

**VIETVALUES**<sup>®</sup> Audit and Consulting Co., Ltd

*Member firm of JPA International*

Registered office : 33 Phan Van Khoe, ward 13, district 5, HCMC

Da Nang office : 63/5 Tran Quoc Toan, Phuoc Ninh ward, Hai Chau district,

Da Nang City

Email : [contact@vietvalues.com](mailto:contact@vietvalues.com)

Website : [www.vietvalues.com](http://www.vietvalues.com)



# **INDEPENDENT AUDITOR'S REPORT ABOUT FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED AS OF DECEMBER 31, 2024**

**GIA LAI COFFEE  
JOINT STOCK COMPANY**

## **INDEX**

<b>Contents</b>	<b>Page</b>
1. Statement of the Board of Management	02 - 05
2. Independent Auditor's Report	06 - 07
3. Balance Sheet as of December 31, 2024	08 - 09
4. Income Statement for the fiscal year ended as of December 31, 2024	10
5. Cash flow Statement for the fiscal year ended as of December 31, 2024	11
6. Notes to the Financial Statements for the fiscal year ended as of December 31, 2024	12 - 38

---



## **GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

### **Statement of the Board of Management**

For the fiscal year ended as of December 31, 2024

## **STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Gia Lai Coffee Joint Stock Company presents this report together with the audited financial statements for the fiscal year ended as of December 31, 2024.

### **1. Overview**

Gia Lai Coffee Joint Stock Company (hereinafter referred to as "the Company") is a joint stock company equitized under Decision No. 142/QĐ-UBND dated April 9, 2018 of the People's Committee of Gia Lai province from Gia Lai Coffee One Member Co., Ltd. The Company is an independent accounting unit, operating production and business activities under the Business Registration Certificate No. 5900189678 dated September 13, 2018 issued by the Department of Planning and Investment of Gia Lai province, the Enterprise Law, the Company's Charter and other relevant current legal regulations. Since its establishment, the Company has changed its Business Registration Certificate 5 times and the most recent change was on June 28, 2024.

Charter capital: VND 146,763,000,000

Paid-in capital as at December 31, 2024: VND 146,763,000,000

### **2. Operating office**

#### **Head office**

- Address : No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province, Viet Nam
- Tel : (84) 0269 3824760
- Fax : (84) 0269 3822487

**Affiliated units:** The company has 04 affiliates (dependent accounting)

- Ia Ba Branch Address: Hop Nhat Village, Ia Ba Commune, Ia Grai District, Gia Lai Province
- Ia Yok Branch Address: Lap Thanh Village, Ia Yok Commune, Ia Grai District, Gia Lai Province
- Ia Grang Branch Address: Lang Khop Village, Ia Grang Commune, Ia Grai District, Gia Lai Province
- Chu Se Branch Address: Phu Cuong Village, Ia Pal Commune, Chu Se District, Gia Lai Province

### **3. Principal activities**

- Buying and selling agricultural products for export (except rubber latex);
- Trading in fertilizers used in agriculture; Real estate business, industrial and residential infrastructure;
- Growing coffee trees;
- Roasting and filtering coffee, producing coffee products;
- Importing and exporting all kinds of seedlings, seeds, and agricultural products.

### **4. Board of Management, Board of Supervisors, Board of General Directors and Chief Accountant**

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

**GIA LAI COFFEE JOINT STOCK COMPANY***No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province***Statement of the Board of Management***For the fiscal year ended as of December 31, 2024 (cont'd)***4.1 Board of Management**

Name	Position	Appointed date/ Reappointed date	Dismissal date
Mr. Trinh Quang Hung	Chairman	26/06/2024	
	Member	28/04/2023	26/06/2024
Mr. Trinh Dinh Truong	Vice Chairman	26/06/2024	
	Chairman	28/04/2023	26/06/2024
Mr. Trinh Quang Vinh	Member	28/04/2023	
Mr. Phung Ngoc Kim	Member	28/04/2023	
Mr. Nguyen Cong Tien	Member	26/06/2024	

**4.2. Board of Supervisors**

Name	Position	Appointed date/ Reappointed date	Dismissal date
Mr. Tran Dong Hung	Supervisory	28/04/2023	
Ms. Bui Thi Lieu	Member	26/06/2024	
Ms. Le Thi Vinh	Member	28/04/2023	26/06/2024
Ms. Bui Thi Bich Huong	Member	28/04/2023	

**4.3. Board of General Directors and Chief Accountant**

Name	Position	Appointed date/ Reappointed date	Dismissal date
Mr. Nguyen Cong Tien	General Director	26/06/2024	
	Vice General Director	05/01/2024	26/06/2024
Mr. Trinh Quang Hung	General Director	28/04/2023	26/06/2024
Mr. Nguyen Van Quan	Vice General Director	26/06/2024	
	Chief Accountant	28/04/2023	26/06/2024
Mr. Pham Van Cuong	Vice General Director	28/04/2023	01/03/2024
Mr. Le Ba Hieu	Chief Accountant	26/06/2024	

**5. The legal representative**

The legal representative of the Company during the year and up to the date of this report are as follows:

Name	Position	Appointed date/ Reappointed date	Dismissal date
Mr. Trinh Quang Hung	Chairman	26/06/2024	
Mr. Nguyen Cong Tien	General Director	26/06/2024	
Mr. Trinh Dinh Truong	Chairman	28/04/2023	26/06/2024
Mr. Trinh Quang Hung	General Director	28/04/2023	26/06/2024



## **GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

### **Statement of the Board of Management**

For the fiscal year ended as of December 31, 2024 (cont'd)

#### **6. Bussiness operation**

The results and financial position for the fiscal year ended as of December 31, 2024 of Thua Thien Hue Construction Joint Stock Company have been expressed in the Financial Statements from page 08 to page 38.

#### **7. Subsequent events**

In the opinion of the Board of Management, the Company's financial statements for the fiscal year ended as of December 31, 2024 would not be seriously affected by any important items, transactions, or any extraordinary events happened up to the reporting date, which need any adjustments to the figures or disclosures in the financial statements.

#### **8. Auditors**

Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang city has performed the review on the Company's Financial Statements for the fiscal year ended as of December 31, 2024. Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang city has expressed their willingness to be appointed as the Company's independent auditor in the coming years.

#### **9. Responsibility of the Board of General Directors**

The Board of General Directors are responsible for the preparation and fair presentation of the Company's financial position, income statement and cash flow statements. In respect of the preparation of the these statements, the Board of General Directors are responsible for:

- Selecting suitable accounting policies and then applying them consistently.
- Making reasonably and prudently judgments and estimates.
- Stating whether applicable accounting principles have been followed or not and there are any significant discrepancies that should be presented and explained in the financial statements or not.
- Preparing the financial statements on going concern basis, unless it is inappropriate to presume that the Company will continue as a going concern.
- Establishing and implementing the internal control systems effectively in order to limit the risks of material misstatement due to fraud or mistakes in the preparation and presentation of financial statements.

The Board of General Directors ensure that the relevant accounting books are fully kept in order to reflect the financial position and operations of the Company with reasonable accuracy at any time and in compliance with the applied accounting system. The Board of General Directors are also responsible for managing the assets of the Company and therefore have taken appropriate measures to prevent and detect frauds and legal regulations related to the preparation and presentation of financial statements.

The Board of General Directors have complied with the commitments above and requirements in preparing the financial statements.

75-07  
HÀNH  
TY TN  
VÀ T  
N VI  
TẠI  
NĂNG  
-TP. E

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**Statement of the Board of Management**

For the fiscal year ended as of December 31, 2024 (cont'd)

---

**10. Approval of Financial Statements**

We, the Board of Management have approved the accompanying financial statements. The financial statements give a true and fair view of the financial position as at December 31, 2024 and the results of operations and cash flows for the fiscal year then ended in accordance with the Vietnamese accounting standards, Vietnamese corporate accounting regime and the legal provisions relating to the preparation and presentation of financial statements.

On the behalf of the Board of Management



**TRINH QUANG HUNG**

**Chairman**

Gia Lai, March 10, 2025





## INDEPENDENT AUDITOR'S REPORT

**Dear: THE SHAREHOLDERS, BOARD OF MANAGEMENT AND BOARD OF  
GENERAL DIRECTORS  
GIA LAI COFFEE JOINT STOCK COMPANY**

We have audited the accompanying Financial Statements of Gia Lai Coffee Joint Stock Company (hereinafter referred to as "the Company"), prepared on March 10, 2025, from page 08 to page 38, which comprise the Balance Sheet as at December 31, 2024, the Income Statement, the Statement of Cash Flows and the Notes to the Financial Statements for the fiscal year then ended.

### The Board of General Directors's responsibility

The Board of General Directors of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of financial statements, and for such internal control as the Board of General Directors determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Basis for qualified opinion

1. As presented in Note V18.b on long-term borrowings and finance leases, the Company's Board of Directors has decided to use land use rights certificates, house ownership, and other assets attached to land granted to the Company as collateral for the loans of Ho Bien Ho Tea Joint Stock Company (a jointly invested company) at the Bank for Agriculture and Rural Development – Gia Lai Branch since 2022. Such loan security for a related party is not in compliance with Clause 3, Article 293 of Decree 155/2020/ND-CP dated December 31, 2020, detailing the implementation of certain provisions of the Securities Law.
2. As presented in Section VIII.1 – Contingent Liabilities, the land lease fees and late payment penalties as per the Tax Authority's notice have not been fully recorded in the Company's prior operating expenses, specifically:
  - The state-owned enterprise period: VND 7,754,365,354 (land lease fees) and VND 4,020,354,217 (late payment penalties).



- The joint-stock company period (2019): VND 395,826,472 (land lease fees) and VND 215,124,770 (late payment penalties).

The obligation to pay this land lease fee to the State Budget remains unresolved between the two parties. The Company has filed a lawsuit against the Director of the Gia Lai Tax Department, and the case is currently being handled by the Gia Lai People's Court. Accordingly, these amounts may impact the Balance Sheet (if applicable) depending on the decision of the competent State authority.

