

VIETNAM NATIONAL SEED GROUP JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

**AUDITED SEPARATE
FINANCIAL STATEMENTS**

For the year ended 31 December 2024



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VIETNAM NATIONAL SEED GROUP JOINT STOCK COMPANY

No. 1 Luong Dinh Cua Street, Phuong Mai Ward, Dong Da District, Hanoi City, Vietnam

STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS

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

THE BOARD OF DIRECTORS, BOARD OF EXECUTIVE OFFICERS AND BOARD OF SUPERVISORS

The members of the Board of Directors, Board of Executive Officers and Board of Supervisors of the Company during the year and to the date of this report are as follows:

Board of Directors

Ms. Nguyen Thi Tra My	Chairwoman (appointed on 17 February 2025)
	Member (resigned on 17 February 2025)
Ms. Tran Kim Lien	Chairwoman (resigned on 17 February 2025)
Ms. Le Thi Le Hang	Vice Chairwoman
Mr. Nguyen Quang Truong	Member
Ms. Nguyen Ngoc Anh	Member
Mr. Tran Dinh Long	Member

Board of Executive Officers

Mr. Nguyen Quang Truong	Chief Executive Officer
Mr. Pham Trung Dung	Executive Officer
Mr. Duong Quang Sau	Executive Officer
Mr. Nguyen Dinh Trung	Executive Officer (appointed on 15 February 2024)
Mr. Nguyen Trung Dung	Executive Officer (appointed on 15 February 2024)

Board of Supervisors

Mr. Nguyen Anh Tuan	Head of the Board of Supervisors
Mr. Do Tien Sy	Member
Mr. Luong Ngoc Thai	Member

THE BOARD OF EXECUTIVE OFFICERS' STATEMENT OF RESPONSIBILITY

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

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

STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)

The Board of Executive Officers is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to separate financial reporting. The Board of Executive Officers is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

For and on behalf of the Board of Executive Officers,



Nguyen Quang Truong
Chief Executive Officer

(According to Authorization No.188/UQ-VINASEED dated 10 March 2025)

24 March 2025

No.: 0778/VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

To: The Shareholders
The Board of Directors, Board of Executive Officers and Board of Supervisors
Vietnam National Seed Group Joint Stock Company

We have audited the accompanying separate financial statements of Vietnam National Seed Group Joint Stock Company (the "Company"), prepared on 24 March 2025 as set out from page 05 to page 37, which comprise the separate balance sheet as at 31 December 2024, the separate statement of income, and separate statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Executive Officers' Responsibility for the Separate Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Executive Officers, as well as evaluating the overall presentation of the separate financial statements.

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

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

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

Other matter

The separate balance sheet as at 31 December 2023, the separate statement of income for the year then ended and a summary of significant accounting policies and other explanatory information were audited by another auditor who expressed an unmodified opinion on those statements on 29 March 2024. 2024 is the first year the Company prepares a separate cash flow statement using the indirect method; accordingly, the comparative figures of the separate cash flow statement were not audited.



Pham Tuan Linh

Deputy General Director

Audit Practising Registration Certificate

No. 3001-2024-001-1

Hoang Le Thu Phuong

Auditor

Audit Practising Registration Certificate

No. 5603-2025-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

24 March 2025

Hanoi, S.R. Vietnam

SEPARATE BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		687,091,915,345	760,204,318,534
I. Cash	110	4	212,554,839,277	291,210,395,015
1. Cash	111		212,554,839,277	291,210,395,015
II. Short-term financial investments	120	5	2,027,221,918	-
1. Held-to-maturity investments	123		2,027,221,918	-
III. Short-term receivables	130		163,457,522,768	196,902,408,797
1. Short-term trade receivables	131	6	137,130,472,199	148,089,429,049
2. Short-term advances to suppliers	132	7	16,516,410,867	17,831,735,007
3. Other short-term receivables	136	8	9,871,227,702	31,041,832,741
4. Provision for short-term doubtful debts	137	9	(60,588,000)	(60,588,000)
IV. Inventories	140	10	306,443,481,972	266,103,458,759
1. Inventories	141		308,399,214,332	267,866,758,697
2. Provision for devaluation of inventories	149		(1,955,732,360)	(1,763,299,938)
V. Other short-term assets	150		2,608,849,410	5,988,055,963
1. Short-term prepayments	151	11	588,642,498	3,540,747,318
2. Value added tax deductibles	152		1,526,200	61,856,164
3. Taxes and other receivables from the State budget	153	17	2,018,680,712	2,385,452,481
B. NON-CURRENT ASSETS	200		1,316,299,395,172	1,298,623,477,869
I. Fixed assets	220		170,924,947,362	154,130,260,457
1. Tangible fixed assets	221	12	151,785,865,834	137,411,421,201
- Cost	222		342,307,846,682	309,323,672,426
- Accumulated depreciation	223		(190,521,980,848)	(171,912,251,225)
2. Intangible assets	227	13	19,139,081,528	16,718,839,256
- Cost	228		39,847,801,748	34,284,526,922
- Accumulated amortisation	229		(20,708,720,220)	(17,565,687,666)
II. Long-term assets in progress	240		1,625,112,382	2,995,394,700
1. Construction in progress	242		1,625,112,382	2,995,394,700
III. Long-term financial investments	250	5	1,122,442,015,906	1,122,442,015,906
1. Investments in subsidiaries	251		1,096,380,280,526	1,096,380,280,526
2. Equity investments in other entities	253		26,061,735,380	26,061,735,380
IV. Other long-term assets	260		21,307,319,522	19,055,806,806
1. Long-term prepayments	261	11	15,824,424,231	16,696,467,913
2. Deferred tax assets	262	14	5,482,895,291	2,359,338,893
TOTAL ASSETS (270=100+200)	270		2,003,391,310,517	2,058,827,796,403

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

SEPARATE BALANCE SHEET (Continued)


As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		446,183,371,601	529,911,867,143
I. Current liabilities	310		446,183,371,601	529,911,867,143
1. Short-term trade payables	311	15	140,975,723,410	92,469,930,500
2. Short-term advances from customers	312	16	11,579,560,412	8,200,835,537
3. Taxes and amounts payable to the State budget	313	17	15,119,626,613	9,773,975,456
4. Payables to employees	314		16,690,892,060	15,910,660,732
5. Short-term accrued expenses	315		2,426,794,601	2,279,914,457
6. Other current payables	319	18	62,327,931,383	82,361,061,508
7. Short-term loans	320	19	181,600,267,629	298,536,701,473
8. Bonus and welfare funds	322		15,462,575,493	20,378,787,480
D. EQUITY	400		1,557,207,938,916	1,528,915,929,260
I. Owners' equity	410	20	1,557,207,938,916	1,528,915,929,260
1. Owners' contributed capital	411		175,869,880,000	175,869,880,000
- Ordinary shares carrying voting rights	411a		175,869,880,000	175,869,880,000
2. Share premium	412		331,245,527,850	331,245,527,850
3. Treasury shares	415		(50,000,000)	(50,000,000)
4. Investment and development fund	418		422,190,297,899	400,446,357,983
5. Retained earnings	421		627,952,233,167	621,404,163,427
- Retained earnings accumulated to the prior year end	421a		480,673,790,426	403,305,025,579
- Retained earnings of the current year	421b		147,278,442,741	218,099,137,848
TOTAL RESOURCES (440=300+400)	440		2,003,391,310,517	2,058,827,796,403


