,840,274	2,405,216,133
Others	1,246,977,711	780,771,510
	<u>109,478,057,239</u>	<u>159,945,648,828</u>

Movements in the construction in progress during the year were as follows:

	Year ended 31 December	
	2024 VND	2023 VND
Beginning of year	159,945,648,828	565,780,626,128
Purchases	304,797,057,471	461,780,563,594
Transfers to tangible fixed assets (Note 10(a))	(321,166,150,371)	(716,123,912,248)
Transfers to intangible fixed assets (Note 10(b))	(30,034,918,910)	(25,544,746,380)
Transfers to inventories	(250,000,000)	(115,379,547,348)
Others	(3,813,579,779)	(10,567,334,918)
End of year	<u>109,478,057,239</u>	<u>159,945,648,828</u>

12 GOODWILL

	2024 VND	2023 VND
Beginning of year	225,472,979,167	260,589,658,834
Allocation (Note 32)	(35,116,679,667)	(35,116,679,667)
End of year	<u>190,356,299,500</u>	<u>225,472,979,167</u>

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2024		2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties	274,090,480,693	274,090,480,693	303,736,863,754	303,736,863,754
Related parties (Note 38(b))	3,701,632,655	3,701,632,655	4,847,299,541	4,847,299,541
	<u>277,792,113,348</u>	<u>277,792,113,348</u>	<u>308,584,163,295</u>	<u>308,584,163,295</u>

As at 31 December 2024 and 31 December 2023, there was no balance of short-term trade accounts payable that was past due.

14 TAX AND OTHER RECEIVABLES FROM/ PAYABLES TO THE STATE

Movements in tax and other receivables from/ payables to the State during the year were as follows:

	As at 1.1.2024 VND	Receivable/ payable during the year VND	Refunded/ payment during the year VND	Net-off during the year VND	As at 31.12.2024 VND
a) Tax receivables					
VAT deductible	231,936,593,130	220,288,907,721	(184,491,314,932)	(70,956,150,414)	196,778,035,505
b) Tax payables					
CIT	125,658,570,665	185,937,868,339	(258,829,640,506)	(150,000,000)	52,616,798,498
Personal income tax	4,287,317,593	48,712,543,248	(48,428,454,748)	-	4,571,406,093
VAT – domestic sales	3,682,573,403	123,513,726,449	(52,391,402,424)	(70,956,150,414)	3,848,747,014
Others	83,425,260	1,937,916,548	(1,974,290,026)	-	47,051,782
	<u>133,711,886,921</u>	<u>360,102,054,584</u>	<u>(361,623,787,704)</u>	<u>(71,106,150,414)</u>	<u>61,084,003,387</u>

15 PAYABLES TO EMPLOYEES

As at 31 December 2024, the balance represents the December and 13th month salary of 2024 (as at 31 December 2023: the December and 13th month salary of 2023) payable to the Group's employees.

16 ACCRUED EXPENSES

	2024 VND	2023 VND
Goods in transit	32,275,332,180	141,699,052,250
Outsourced services	21,783,663,284	22,393,791,820
Interest expense	1,047,760,780	1,668,014,186
Others	13,215,517,839	11,204,584,741
	<u>68,322,274,083</u>	<u>176,965,442,997</u>

17 OTHER SHORT-TERM PAYABLES

	2024 VND	2023 VND
Related parties (Note 38(b))	8,232,813,261	11,215,492,081
Third parties		
- Union fees	48,889,937,329	50,446,597,624
- Dividend payable	287,136,375	234,468,375
- Other payables	37,252,613,995	36,607,619,432
	<u>94,662,500,960</u>	<u>98,504,177,512</u>

As at 31 December 2024 and 31 December 2023, there was no balance of other short-term payable that was past due.