### Qualified opinion

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion" section, the financial statements present fairly, in all material respects, the financial position of Gia Lai Coffee Joint Stock Company as of December 31, 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 the preparation and presentation of financial statements.

### Emphasis of matter

We draw readers' attention to Note VIII.5 in the Notes to the Financial Statements, which states that as of December 31, 2024, the accumulated loss amounts to VND (126,009,725,658), and the Company's short-term liabilities exceed its short-term assets by VND 56,367,571,986. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the Board of Directors and Executive Management are committed to ensuring future profitability and securing financial support from shareholders to provide sufficient resources for the Company to continue operating normally in subsequent years. Therefore, the financial statements for the fiscal year ended December 31, 2024, have been prepared based on the assumption that the Company will continue as a going concern.

Our qualified opinion is not related to this matter.

*Da Nang City, March 10, 2025*

Branch of **VIETVALUES** Audit and Consulting Co., Ltd. in Da Nang City



**Tran Xuan Thanh – Director of Branch**

*Certificate of registration for practicing audit*

*No: 1650-2023-071-1*

*Authorized signature*

**Huynh Minh Hung - Auditor**

*Certificate of registration for practicing audit*

*No: 3402-2025-071-1*

### File:

- Above
- Save **VIETVALUES**



**GIA LAI COFFEE JOINT STOCK COMPANY**

Address: No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**Balance Sheet**

As at December 31, 2024

**BALANCE SHEET**

As at December 31, 2024

Unit: VND

ASSETS	Code	Note	Closing balance (as at 31/12/2024)	Opening balance (as at 01/01/2024)
1	2	3	4	5
<b>A. SHORT-TERM ASSETS</b>	<b>100</b>		<b>14,946,725,832</b>	<b>16,191,271,554</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>4,304,624,152</b>	<b>676,605,283</b>
1. Cash	111	V.1	4,304,624,152	676,605,283
2. Cash equivalents	112		-	-
<b>II. Short-term financial investments</b>	<b>120</b>		<b>-</b>	<b>-</b>
<b>III. Short-term receivables</b>	<b>130</b>		<b>5,295,329,276</b>	<b>13,489,187,870</b>
1. Short-term trade receivables	131	V.2	4,860,214,300	7,960,214,300
2. Short-term prepayments to suppliers	132	V.3	159,879,956	2,042,637
3. Other short-term receivables	136	V.4	5,704,287,407	6,095,657,673
4. Short-term provision for doubtful debts	137	V.5	(5,429,052,387)	(568,726,740)
<b>IV. Inventories</b>	<b>140</b>	<b>V.6</b>	<b>3,523,951,803</b>	<b>178,001,955</b>
1. Inventories	141		3,684,661,135	307,817,287
2. Allowances for decline in value of inventories	149		(160,709,332)	(129,815,332)
<b>V. Other short-term assets</b>	<b>150</b>		<b>1,822,820,601</b>	<b>1,847,476,446</b>
1. Short-term prepaid expenses	151	V.10a	-	3,974,166
2. Deductible VAT	152		1,717,623,219	1,734,267,306
3. Taxes and other receivables to the State	153	V.13	105,197,382	109,234,974
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>100,852,282,899</b>	<b>114,804,356,438</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>-</b>	<b>-</b>
<b>II. Fixed assets</b>	<b>220</b>		<b>95,057,515,570</b>	<b>111,075,516,744</b>
1. Tangible fixed assets	221	V.7	94,954,172,037	110,971,086,659
- Historical costs	222		369,130,677,361	398,125,985,508
- Accumulated depreciation	223		(274,176,505,324)	(287,154,898,849)
2. Intangible fixed assets	227	V.8	103,343,533	104,430,085
- Historical costs	228		110,144,000	110,144,000
- Accumulated depreciation	229		(6,800,467)	(5,713,915)
<b>III. Investment properties</b>	<b>230</b>		<b>-</b>	<b>-</b>
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>4,517,399,506</b>	<b>2,143,157,576</b>
1. Long-term work in progress	241		-	-
2. Construction in progress	242	V.9	4,517,399,506	2,143,157,576
<b>V. Long-term financial investments</b>	<b>250</b>		<b>-</b>	<b>-</b>
<b>VI. Other long-term assets</b>	<b>260</b>		<b>1,277,367,823</b>	<b>1,585,682,118</b>
1. Long-term prepaid expenses	261	V.10b	1,277,367,823	1,585,682,118
2. Deferred tax assets	262		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>115,799,008,731</b>	<b>130,995,627,992</b>

**GIA LAI COFFEE JOINT STOCK COMPANY**

Address: No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**Balance Sheet (cont'd)**

As at December 31, 2024

RESOURCES	Code	Note	Closing balance (as at 31/12/2024)	Opening balance (as at 01/01/2024)
2	1	3	4	5
<b>C. LIABILITIES</b>	<b>300</b>		<b>94,064,382,175</b>	<b>88,580,455,162</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>71,314,307,818</b>	<b>45,740,653,529</b>
1. Short-term trade payables	311	V.11	550,048,630	83,024,350
2. Short-term advances from customers	312	V.12	14,700,000,000	-
3. Taxes and other payables to government budget	313	V.13	3,044,512,727	27,481,945
4. Payables to employees	314	V.14	1,056,523,008	481,323,008
5. Short-term accrued expenses	315	V.15	22,920,597,047	25,514,431,399
6. Short-term unrealized revenues	318	V.16a	27,965,057	-
7. Other short-term payables	319	V.17	3,060,061,949	3,454,793,427
8. Short-term borrowings and finance lease liabilities	320	V.18a	25,954,599,400	16,179,599,400
<b>II. Nợ dài hạn</b>	<b>330</b>		<b>22,750,074,357</b>	<b>42,839,801,633</b>
1. Long-term unrealized revenue	336	V.16b	491,886,357	581,613,633
2. Long-term borrowings and finance lease liabilities	338	V.18b	22,258,188,000	42,258,188,000
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>21,734,626,556</b>	<b>42,415,172,830</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.19</b>	<b>20,753,274,342</b>	<b>41,228,327,137</b>
1. Contributed capital	411		146,763,000,000	146,763,000,000
- Ordinary shares with voting rights	411a		146,763,000,000	146,763,000,000
- Preference shares	411b		-	-
2. Undistributed profit after tax	421		(126,009,725,658)	(105,534,672,863)
- Undistributed profit after tax brought forward	421a		(105,534,672,863)	(93,092,796,264)
- Undistributed profit after tax for the current year	421b		(20,475,052,795)	(12,441,876,599)
<b>II. Budget resources and funds</b>	<b>430</b>		<b>981,352,214</b>	<b>1,186,845,693</b>
1. Funding sources	431		981,352,214	1,186,845,693
2. Funds used for fixed asset acquisition	432		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>115,799,008,731</b>	<b>130,995,627,992</b>

Preparer



LE BA HIEU

Chief Accountant



LE BA HIEU

Gia Lai, March 10, 2025

General Director



NGUYEN CONG TIEN



**GIA LAI COFFEE JOINT STOCK COMPANY**

Address: No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**Income Statement**

For the fiscal year ended as of December 31, 2024

**INCOME STATEMENT**

For the fiscal year ended as of December 31, 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1	2	3	4	5
<b>1. Revenues from sales and services rendered</b>	<b>01</b>	VI.1	<b>15,774,627,970</b>	<b>11,331,056,127</b>
2. Revenue deductions	02		-	-
<b>3. Net revenues from sales and services rendered</b>	<b>10</b>		<b>15,774,627,970</b>	<b>11,331,056,127</b>
4. Costs of goods sold	11	VI.2	9,246,701,114	11,530,565,425
<b>5. Gross revenues from sales &amp; services rendered</b>	<b>20</b>		<b>6,527,926,856</b>	<b>(199,509,298)</b>
6. Financial income	21	VI.3	116,502,339	52,014,360
7. Financial expenses	22	VI.4	6,619,634,400	7,461,910,902
- In which: Interest expenses	23		6,619,634,400	7,461,910,902
8. Selling expenses	25		6,984,280	20,808,000
9. General administration expenses	26	VI.5	10,112,436,861	4,892,052,787
<b>10. Net profits from operating activities</b>	<b>30</b>		<b>(10,094,626,346)</b>	<b>(12,522,266,627)</b>
11. Other income	31	VI.6	664,317,265	442,576,300
12. Other expenses	32	VI.7	11,044,743,714	362,186,272
<b>13. Other profits</b>	<b>40</b>		<b>(10,380,426,449)</b>	<b>80,390,028</b>
<b>14. Total net profit before tax</b>	<b>50</b>		<b>(20,475,052,795)</b>	<b>(12,441,876,599)</b>
15. Current corporate income tax expenses	51	V.13	-	-
16. Deferred corporate income tax expenses	52		-	-
<b>17. Profits after corporate income tax</b>	<b>60</b>		<b>(20,475,052,795)</b>	<b>(12,441,876,599)</b>
<b>18. Earnings per Share</b>	<b>70</b>	VI.8	<b>(1,395)</b>	<b>(848)</b>
<b>19. Diluted Earnings per Share</b>	<b>71</b>	VI.9	<b>(1,395)</b>	<b>(848)</b>

