

Lof International Dairy Products Joint Stock Company
(formerly known as International Dairy Products Joint Stock Company)

Separate financial statements

For the year ended 31 December 2024



**Shape the future
with confidence**

Lof International Dairy Products Joint Stock Company

(formerly known as International Dairy Products Joint Stock Company)

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Lof International Dairy Products Joint Stock Company

(formerly known as International Dairy Products Joint Stock Company)

GENERAL INFORMATION

THE COMPANY

Lof International Dairy Products Joint Stock Company (formerly known as International Dairy Products Joint Stock Company) ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 0500463609 issued by the Department of Planning and Investment ("DPI") of Hanoi City on 24 November 2014, as subsequently amended.

The current principal activities of the Company are to manufacture and trade milk and milk products.

The Company's registered head office is located at Duc Thinh Hamlet, Tan Linh Commune, Ba Vi District, Hanoi City, Vietnam. In addition, the Company has three (3) branches at Dau Tieng District, Binh Duong Province, Ba Vi District, Ha Noi City and Cu Chi District, Ho Chi Minh City.

According to the 12th amended ERC issued by the DPI of Binh Duong City on 15 July 2024, the Company has moved its Head Office from Duc Thinh Hamlet, Tan Linh Commune, Ba Vi District, Hanoi City, Vietnam to Slot C-13A-CN, N16 Street, Bau Bang Extension Industrial Park, Long Tan Ward, Dau Tieng District, Binh Duong Province, Vietnam and changed its name to Lof International Dairy Products Joint Stock Company.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr To Hai	Chairman
Ms Dang Pham Minh Loan	Member
Mr Dinh Quang Hoan	Member
Ms Truong Nguyen Thien Kim	Member
Mr Doan Huu Nguyen	Independent member
Ms Tran Thu Trang	Member

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Ms Hoang Ngoc Trieu Duong	Head
Ms Ton Minh Phuong	Member
Ms Mai Thi Thanh Trang	Member

MANAGEMENT

Members of management during the year and at the date of this report are:

Mr Bui Hoang Sang	Chief Executive Officer	appointed on 23 February 2024
Ms Dang Pham Minh Loan	Chief Executive Officer	resigned on 22 February 2024
Ms Chu Hai Yen	Deputy General Director	
Mr Pham Trong Bao Chau	Managing Director	resigned on 25 January 2024

LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report are:

Mr To Hai	
Mr Bui Hoang Sang	appointed on 23 February 2024
Ms Dang Pham Minh Loan	resigned on 22 February 2024

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

Lof International Dairy Products Joint Stock Company

(formerly known as International Dairy Products Joint Stock Company)

REPORT OF MANAGEMENT

Management of Lof International Dairy Products Joint Stock Company (formerly known as International Dairy Products Joint Stock Company) ("the Company") is pleased to present this report and the separate financial statements of the Company for the year ended 31 December 2024.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of each financial year which give a true and fair view of the separate financial position of the Company and of the separate results of its operations and its separate cash flows for the year. In preparing those separate financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the separate financial statements; and
- ▶ prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying separate financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2024 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the separate financial statements.

The Company has a subsidiary as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiary for the year ended 31 December 2024 dated 7 March 2025.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.



Bui Hoang Sang
Chief Executive Officer

Binh Duong Province, Vietnam

7 March 2025

Reference: 11432708/E-67736105

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of Lof International Dairy Products Joint Stock Company
(formerly known as International Dairy Products Joint Stock Company)**

We have audited the accompanying separate financial statements of Lof International Dairy Products Joint Stock Company (formerly known as International Dairy Products Joint Stock Company) ("the Company") as prepared on 7 March 2025 and set out on pages 5 to 38, which comprise the separate balance sheet as at 31 December 2024, and the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the 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 management, as well as evaluating the overall presentation of the separate financial statements.

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

Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2024, and of the separate results of its operations and its separate cash flows for year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

Ernst & Young Vietnam Limited



Le Vu Truong
Deputy General Director
Audit Practicing Registration Certificate
No. 1588-2023-004-1



Tran Thanh Thuy
Auditor
Audit Practicing Registration Certificate
No. 3076-2024-004-1

Ho Chi Minh City, Vietnam

7 March 2025

Lof International Dairy Products Joint Stock Company
(formerly known as International Dairy Products Joint Stock Company)