VINH HOAN CORPORATION

Form B 09 – DN/HN

18 BORROWINGS	As at 1.1.2024 VND	Increase VND	Decrease VND	As at 31.12.2024 VND
(a) Short-term				
Bank loans	2,142,886,405,831	10,620,041,480,808	(10,485,821,354,075)	2,277,106,532,564
Current portion of long-term loans	14,500,000,000	-	(14,500,000,000)	-
	<u>2,157,386,405,831</u>	<u>10,620,041,480,808</u>	<u>(10,500,321,354,075)</u>	<u>2,277,106,532,564</u>

Details of short-term borrowings were as follows:

	31.12.2024 VND	31.12.2023 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh City Branch (i)	1,573,102,587,518	1,477,320,546,462
ANZ Bank (Vietnam) Limited – Ho Chi Minh City Branch (ii)	238,876,094,934	272,843,524,250
HSBC Bank (Vietnam) Limited (iii)	193,633,698,616	96,579,754,719
Joint Stock Commercial Bank for Investment and Development of Vietnam – Tien Giang Branch (iv)	120,027,907,745	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Dong Thap Branch (v)	116,847,308,785	89,967,362,880
United Overseas Bank (Vietnam) Limited (iv)	34,618,934,966	180,675,217,520
Vietnam Joint Stock Commercial Bank for Industry and Trade – Dong Thap Branch (vii)	-	25,500,000,000
	<u>2,277,106,532,564</u>	<u>2,142,886,405,831</u>

(i) The balance represents borrowings in VND with specific applicable interest rates for each drawdown to finance the Group's working capital. The borrowings are secured by the land use rights and fixed asset of factories 1, 2 and 3 of the Group (Note 10).

VINH HOAN CORPORATION

Form B 09 – DN/HN

18 BORROWINGS (continued)

(a) Short-term (continued)

- (ii) The balance represents borrowings in VND. Interest rates are specified for each drawdown to finance the working capital. The borrowings are secured by short-term trade accounts receivable (Note 5) and inventories (Note 8).
- (iii) The balance represents borrowings in VND. Interest rates are specified for each drawdown to finance the working capital. The borrowings are secured by short-term trade accounts receivable (Note 5) and inventories (Note 8).
- (iv) The balance represents borrowings in VND. Interest rates are specified for each drawdown to finance the working capital. The borrowings are secured by term deposits at banks (Note 4).
- (v) The balance represents borrowings in VND. Interest rates are specified for each drawdown to finance the working capital. The borrowings are secured by the long-term prepaid expenses (Note 9) and fixed assets (Note 10).
- (vi) The balance represents borrowings in VND. Interest rates are specified for each drawdown to finance the working capital. The borrowings are secured by short-term trade accounts receivable (Note 5).
- (vii) The balance represents borrowings in VND of subsidiaries with a specific applicable interest rate for each drawdown to finance the working capital of subsidiaries. The borrowings are secured by the land use rights (Note 10).

(b) Long-term

	As at 1.1.2024 VND	Increase VND	Decrease VND	As at 31.12.2024 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch (viii)	101,863,000,000	-	(101,863,000,000)	-

- (viii) The balance represents the loan for the expansion of the project to increase the capacity of the Group's factories. In 2024, the borrowings had been settled.



19 PROVISION FOR LONG-TERM LIABILITIES

	2024 VND	2023 VND
Environmental restoration provision	12,700,000,000	2,009,779,151
Provision for severance allowance	6,136,176,120	6,342,465,340
	<u>18,836,176,120</u>	<u>8,352,244,491</u>

20 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority and same taxable unit.

The gross movement in the deferred income tax without taking into consideration the offsetting of balances within the same tax jurisdiction, was as follows:

(a) Deferred tax assets

	Year ended 31 December	
	2024 VND	2023 VND
Beginning of year	2,499,442,324	2,467,879,995
Credit to consolidated income statement	2,420,583,390	31,562,329
End of year	<u>4,920,025,714</u>	<u>2,499,442,324</u>

Deferred income tax assets mainly come from provision for dismantling cost, severance allowance and temporary differences due to foreign currency translation at year-end.