Preparer

LE BA HIEU

Chief Accountant

LE BA HIEU

Gia Lai, March 10, 2025

General Director

NGUYEN CONG TIEN

**GIA LAI COFFEE JOINT STOCK COMPANY**

Address: No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

Statement of Cash flow

For the fiscal year ended as of December 31, 2024

**STATEMENT OF CASH FLOW***(Under direct method)***For the fiscal year ended as of December 31, 2024**

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1	2	3	4	5
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Proceeds from sales of merchandise, services rendered and others	01		31,390,823,061	17,951,787,001
2. Expenditures paid to suppliers	02		(1,344,310,167)	(2,056,234,790)
3. Expenditures paid to employees	03		(2,373,191,112)	(3,672,031,235)
4. Paid interests	04		(9,190,713,950)	(53,338,694)
5. Paid corporate income tax	05	V.13	-	(109,059,550)
6. Other proceeds from operating activities	06		8,623,432,708	5,121,468,154
7. Other expenditures on operating activities	07		(6,922,988,444)	(8,951,486,056)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>20,183,052,096</b>	<b>8,231,104,830</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Expenditures on purchase, construction of fixed assets and other long-term assets	21		(6,446,533,138)	-
2. Proceeds from disposal of fixed assets, construction and other long-term assets	22		-	-
3. Expenditures on loans and purchase of debt instruments from other entities	23		-	-
4. Proceeds from lending or repurchase of debt instruments from other entities	24		-	-
5. Expenditures on equity investments in other entities	25		-	-
6. Proceeds from equity investment in other entities	26		-	-
7. Proceeds from interest, dividends, and distributed profits	27	VI.3	116,499,911	51,998,899
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(6,330,033,227)</b>	<b>51,998,899</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from issuance of shares and receipt of contributed capital	31		-	-
2. Repayment of contributions to owners, repurchase of stock issued	32		-	-
3. Proceeds from borrowing	33	VII.1	18,614,913,000	8,682,876,300
4. Repayment of loan principal	34	VII.2	(28,839,913,000)	(16,456,343,800)
5. Repayment of financial lease debt principal	35		-	-
6. Dividends and profit paid to owners	36		-	-
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(10,225,000,000)</b>	<b>(7,773,467,500)</b>
<b>Net cash flows during the fiscal year (50=20+30+40)</b>	<b>50</b>		<b>3,628,018,869</b>	<b>509,636,229</b>
<b>Cash and cash equivalents at beginning of the fiscal year</b>	<b>60</b>		<b>676,605,283</b>	<b>166,964,709</b>
Effect of exchange rate fluctuations	61	VI.3	-	4,345
<b>Cash and cash equivalents at end of the fiscal year</b>	<b>70</b>	V.1	<b>4,304,624,152</b>	<b>676,605,283</b>

Preparer



LE BA HIEU

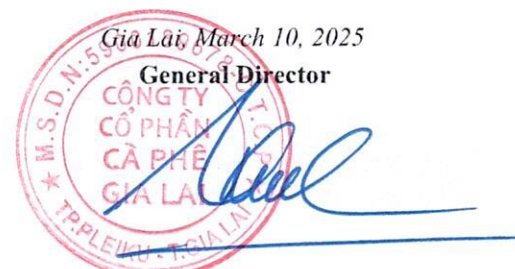
Chief Accountant



LE BA HIEU

Gia Lai, March 10, 2025

General Director



NGUYEN CONG TIEN



## **NOTES TO THE FINANCIAL STATEMENTS**

**For the fiscal year ended as of December 31, 2024**

These notes are an integral part of and should be read in conjunction with the audited Financial Statements for the fiscal year ended as of December 31, 2024.

### **I. NATURE OPERATIONS**

#### **1. Forms of ownership**

Gia Lai Coffee Joint Stock Company (hereinafter referred to as "the Company") is a joint stock company equitized under Decision No. 142/QĐ-UBND dated April 9, 2018 of the People's Committee of Gia Lai province from Gia Lai Coffee One Member Co., Ltd. The Company is an independent accounting unit, operating production and business activities under the Business Registration Certificate No. 5900189678 dated September 13, 2018 issued by the Department of Planning and Investment of Gia Lai province, the Enterprise Law, the Company's Charter and other relevant current legal regulations. Since its establishment, the Company has changed its Business Registration Certificate 5 times and the most recent change was on June 28, 2024.

#### **2. Principal scope of business**

The Company's principal scope of business is commercial business and agricultural production.

#### **3. Operating activities**

- Buying and selling agricultural products for export (except rubber latex);
- Trading in fertilizers used in agriculture; Real estate business, industrial and residential infrastructure;
- Growing coffee trees;
- Roasting and filtering coffee, producing coffee products;
- Importing and exporting all kinds of seedlings, seeds, and agricultural products.

#### **4. Normal production and business cycle**

The Company's normal production and business cycle is not more than 12 months.

#### **5. The Company's operations in year affect in the financial statements**

In 2024, due to the high demand for coffee in the market, coffee prices increased significantly compared to the previous year (on average, doubling), resulting in a 39% increase in revenue. However, the coffee sales volume this year was lower than the previous year, leading to a more than 20% decrease in the cost of goods sold. This caused the gross profit margin to rise significantly compared to the previous year.

Additionally, the company had no other operational factors affecting financial report of this year.

#### **6. Company's Structure**

The company has affiliated units without legal status and dependent accounting:

- |                   |  |
|-------------------|--|
| • Ia Ba Branch    | Address: Hop Nhat Village, Ia Ba Commune, Ia Grai District, Gia Lai Province     |
| • Ia Yok Branch   | Address: Lap Thanh Village, Ia Yok Commune, Ia Grai District, Gia Lai Province   |
| • Ia Grang Branch | Address: Lang Khop Village, Ia Grang Commune, Ia Grai District, Gia Lai Province |

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

---

- Chu Se Branch                      Address: Phu Cuong Village, Ia Pal Commune, Chu Se District, Gia Lai Province

**7. Employees**

As at December 31, 2024, the Company has 30 employees working (as at December 31, 2023 has 28 employees).

**II. THE FISCAL YEAR, THE CURRENCY USED IN ACCOUNTING**

**1. The fiscal year**

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

**2. The currency used in accounting**

The currency used in accounting and financial statements is Vietnam Dong (VND) because receipts and payments are mainly used in Vietnam Dong (VND).

**III. APPLICABLE ACCOUNTING STANDARDS AND SYSTEM**

**1. Applicable accounting standards and system**

The Company applies Vietnamese accounting standards, Vietnamese Accounting Policies for enterprises guided in Circular No. 200/2014/TT-BTC dated December 22, 2014 and Circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

Accordingly, the balance sheet as at December 31, 2024, income statement, statement of cash flows and notes to financial statement for the fiscal year ended as of December 31, 2024 and these reports are not intended for persons who are not provided with information on accounting procedures, principles and practices in Vietnam. And furthermore, they are not intended to present the financial position, results of operations and cash flows in accordance with widely accepted accounting principles and practices in countries and territories other than Viet Nam.

**2. Declaration of compliance with accounting standards and system**

The Board of General Directors ensure compliance with the requirements of Vietnamese accounting standards and Vietnamese corporate accounting regime issued in accordance with Circular No. 200/2014/TT-BTC dated December 22, 2014, as well as circulars guiding the implementation of accounting standards of the Ministry of Finance related to the preparation and presentation of financial statements.

**IV. APPLICABLE ACCOUNTING POLICIES**

**1. Basis of preparing the financial statements**

These financial statements were prepared on accrual basis (excluding information relating to cash flows).

**2. Cash and cash equivalents**

Cash includes cash on hand, cash in bank, cash in transit, monetary gold.



## **GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

### **FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

#### **Notes to the Financial Statements (cont'd)**

---

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

### **3. Receivables**

Receivables are presented at cost less provision for doubtful debts.

The classification of trade receivables and other receivables is presented following this principle:

- Trade receivables include commercial receivables generating from purchase-sale related transactions between the Company and buyers, also include receivables from sale export goods conducted by consignees.
- Other receivables include non-commercial receivables which is not related to buying-selling transactions.

Provision for doubtful receivables is made for each receivable when:

- An overdue debt under an economic contract, a loan agreement, a contractual commitment or a promissory note has been demanded for several times, but it is unrecoverable. The time overdue of the doubtful debt requiring creation of the allowance shall be determined according to time in which the principal is repaid according to the sale contract, exclusive of the debt rescheduling between contracting parties;
- The debts are not due but the debtor is close to bankruptcy or undergone procedures for dissolution, or the debtor is missing or makes a getaway.

Increasing, decreasing provision for doubtful debts need to be made at the ended day of the fiscal year are recorded as general administration expenses.

### **4. Inventories**

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

The historical cost of inventories are determined as follows:

- Raw materials, materials, goods: include buying costs and other directly related costs arising to have inventories at present area and state.
- Finished products: include direct raw materials costs, direct employee costs and general production costs shall be basis on normal operation level/land using right, direct costs related and general costs arising in the process building finished goods - property.
- The cost of work in progress: include direct raw materials costs, direct employee costs, costs of construction machinery and general production costs.

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

The value of inventory is measured using the weighted average method and inventory recording base on the perpetual inventory method.

Provision for decrease in value of inventories is made when the net realizable value of inventories is less than original cost. With the process services, provision for decrease is made by type of services with different price. The increase, decrease in balance of provision for decrease in value of inventories to be made at the year end are recorded in the cost of goods sold.



## **GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

### **FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

#### **Notes to the Financial Statements (cont'd)**

---

#### **5. Prepaid expenses**

Prepaid expenses is classified into short-term prepaid expense and long-term prepaid expenses on the Balance sheet and are allocated over the prepaid period or the period in which economic benefits are generated from these expenses

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include:

##### ***Tools and instruments***

Cost of tools and instruments being put into use are allocated in accordance with the straight-line method for a period of not more than 36 months.

##### ***Business advantage***

Business advantage arising after equitization is allocated to expenses using the straight-line method over a 10-year allocation period.

#### **6. Tangible fixed assets**

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

When tangible fixed assets are sold or liquidated, their cost and accumulated depreciation are written off, and arisen gain/loss are recorded into the income or the expenses in the year.