B01-DN

SEPARATE BALANCE SHEET
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		3,844,042,642,508	3,497,198,525,289
110	I. Cash and cash equivalents	4	262,018,642,456	211,781,081,549
111	1. Cash		223,114,489,031	86,781,081,549
112	2. Cash equivalents		38,904,153,425	125,000,000,000
120	II. Short-term investment		1,581,800,913,954	2,048,494,358,686
123	1. Held-to-maturity investments	5	1,581,800,913,954	2,048,494,358,686
130	III. Current accounts receivables		1,180,476,018,476	740,267,580,546
131	1. Short-term trade receivables	6.1	157,783,034,564	125,443,875,228
132	2. Short-term advances to suppliers	6.2	99,102,637,373	250,641,601,155
135	3. Lending principal receivable	7	850,000,000,000	300,000,000,000
136	4. Other short-term receivables	8	74,418,596,539	65,810,354,163
137	5. Provision for doubtful debts	6.1	(828,250,000)	(1,628,250,000)
140	IV. Inventories	9	641,616,525,808	435,339,418,865
141	1. Inventories		644,111,182,895	436,910,894,658
149	2. Provision for obsolete inventories		(2,494,657,087)	(1,571,475,793)
150	V. Other current assets		178,130,541,814	61,316,085,643
151	1. Short-term prepaid expenses	13	5,383,074,138	6,974,639,811
152	2. Value added tax deductibles	15	169,062,613,543	54,125,542,662
153	3. Tax and other receivables from the State	15	3,684,854,133	215,903,170

SEPARATE BALANCE SHEET (continued)
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		3,368,025,466,011	1,747,248,383,229
210	I. Long-term receivable		8,850,858,041	7,140,578,543
216	1. Other long-term receivables		8,850,858,041	7,140,578,543
220	II. Fixed assets		852,964,189,632	816,876,316,544
221	1. Tangible fixed assets	10	850,060,754,439	815,775,624,071
222	Cost		1,905,965,512,480	1,699,061,869,872
223	Accumulated depreciation		(1,055,904,758,041)	(883,286,245,801)
227	2. Intangible fixed assets	11	2,903,435,193	1,100,692,473
228	Cost		22,517,498,145	19,226,243,762
229	Accumulated amortisation		(19,614,062,952)	(18,125,551,289)
240	III. Long-term asset in progress		1,346,927,928,712	595,971,192,946
242	1. Construction in progress	12	1,346,927,928,712	595,971,192,946
250	IV. Long-term investments	5	806,875,550,000	204,313,613,441
251	1. Investments in subsidiaries		606,875,550,000	-
255	2. Held-to-maturity investment		200,000,000,000	204,313,613,441
260	V. Other long-term assets		352,406,939,626	122,946,681,755
261	1. Long-term prepaid expenses	13	314,949,557,714	56,482,427,230
262	2. Deferred tax assets	26.4	37,457,381,912	66,464,254,525
270	TOTAL ASSETS		7,212,068,108,519	5,244,446,908,518

Lof International Dairy Products Joint Stock Company
(formerly known as International Dairy Products Joint Stock Company)

B01-DN

SEPARATE BALANCE SHEET (continued)
as at 31 December 2024

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		3,791,435,252,422	2,179,560,837,637
310	I. Current liabilities		3,123,845,800,310	2,143,842,812,387
311	1. Short-term trade payables	14	935,197,627,223	662,816,550,331
312	2. Short-term advances from customers		72,690,700,486	46,142,643,122
313	3. Statutory obligations	15	31,721,003,585	167,981,704,751
314	4. Payables to employees		110,438,600,929	75,391,675,866
315	5. Short-term accrued expenses	16	242,545,299,023	434,013,756,890
319	6. Other short-term payables	17	15,177,865,660	15,316,219,683
320	7. Short-term loans	18	1,714,394,736,974	740,500,295,314
322	8. Bonus and welfare fund	27	1,679,966,430	1,679,966,430
330	II. Non-current liability		667,589,452,112	35,718,025,250
338	1. Long-term loan	18	667,589,452,112	35,718,025,250
400	D. OWNERS' EQUITY		3,420,632,856,097	3,064,886,070,881
410	I. Capital	19.1	3,420,632,856,097	3,064,886,070,881
411	1. Share capital		618,044,720,000	613,504,720,000
411a	- Shares with voting rights		618,044,720,000	613,504,720,000
412	2. Share premium		849,979,583,600	849,979,583,600
418	3. Investment and development fund		5,150,000,000	5,150,000,000
421	4. Undistributed earnings		1,947,458,552,497	1,596,251,767,281
421a	- Undistributed earnings by the end of prior year		1,074,772,755,281	671,887,924,641
421b	- Undistributed earnings of current year		872,685,797,216	924,363,842,640
440	TOTAL LIABILITIES AND OWNERS' EQUITY		7,212,068,108,519	5,244,446,908,518