20 DEFERRED INCOME TAX (continued)

(b) Deferred tax liabilities

	Year ended 31 December	
	2024 VND	2023 VND
Beginning of year	8,060,012,568	5,983,734,121
(Credit)/charge to consolidated income statement	(1,539,798,248)	2,076,278,447
End of year	<u>6,520,214,320</u>	<u>8,060,012,568</u>

Deferred income tax liabilities mainly come from provision for diminution in value of investments in subsidiaries and temporary differences due to foreign currency translation at year-end.

The corporate income tax rate used to determine the value of deferred corporate income tax assets and deferred corporate income tax liabilities for the financial year ending 31 December 2024 is 15% (2023: 15%).

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The Group's tax losses can be carried forward to offset against future taxable profits within five consecutive years right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented in consolidated financial statements. The estimated amount of tax losses available to offset against the Group's future taxable profit, detail is as follows:

Year of tax loss	Status of tax authorities' review	Tax loss incurred VND	Tax loss utilised VND	Tax loss carried forward VND
2020	Finalised	7,609,404,893	(7,609,404,893)	-
2020	Outstanding	851,916,316	-	851,916,316
2021	Outstanding	3,221,663,021	(381,733,634)	2,839,929,387
2022	Outstanding	13,506,461,246	(6,912,178,346)	6,594,282,900
2023	Outstanding	48,956,092,522	-	48,956,092,522
2024	Outstanding	26,740,983,045	-	26,740,983,045

The Group did not recognise deferred income tax assets relating to the above tax losses carried forward, as the realisation of the related tax benefits of each subsidiary through future taxable profits to be generated by such subsidiaries currently cannot be assessed as probable.

21 BONUS AND WELFARE FUND

Movements of bonus and welfare fund during the year were as follows:

	<u>Year ended 31 December</u>	
	2024 VND	2023 VND
Beginning of year	130,877,205,827	35,037,037,060
Appropriation	-	130,761,617,062
Utilisation	(27,785,179,100)	(34,921,448,295)
End of year	<u>103,092,026,727</u>	<u>130,877,205,827</u>

22 FUND FOR SCIENCE AND TECHNOLOGY DEVELOPMENT

Movements of fund for science and technology development during the year were as follows:

	<u>Year ended 31 December</u>	
	2024 VND	2023 VND
Beginning of year	303,524,687	343,456,775
Increase in year (Note 32) (*)	30,700,000,000	-
Use in year	(39,932,088)	(39,932,088)
End of year	<u>30,963,592,599</u>	<u>303,524,687</u>

(*) According to Resolution No. 2612-24/VHC.NQ-HDQT24 dated 26 December 2024 and No. 11/2024/QD-HDQT dated 31 December 2024, the Board of Directors approved the decision to appropriate VND30,700,000,000 from the profit before tax. The fund is to be used for the purpose of investment in science and technology of the Group.

VINH HOAN CORPORATION

Form B 09 – DN/HN

23 OWNERS' CAPITAL

(a) Number of ordinary shares

	2024	2023
Number of shares registered	<u>187,044,495</u>	<u>183,376,956</u>
Number of shares issued	187,044,495	183,376,956
Number of shares issued of employee stock ownership plan ("ESOP") (Note 24)	-	3,667,539
Share dividends (Note 24)	<u>37,408,664</u>	-
Number of existing shares in circulation	<u>224,453,159</u>	<u>187,044,495</u>

(b) Movement of share capital

	Number of shares	Ordinary shares VND
As at 1 January 2023	183,376,956	1,833,769,560,000
Issuance of ESOP (Note 24)	<u>3,667,539</u>	<u>36,675,390,000</u>
As at 31 December 2023	187,044,495	1,870,444,950,000
Share dividends (Note 24)	<u>37,408,664</u>	<u>374,086,640,000</u>
As at 31 December 2024	<u>224,453,159</u>	<u>2,244,531,590,000</u>

Par value per share: VND10,000.