Depreciating the cost of tangible fixed assets is calculated on straight-line method. Depreciation amount determined is based on historical cost and estimated useful-life of the assets. The time of depreciation is:

<u>Kind of assets</u>	<u>Depreciation years/Current year</u>
Buildings, Architectures	5 - 25
Machinery and equipment	5 - 8
Means of transportation	8 - 10
Equipment and management tools	8
Long term trees	20

#### **7. Intangible fixed assets**

Intangible fixed assets are stated at initial cost less accumulated amortization.

The cost of tangible fixed assets comprises their purchase price and all the costs incurred by the Company to acquire those assets as of the time of putting such assets into the ready for use state. The costs related to intangible fixed assets arising after initial recognition are recognized as production and business expenses in the year unless these costs are associated with a specific intangible fixed asset. and increase economic benefits from these assets.

When intangible fixed assets are sold or liquidated, their cost and accumulated depreciation are written off, and arisen gain/loss are recorded into the income or the expenses in the year.

Intangible fixed assets of the Company are limited and long time land using right. Land using right is all the cost the Company has paid, directly related to used land, include: money spent to have



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

**Notes to the Financial Statements (cont'd)**

---

land using right, expenses for compensation, clearing the ground, backfilling the ground, registration fee, ...

**8. Construction in progress**

Construction in progress reflects costs directly related (including related interest expenses in accordance with the Company's accounting policies) to assets under construction, machinery and equipment being installed for production, leasing and management purposes as well as costs related to repairs of fixed assets in progress. These assets are recorded at original cost and are not depreciated.

**9. Liabilities and accrual expenses**

Liabilities and accrual expenses are recognized for payable amounts in the future related to the received goods and services. Accruals are recognized based on the reasonable estimates of the payable amounts.

Payables are classified as trade payables, accruals, internal payables and other payables comply with the following principles:

- Trade payables reflect the commercial elements arising from purchasing transactions of goods, services, assets and the seller is an independent entity, include payables from import by a trustee
- Accrual expenses reflect the payables to the received goods and services from seller or provided to buyer but not yet paid due to do not have invoice or insufficient accounting records and vouchers and payable to employees on sabbatical salary, operating costs must be accrued.
- Other payables reflect the non-commercial elements, unrelated to selling - purchasing transactions, rendering of services.

**10. Unrealized revenues**

Unrealized revenues are recorded when the Company receives cash in advance for one or more accounting periods for services rendered to customers.

Unrealized revenues are allocated according to the number of periods in which the Company has received money in advance.

**11. Owner's equity**

***The owner's contributed capital***

The owner's contributed capital reflects the amount of capital actually contributed by the shareholders.

***Capital surplus***

Capital surplus are recorded regarding to difference between the issue price and the par value of shares. Costs directly related to the additional issuance of shares and re-issuance treasury shares shall be recorded decrease capital surplus.

***Other capital of owners***

Other capital is formed by supplementing from business results, revaluation of assets and the remaining value between the fair value of donated, presented, and sponsored assets after deducting taxes payable (if any) related to these assets.

**12. Profit distribution**

Profits after corporate income taxes is distributed to the shareholders after building funds in accordance with the General Meeting of Shareholders .



## **GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

### **FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

#### **Notes to the Financial Statements (cont'd)**

The profit distribution is considered non-cash items included in undistributed earnings that may affect cash flows and ability to pay as interest due to revaluation of assets contributed as capital; revaluation of monetary items; revaluation of financial instruments and other non-monetary items.

Dividends are record as payables at the time of approval of the Shareholders' meeting.

#### **13. Recognition of revenue and income**

Revenue is recognized at the time of transaction, when it is probable that the economic benefits will flow to the Company, is measured at the fair value of the consideration received or receivable after deduction of trade discount, discount sales and sales return.

##### ***Revenue from sales of green coffee and passion fruit***

- Revenue from the sale of goods and finished goods is recognised when all of the following conditions are met:
- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company no longer retains control over the goods or retains management of the goods as the owner of the goods.
- The amount of revenue is measured reliably. When a contract stipulates that the buyer has the right to return the purchased goods or products under specific conditions, revenue is recognised only when those specific conditions no longer exist and the buyer is not entitled to return the goods or products (except in cases where the customer has the right to return the goods in exchange for other goods or services).
- The Company has received or will receive economic benefits from the sale transaction.
- The costs related to the sale transaction can be measured reliably.

##### ***Interest***

Interest is recognized on an accrual basis, determined on the balance of deposit accounts and actual interest rates for each period.

##### ***Distributed dividend and profit***

Dividends and shared profit are recognized when shareholders are entitled to receive dividends or profits from the capital contribution. Received dividends are shares, that are only monitored for the increase in the number of shares, not for the value of shares received in par value.

#### **14. Cost of goods sold**

Cost of goods sold is the total cost of goods, finished products and direct costs of the volume of goods and services provided, other expenses are included or recorded reducing in the cost of goods.

#### **15. Financial expenses**

Financial expenses are the costs related to financial activities include expenses or losses related to financial activities, borrowing costs, loss of short-term securities transfers, transaction costs of selling securities, provision for devaluation of trading securities.

#### **16. Selling expenses and General administration expenses**

Selling expenses and General administration expenses are all costs related to the process of selling products, goods, rendering of services and general administration expenses of the Company.



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

*Notes to the Financial Statements (cont'd)*

---

**17. Corporate income tax**

Corporate income tax during the year includes current income tax and deferred income tax.

***Current income tax***

Current income tax is the tax amount computed based on the taxable income. Taxed income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as adjustment of non-taxable incomes and losses brought forward.

***Deferred corporate income tax***

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the financial statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax can be used. Deferred corporate income tax assets are not yet recorded in before that will be reconsidered as at the accounting period ended and recorded when being reliably taxable profit to be able to use deferred income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rates to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the income statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity of the company.

Deferred income tax assets and deferred income tax liabilities should be offset when:

- The Company has a legal right to implement the offset of current income tax assets and current income tax payable; and
- Those deferred income tax assets and deferred income tax payable related to corporate income tax is administered by the same tax authority:
  - For the same taxable entity; or
  - The Company intends to pay current income tax payable and current income tax assets on the basis of net or recover assets at the same time with the payment of liabilities in each future period when the significant deferred income tax payable or deferred income tax assets to be paid or recovered.

**18. Segment report**

- A business segment is a distinct identifiable part that is engaged in the production or provision of products or services and has risks and returns that are different from those of other business segments.
- A geographical segment is a distinct identifiable part that is engaged in the production or provision of a product or service within a particular economic environment and that is subject to economic risks and rewards. different from segments of businesses in other economic environments.

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

*Notes to the Financial Statements (cont'd)***19. Related parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or where the Company and other party are subject to common control or significant influence.

When considering the relationship of related parties, the nature of the relationship is much paid attention to rather than its legal form.

**V. ADDITIONAL INFORMATION FOR ITEMS SHOWS IN THE BALANCE SHEET (Unit: VND)****1. Cash and cash equivalents**

	Closing balance VND	Opening balance VND
- Cash on hand	552,665,726	273,159,146
- Cash at bank	3,751,958,426	403,446,137
+ VND	3,751,958,426	403,292,074
+ USD	0,00 #	6,39 #
	-	154,063
<b>Total</b>	<b>4,304,624,152</b>	<b>3,751,958,426</b>

**2. Short-term trade receivables**

	Closing balance	Opening balance
<i>Receivables from customers being related parties</i>	<i>4,860,214,300</i>	<i>7,960,214,300</i>
- Nghia Hung Energy Joint Stock Company	4,860,214,300	7,960,214,300
<i>Receivables from other customers</i>	-	-
<b>Total</b>	<b>4,860,214,300</b>	<b>7,960,214,300</b>

**3. Short-term advances to suppliers**

	Closing balance	Opening balance
<i>Advances to related parties</i>	-	-
<i>Advances to other suppliers</i>	<i>159,879,956</i>	<i>2,042,637</i>
- Giang Diu Business Household	157,000,000	-
- Others	2,879,956	2,042,637
<b>Total</b>	<b>159,879,956</b>	<b>2,042,637</b>



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**4. Short-term other receivables**

	Closing balance		Opening balance	
	Amount	Allowance	Amount	Allowance
<i>Receivables from related parties</i>	-	-	-	-
<i>Receivables from other entities</i>	5,704,287,407	(568,838,087)	6,095,657,673	(568,726,740)
People's Committee of Chu Prong District	447,375,948	-	447,375,948	-
Mr. Vo Ngoc Hieu	4,668,274,673	-	4,824,213,633	-
Other receivables	588,636,786	(568,838,087)	824,068,092	(568,726,740)
- Other receivables at the office	12,904,500	-	252,390,680	-
- Other receivables at Ia Yok Branch	34,211,757	(34,211,757)	34,211,757	(34,211,757)
- Other receivables at Ia Ba Branch	220,000	(220,000)	220,000	(220,000)
- Other receivables at Ia Grang Branch	534,294,983	(534,294,983)	534,294,983	(534,294,983)
- Other receivables at Chu Se Branch	296,924	(111,347)	-	-
- Overpaid social insurance	6,708,622	-	2,950,672	-
<b>Total</b>	<b>5,704,287,407</b>	<b>(568,838,087)</b>	<b>6,095,657,673</b>	<b>(568,726,740)</b>

**5. Short-term provision for doubtful debts**

	Closing balance	Opening balance
Nghia Hung Energy Joint Stock Company	4,860,214,300	-
Others	568,838,087	568,726,740
<b>Total</b>	<b>5,429,052,387</b>	<b>568,726,740</b>

**Changes in provision for doubtful debts**

	Current year	Previous year
Opening balance	568,726,740	570,933,538
Making provision	4,860,325,647	-
Reversing provision	-	(2,206,798)
<b>Closing balance</b>	<b>5,429,052,387</b>	<b>568,726,740</b>

**6. Inventories**

	Closing balance		Opening balance	
	Historical cost	Allowance	Historical cost	Allowance
Raw materials	328,699,521	(160,709,332)	307,817,287	(129,815,332)
Finished products	3,355,961,614	-	-	-
<b>Total</b>	<b>3,684,661,135</b>	<b>(160,709,332)</b>	<b>307,817,287</b>	<b>(129,815,332)</b>

- As of December 31, 2024, the value of inferior quality inventory is VND 160,709,332. The Company has made a provision for the entire amount.