 Nguyen Thi Nhu Quynh
 Preparer


 Phan The Ty
 Chief Accountant


 Nguyen Quang Truong
 Chief Executive Officer

24 March 2025


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


SEPARATE INCOME STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	23	1,253,275,031,000	1,237,679,294,324
2. Deductions	02	23	100,925,884,625	112,238,047,781
3. Net revenue from goods sold and services rendered (10=01-02)	10	23	1,152,349,146,375	1,125,441,246,543
4. Cost of goods sold and services rendered	11	24	813,216,197,452	770,000,977,736
5. Gross profit from goods sold and services rendered (20=10-11)	20		339,132,948,923	355,440,268,807
6. Financial income	21	26	51,855,947,035	78,230,021,646
7. Financial expenses	22	27	26,553,298,814	27,773,826,485
- In which: Interest expenses	23		12,404,026,674	17,129,474,698
8. Selling expenses	25	28	113,782,180,235	103,212,949,082
9. General and administration expenses	26	28	78,781,961,761	70,309,124,625
10. Operating profit (30=20+(21-22)-(25+26))	30		171,871,455,148	232,374,390,261
11. Other income	31		4,670,558,504	4,330,799,988
12. Other expenses	32		841,759,714	3,815,762
13. Profit from other activities (40=31-32)	40		3,828,798,790	4,326,984,226
14. Accounting profit before tax (50=30+40)	50		175,700,253,938	236,701,374,487
15. Current corporate income tax expenses	51	29	30,570,367,595	17,955,500,587
16. Deferred corporate tax income	52	29	(3,123,556,398)	(251,874,948)
17. Net profit after corporate income tax (60=50-51-52)	60		148,253,442,741	218,997,748,848


 Nguyen Thi Nhu Quynh
 Preparer


 Phan The Ty
 Chief Accountant


 Nguyen Quang Truong
 Chief Executive Officer

24 March 2025

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

SEPARATE CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. <i>Profit before tax</i>	01	175,700,253,938	236,701,374,487
2. <i>Adjustments for:</i>			
Depreciation and amortisation of fixed assets	02	19,765,168,469	16,839,554,550
Provisions	03	192,432,422	(2,606,009,634)
Foreign exchange (gain) arising from translating foreign currency items	04	(3,321,599,162)	(3,189,647,999)
(Gain) from investing activities	05	(41,789,620,247)	(75,033,533,942)
Interest expenses	06	12,404,026,674	17,129,474,698
3. <i>Operating profit before movements in working capital</i>	08	162,950,662,094	189,841,212,160
Increase, decrease in receivables	09	12,100,579,646	(7,609,307,908)
Increase, decrease in inventories	10	(40,532,455,635)	42,640,960,757
Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	36,165,918,940	(55,070,790,815)
Increase, decrease in prepaid expenses	12	3,824,148,502	(4,632,507,183)
Interest paid	14	(12,077,776,755)	(17,568,871,270)
Corporate income tax paid	15	(26,261,816,942)	(5,679,558,313)
Other cash outflows	17	(52,591,987,364)	(62,104,719,390)
<i>Net cash generated by operating activities</i>	20	83,577,272,486	79,816,418,038
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(39,211,260,784)	(18,812,964,849)
2. Cash outflow for lending, buying debt instruments of other entities	23	(32,027,221,918)	(18,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	30,000,000,000	18,000,000,000
4. Interest earned, dividends and profits received	27	65,455,435,245	52,230,800,995
<i>Net cash generated by investing activities</i>	30	24,216,952,543	33,417,836,146

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

SEPARATE CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	560,788,796,262	464,585,695,818
2. Repayment of borrowings	34	(677,725,230,106)	(457,723,382,369)
3. Dividends and profits paid	36	(70,298,064,000)	(87,872,580,000)
Net cash (used in) financing activities	40	(187,234,497,844)	(81,010,266,551)
Net (decrease)/increase in cash (50=20+30+40)	50	(79,440,272,815)	32,223,987,633
Cash at the beginning of the year	60	291,210,395,015	257,450,028,216
Effects of changes in foreign exchange rates	61	784,717,077	1,536,379,166
Cash at the end of the year (70=50+60+61)	70	212,554,839,277	291,210,395,015



Nguyen Thi Nhu Quynh
Preparer



Phan The Ty
Chief Accountant



Nguyen Quang Truong
Chief Executive Officer

24 March 2025

NOTES TO THE SEPARATE FINANCIAL STATEMENTS*These notes are integral part of and should be read in conjunction with the accompanying separate financial statements***1. GENERAL INFORMATION****Structure of ownership**

Vietnam National Seed Group Joint Stock Company (the "Company") is a joint stock company converted from Central Seed Company I under Decision No. 5029/QĐ/BNN-TCCB dated 10 November 2023 of the Ministry of Agriculture and Rural Development and Enterprise Registration Certificate No. 0103003628 issued by the Hanoi Authority for Planning and Investment for the first time on 6 February 2004 and amended for the 15th the latest) on 10 March 2025.

The Company's shares have been officially listed and traded on the Ho Chi Minh City Stock Exchange (HOSE) with the stock code NSC since 21 December 2006.

The parent company and the ultimate parent company of the Company are PAN Farm Joint Stock Company and PAN Group Joint Stock Company, respectively.

The total number of employees of the Company as at 31 December 2024 is 288 (as at 31 December 2023: 292).

The Company's head office is located at No. 1 Luong Dinh Cua Street, Phuong Mai Ward, Dong Da District, Hanoi City, Vietnam and has the following dependent units include:

<u>No</u>	<u>Dependent units</u>	<u>Address</u>
1.	Vietnam National Seed Group Joint Stock Company - Thanh Hoa Branch	Yen Dinh District, Thanh Hoa Province
2.	Vietnam National Seed Group Joint Stock Company - Thai Binh Branch	Dong Hung District, Thai Binh Province
3.	Vietnam National Seed Group Joint Stock Company - Central Branch	Vinh City, Nghe An Province
4.	Vietnam Seed Group Joint Stock Company - Tay Nguyen Branch	Village 4, Ea Tu Commune, Buon Ma Thuot City, Dak Lak Province
5.	Vietnam National Seed Group Joint Stock Company - Ha Nam Branch	Duy Tien District, Ha Nam Province
6.	Vietnam National Seed Group Joint Stock Company - Branch for Trading of Agricultural products (i)	Dong Van I Industrial Park Expansion, Dong Van Town, Duy Tien District, Ha Nam Province
7.	Vietnam National Seed Group Joint Stock Company - Ba Vi Branch	Ba Vi District, Hanoi City
8.	Center for Research, Application and Technology Transfer of Vietnam National Seed in Khoai Chau	Khoai Chau District, Hung Yen Province
9.	Center for Research, Application and Technology Transfer of Vietnam National Seed Group Joint Stock Company	Ba Vi District, Hanoi City
10.	Branch of Vietnam National Seed Group Joint Stock Company - Research and Development Center	Cu Chi District, Ho Chi Minh City
11.	Vietnam National Seed Group Joint Stock Company - Thuong Tin Tin Factory	Thuong Tin District, Hanoi City
12.	Representative office in Udomxay	Lao People's Democratic Republic

- (i) According to the Board of Directors Resolution No. 30/NQ-VINASEED-HĐQT dated 24 June 2024, the Company has approved the dissolution of the Branch for Trading of Agricultural products. At the time of preparing these financial statements, the Branch for Trading of Agricultural products is in the process of completing the procedures for dissolution according to current regulations.