24 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Foreign exchange differences VND	Undistributed earnings VND	Non-controlling interests VND	Total VND
As at 1 January 2023	1,833,769,560,000	263,561,289,678	197,824,481	5,425,873,335,830	170,986,188,998	7,694,388,198,987
Capital increased during the year	-	-	-	-	20,000,000,000	20,000,000,000
Net profit for the year	-	-	-	919,191,032,965	54,565,808,342	973,756,841,307
Issuance of ESOP	36,675,390,000	-	-	-	-	36,675,390,000
Appropriation to bonus and welfare fund	-	-	-	(130,761,617,062)	-	(130,761,617,062)
Change in ownership in subsidiaries without loss of control	-	-	-	-	-	-
Exchange differences arising from translation	-	-	61,215,907	(1,038,753,703)	(361,246,297)	(1,400,000,000)
Dividend paid to NCI	-	-	-	-	(1,664,253,000)	(1,664,253,000)
As at 31 December 2023	1,870,444,950,000	263,561,289,678	259,040,388	6,213,263,998,030	243,526,498,043	8,591,055,776,139
Net profit for the year	-	-	-	1,226,204,938,195	76,442,685,180	1,302,647,623,375
Share dividends (*)	374,086,640,000	-	-	(374,086,640,000)	-	-
Exchange differences arising from translation	-	-	(620,525,549)	-	-	(620,525,549)
2023 interim dividends declared (**)	-	-	-	(448,906,318,000)	-	(448,906,318,000)
2024 interim dividends declared (***)	-	-	-	(448,906,318,000)	-	(448,906,318,000)
Dividend paid to NCI	-	-	-	-	(1,664,253,000)	(1,664,253,000)
As at 31 December 2024	2,244,531,590,000	263,561,289,678	(361,485,161)	6,167,569,660,225	318,304,930,223	8,993,605,984,965

(*) Pursuant to the Resolution of the Board of Directors No. 2012-23/VHC-NQ-VHC23 dated 20 December 2023, the Board of Directors of the Company approved the payment of 2022 dividends in shares at a rate of 20% of the total number of ordinary shares in circulation, equivalent to 37,408,664 shares. The Company has closed the shareholder list on 4 January 2024 to make the above dividend payment.

(**) Pursuant to the Resolution of the Annual General Meeting of Shareholders No. 01/DHCD/NQ/23 dated 15 May 2023 and the Resolution of the Board of Directors No. 1101-24/BB-HDQT24 dated 11 January 2024, the Annual General Meeting of Shareholders approved the advance payment of 2023 dividends in cash at a rate of 20% of par value. The Company has closed the shareholder list on 19 February 2024 to make the above dividend payment.

(***) Pursuant to the Resolution of the Annual General Meeting of Shareholders No. 01/DHCD/NQ/24 dated 17 April 2024 and the Resolution of the Board of Directors No. 0611A-24/BB-HDQT24 dated 06 November 2024, the Annual General Meeting of Shareholders approved the advance payment of 2024 dividends in cash at a rate of 20% of par value. The Company has closed the shareholder list on 5 December 2024 to make the above dividend payment.

The Company has fulfilled all obligations to pay dividends in shares and cash as mentioned above as at 9 January 2024, 29 February 2024 and 18 December 2024, respectively.

25 EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the financial year, excluding ordinary shares repurchased by the Group and held as treasury shares. The details were as below:

	2024	2023 (*)
Net profit attributable to shareholders (VND)	<u>1,226,204,938,195</u>	<u>919,191,032,965</u>
Weighted average number of ordinary shares in issue (shares)	224,043,201	224,043,201
Basic earnings per share (VND)	<u>5,473</u>	<u>4,103</u>

(*) Basic earnings per share of the year 2023 were recalculated to adjustments for dividends by share as follows:

	<u>For the year ended 31.12.2023</u>		
	As previously reported	Adjustments	As restated
Net profit attributable to shareholders (VND)	919,191,032,965	-	919,191,032,965
Weighted average number of ordinary shares in circulation (shares)	<u>183,909,503</u>	<u>40,133,698</u>	<u>224,043,201</u>
Basic earnings per share (VND)	<u>4,998</u>		<u>4,103</u>

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The Company did not have any ordinary shares potentially diluted during the financial year and up to the date of this consolidated financial statements. Therefore, the diluted earnings per share is equal to the basic earnings per share.