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

*Notes to the Financial Statements (cont'd)*

- There is no inventory for collateral, mortgaged to ensure the debt at December 31, 2024.

**7. Tangible fixed assets**

	Buildings	Machinery & equipment	Transportation & transmitters	Office equipment	Long term trees	Total
<b>Historical cost</b>						
Opening balance	105,605,543,136	11,598,256,555	13,550,556,076	190,000,000	267,181,629,741	398,125,985,508
- Purchase	-	2,153,520,000	101,464,000	-	-	2,254,984,000
Decrease due to demolition of fixed assets	-	-	-	-	(31,250,292,147)	(31,250,292,147)
<b>Closing balance</b>	<b>105,605,543,136</b>	<b>13,751,776,555</b>	<b>13,652,020,076</b>	<b>190,000,000</b>	<b>235,931,337,594</b>	<b>369,130,677,361</b>
<i>In which:</i>						
- Depreciated fully but still using	7,578,148,211	1,140,900,000	-	-	-	-
<b>Depreciation</b>						
Opening balance	73,578,622,333	9,441,467,383	6,502,626,392	156,314,939	197,475,867,802	287,154,898,849
Depreciation	2,958,883,896	712,549,915	1,319,030,113	12,475,932	4,516,919,058	9,519,858,914
Decrease due to demolition of fixed assets	-	-	-	-	(22,498,252,439)	(22,498,252,439)
<b>Closing balance</b>	<b>76,537,506,229</b>	<b>10,154,017,298</b>	<b>7,821,656,505</b>	<b>168,790,871</b>	<b>179,494,534,421</b>	<b>274,176,505,324</b>
<b>Net book value</b>						
Opening balance	32,026,920,803	2,156,789,172	7,047,929,684	33,685,061	69,705,761,939	110,971,086,659
<b>Closing balance</b>	<b>29,068,036,907</b>	<b>3,597,759,257</b>	<b>5,830,363,571</b>	<b>21,209,129</b>	<b>56,436,803,173</b>	<b>94,954,172,037</b>

The remaining value of tangible fixed assets on land use rights used as collateral and mortgage for loans as of December 31, 2024 is VND 8,614,014,242. (Refer to Note No V.18b)

**8. Intangible fixed assets**

	Land use rights with limited term	Long-term land use rights	Total
<b>Historical cost</b>			
Opening balance	32,144,000	78,000,000	110,144,000
Increasing	-	-	-
Liquidation	-	-	-
<b>Closing balance</b>	<b>32,144,000</b>	<b>78,000,000</b>	<b>110,144,000</b>
<i>In which:</i>			
- Depreciated fully but still using	-	-	-
- Awaiting for liquidation	-	-	-
<b>Depreciation</b>			
Opening balance	5,713,915	-	5,713,915
Depreciation	1,086,552	-	1,086,552
Liquidation	-	-	-
<b>Closing balance</b>	<b>6,800,467</b>	<b>-</b>	<b>6,800,467</b>
<b>Net book value</b>			
Opening balance	26,430,085	78,000,000	104,430,085
<b>Closing balance</b>	<b>25,343,533</b>	<b>78,000,000</b>	<b>103,343,533</b>



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

**Notes to the Financial Statements (cont'd)**

- **Land use rights with a limited term:** The land use rights in Ia Blang Commune, Chur Sê District, Gia Lai, as per Land Use Rights Certificate No. DA517987 dated February 23, 2022, cover an area of 268.3 m<sup>2</sup> of perennial crop land, valued at VND 32,144,000, with a usage period until April 2047.
- **Long-term land use rights:** The land use rights in Ia Blang Commune, Chur Sê District, Gia Lai, as per Land Use Rights Certificate No. DA517987 dated February 23, 2022, cover an area of 130 m<sup>2</sup> of residential land, valued at VND 78,000,000.

Currently, the Company has no plans for utilizing these land use rights.

**9. Construction in progress**

	<u>Opening balance</u>	<u>Increasing</u>	<u>Decreasing</u>	<u>Closing balance</u>
<b>Basic construction in progress</b>	<b>2,143,157,576</b>	<b>4,417,399,506</b>	<b>(2,043,157,576)</b>	<b>4,517,399,506</b>
+ Cost of replacing the shade and windbreak system for the coffee garden with durian and avocado trees	1,543,025,367	-	(1,543,025,367)	-
+ Replanting area at Ia Grang Branch	600,132,209	4,417,399,506	(500,132,209)	4,517,399,506
<b>Total</b>	<b><u>2,143,157,576</u></b>	<b><u>4,417,399,506</u></b>	<b><u>(2,043,157,576)</u></b>	<b><u>4,517,399,506</u></b>

**10. Prepaid expenses****a. Short-term**

	<u>Closing balance</u>	<u>Opening balance</u>
Tools and instruments awaiting allocation	-	3,974,166
<b>Total</b>	<b><u>-</u></b>	<b><u>3,974,166</u></b>

**Changes in short-term prepaid expenses**

	<u>Current year</u>	<u>Previous year</u>
Opening balance	3,974,166	583,330
Making provision	-	4,769,000
Reversing provision	(3,974,166)	(1,378,164)
<b>Closing balance</b>	<b><u>-</u></b>	<b><u>3,974,166</u></b>

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

*Notes to the Financial Statements (cont'd)***b. Long-term**

	<u>Closing balance</u>	<u>Opening balance</u>
Tools and instruments awaiting allocation, repair costs	32,465,067	42,093,090
Other prepaid expenses awaiting allocation	29,736,928	-
Business advantage	1,215,165,828	1,543,589,028
<b>Total</b>	<b><u>1,277,367,823</u></b>	<b><u>1,585,682,118</u></b>

**Changes in long-term prepaid expenses**

	<u>Current year</u>	<u>Previous year</u>
Opening balance	1,585,682,118	1,902,465,356
Making provision	49,225,000	30,291,708
Reversing provision	(357,539,295)	(347,074,946)
<b>Closing balance</b>	<b><u>1,277,367,823</u></b>	<b><u>1,585,682,118</u></b>

**11. Short-term trade payables**

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Trade payables to related parties</i>	-	-
<i>Trade payables to other entities</i>	<b>550,048,630</b>	<b>83,024,350</b>
- Pepper Research and Development Center	378,000,000	-
- Tran Van Binh	88,790,600	-
- Cuong Thanh Private Enterprise	83,024,350	83,024,350
- Tran Thi Tri	233,680	-
<b>Cộng</b>	<b><u>550,048,630</u></b>	<b><u>83,024,350</u></b>

As of December 31, 2024, the unpaid overdue debt is VND 83,024,350.

**12. Short-term advances from customers**

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Advances from related parties</i>	<b>4,700,000,000</b>	-
Bien Ho Tea Joint Stock Company	4,700,000,000	-
Long Son Company Limited	10,000,000,000	-
<i>Advances from other customers</i>	-	-
<b>Total</b>	<b><u>14,700,000,000</u></b>	<b><u>-</u></b>



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

*Notes to the Financial Statements (cont'd)***13. Tax payable/receivable to Government**

	Opening balance		Payable	Paid amounts	Closing balance	
	Payables	Receivables	amounts		Payables	Receivables
Corporate income tax	105,197,382	-	-	-	105,197,382	-
Personal income tax on wages and salaries	4,037,592	-	118,963,641	110,952,435	-	3,973,614
Personal income tax on capital investment	-	1,595,784	219,535,698	39,502,798	-	181,628,684
Real estate tax, land rent	-	-	2,692,899,577	-	-	2,692,899,577
Other taxes	-	25,886,161	33,886,161	10,542,320	-	49,230,002
Fees and charges	-	-	133,691,588	16,910,738	-	116,780,850
<b>Total</b>	<b>109,234,974</b>	<b>27,481,945</b>	<b>3,198,976,665</b>	<b>177,908,291</b>	<b>105,197,382</b>	<b>3,044,512,727</b>

**Value added tax**

The Company pays value-added tax using the deduction method. Agricultural products produced by the Company are not subject to VAT, while other products are subject to the current tax rate.

**Corporate income tax**

The Company must pay corporate income tax for the following activities:

- Income from cultivation (including forest products) and agricultural processing (including cooperatives and enterprises engaged in the purchase and sale of agricultural and aquatic products for processing) is exempt from tax. The preferential corporate income tax exemption for these activities is stipulated in Point 1, Article 8 of VBHN No. 26, dated September 14, 2015, issued by the Ministry of Finance.
- For other business activities, the corporate income tax rate is 20%.

**Corporate income tax (CIT) payable during year is determined as follows:**

	Current year	Previous year
<b>Total accounting profits before CIT</b>	<b>(20,475,052,795)</b>	<b>(12,441,876,599)</b>
Adjustment to taxable income	8,684,249,414	7,458,213,237
- Increasing adjustment	8,684,249,414	7,458,217,582
+ Car depreciation costs for the original price of over 1.6 billion VND and depreciation of unused land use rights	1,123,085,984	1,124,172,539
+ Administrative fines, late tax payment	86,502,430	99,340,344
+ Income of the Management Board indirectly manage	455,900,000	188,000,000
+ Loan interest costs exceeding Decree 132/ND-CP	4,806,670,224	5,935,113,603
+ Other invalid costs	2,212,090,776	111,591,096
- Decreasing adjustment	-	4,345
+ Gain on different exchange rate revaluation of cash	-	4,345
<b>Total assessable income</b>	<b>(11,790,803,381)</b>	<b>(4,983,663,362)</b>
Tax-free income	-	-
<b>Taxable income</b>	<b>(11,790,803,381)</b>	<b>(4,983,663,362)</b>
Current corporate income tax expense	-	-
<b>Total current corporate income tax expense</b>	<b>-</b>	<b>-</b>

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**Other taxes**

The Company has declared and paid under regulations.