Principal activities

The Company's principal activities are cultivation, trading, direct import and export of plant varieties and agricultural materials; processing, packaging and preserving of plant varieties and agricultural materials.

Normal production and business cycle

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

The Company's structure

Details of the Company's subsidiaries as at 31 December 2024 and as at 31 December 2023 are as follows:

No	Company	Headquarter	Closing balance	Opening balance		Principal activities	
			Proportion		Proportion		
			Proportion of ownership interest (%)	of voting power held (%)	of ownership interest (%)		of voting power held (%)
Direct subsidiaries							
1.	Southern Seed Joint Stock Company	Ho Chi Minh	96.41%	96.41%	96.41%	96.41%	Researching producing, trading and exporting of plant varieties.
2.	Vietnam Rice Company Limited (i)	Dong Thap	98.92%	100%	98.92%	100%	Producing and trading of plant varieties and agricultural products.
3.	Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	Ha Nam	94.00%	94.00%	94.00%	94.00%	Producing and trading all kinds of high-quality melons and vegetables for domestic consumption and export; researching, applying, training and transferring high-tech agricultural technical services.
4.	Vinaseed Hanoi Development and Investment Joint Stock Company (formerly Ha Tay Seed Joint Stock Company)	Hanoi	53.80%	53.80%	53.80%	53.80%	Producing, trading of plant varieties and provision of logistics services.

No	Company	Headquarter	Closing balance		Opening balance		Principal activities
			Proportion		Proportion		
			Proportion of ownership interest (%)	of voting power held (%)	Proportion of ownership interest (%)	of voting power held (%)	
5.	Quang Nam National Seed Joint Stock Company	Quang Nam	90.02%	90.02%	90.02%	90.02%	Researching, producing, trading and exporting of agricultural and forestry crop varieties, materials for processing and trading agricultural product, wholesale and retail agency.
Indirect subsidiaries							
1.	Southern Seed Mechanical Joint Stock Company (ii)	Ho Chi Minh	80.73%	83.74%	80.73%	83.74%	Manufacture of agricultural and forestry machinery; food and beverage processing machinery; repair, maintenance and installation of machinery and equipment.
2.	Vietnam National Agrifood Investment and Export Import Company Limited (iii)	Dong Thap	98.92%	100%	98.92%	100%	Wholesale of rice, wheat, other cereals and flour.

- (i) The Company's proportion of voting power held in Vietnam Rice Company Limited includes a direct proportion of voting power held of 70% and an indirect proportion of voting power held of 30% through Southern Seed Joint Stock Company.
- (ii) The Company indirectly holds this subsidiary through Southern Seed Joint Stock Company. As at 31 December 2024, Southern Seed Mechanical Joint Stock Company has ceased operations and is in the process of dissolution according to current regulations.
- (iii) The Company indirectly holds this subsidiary through Vietnam Rice Company Limited.

Disclosure of information comparability in the separate financial statements

The comparative figures in the separate balance sheet, separate income statement and corresponding notes are the figures of the separate financial statements for the year ended 31 December 2023 which

were audited by another independent auditor. 2024 is the first year that the Company prepares the separate cash flow statement using the indirect method; accordingly, the comparative figures of the separate cash flow statement were not audited.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention for separate financial statements

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

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

The Company also prepares the consolidated financial statements for the year ended 31 December 2024. These separate financial statements should be read together with the Company's consolidated financial statements for the year ended 31 December 2024 in order to obtain thorough understanding of the financial situation of the Company.

Financial year

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to separate financial reporting requires the Board of Executive Officers 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 separate financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Executive Officers' best knowledge, actual results may differ from those estimates.

Cash

Cash comprises cash on hand and demand deposits.

Financial investments

Held-to-maturity investments

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

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

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

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

Investments in subsidiaries

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

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

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

Equity investments in other entities

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment. Provisions for impairment of these investments in other entities are made when there is reliable evidence for declining in value of these investments at the balance sheet date.

Receivables

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

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. The Company applies perpetual method to account for inventories. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

	Years
Buildings and structures	05 - 25
Machinery and equipment	03 - 15
Motor vehicles, transmission equipment	06 - 15
Office equipment	03 - 06

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

Intangible assets and amortisation

Intangible fixed assets include long-term land use rights, copyright, computer software and other intangible assets presented at cost less accumulated amortisation.

The costs of intangible assets include their purchase prices and any directly attributable costs of bringing the assets to their working condition for their intended use.

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

	Years
Copyright	05 - 20
Computer software	05 - 06
Others	15

The Company does not depreciate long-term land use rights.

Leasing

All leases at the Company are classified as operating leases.

The Company as lessor

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

The Company as lessee

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

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including land clearance costs, infrastructure construction in Ha Nam, business cooperation costs, repair and renovation costs and other types of prepayments.

Land clearance costs represent expenses for land clearance at Dong Van I Industrial Park Expansion, Dong Van Town, Duy Tien District, Ha Nam Province. These costs will be offset against the land rent that the

Company must pay during the land lease period (the Company is exempted from land rent for 12 years and 5 months, from January 2020 to May 2032). Infrastructure construction costs represent the expenses for building infrastructure on above land. These costs are allocated over the land lease period until 27 May 2064.

Business cooperation costs represent the capital contribution under the Contract for Supply - Operation - Transfer of Rooftop solar power system No. 01/2020/VINASOLAR.VN-VINARICE-NSC dated 18 September 2020 between the Company, Vietnam Rice Company Limited - a subsidiary of the Company and VINASOLAR Vietnam Joint Stock Company. According to the contract, capital for the investment of rooftop solar system projects were contributed by the Company and the project shall be executed over the period of 20 years. The Company will be divided 25% of the profits from this project. The investment costs for the project are allocated over the implementation period of the projects.

Repair and renovation costs are the costs of maintenance, replacement and repair of damages arising during operation to restore the operating capacity to the original standard operating state of the asset.

Other types of prepayments comprise the value of packages, labels, tools and supplies issued for consumption which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments and are allocated to the separate income statement using the straight-line method in accordance with the current accounting regulations.

Profit distribution

The net profit after corporate income tax may be distributed to shareholders after being approved by the General Meeting of Shareholders and after the establishment of funds in accordance with the Charter of the Company and its subsidiaries and the regulations of Vietnamese law.