26 OFF BALANCE SHEET ITEMS**(a) Operating leases commitments**

The future minimum lease payments under non-cancellable operating leases are presented in Note 39.

(b) Foreign currencies

	2024	2023
United States Dollar ("USD")	20,661,462	3,053,340
Chinese Yuan Renminbi ("CNY")	2,189	2,374
Singapore Dollar ("SGD")	1,567	1,567
Euro ("EUR")	2,640	1,730
Australian Dollar ("AUD")	100	100
	<u> </u>	<u> </u>

27 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2024 VND	2023 VND
Revenue		
Revenue from sales of finished goods and merchandises	10,484,498,914,323	8,081,752,003,602
Revenue from sales of by-products	1,809,240,168,416	1,658,837,215,563
Revenue from sales of raw materials	109,522,712,375	216,777,966,307
Revenue from rendering of services	164,541,508,110	118,401,631,096
	<u>12,567,803,303,224</u>	<u>10,075,768,816,568</u>
Sales deductions		
Sales returns	(33,124,487,016)	(25,881,284,237)
Trade discounts	(21,212,388,479)	(16,645,972,237)
Sales allowances	(672,946,684)	(225,108,000)
	<u>(55,009,822,179)</u>	<u>(42,752,364,474)</u>
Net revenue from sales of goods and rendering of services	<u>12,512,793,481,045</u>	<u>10,033,016,452,094</u>

28 COST OF GOODS SOLD AND SERVICES RENDERED

	2024 VND	2023 VND
Cost of finished goods and merchandises sold	8,843,320,213,225	6,710,361,187,461
Cost of by-products sold	1,710,239,676,542	1,495,828,238,789
Cost of raw materials sold	120,598,767,410	237,993,397,356
Cost of services rendered	120,522,882,498	70,986,912,830
(Reversal of provision)/provision for decline in value of inventories (Note 8)	(176,928,841,727)	25,022,041,799
	<u>10,617,752,697,948</u>	<u>8,540,191,778,235</u>

29 FINANCIAL INCOME

	2024 VND	2023 VND
Realised foreign exchange gains	264,427,917,279	211,201,389,311
Interest income from deposits	110,691,635,554	116,829,010,584
Net gain from foreign currency translation at year-end	27,022,141,806	30,553,815,599
Interest income on the advances for purchases of raw materials	16,796,385,497	16,901,225,009
Dividend received	2,679,709,700	1,561,587,000
Income from trading securities	1,694,023,331	-
	<u>423,311,813,167</u>	<u>377,047,027,503</u>

30 FINANCIAL EXPENSES

	2024 VND	2023 VND
Realised foreign exchange losses	140,403,259,999	126,876,520,622
Interest expense	73,329,339,325	133,346,693,090
Provision/(reversal of provision) for diminution in value of security investments	2,868,702,545	(37,714,415,503)
Loss from trading securities	152,969,804	5,757,203,535
Others	-	294,763,305
	<u>216,754,271,673</u>	<u>228,560,765,049</u>

31 SELLING EXPENSES

	2024 VND	2023 VND
Transportation, storage and other outsourced services	231,174,385,522	144,871,979,602
Staff costs	19,135,725,129	18,414,265,475
Others	46,198,724,376	53,008,429,837
	<u>296,508,835,027</u>	<u>216,294,674,914</u>