**14. Payables to employees**

	<u>Closing balance</u>	<u>Opening balance</u>
Salary payable	1,003,523,008	481,323,008
Bonuses to be paid to the Management Board and Supervisory Board	53,000,000	-
<b>Total</b>	<b><u>1,056,523,008</u></b>	<b><u>481,323,008</u></b>

**15. Short-term accrued expenses**

	<u>Closing balance</u>	<u>Opening balance</u>
Interest expense, interest on advance payments payable	22,843,597,047	25,414,676,597
<i>In which, interest payable to Bien Ho Tea JSC</i>	<i>20,614,847,833</i>	<i>20,073,210,933</i>
Gasoline and telephone expenses	-	19,754,802
Auditing and consulting expenses	77,000,000	80,000,000
<b>Total</b>	<b><u>22,920,597,047</u></b>	<b><u>25,514,431,399</u></b>

**16. Unrealized revenues****a. Short-term**

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Unrealized Revenue with Related Parties</i>	-	-
<i>Unrealized Revenue with Other Entities</i>	<i>27,965,057</i>	-
- La Thi Thuy	17,079,890	-
- Tran Thi Tri	10,885,167	-
<b>Total</b>	<b><u>27,965,057</u></b>	<b><u>-</u></b>

**b. Long-term**

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Unrealized Revenue with Related Parties</i>	<i>147,727,273</i>	<i>175,000,000</i>
- Nghia Hung Energy Joint Stock Company	147,727,273	175,000,000
<i>Unrealized Revenue with Other Entities</i>	<i>344,159,084</i>	<i>406,613,633</i>
- Novus Imperium Gia Lai 1 Joint Stock Company	147,727,273	175,000,000
- Na Son Gia Lai Company Limited	95,931,811	113,113,633
- Solcano Joint Stock Company	100,500,000	118,500,000
<b>Total</b>	<b><u>491,886,357</u></b>	<b><u>581,613,633</u></b>



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**17. Other short-term payables**

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Payables to related parties</i>	-	-
<i>Payables to other entities</i>	<b>3,060,061,949</b>	<b>3,454,793,427</b>
Trade Union fees	5,782,850	-
Payables for surplus regime	1,698,297,360	2,109,027,000
Payables to the State for equitization	1,041,882,332	1,041,882,332
Other payables	314,099,407	303,884,095
- Other payables at the office (*)	80,750,303	70,534,991
- Payables to people for surveying and marking	233,349,104	233,349,104
<b>Total</b>	<b><u>3,060,061,949</u></b>	<b><u>3,454,793,427</u></b>

(\*) Including the cost of gasoline and telephone expenses payable to the Board of Directors, Chief Accountant, and Supervisor in charge of the handover to the Joint Stock Company, which have not yet been paid by the company: VND 19,754,802.

**18. Borrowings and finance lease liabilities****a. Short-term**

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Amount</u>	<u>Value available</u>	<u>Amount</u>	<u>Value available</u>
<b>Short-term loans are related parties</b>	<b>15,954,599,400</b>	<b>11,254,599,400</b>	<b>16,179,599,400</b>	<b>16,179,599,400</b>
Short-term loans from individuals (Refer to Note No. VIII.2b)	15,954,599,400	11,254,599,400	16,179,599,400	16,179,599,400
- Trinh Quang Hung	6,259,750,000	6,259,750,000	11,059,750,000	11,059,750,000
- Trinh Dinh Truong	3,794,849,400	3,794,849,400	3,614,849,400	3,614,849,400
- Le Thi Vinh	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
- Nguyen Quang Hai	4,700,000,000	-	-	-
- Pham Van Cuong	-	-	305,000,000	305,000,000
<b>Short-term loans from other entities</b>	-	-	-	-
<b>Long-term loans due for payment are related parties</b>	<b>10,000,000,000</b>	<b>10,000,000,000</b>	-	-
- Bien Ho Tea Joint Stock Company (Refer to Note No. VIII.2b)	10,000,000,000	10,000,000,000	-	-
<b>Total</b>	<b><u>25,954,599,400</u></b>	<b><u>21,254,599,400</u></b>	<b><u>16,179,599,400</u></b>	<b><u>16,179,599,400</u></b>

Other short-term personal loans under loan contracts with a term of 12 months. The purpose of the loans is to serve production and business activities, with an interest rate ranging from 7.8% per year to 8.4% per year and no collateral required.

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**b. Long-term**

	Closing balance		Opening balance	
	Amount	Value available	Amount	Value available
<b>Long-term loans are related parties</b>	<b>22,258,188,000</b>	<b>22,258,188,000</b>	<b>42,258,188,000</b>	<b>42,258,188,000</b>
- Bien Ho Tea Joint Stock Company	22,258,188,000	22,258,188,000	42,258,188,000	42,258,188,000
(Refer to Note No. VIII.2b)				
<b>Total</b>	<b>22,258,188,000</b>	<b>22,258,188,000</b>	<b>42,258,188,000</b>	<b>42,258,188,000</b>

## - Long-term Loans of Bien Ho Tea Joint Stock Company under Loan Contracts:

+ Principle Contract No. 01/HĐNT/2019-FGL/BHG dated March 25, 2019, and its Appendix No. 01/PLHĐ/2022-BHG/FGL dated July 1, 2022. Loan amount: VND 12,500,000,000, loan term: 5 years from the signing date, interest rate: 12.5% per year.

+ Principle Contract No. 01/HĐNT/2018-FGL/BHG dated October 11, 2018, and its Appendix No. 02/PLHĐ/2022-BHG/FGL dated July 1, 2022. Loan amount: VND 20,206,000,000, loan term: 5 years from the signing date, interest rate: 12.5% per year

+ Appendix No. 01/PLHĐ/2023-BHG/FGL dated July 1, 2023, on converting short-term loans into long-term loans. Loan amount: VND 15,752,188,000, loan term: 5 years, interest rate: 12.5% per year.

(b1) All loans of Bien Ho Tea Joint Stock Company are unsecured and not guaranteed by any third party. However, the Board of Directors of the Company issued Meeting Minutes No. 07/BB.HĐQT dated December 22, 2022, agreeing to carry out transactions with related parties. Accordingly, the Company will use its existing assets, which are Land Use Right Certificates (LURCs), as collateral for the company's loans at Agribank - Gia Lai Branch from 2022. The details of the Land Use Right Certificates used as loan collateral are as follows:

No.	Asset	Address	Purpose
1	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517854	To Dan Pho 2, Thong Nhat Ward, Pleiku City, Gia Lai Province	Commercial Service Land
2	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517909	Ia Yok Commune, Ia Grai District, Gia Lai Province	Non-agricultural Production Land
3	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517851	Ia Yok Commune, Ia Grai District, Gia Lai Province	Non-agricultural Production Land
4	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517834	Ia Ba Commune, Ia Grai District, Gia Lai Province	Non-agricultural Production Land
5	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517905	Ia Ba Commune, Ia Grai District, Gia Lai Province	Non-agricultural Production Land
6	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517906	Ia Grang Commune, Ia Grai District, Gia Lai Province	Non-agricultural Production Land



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

7	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517901	Ia Pal Commune, Chu Se District, Gia Lai Province	Non-agricultural Production Land
8	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517902	Ia Pal Commune, Chu Se District, Gia Lai Province	Non-agricultural Production Land
9	Certificate of land use rights, house ownership rights and other assets attached to land No. DA 517817	Ia Pal Commune, Chu Se District, Gia Lai Province	Non-agricultural Production Land

**19. Owner's equity****a. Statements of changes in owner's equity**

	Contributed capital	Undistributed profit after tax	Total
Balance as at 01/01/2023	146,763,000,000	(93,092,796,264)	72,229,351,028
Profit during previous year	-	(12,441,876,599)	(12,441,876,599)
Decreasing	-	-	-
Balance as at 31/12/2023	146,763,000,000	(105,534,672,863)	41,228,327,137
Balance as at 01/01/2024	146,763,000,000	(105,534,672,863)	41,228,327,137
Profit during current year	-	(20,475,052,795)	(20,475,052,795)
Decreasing	-	-	-
Balance as at 31/12/2024	146,763,000,000	(126,009,725,658)	20,753,274,342

**b. Details of investment capital**

	Closing balance		Opening balance	
	Ratio (%)	Capital contribution	Ratio (%)	Capital contribution
- State shareholders	-	-	-	-
- Other shareholders	100,00%	146,763,000,000	100,00%	146,763,000,000
+ Legend Highland Investment Joint Stock Company	24,19%	35,500,000,000	24,19%	35,500,000,000
+ Nghia Hung Energy Joint Stock Company	23,85%	35,000,000,000	23,85%	35,000,000,000
+ Mr. Trinh Quang Hung	19,44%	28,528,020,000	19,44%	28,528,020,000
+ Mr. Trinh Quang Vinh	10,48%	15,383,810,000	10,48%	15,383,810,000
+ Other shareholders	22,04%	32,351,170,000	22,04%	32,351,170,000
Total	100,00%	146,763,000,000	100,00%	146,763,000,000

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**c. Capital transactions with owners and dividend, profit distribution**

	<u>Current year</u>	<u>Previous year</u>
- Contributed capital		
+ Opening balance	146,763,000,000	146,763,000,000
+ Increasing in the year	-	-
+ Decreasing in the year	-	-
+ Closing balance	146,763,000,000	146,763,000,000
- Distributed dividend	-	-

**d. Shares**

	<u>Closing balance</u>	<u>Opening balance</u>
The number of shares subscribed to issue	14,676,300	14,676,300
The number of shares issued	14,676,300	14,676,300
- Ordinary shares	14,676,300	14,676,300
- Preference shares	-	-
The number of treasury shares	-	-
The number of shares circulated	14,676,300	14,676,300
- Ordinary shares	14,676,300	14,676,300
- Preference shares	-	-
Par values shares circulated (VND/share)	10,000	10,000