The distributions of profit after corporate income tax are made as requested by the Board of Directors and approved by the Annual General Meeting of Shareholders.

Revenue recognition

Revenue from sale of goods

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

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

Revenue from service rendered

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

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;

- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income, investment interest

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

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Dividends

Revenue is recognised when the Company's right to receive the dividend payment is established.

Sales deductions

Sales deductions include trade discounts and sales returns.

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

Severance allowance payable

The severance allowance for employees is accrued at the end of each reporting period for all employees having worked at the Company for full 12 months and above. Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees. The allowance made for each year of service equals to a half of an average monthly salary under the Vietnamese Labour Code, Social Insurance Code and relevant guiding documents. The average monthly salary used for calculation of severance allowance shall be adjusted to be the average of the 6 consecutive months nearest to the date of the financial statements at the end of each reporting period. The increase or decrease in the accrued amount shall be recorded in the income statement.

Foreign currencies

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

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their

intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

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

4. CASH

	Closing balance	Opening balance
	VND	VND
Cash on hand	2,382,665,425	2,954,386,256
Bank demand deposits	210,172,173,852	288,256,008,759
	212,554,839,277	291,210,395,015

5. FINANCIAL INVESTMENT

Short-term financial investments

	Closing balance		Opening balance	
	VND		VND	
	Cost	Carrying amount	Cost	Carrying amount
Short-term deposits (i)	2,027,221,918	2,027,221,918	-	-
	2,027,221,918	2,027,221,918	-	-

- (i) As at 31 December 2024, held-to-maturity investments reflect 6-month term deposit at commercial bank with an interest rate of 3.3% per annum. This deposit is being used as collateral for the Company's loan as presented in Note 19.

Long-term financial investments

	Closing balance				Opening balance			
	Cost (VND)	Shares number	Provision (VND)	Fair value (VND)	Cost (VND)	Shares number	Provision (VND)	Fair value (VND)
Investment in subsidiaries	1,096,380,280,526		-	1,096,380,280,526	-			
Southern Seed Joint Stock Company (ii)	780,948,492,526	12,794,862	-	441,422,739,000	780,948,492,526	12,794,862	-	383,845,860,000
Vietnam Rice Company Limited	231,000,000,000	-	-	(iii)	231,000,000,000	-	-	(iii)
Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	47,000,000,000	4,700,000	-	(iii)	47,000,000,000	4,700,000	-	(iii)
Vinaseed Hanoi Development and Investment Joint Stock Company	30,608,000,000	1,101,888	-	(iii)	30,608,000,000	306,080	-	(iii)
Quang Nam National Seed Joint Stock Company	6,823,788,000	450,100	-	(iii)	6,823,788,000	450,100	-	(iii)
					-			
Investment in associates	26,061,735,380		-	26,061,735,380	-			-
ThaiBinh Seed Group Joint Stock Company (iv)	26,061,735,380	194,126	-	(iii)	26,061,735,380	194,126	-	(iii)
	<u>1,122,442,015,906</u>		-	<u>1,122,442,015,906</u>			-	

(ii) The fair value of the investment in Southern Seed Joint Stock Company is determined based on the closing price of the shares on the HOSE stock exchange as at 31 December 2024 and 29 December 2023 (the last trading session immediately preceding the end of the financial year).

As at 31 December 2024, 5,996,940 shares of Southern Seed Joint Stock Company are being used as collateral for the Company's loan at commercial bank as presented in Note 19.

(iii) The Company has not determined the fair value of these unlisted financial investments as at the balance sheet date because current regulations do not provide specific guidance on how to determine the fair value of these financial investments.

(iv) As at 31 December 2024, the Company holds 19.49% of the shares in ThaiBinh Seed Group Joint Stock Company.

In the current year and previous year, except for Ha Nam High Tech Agricultural Development and Investment Joint Stock Company which operated at a loss, the other subsidiaries were profitable. The significant transactions between the Company and its subsidiaries during the year are presented in Note 31.

6. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Khoa Hoi Seed Joint Stock Company	8,580,825,947	14,915,246,521
Minh Nhan Seed Company Limited	8,199,906,000	5,321,792,000
Truong Phuc Seed Company Limited	8,054,757,300	7,100,620,000
Phu Tho UDOM Agricultural Development Import-Export Private Joint Stock Company	7,966,860,000	9,320,000,000
Others	104,328,122,952	111,431,770,528
	137,130,472,199	148,089,429,049

In which:

Short-term trade receivables from related parties (Details stated in Note 31)	5,867,232,352	15,631,734,014
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7. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
721 Coffee One Member Company	3,870,000,000	3,930,000,000
Mr. Dang Thanh Binh	2,187,271,140	220,508,000
Mr. Pham Phu Quoc	2,175,748,830	572,891,515
Others	8,283,390,897	13,108,335,492
	16,516,410,867	17,831,735,007

8. OTHER SHORT-TERM RECEIVABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Receivables for transportation and seed preservation fees	6,010,145,411	4,412,687,819
Advances to employees	758,215,108	1,096,226,557
Profit distributed from subsidiaries	-	23,100,000,000
Interest on deposit and loan	-	565,814,998
Others	3,102,867,183	1,867,103,367
	9,871,227,702	31,041,832,741

In which:

Other short-term receivables from related parties (Details stated in Note 31)	320,000,000	23,368,547,945
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9. BAD DEBTS

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Phu Quy Agricultural Material Joint Stock Company	30,336,000	30,336,000	30,336,000	30,336,000
Mrs. Nguyen Thi Dao	20,000,000	20,000,000	20,000,000	20,000,000
Mrs. Nguyen Huong - Cam Xuyen	8,572,000	8,572,000	8,572,000	8,572,000
Plant Protection Station - Ha Tinh				
Department of Agriculture - Thach Ha District	1,680,000	1,680,000	1,680,000	1,680,000
	60,588,000	60,588,000	60,588,000	60,588,000

10. INVENTORIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	42,950,683,532	-	40,739,492,797	-
Tools and supplies	505,086,606	-	473,348,945	-
Work in progress	2,164,384,255	-	4,921,220,498	-
Finished goods	262,768,824,249	(1,955,732,360)	221,732,696,457	(1,763,299,938)
Merchandise	10,235,690	-	-	-
	308,399,214,332	(1,955,732,360)	267,866,758,697	(1,763,299,938)

During the year, provisions for inventory devaluation were made and reversed with the amounts of VND 1,955,732,360 and VND 1,763,299,938, respectively (2023: provided and use/reversal of VND 1,763,299,938 and VND 4,369,309,572, respectively) due to certain types of seeds not meeting the quality standards.

11. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Short-term		
Packages, labels, tools and supplies issued for consumption	588,642,498	3,540,747,318
	588,642,498	3,540,747,318
b. Long-term		
Land clearance and infrastructure construction costs in Ha Nam	8,923,354,102	9,085,376,362
Business cooperation costs	2,846,285,680	3,024,178,540
Repair and renovation costs	4,054,784,449	4,586,913,011
	15,824,424,231	16,696,467,913

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles, transmission equipment VND	Office equipment VND	Total VND
COST					
Opening balance	158,464,729,904	123,473,612,283	25,311,268,093	2,074,062,146	309,323,672,426
Additions	11,466,111,362	7,105,518,090	6,383,080,000	141,990,000	25,096,699,452
Transfer from construction in progress	6,783,651,210	1,103,823,594	-	-	7,887,474,804
Reclassification	-	(1,268,580,020)	1,191,600,000	76,980,020	-
Closing balance	176,714,492,476	130,414,373,947	32,885,948,093	2,293,032,166	342,307,846,682
ACCUMULATED DEPRECIATION					
Opening balance	73,742,683,235	80,043,869,223	16,268,258,996	1,857,439,771	171,912,251,225
Charge for the year	6,999,547,282	9,496,835,976	2,017,687,436	95,658,929	18,609,729,623
Reclassification	-	(31,530,000)	23,832,000	7,698,000	-
Closing balance	80,742,230,517	89,509,175,199	18,309,778,432	1,960,796,700	190,521,980,848
NET BOOK VALUE					
Opening balance	84,722,046,669	43,429,743,060	9,043,009,097	216,622,375	137,411,421,201
Closing balance	95,972,261,959	40,905,198,748	14,576,169,661	332,235,466	151,785,865,834

The cost of the Company's tangible fixed assets which have been fully depreciated but are still in use:

Opening balance	16,675,407,892	34,607,654,895	9,676,588,923	1,813,892,790	62,773,544,500
Closing balance	17,697,131,714	36,289,164,695	10,364,645,923	1,813,892,790	66,164,835,122

13. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Copyright	Computer software	Others	Total
	VND	VND	VND		VND
COST					
Opening balance	2,275,787,000	21,547,500,000	6,692,877,000	3,768,362,922	34,284,526,922
Addition		5,000,000,000	563,274,826	-	5,563,274,826
Closing balance	2,275,787,000	26,547,500,000	7,256,151,826	3,768,362,922	39,847,801,748
ACCUMULATED DEPRECIATION					
Opening balance	-	14,287,116,126	2,315,545,440	963,026,100	17,565,687,666
Charge for the year	-	1,817,599,986	1,074,208,368	251,224,200	3,143,032,554
Closing balance	-	16,104,716,112	3,389,753,808	1,214,250,300	20,708,720,220
NET BOOK VALUE					
Opening balance	2,275,787,000	7,260,383,874	4,377,331,560	2,805,336,822	16,718,839,256
Closing balance	2,275,787,000	10,442,783,888	3,866,398,018	2,554,112,622	19,139,081,528
<i>The cost of the Company's intangible assets which have been fully depreciated but are still in use:</i>					
Opening balance	-	10,110,000,000	1,418,915,000	-	11,528,915,000
Closing balance	-	10,110,000,000	1,733,477,000	-	11,843,477,000

14. DEFERRED TAX ASSETS

	Closing balance	Opening balance
	VND	VND
Corporate income tax rates used for determination of value of deferred tax assets:		
- For science and technology products	20%	10%
- For other products	20%	20%
Deferred tax assets related to deductible temporary differences	5,482,895,291	2,359,338,893
Deferred tax assets	5,482,895,291	2,359,338,893

15. SHORT-TERM TRADE PAYABLES

	Closing balance	Opening balance
	VND	VND
	Amount/Amount able to be paid off	Amount/Amount able to be paid off
Guangxi Wanchuan Seed Co.,Ltd.	65,078,509,292	56,193,090,514
Southern Seed Joint Stock Company	17,087,412,519	8,493,128,821
Vietnam National Agrifood Investment and Export Import Company Limited	16,765,125,453	-
Others	42,044,676,146	27,783,711,165
	140,975,723,410	92,469,930,500
In which:		
Short-term trade payables to related parties (Details stated in Note 31)	42,994,770,365	9,485,872,442

16. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
Asia-Foods	1,540,893,491	-
Lan Tuyen One Member Co., Ltd.	1,528,460,000	-
Mr. Vu Luat	280,560,000	943,953,294
Others	8,229,646,921	7,256,882,243
	11,579,560,412	8,200,835,537

17. TAXES AND RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
a. Receivables				
Personal income tax	2,385,452,481	14,317,181,773	13,950,410,004	2,018,680,712
	<u>2,385,452,481</u>	<u>14,317,181,773</u>	<u>13,950,410,004</u>	<u>2,018,680,712</u>
b. Payables				
Value added tax	69,021,893	421,231,473	431,930,013	58,323,353
Corporate income tax	9,704,953,563	31,618,166,639	26,261,816,942	15,061,303,260
Land tax, land rental fee	-	1,327,213,449	1,327,213,449	-
Other taxes and payables	-	407,046,131	407,046,131	-
	<u>9,773,975,456</u>	<u>33,773,657,692</u>	<u>28,428,006,535</u>	<u>15,119,626,613</u>

18. OTHER CURRENT PAYABLES

	Closing balance	Opening balance
	VND	VND
Dividends payable	35,149,032,000	35,149,032,000
Unpaid salary fund	10,603,842,512	14,274,804,608
Trade discounts, payment discounts	9,097,964,478	6,562,133,993
Others	7,477,092,393	26,375,090,907
	<u>62,327,931,383</u>	<u>82,361,061,508</u>
In which:		
Other current payables to related parties (Details stated in Note 31)	28,663,304,410	38,171,563,143

19. SHORT-TERM LOANS

	Opening balance		In the year	Closing balance
	VND		VND	VND
	Amount/Amount	Increases	Decreases	Amount/Amount
	able to be paid off			able to be paid off
Bank loans	243,536,701,473	564,156,719,459	676,093,153,303	131,600,267,629
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thang Long Branch	208,012,177,879	453,414,534,745	574,732,081,940	86,694,630,684
Shinhan Bank Vietnam Limited - Pham Hung Branch	35,524,523,594	92,839,291,209	85,487,317,217	42,876,497,586
Standard Chartered Bank (Vietnam) Limited	-	17,902,893,505	15,873,754,146	2,029,139,359
Loans from related parties	55,000,000,000	50,000,000,000	55,000,000,000	50,000,000,000
Southern Seed Joint Stock Company	55,000,000,000	10,000,000,000	35,000,000,000	30,000,000,000
Vietnam Rice Company Limited	-	40,000,000,000	20,000,000,000	20,000,000,000
	298,536,701,473	614,156,719,459	731,093,153,303	181,600,267,629

As at 31 December 2024, the Company's short-term loans are for production and business purposes, details are as follows:

No	Bank/Entity	Amount (VND)	Term	Interest	Collateral
1.	Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thang Long Branch	86,694,630,684	A The loan term for each disbursement is specified in each debt acknowledgment letter, but not exceed 06 months. The last debt acknowledgment letter expires on 12 June 2025. Interest is paid monthly.	The interest for each disbursement is specified in each debt acknowledgment letter	5,996,940 shares of Southern Seed Joint Stock Company are owned by the Company (Details in Note 5).
2.	Shinhan Bank Vietnam Limited - Pham Hung Branch	42,876,497,586	The loan term for each disbursement is specified in each debt acknowledgment letter, but not exceed 05 months. The last debt acknowledgment letter expires on 29 April 2025. Interest is paid monthly.	The interest for each disbursement is specified in each debt acknowledgment letter	Unsecured loan.
3.	Standard Chartered Bank (Vietnam) Limited	2,029,139,359	The loan term for each disbursement is specified in each debt acknowledgment letter, but not exceed 06 months. The last debt acknowledgment letter expires on 24 March 2025. Interest is paid monthly.	The interest for each disbursement is specified in each debt acknowledgment letter	Term deposit (Details in Note 5).