32 GENERAL AND ADMINISTRATION EXPENSES

	2024 VND	2023 VND
Staff costs and welfare	129,840,492,502	100,167,651,131
Allocation of goodwill (Note 12)	35,116,679,667	35,116,679,667
Consulting fees	32,531,705,645	64,838,370,585
Appropriation to science and technology development (Note 22)	30,700,000,000	-
Depreciation and amortisation	12,637,159,376	11,137,349,391
Tools and supplies	7,543,462,890	6,301,742,445
Others	109,399,668,494	90,093,534,629
	<u>357,769,168,574</u>	<u>307,655,327,848</u>

33 NET OTHER INCOME AND OTHER EXPENSES

	2024 VND	2023 VND
Other income		
Income from sales of rough fish and scraps	50,242,175,272	42,290,190,237
Gifted tangible fixed assets (Note 10(a))	5,013,036,000	-
Others	11,027,712,159	7,731,912,443
	<u>66,282,923,431</u>	<u>50,022,102,680</u>
Other expenses		
Support and donations	11,942,678,663	11,004,109,000
Net losses on disposal of fixed assets	7,645,515,078	1,051,970,185
Penalties	2,933,989,814	-
Others	8,695,350,867	11,099,390,614
	<u>31,217,534,422</u>	<u>23,155,469,799</u>

34 CORPORATE INCOME TAX (“CIT”)

The Group’s subsidiaries are entitled to CIT tax rate base on their industries and according to their investment registration certificate. The Group’s subsidiaries are eligible for tax incentives associated with investment projects and the expansion of investment projects, difficulty socio-economic areas and business lines including seafood processing activities, investment in seafood preservation, cultivation, processing of agricultural products, investment in post-harvest preservation of agricultural products.

The tax on the Group’s profit before tax differs from the theoretical amount that would arise using the applicable tax rate (20%) as follows:

	2024 VND	2023 VND
Accounting profit before tax	1,484,625,110,076	1,145,028,260,383
Tax calculated at a rate of 20%	296,925,022,015	229,005,652,077
Effect of:		
Income not subject to tax	(535,941,940)	(312,317,400)
Expenses not deductible for tax purposes	3,372,149,191	6,782,888,600
Interest expenses not deductible according to Decree 132/2020/ND-CP	-	4,577,893,780
Temporary differences with no deferred income tax was recognised	(2,346,406,434)	(714,032,037)
Tax losses for which no deferred income tax asset was recognised	5,348,196,609	9,791,218,507
Deductible interest expense according to Circular 132/2020/TT-BTC carried from previous years	(1,201,063,235)	-
Utilisation of previously unrecognised tax loss	-	(5,967,549,774)
Tax incentive	(118,945,059,574)	(87,538,024,354)
(Over)/under provision in previous years	(639,409,931)	15,645,689,677
CIT charge (*)	181,977,486,701	171,271,419,076
Charged/(credit) to the consolidated income statement:		
CIT – current	185,937,868,339	169,226,702,958
CIT – deferred	(3,960,381,638)	2,044,716,118
	181,977,486,701	171,271,419,076

(*) The CIT charge for the financial year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

35 COST OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the year from the Group's operating activities, excluding cost of merchandise for trading activities. The details were as follows:

	2024 VND	2023 VND
Raw materials	10,031,448,811,422	10,257,695,388,193
Outsourced services	1,686,098,733,405	1,293,424,778,421
Labour costs	1,300,955,848,619	1,054,368,522,643
Depreciation, amortisation and allocation of goodwill	456,178,821,893	402,253,182,629
Other cash expenses	214,263,563,290	399,009,915,136
	<u>13,688,945,778,629</u>	<u>13,406,751,787,022</u>
In which:		
Internal circulation activities between fellow group companies (*)	<u>6,973,759,601,219</u>	<u>6,753,130,356,105</u>

(*) Internal circulation activities are primarily involve the purchasing and selling of raw materials between fellow group companies.

36 SEGMENT REPORTING

The Group's activities are mainly segmented by export and domestic activities. As a result, the primary segment reporting of the Group is presented in respect of the Group's geographical segment.

The segment report is prepared for corporate management purposes. The Group does not monitor its operation results, fixed assets, other non-current assets or non-cash major expenses by the geographical areas of customers.