**e. Undistributed profit after tax**

	<u>Current year</u>	<u>Previous year</u>
Undistributed profits at the beginning of the year	(105,534,672,863)	(93,092,796,264)
Profit after tax Corporate income this year	(20,475,052,795)	(12,441,876,599)
<b>Undistributed profits after tax</b>	<b><u>(126,009,725,658)</u></b>	<b><u>(105,534,672,863)</u></b>

**20. Off-Balance Sheet Items****a. Foreign currency**

<u>Items</u>	<u>Closing balance</u>	<u>Opening balance</u>
Foreign currency		
- USD	0,00	6,39



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**b. Doubtful debts resolved**

Entities	Closing balance	Opening balance
At Ia Phin Branch	2,745,540,295	2,766,225,860
At Ia Ba Branch	483,744,506	483,744,506
Other entities	85,437,208	85,437,208
<b>Total</b>	<b>3,314,722,009</b>	<b>3,335,407,574</b>

**VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT (Unit: VND)****1. Revenues from sales and services rendered**

	Current year	Previous year
Revenue from coffee sales	15,524,446,096	11,219,513,100
Revenue from sales of materials and fertilizers	115,692,382	-
Other revenue	134,489,492	111,543,027
<b>Total</b>	<b>15,774,627,970</b>	<b>11,331,056,127</b>

**In which, revenue with related parties includes:**

	Current year	Previous year
Revenue from coffee sales	9,552,130,000	5,400,000,000
Other revenue	27,272,727	27,272,727
<b>Total</b>	<b>9,579,402,727</b>	<b>5,427,272,727</b>

**2. Costs of goods sold**

	Current year	Previous year
Cost of coffee sold	9,065,854,200	11,364,068,093
Cost of materials, fertilizers, seedlings	113,270,914	-
Other costs	36,682,000	36,682,000
Provision for inventory depreciation	30,894,000	129,815,332
<b>Total</b>	<b>9,246,701,114</b>	<b>11,530,565,425</b>

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**3. Financial income**

	<u>Current year</u>	<u>Previous year</u>
Deposits, loans interest	46,139	166,020
Interest from people paying late production fees	116,453,772	51,832,879
Gain due to reduction in financial investment	2,428	11,116
Foreign exchange gain on revaluation of ending balance	-	4,345
<b>Total</b>	<b><u>116,502,339</u></b>	<b><u>52,014,360</u></b>

**4. Financial expenses**

	<u>Current year</u>	<u>Previous year</u>
Interest expenses	6,619,634,400	7,461,910,902
<b>Total</b>	<b><u>6,619,634,400</u></b>	<b><u>7,461,910,902</u></b>

**5. Selling expenses**

	<u>Current year</u>	<u>Previous year</u>
Costs of outsourced services	6,984,280	20,808,000
<b>Cộng</b>	<b><u>6,984,280</u></b>	<b><u>20,808,000</u></b>

**6. General administration expenses**

	<u>Current year</u>	<u>Previous year</u>
Employees cost	2,395,748,863	2,322,878,933
Cost of raw materials and office supplies	451,471,858	460,296,525
Fixed asset depreciation	1,523,122,020	1,523,122,020
Costs of outsourced services	431,474,811	236,298,649
Provision/reversal for doubtful debts	4,860,325,647	(2,206,798)
Other expenses in cash	450,293,662	351,663,458
<b>Total</b>	<b><u>10,112,436,861</u></b>	<b><u>4,892,052,787</u></b>

**7. Other income**

	<u>Current year</u>	<u>Previous year</u>
Collection of outstanding products from previous cases	583,151,700	442,576,300
Collection of contract compensation	60,480,000	-
Doubtful debts that have been settled and now collected	20,685,565	-
<b>Total</b>	<b><u>664,317,265</u></b>	<b><u>442,576,300</u></b>



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**8. Other expenses**

	<u>Current year</u>	<u>Previous year</u>
Remaining value of demolished garden	8,752,039,708	185,574,832
Cost of replanting and planting windbreak trees in coffee garden is not effective	2,043,157,576	-
Administrative fines, late tax payment	86,502,430	99,340,344
Other invalid costs	163,044,000	77,271,096
<b>Total</b>	<b><u>11,044,743,714</u></b>	<b><u>362,186,272</u></b>

**9. Basic earnings per share**

	<u>Current year</u>	<u>Previous year</u>
Profit after corporate income tax	(20,475,052,795)	(12,441,876,599)
- Adjustment to profits to determine distributed profit for shareholder owns common shares:	-	-
- Profit or loss distributed to shareholder owns common	(20,475,052,795)	(12,441,876,599)
- The number of common shares circulated (shares)	14,676,300	14,676,300
<b>Earnings per Share (VND /share)</b>	<b><u>(1,395)</u></b>	<b><u>(848)</u></b>

**Average outstanding common shares during the year**

	<u>Current year</u>	<u>Previous year</u>
Outstanding common shares at the beginning of the year	14,676,300	14,676,300
Impact of repurchased common shares	-	-
<b>Average outstanding common shares during the year</b>	<b><u>14,676,300</u></b>	<b><u>14,676,300</u></b>

**10. Diluted earnings per share**

	<u>Current year</u>	<u>Previous year</u>
- Profit distributed to sharehold owns common shares used to calculate earnings per share	(20,475,052,795)	(12,441,876,599)
Adjustment to profits:	-	-
- Profit to calculate diluted earnings per share	(20,475,052,795)	(12,441,876,599)
The number of common shares used to calculate diluted earnings per share	14,676,300	14,676,300
<b>Diluted earnings per Share (VND/share)</b>	<b><u>(1,395)</u></b>	<b><u>(848)</u></b>

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**11. Operating expenses according to elements**

	<u>Current year</u>	<u>Previous year</u>
Cost of fuel, materials	460,169,098	463,273,845
Employees cost	4,194,683,958	3,638,271,173
Fixed asset depreciation	9,518,098,208	10,149,292,674
Costs of outsourced services	646,240,005	539,862,657
Other expenses in cash	3,011,672,953	1,504,309,329
<b>Total</b>	<b><u>17,830,864,222</u></b>	<b><u>16,295,009,678</u></b>

**VII. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CASH FLOW STATEMENT (Unit: VND)****1. Proceeds from borrowing**

	<u>Current year</u>	<u>Previous year</u>
Proceeds from borrowing under conventional contracts	18,614,913,000	8,682,876,300
<b>Total</b>	<b><u>18,614,913,000</u></b>	<b><u>8,682,876,300</u></b>

**2. Repayment of loan principal**

	<u>Current year</u>	<u>Previous year</u>
Payments for loans under conventional contracts	(28,839,913,000)	(16,456,343,800)
<b>Total</b>	<b><u>(28,839,913,000)</u></b>	<b><u>(16,456,343,800)</u></b>

**VIII. OTHER INFORMATION****1. Contingent Liabilities**

According to Notification No. 5556/TB-CTGLA-KĐT dated July 8, 2024, from the Gia Lai Tax Department, the Company still owes land rental fees and late payment penalties from previous years as follows:

	<b>Land Rental Fees</b>	<b>Late Payment Penalties</b>	<b>Total</b>
State-Owned Enterprise Phase	7,754,365,354	4,020,354,217	11,774,719,571
Joint Stock Company Phase	395,826,472	215,124,770	610,951,242
<b>Total</b>	<b>8,150,191,826</b>	<b>4,235,478,987</b>	<b>12,385,670,813</b>

Reasons for the Omission of These Liabilities in Previous Financial Statements:

- a. **State-Owned Enterprise Phase:** These land rental fees arose during the State-Owned Enterprise phase and were not included in the equitization plan or the enterprise valuation documentation.



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

*Notes to the Financial Statements (cont'd)*

- b. **Joint Stock Company Phase:** The discrepancy arises because the Tax Department calculated land rental fees on the total land area, including portions that had already been transferred to local authorities for management.

The Company has filed a lawsuit against the Director of the Gia Lai Tax Department on July 19, 2024, and the Gia Lai People's Court is currently handling the case.

**2. Transactions and balance with related parties**

The Company's related parties include key management personnel, individuals related to key management personnel, and other related entities.

**a. Transactions and balance with key management members and related individuals with key management members**

Key management personnel include members of the Board of Directors, the Executive Board, and the Supervisory Board. Individuals related to key management personnel are their close family members.