VIETNAM NATIONAL SEED GROUP JOINT STOCK COMPANY
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

No	Bank/Entity	Amount (VND)	Term	Interest	Collateral
4.	Southern Seed Joint Stock Company	30,000,000,000	The loan term is 3 months. The last debt acknowledgement letter expires on 14 June 2025. Interest and principal are paid at the end of the loan term.	The interest for each disbursement is specified in each debt acknowledgment letter	Unsecured loan.
5.	Vietnam Rice Company Limited	20,000,000,000	The loan term is 3 months. Interest is paid on the 25th of the last month of each quarter or (and) on maturity date. The loan was fully settled in January 2025.	The interest for each disbursement is specified in each debt acknowledgment letter	Unsecured loan.
		<u>181,600,267,629</u>			

20. OWNER'S EQUITY

	Owner's contributed capital	Share premium	Treasury shares	Investment and development fund	Retained earnings	Total
	VND	VND	VND		VND	VND
Prior year's opening balance	175,869,880,000	331,245,527,850	(50,000,000)	392,440,061,631	530,583,931,379	1,430,089,400,860
Profit for the year	-	-	-	-	218,997,748,848	218,997,748,848
Dividends declared	-	-	-	-	(70,298,064,000)	(70,298,064,000)
Appropriation to the investment and development fund	-	-	-	38,284,690,941	(38,284,690,941)	-
Appropriation to the bonus and welfare fund	-	-	-	-	(18,115,771,474)	(18,115,771,474)
Remuneration of the Board of Directors and the Board of Supervisors from profits in 2022	-	-	-	-	(197,499,999)	(197,499,999)
Remuneration of the Board of Directors and the Board of Supervisors from profits in 2023	-	-	-	-	(898,611,000)	(898,611,000)
Use of funds	-	-	-	(30,278,394,589)	-	(30,278,394,589)
Other adjustments	-	-	-	-	(382,879,386)	(382,879,386)
Current year's opening balance	175,869,880,000	331,245,527,850	(50,000,000)	400,446,357,983	621,404,163,427	1,528,915,929,260
Profit for the year	-	-	-	-	148,253,442,741	148,253,442,741
Dividends declared (i)	-	-	-	-	(70,298,064,000)	(70,298,064,000)
Appropriation to the investment and development fund (i)	-	-	-	48,207,534,116	(48,207,534,116)	-
Appropriation to the bonus and welfare fund	-	-	-	-	(21,899,774,885)	(21,899,774,885)
Remuneration of the Board of Directors and the Board of Supervisors from profits in 2023 (i)	-	-	-	-	(325,000,000)	(325,000,000)
Remuneration of the Board of Directors (i)	-	-	-	-	(975,000,000)	(975,000,000)
Use of funds (ii)	-	-	-	(26,463,594,200)	-	(26,463,594,200)
Current year's closing balance	175,869,880,000	331,245,527,850	(50,000,000)	422,190,297,899	627,952,233,167	1,557,207,938,916

- (i) According to Resolution No. 25/NQ-ĐHĐCĐ2024 dated 24 April 2024, the General Meeting of Shareholders approved the allocation of funds, dividend distribution, remuneration of the Board of Directors and the Board of Supervisors from profits in 2023.

According to this Resolution, the Company has provisionally allocated remuneration of the Board of Directors and the Board of Supervisors from profits in 2024. The provisional amount will be submitted to the General Meeting of Shareholders for approval at the next meeting and the difference (if any) will be adjusted accordingly in the financial statements.

Dividends announced during the year include:

- Pursuant to Resolution of the General Meeting of Shareholders No. 25/NQ-ĐHĐCĐ2024 dated 24 April 2024 and Resolution of the Board of Directors No. 27/NQ-VINASEED-HĐQT dated 12 June 2024, the Board of Directors of the Company approved the first payment of dividend of 2023 with the amount of VND 35,149,032,000. The record date was 25 June 2024 and the payment date was 24 July 2024.
 - Pursuant to Resolution of the General Meeting of Shareholders No. 25/NQ-ĐHĐCĐ2024 dated 24 April 2024 and Resolution of the Board of Directors No. 40/NQ-VINASEED-HĐQT dated 20 December 2024, the Board of Directors of the Company approved the second payment of dividend of 2023 with the amount of VND 35,149,032,000. The record date was 20 January 2025 and the payment date was 19 February 2025.
- (ii) The Company used part of the investment and development fund for its research and trial production activities.

Charter capital

According to the amended Enterprise Registration Certificate, the Company's charter capital is VND 175,869,880,000. The charter capital contributions by the shareholders as at 31 December 2024 had been fully made as follows:

	Contributed capital			
	Closing balance		Opening balance	
	VND	%	VND	%
PAN Farm Joint Stock Company	140,787,070,000	80.05%	140,787,070,000	80.05%
Others	34,958,090,000	19.88%	34,958,090,000	19.88%
	175,745,160,000	99.93%	175,745,160,000	99.93%
Treasury shares	124,720,000	0.07%	124,720,000	0.07%
	175,869,880,000	100.00%	175,869,880,000	100.00%

Shares

	Closing balance	Opening balance
Number of shares issued to the public	17,586,988	17,586,988
Ordinary shares	17,586,988	17,586,988
Number of treasury shares	12,472	12,472
Ordinary shares	12,472	12,472
Number of outstanding shares in circulation	17,574,516	17,574,516
Ordinary shares	17,574,516	17,574,516

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

21. OFF BALANCE SHEET ITEMS

Consignment goods

	Unit	Closing balance	Opening balance
Consignment goods	VND	65,043,395,219	81,136,757,000

Foreign currencies

	Unit	Closing balance	Opening balance
- United States Dollar	USD	1,131,499.74	1,327,135.94
- Chinese Yuan	CNY	80,316.21	80,136.21
- Euro	EURO	11,658.67	64,594.41

Bad debt written off

	Closing balance VND	Opening balance VND	Reason
Hai Anh Seed Company Limited	2,624,129,975	2,624,129,975	Bankruptcy
Others	268,801,500	268,801,500	
	<u>2,892,931,475</u>	<u>2,892,931,475</u>	

22. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

The Company's business activities include cultivation, trading, direct import and export of plant varieties and agricultural materials; as well as processing, packaging and preserving of plant varieties and agricultural materials. In particular, the Company's main production and business activities is cultivation, trading, direct import and export of plant varieties; with the revenue, business results, and assets of this division all accounting for over 90% of total revenue, business results and assets of all departments. According to Accounting Standard No. 28, the Company does not prepare segment reports by business lines. Revenue and cost of goods sold for each production and business activity are presented in Notes 23 and 24, respectively.