Geographical segments:

Segment information based on the geographical location of the Group is as follows:

	2024 VND	2023 VND
Export revenue	9,088,111,349,285	7,968,784,053,858
Domestic revenue	3,424,682,131,760	2,064,232,398,236
Net revenue	<u>12,512,793,481,045</u>	<u>10,033,016,452,094</u>

Business activity segments:

Growing, processing and trading aquatic products are the main activities that generate revenue and profit for the Group, while the other revenue streams only account for a small portion of the Group's total revenue; therefore, the Board of Management has determined that the Group has operated in only one business segment.

37 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED CASH FLOW STATEMENT

Non-cash transactions affecting the consolidated statement of cash flows

	2024 VND	2023 VND
Share dividends	374,086,640,000	-
Transfers from construction in progress to tangible fixed assets	321,166,150,371	115,379,547,348
Prepayment to suppliers for purchasing of fixed assets and other long-term assets	291,319,068,570	50,507,091,292
Purchase of fixed assets and other long-term assets that have not been settled	31,233,176,074	56,562,304,217
Transfers from construction in progress to intangible fixed assets	30,034,918,910	25,544,746,380
Transfers from construction in progress to inventories	<u>250,000,000</u>	<u>-</u>

38 RELATED PARTY DISCLOSURES

The Group had transactions and balances with the below related parties:

Name	Relationship
Coast Beacon Inc.	Related company of Chairperson
Phu Si Packaging Company Limited	Related company of Chairperson
Van Duc Tien Giang Food Export Company Limited	Related company of Chairperson
Van Duc Food Company Limited	Related company of Chairperson
Tan Nguyen Thanh Real Estate Trading Company Limited	Related company of Chairperson
Mai Thien Thanh Company Limited	Associate
Individuals	Shareholders and other individuals related to Chairperson

38 RELATED PARTY DISCLOSURES (continued)**(a) Related party transactions**

The primary transactions with related parties incurred in the financial year are:

	2024 VND	2023 VND
i) Sales of goods and services		
Coast Beacon Inc.	3,763,418,052,879	2,956,985,484,545
Van Duc Tien Giang Food Export Company Limited	1,347,143,381,467	673,776,012,205
Mai Thien Thanh Company Limited	302,389,604	1,057,319,968
Van Duc Food Company Limited	208,797,692	1,132,146,620
Individuals	40,127,520,000	27,004,650,000
	<u>5,151,200,141,642</u>	<u>3,659,955,613,338</u>
ii) Purchases of goods and services		
Phu Si Packaging Company Limited	91,407,932,567	74,279,099,242
Van Duc Tien Giang Food Export Company Limited	25,397,336,791	25,182,962,339
Mai Thien Thanh Company Limited	22,799,112,200	18,311,402,000
Tan Nguyen Thanh Real Estate Trading Company Limited	4,866,786,246	4,676,209,857
Van Duc Food Company Limited	543,837,037	2,377,300,000
Coast Beacon Inc.	3,919,916	405,620,000
Individuals	33,455,391,920	51,641,083,160
	<u>178,474,316,677</u>	<u>176,873,676,598</u>
iii) Sales of fixed assets		
Van Duc Tien Giang Food Export Company Limited	350,000,000	-
Van Duc Food Company Limited	-	116,150,000
	<u>350,000,000</u>	<u>116,150,000</u>
iv) Purchases of fixed assets		
Van Duc Food Company Limited	-	1,712,145,565
Mai Thien Thanh Company Limited	-	60,000,000
	<u>-</u>	<u>1,772,145,565</u>