*Income of key management members:*

No.	Executive Board members	Position	Current year			
			Salary, bonus	Remuneration	Dividend	Total
1	Trinh Quang Hung	Chairman	327,541,500	196,300,000	-	523,841,500
2	Trinh Dinh Truong	Vice Chairman	-	115,050,000	-	115,050,000
3	Nguyen Cong Tien	Member of the BOM	327,073,478	21,450,000	-	348,523,478
4	Phung Ngoc Kim	Member of the BOM	-	39,000,000	-	39,000,000
5	Trinh Quang Vinh	Member of the BOM	-	39,000,000	-	39,000,000
6	Tran Dong Hung	Head of the BOS	-	39,000,000	-	39,000,000
7	Bui Thi Lieu	Member of the BOS	-	14,300,000	-	14,300,000
8	Bui Thi Bich Huong	Member of the BOS	90,000,000	26,000,000	-	116,000,000
9	Le Ba Hieu	Chief Accountant	147,525,000	-	-	147,525,000
10	Nguyen Van Quan	Vice General Director	196,600,000	-	-	196,600,000
11	Le Thi Vinh	Former member of the BOS	-	11,700,000	-	-
12	Pham Van Cuong	Former Vice General Director	36,000,000	17,550,000	-	53,550,000
	<b>Total</b>		<b>1,124,739,978</b>	<b>519,350,000</b>	<b>-</b>	<b>1,632,389,978</b>

No.	Executive Board members	Position	Previous year			
			Salary, bonus	Remuneration	Dividend	Total
1	Trinh Dinh Truong	Chairman	-	60,000,000	-	60,000,000
2	Trinh Quang Hung	Member of the BOM cum General Director	367,920,000	36,000,000	-	403,920,000
3	Trinh Quang Vinh	Member of the BOM	-	36,000,000	-	36,000,000
4	Pham Van Cuong	Member of the BOM cum Vice General Director	216,000,000	36,000,000	-	252,000,000
5	Trinh Van Cong	Former member of the BOM	19,500,000	12,000,000	-	31,500,000
6	Phung Ngoc Kim	Member of the BOM	-	24,000,000	-	24,000,000
7	Tran Dong Hung	Head of the BOS	-	36,000,000	-	36,000,000
8	Le Thi Vinh	Member of the BOS	-	24,000,000	-	24,000,000
9	Bui Thi Bich Huong	Member of the BOS	88,000,000	16,000,000	-	104,000,000
10	Hoa Thi Lan Huong	Former member of the BOS	-	8,000,000	-	8,000,000
11	Nguyen Van Quan	Chief Accountant	168,000,000	-	-	168,000,000
	<b>Total</b>		<b>859,420,000</b>	<b>288,000,000</b>	<b>-</b>	<b>1,147,420,000</b>

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

**Notes to the Financial Statements (cont'd)****b. Transactions with other related parties**

Other related parties include: subsidiaries, companies which the Company is investing capital and individuals in their families, enterprises which key management members and individuals have direct or indirect voting right of the Company and their families members.

*Other related members include*

<b>Other related parties</b>	<b>Relationship</b>
Nghia Hung Energy Joint Stock Company	Investment Company
Bien Ho Tea Joint Stock Company	Same Investment Company
Long Son Company Limited	Board of Directors Member with Close Relationship with the Chairman of the Chairman of the Board of Directors cum Deputy Chairman of the Board of Directors
Mr. Trinh Quang Hung	Board of Supervisors Member
Mr. Trinh Dinh Truong	Close Relationship with the Chairman of the Board of Directors
Ms. Le Thi Vinh	
Mr. Nguyen Quang Hai	

*Revenue from other related parties*

	<b>Current year</b>	<b>Previous year</b>
<b>Bien Ho Tea Joint Stock Company</b>	<b>9,552,130,000</b>	<b>5,400,000,000</b>
Coffee sales revenue	9,552,130,000	5,400,000,000
Other revenue	-	-
<b>Nghia Hung Energy Joint Stock Company</b>	<b>27,272,727</b>	<b>27,272,727</b>
Other revenue	27,272,727	27,272,727
	<b>9,579,402,727</b>	<b>5,427,272,727</b>

*Transactions with other related parties*

	<b>Current year</b>	<b>Previous year</b>
<b>Bien Ho Tea Joint Stock Company</b>		
- Loan repayment	10,000,000,000	-
- Loan interest repayment	4,800,000,000	-
<b>Long Son Company Limited</b>		
- Advances from customers	10,000,000,000	-
<b>Trinh Dinh Truong</b>		
- Lending	3,314,913,000	3,326,532,500
- Loan repayment	3,134,913,000	5,426,343,800
<b>Trinh Quang Hung</b>		
- Lending	8,900,000,000	1,106,343,800
- Loan repayment	13,700,000,000	6,780,000,000
<b>Nguyen Quang Hai</b>		
- Lending	4,700,000,000	-
- Loan repayment	-	-



**GIA LAI COFFEE JOINT STOCK COMPANY***No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province***FINANCIAL STATEMENTS***For the fiscal year ended as of December 31, 2024**Notes to the Financial Statements (cont'd)**Balance with other related parties:*

	<u>Closing balance</u>	<u>Opening balance</u>
<b>Bien Ho Tea Joint Stock Company</b>		
Advances from customers	4,700,000,000	-
Long-term loan due	10,000,000,000	-
Long-term loan	22,258,188,000	42,258,188,000
Loan interest, advance payment payable	20,614,847,833	20,073,210,933
<b>Nghia Hung Energy Joint Stock Company</b>		
Receivables from customers	4,860,214,300	7,960,214,300
<b>Long Son Company Limited</b>		
Advances from customers	10,000,000,000	-
<b>Trinh Dinh Truong</b>		
Short-term loan	3,794,849,400	3,614,849,400
Loan interest	420,931,200	700,000,000
<b>Trinh Quang Hung</b>		
Short-term loan	6,259,750,000	11,059,750,000
Loan interest	1,327,548,014	4,208,201,414
<b>Pham Van Cuong</b>		
Short-term loan	-	305,000,000
Loan interest	-	48,154,250
<b>Le Thi Vinh</b>		
Short-term loan	1,200,000,000	1,200,000,000
Loan interest	480,270,000	385,110,000
<b>Nguyen Quang Hai</b>		
Short-term loan	4,700,000,000	-

**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

Notes to the Financial Statements (cont'd)

**3. Segment report**

- Presenting segment report in accordance with business field:

	Coffee	Sell materials, fertilizers	Others activities	Total
<b>Current year</b>				
Net revenues from sales and services rendered to external customers	15,524,446,096	115,692,382	134,489,492	15,774,627,970
Net revenues from sales and services rendered between segments	-	-	-	-
Net revenues from sales and services rendered	15,524,446,096	115,692,382	134,489,492	15,774,627,970
Cost of goods sold	9,065,854,200	113,270,914	36,682,000	9,215,807,114
Segmental gross profit	6,458,591,896	2,421,468	97,807,492	6,558,820,856
<b>Previous year</b>				
Net revenues from sales and services rendered to external customers	11,219,513,100	-	111,543,027	11,331,056,127
Net revenues from sales and services rendered between segments	-	-	-	-
Net revenues from sales and services rendered	11,219,513,100	-	111,543,027	11,331,056,127
Cost of goods sold	11,493,883,425	-	36,682,000	11,530,565,425
Segmental gross profit	(274,370,325)	-	74,861,027	(199,509,298)

- Presenting segment report in accordance with geographical area

During the year, all activities of the Company are happened in Viet Nam.

**4. Comparative Figures**

The comparative figures are based on the audited financial statements for the fiscal year ended December 31, 2023, audited by Vietnam Standard Auditing and Consulting Co., Ltd. – Da Nang Branch.

Certain figures in the balance sheet have been restated in accordance with decision No. 205/QĐ-UBND dated May 7, 2024, approving financial settlement, equitization cost settlement, severance support cost settlement, and proceeds from the equitization of Gia Lai Coffee One-Member Limited Liability Company at the time of its official transition into a joint-stock company, ecision No. 206/QĐ-UBND dated May 7, 2024, adjusting the State capital portion of Gia Lai Coffee One-Member Limited Liability Company at the time of its official transition into a joint-stock company.

As a result, figures for the accounting period from July 1, 2017, to September 12, 2018, have been adjusted, affecting the opening balances of the current year's balance sheet.

Additionally, the "Funding Sources" item on the balance sheet has been restated in accordance with Decision No. 436/QĐ-UBND dated September 18, 2024, approving the settlement of financial support for the use of public utility irrigation services. The specific impact of these adjustments is as follows:



**GIA LAI COFFEE JOINT STOCK COMPANY**

No. 97, Pham Van Dong Street, Thong Nhat Ward, Pleiku City, Gia Lai Province

**FINANCIAL STATEMENTS**

For the fiscal year ended as of December 31, 2024

*Notes to the Financial Statements (cont'd)*

ARTICLE	Code	Figures as of 01/01/2024 (Before adjustment)	Figures as of 01/01/2024 (After adjustment)	Difference
<b>I. ASSETS</b>		<b>25,309,282,127</b>	<b>6,095,657,673</b>	<b>19,213,624,454</b>
1. Other short-term receivables	136	25,309,282,127	6,095,657,673	19,213,624,454
<b>II. RESOURCES</b>		<b>(81,674,460,934)</b>	<b>(102,079,879,436)</b>	<b>20,405,418,502</b>
1. Other short-term payables	319	5,301,064,637	3,454,793,427	1,846,271,210
2. Undistributed profit after tax	421	(86,975,525,571)	(105,534,672,863)	18,559,147,292
- - Undistributed profit after tax brought forward	421a	(74,533,648,972)	(93,092,796,264)	18,559,147,292
- - Undistributed profit after tax for the current year	421b	(12,441,876,599)	(12,441,876,599)	-
<b>II. Other sources and funds</b>	<b>430</b>	<b>(4,948,355)</b>	<b>1,186,845,693</b>	<b>(1,191,794,048)</b>
1. Funding sources	431	(4,948,355)	1,186,845,693	(1,191,794,048)

**5. Going concern assumption**

The financial statements of the Company have been prepared under the assumption that the Company will continue as a going concern. As of December 31, 2024, the accumulated loss amounted to VND (126,009,725,658), the Company's current liabilities exceeded its current assets by VND 56,367,581,986. The Company's ability to continue as a going concern depends on its ability to generate profits in the future and/or financial support from shareholders to ensure sufficient resources for continued operations.

These financial statements do not include any adjustments related to the recoverability or reclassification of recorded assets, or the valuation or reclassification of liabilities that might be necessary if the Company is unable to continue its operations.

**6. Subsequent events**

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be presented in the financial statements.

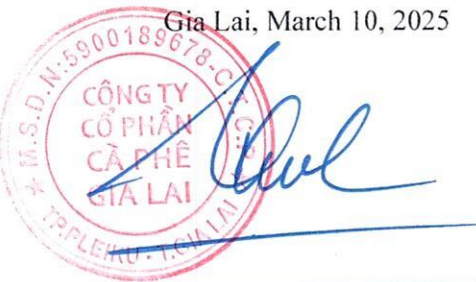
Gia Lai, March 10, 2025



**LE BA HIEU**  
Preparer



**LE BA HIEU**  
Chief Accountant



**NGUYEN CONG TIEN**  
General Director