Geographic segments

The Company does not prepare business segment reports by geographical area because the Board of Executive Officers determines that the Company currently operates in a single geographical, primarily within the territory of Vietnam.

23. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year VND	Prior year VND
Revenue from goods sold and services rendered	1,253,275,031,000	1,237,679,294,324
Sales of goods sold	1,246,829,477,184	1,236,599,542,899
Sales of services rendered	6,445,553,816	1,079,751,425
Deductions	100,925,884,625	112,238,047,781
Sales discount	27,414,476,455	21,702,511,934
Sales return	73,511,408,170	90,535,535,847
Net revenue from goods sold and services rendered	1,152,349,146,375	1,125,441,246,543
In which:		
Revenue from related parties (Details stated in Note 31)	195,063,275,503	127,373,469,762

24. COST OF GOODS SOLD AND SERVICES RENDERED

	Current year VND	Prior year VND
Cost of goods sold and services rendered	813,023,765,030	772,606,987,370
Provision for/(reversal) of inventory devaluation	192,432,422	(2,606,009,634)
	813,216,197,452	770,000,977,736

25. PRODUCTION COST BY NATURE

	Current year VND	Prior year (Restatement) VND
Raw materials and consumables	668,175,133,008	718,039,450,133
Labour cost	84,785,097,822	67,453,144,902
Depreciation and amortisation	19,765,168,469	16,839,554,550
Provision made/(reversed)	192,432,422	(2,606,009,634)
Out-sourced services	91,662,483,319	81,518,984,800
Other monetary expenses	27,635,147,781	23,501,237,372
	892,215,462,821	904,746,362,123

26. FINANCIAL INCOME

	Current year VND	Prior year VND
Dividends and profits received	41,244,086,000	71,394,086,000
Bank and loan interest	5,796,893,545	5,054,964,852
Foreign exchange gain	4,814,967,490	1,780,970,794
	51,855,947,035	78,230,021,646
In which:		
Financial income from related parties (Details stated in Note 31)	40,821,390,385	69,721,373,945

27. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expenses	12,404,026,674	17,129,474,698
Payment discount	12,259,522,664	10,071,903,064
Foreign exchange loss	1,889,749,476	572,448,723
	26,553,298,814	27,773,826,485
In which:		
Financial expenses with related parties (Details stated in Note 31)	2,309,726,024	4,407,260,270

28. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Selling expenses		
Labour cost	18,915,445,332	18,414,141,354
Transportation expenses	28,630,948,935	26,113,509,732
Depreciation and amortisation	1,582,299,614	1,062,936,913
Out-sourced services	47,782,232,671	44,076,343,926
Others	16,871,253,683	13,546,017,157
	113,782,180,235	103,212,949,082
General and administration expenses		
Labour cost	51,294,883,531	42,903,255,650
Depreciation and amortisation	5,249,916,785	3,231,841,724
Out-sourced services	11,473,267,347	15,021,459,927
Others	10,763,894,098	9,132,567,324
	78,781,961,761	70,309,124,625

29. CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Current corporate income tax expenses		
Corporate income tax expenses based on taxable profit in the current year	30,570,367,595	17,955,500,587
Total current corporate income tax expenses	30,570,367,595	17,955,500,587

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

	Current year VND	Prior year VND
Profit before tax	175,700,253,938	236,701,374,487
Adjustments for taxable profit:	(22,848,415,961)	(67,385,958,149)
Add: Adjustments that increase profit before tax	30,203,724,788	22,034,551,600
Non-deductible expenses	2,789,248,333	332,039,666
Trade discount not yet invoiced	27,414,476,455	21,702,511,934
Less: Adjustments that reduce profit before tax	53,052,140,749	89,420,509,749
Non-taxable income	41,244,086,000	71,394,086,000
Trade discount of the prior year invoiced in the current year and reversal of provision from the prior year	11,808,054,749	18,026,423,749
Taxable profit	152,851,837,977	169,315,416,338
Taxable profit at incentive tax rate (i)	-	159,075,826,810
Taxable profit at normal tax rate of 20%	152,851,837,977	10,239,589,528
Corporate income tax expenses based on taxable profit in the current year	30,570,367,595	17,955,500,587

- (i) According to Certificate No. 03/DNKHCN issued by the Department of Science and Technology of Hanoi City on 01 March 2011, the Company was approved as a Science and Technology Enterprise ("S&T"). As a result, the Company was eligible for corporate income tax ("CIT") exemptions and reductions as a newly established enterprise under an investment project in the high-tech, scientific research, and technology development fields, starting from the date it earns taxable income, provided that the revenue from products and goods formed from S&T results accounts for at least 30% of the total annual revenue of the enterprise. The Company was entitled to the following benefits:

- The Company was eligible for a CIT rate of 10% for 15 years, starting from the first year of revenue from S&T activities (2011) until the effective date of Circular No. 03/2021/TT-BTC (01 March 2021).
- The Company was exempt from CIT for the first 4 years, starting from the first year of taxable income from S&T activities (2011), and enjoyed 50% CIT reduction for the subsequent 9 years. Therefore, 2023 was the last year the Company applied the 50% CIT reduction on taxable income from S&T products.

The tax rate for other business activities is 20%.

Accordingly, the CIT rate applied to the Company in 2024 is 20%.

	Current year VND	Prior year VND
Deferred corporate income tax income		
Deferred corporate income tax income arising from deductible temporary differences	(3,123,556,398)	(251,874,948)
Total deferred corporate income tax income	(3,123,556,398)	(251,874,948)

30. COMMITMENTS

Operating lease commitments

The Company is a lessee

The Company leases land and assets under operating leases. At the balance sheet date, the minimum future lease payments under operating leases are presented as follows:

	Closing balance VND	Opening balance (Restatement) VND
Within one year	5,354,982,344	5,354,982,344
In the second to fifth year inclusive	7,981,367,360	11,128,203,844
After five years	11,483,223,814	12,863,937,411
	24,819,573,518	29,347,123,599

The Company is a lessor

The Company leases out assets under operating leases. At the balance sheet date, the minimum future lease payments under operating leases are presented as follows:

	Closing balance VND	Opening balance VND
Within one year	2,249,510,591	-
In the second to fifth year inclusive	8,998,042,363	-
After five years	2,811,888,239	-
	14,059,441,193	-

31. RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationship</u>
PAN Farm Joint Stock Company	Parent company
Vinaseed Hanoi Development and Investment Joint Stock Company	Subsidiary
Quang Nam National Seed Joint Stock Company	Subsidiary
Southern Seed Joint Stock Company	Subsidiary
Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	Subsidiary
Vietnam Rice Company Limited	Subsidiary
Vietnam National Agrifood Investment and Export Import Company Limited	Indirectly owned subsidiary
Vietnam Fumigation Joint Stock Company	Affiliate