38 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		2024 VND	2023 VND
v) Compensation of key management			
ESOP (shares)		-	1,133,900
Gross salaries and other benefits		20,910,642,000	22,469,940,000
Board of Directors		12,470,642,000	13,339,940,000
Board of Managements			
Truong Thi Le Khanh	Chairperson	5,060,000,000	5,750,000,000
Nguyen Ngo Vi Tam	Member	650,000,000	650,000,000
Truong Tuyet Hoa	Member	650,000,000	650,000,000
Nguyen Thi Kim Dao	Member	650,000,000	650,000,000
	Independent		
Bui Ba Trung	member	520,000,000	264,516,000
	Independent		
Nguyen Bao Anh	member	260,000,000	132,258,000
Le Van Nhat	Independent		
(until 12 May 2023)	member	-	255,484,000
Nguyen Van Khanh			
(until 12 May 2023)	Member	-	63,871,000
Board of Supervision			
Nguyen Thi Cam Van	Head	260,000,000	260,000,000
Nguyen Quang Vinh	Member	260,000,000	260,000,000
Mai Thanh Trong Nhan	Member	130,000,000	66,129,000
Phan Thi Kim Hoa			
(until 12 May 2023)	Member	-	127,742,000

38 RELATED PARTY DISCLOSURES (continued)

(b) Year balances with related parties

	2024 VND	2023 VND
Short-term trade accounts receivable (Note 5)		
Coast Beacon Inc.	1,008,011,918,716	799,975,819,981
Van Duc Tien Giang Food Export Company Limited	53,382,319,147	15,133,604,806
Mai Thien Thanh Company Limited	3,055,045	33,383,520
Van Duc Food Company Limited	-	101,378,571
Individuals	698,399,697	190,800,000
	<u>1,062,095,692,605</u>	<u>815,434,986,878</u>
Short-term prepayments to suppliers (Note 6)		
Individuals	<u>259,933,000,000</u>	<u>19,933,000,000</u>
Other short-term receivables (Note 7)		
Board of Management and Board of Directors	<u>1,911,753,680</u>	<u>180,281,562</u>
Other long-term receivables		
Tan Nguyen Thanh Real Estate Trading Company Limited	<u>-</u>	<u>1,322,542,800</u>
Short-term trade accounts payable (Note 13)		
Mai Thien Thanh Company Limited	1,963,148,832	2,154,607,440
Phu Si Packaging Company Limited	1,611,575,244	1,841,558,101
Van Duc Food Company Limited	121,680,000	145,800,000
Tan Nguyen Thanh Real Estate Trading Company Limited	5,228,579	-
Van Duc Tien Giang Food Export Company Limited	-	705,334,000
	<u>3,701,632,655</u>	<u>4,847,299,541</u>
Other short-term payables (Note 17)		
Van Duc Tien Giang Food Export Company Limited	7,274,752,965	8,506,154,131
Van Duc Food Company Limited	958,060,296	2,709,337,950
	<u>8,232,813,261</u>	<u>11,215,492,081</u>

39 COMMITMENTS

(a) Commitments under operating leases

The future minimum lease payments under non-cancellable operating leases are as follows:

	2024 VND	2023 VND
Within one year	8,953,280,221	11,881,692,324
Between one and five years	31,254,402,179	28,901,244,375
Over five years	103,493,017,090	97,611,687,897
	143,700,699,490	138,394,624,596

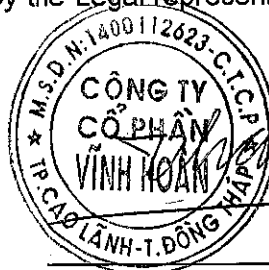
(b) Capital commitments

As at 31 December 2024, the Group had capital expenditure commitments to build factory and purchase machinery at Thanh Binh Dong Thap One Member Company Limited, Vinh Hoan Fish Hatchery Co., Ltd and Thanh Ngoc Agriculture Food Corporation which contracted for at the consolidated balance sheet date but not recognised in the consolidated financial statements with the total estimated amount of VND7,576,499,525 (as at 31 December 2023: VND65,704,625,803).

The consolidated financial statements were approved by the Legal representative on 28 March 2025.



Ha Thi Phuong Thuy Hong Nhung
Preparer and Chief Accountant




Trương Thị Lê Khanh
Legal representative