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

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
Revenue from sales of goods and services rendered	195,063,275,503	127,373,469,762
Vietnam National Agrifood Investment and Export Import Company Limited	109,953,082,628	51,381,008,522
Vietnam Rice Company Limited	31,392,369,000	19,509,988,750
Quang Nam National Seed Joint Stock Company	29,267,620,929	25,706,112,640
Vinaseed Hanoi Development and Investment Joint Stock Company	13,064,325,904	14,751,917,000
Southern Seed Joint Stock Company	11,337,023,328	15,646,648,850
Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	48,853,714	377,794,000
Purchase of goods and services	231,209,215,580	111,853,898,945
Vietnam National Agrifood Investment and Export Import Company Limited	151,889,724,712	42,837,003,854
Southern Seed Joint Stock Company	46,589,175,203	45,272,554,696
Vietnam Rice Company Limited	18,050,755,905	9,913,301,488
Quang Nam National Seed Joint Stock Company	6,920,447,050	5,832,299,025
Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	6,740,969,710	6,242,605,882
Vietnam Fumigation Joint Stock Company	1,018,143,000	1,674,414,000
Vinaseed Hanoi Development and Investment Joint Stock Company	-	81,720,000
Other income	4,401,633,662	3,489,178,679
Quang Nam National Seed Joint Stock Company	3,918,636,304	3,489,178,679
Vietnam National Agrifood Investment and Export Import Company Limited	390,789,358	-
Vinaseed Hanoi Development and Investment Joint Stock Company	92,208,000	-
Loan receivables	65,000,000,000	18,000,000,000
Vietnam National Agrifood Investment and Export Import Company Limited	55,000,000,000	18,000,000,000
Quang Nam National Seed Joint Stock Company	10,000,000,000	-

	Current year VND	Prior year VND
Collection of loan receivables	65,000,000,000	18,000,000,000
Vietnam National Agrifood Investment and Export Import Company Limited	55,000,000,000	18,000,000,000
Quang Nam National Seed Joint Stock Company	10,000,000,000	-
Interest income	1,518,564,385	268,547,945
Vietnam National Agrifood Investment and Export Import Company Limited	1,279,060,275	268,547,945
Quang Nam National Seed Joint Stock Company	239,504,110	-
Dividends distributed	39,302,826,000	69,452,826,000
Southern Seed Joint Stock Company	38,384,586,000	38,384,586,000
Vinaseed Hanoi Development and Investment Joint Stock Company	918,240,000	918,240,000
Vietnam Rice Company Limited	-	23,100,000,000
Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	-	7,050,000,000
Borrowings	50,000,000,000	-
Vietnam Rice Company Limited	40,000,000,000	-
Southern Seed Joint Stock Company	10,000,000,000	-
Repayment of borrowings	55,000,000,000	45,000,000,000
Southern Seed Joint Stock Company	35,000,000,000	45,000,000,000
Vietnam Rice Company Limited	20,000,000,000	-
Interest expense	2,309,726,024	4,407,260,270
Southern Seed Joint Stock Company	1,830,136,984	4,407,260,270
Vietnam Rice Company Limited	479,589,040	-
Dividend payment	56,314,828,000	56,314,828,000
PAN Farm Joint Stock Company	56,314,828,000	56,314,828,000
Dividends declared and paid to shareholders	56,314,828,000	70,393,535,000
PAN Farm Joint Stock Company	56,314,828,000	70,393,535,000
Payment for business cooperation	640,000,000	400,000,000
PAN Farm Joint Stock Company	640,000,000	400,000,000

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

	Closing balance VND	Opening balance VND
Short-term trade receivables	5,867,232,352	15,631,734,014
Quang Nam National Seed Joint Stock Company	4,154,304,371	1,347,394,810
Vinaseed Hanoi Development and Investment Joint Stock Company	1,712,927,981	1,933,250,721
Vietnam Rice Company Limited	-	9,840,410,871
Vietnam National Agrifood Investment and Export Import Company Limited	-	2,510,677,612
Other short-term receivables	-	23,368,547,945
Vietnam Rice Company Limited	-	23,100,000,000
Vietnam National Agrifood Investment and Export Import Company Limited	-	268,547,945
Advance payment for business cooperation	320,000,000	-
PAN Farm Joint Stock Company	320,000,000	-
Short-term trade payables	42,994,770,365	9,485,872,442
Southern Seed Joint Stock Company	17,087,412,519	8,493,128,821
Vietnam National Agrifood Investment and Export Import Company Limited	16,765,125,453	-
Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	8,277,337,966	992,743,621
Vietnam Rice Company Limited	864,894,427	-
Other current payables	28,663,304,410	38,171,563,143
PAN Farm Joint Stock Company	28,157,414,000	28,157,414,000
Vietnam Rice Company Limited	378,493,150	-
Southern Seed Joint Stock Company	127,397,260	9,930,643,143
Ha Nam High Tech Agricultural Development and Investment Joint Stock Company	-	83,506,000
Short-term borrowings	50,000,000,000	55,000,000,000
Southern Seed Joint Stock Company	30,000,000,000	55,000,000,000
Vietnam Rice Company Limited	20,000,000,000	-

Remuneration paid to the Board of Directors, Board of Executive Officers and Board of Supervisors during the year was as follows:

	Current year VND	Prior year (Restatement) VND
Remuneration of the Board of Directors	1,500,000,000	1,423,611,111
Ms. Tran Kim Lien	250,000,000	250,000,000
Ms. Le Thi Le Hang	250,000,000	250,000,000
Ms. Nguyen Thi Tra My	250,000,000	250,000,000
Mr. Nguyen Quang Truong	250,000,000	250,000,000
Ms. Nguyen Ngoc Anh	250,000,000	250,000,000
Mr. Tran Dinh Long	250,000,000	173,611,111

	Current year	Prior year (Restatement)
	VND	VND
Income of the Board of Executive Officers	11,147,283,936	11,704,687,710
Mr. Nguyen Quang Truong	2,976,560,000	3,687,500,000
Members of the Executive Board	8,170,723,936	8,017,187,710
Remuneration of the Board of Supervisors	300,000,000	300,000,000
Mr. Nguyen Anh Tuan	100,000,000	100,000,000
Mr. Do Tien Sy	100,000,000	100,000,000
Mr. Luong Ngoc Thai	100,000,000	100,000,000

32. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for purchases of fixed assets and construction in progress during the year exclude an amount of VND 794,371,015 (2023: VND 2,244,416,535), representing an addition in fixed assets and construction in progress during the year that has not yet been paid. Consequently, increase, decrease in payables have been adjusted by the same amount.

Cash outflows for purchases of fixed assets and construction in progress during the year include an amount of VND 668,690,000 (2023: VND 84,641,500), representing an addition in fixed assets and construction in progress during the year that had been advanced. Consequently, increase, decrease in receivables have been adjusted by the same amount.



Nguyen Thi Nhu Quynh
Preparer



Phan The Ty
Chief Accountant



Nguyen Quang Truong
Chief Executive Officer

24 March 2025