Phan Van Thang
Preparer cum Chief Accountant

Bui Hoang Sang
Chief Executive Officer

Binh Duong Province, Vietnam

7 March 2025

SEPARATE INCOME STATEMENT
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods	20.1	7,774,453,292,729	6,746,724,641,984
02	2. Deductions	20.1	(116,302,989,201)	(92,072,643,379)
10	3. Net revenue from sale of goods	20.1	7,658,150,303,528	6,654,651,998,605
11	4. Cost of goods sold	21	(4,533,184,733,920)	(3,948,078,479,478)
20	5. Gross profit from sale of goods		3,124,965,569,608	2,706,573,519,127
21	6. Finance income	20.2	176,006,116,075	146,164,041,784
22	7. Finance expenses	23	(66,365,247,853)	(59,218,268,566)
23	In which: Interest expense		(47,181,459,289)	(43,585,944,815)
25	8. Selling expenses	22	(1,884,222,635,814)	(1,450,803,925,742)
26	9. General and administrative expenses	22	(248,795,826,172)	(177,351,781,031)
30	10. Operating profit		1,101,587,975,844	1,165,363,585,572
31	11. Other income	24	5,858,032,722	5,842,530,780
32	12. Other expenses	24	(2,532,203,531)	(18,844,579,102)
40	13. Other profit (loss)	24	3,325,829,191	(13,002,048,322)
50	14. Accounting profit before tax		1,104,913,805,035	1,152,361,537,250
51	15. Current corporate income tax expense	26.1	(203,221,135,206)	(258,301,406,317)
52	16. Deferred tax (expense) income	26.4	(29,006,872,613)	30,303,711,707
60	17. Net profit after tax		872,685,797,216	924,363,842,640


Phan Van Thang
Preparer cum Chief Accountant


Bui Hoang Sang
Chief Executive Officer

Binh Duong Province, Vietnam

7 March 2025

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		1,104,913,805,035	1,152,361,537,250
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets	10, 11	193,857,827,326	161,842,210,124
03	Provisions		123,181,294	783,432,702
04	Foreign exchange (gains) losses arising from revaluation of monetary accounts denominated in foreign currency		(469,347,500)	1,898,963,066
05	Profits from investing activities		(145,966,022,335)	(129,648,716,260)
06	Interest expense	23	47,181,459,289	43,585,944,815
08	Operating profit before changes in working capital		1,199,640,903,109	1,230,823,371,697
09	(Increase) decrease in receivables		(7,576,167,648)	23,334,455,400
10	Increase in inventories		(207,200,288,237)	(44,348,741,831)
11	(Decrease) increase in payables		(109,574,619,759)	123,438,193,818
12	Decrease (increase) in prepaid expenses		7,923,635,189	(1,351,462,819)
14	Interest paid		(43,428,024,821)	(43,877,893,926)
15	Corporate income tax paid	15	(350,805,835,504)	(140,370,470,755)
20	Net cash flows from operating activities		488,979,602,329	1,147,647,451,584
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term asset		(987,808,827,789)	(603,584,717,613)
22	Proceeds from disposals of fixed assets		2,171,207,042	8,485,309,773
23	Term deposits at banks		(1,750,769,690,062)	(2,927,590,848,003)
24	Collections from bank deposits		1,671,776,748,235	1,588,199,937,141
25	Payments for investments in a subsidiary		(606,875,550,000)	-
26	Proceeds from sales of investments in other entities		-	499,900,000,000
27	Interest received		143,292,996,165	106,678,469,298
30	Net cash flows used in investing activities		(1,528,213,116,409)	(1,327,911,849,404)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution	19.1	4,540,000,000	598,706,303,600
33	Drawdown of borrowings	18	4,292,550,405,961	2,874,699,456,345
34	Repayment of borrowings	18	(2,686,784,537,439)	(2,890,111,933,710)
36	Dividend paid	19.2	(521,479,012,000)	(265,254,624,000)
40	Net cash flows from financing activities		1,088,826,856,522	318,039,202,235

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash for the year		49,593,342,442	137,774,804,415
60	Cash and cash equivalents at beginning of year		211,781,081,549	74,072,755,934
61	Impact of exchange rate fluctuation		644,218,465	(66,478,800)
70	Cash and cash equivalents at end of year	4	262,018,642,456	211,781,081,549



Phan Van Thang
Preparer cum Chief Accountant



Bui Hoang Sang
Chief Executive Officer

Binh Duong Province, Vietnam

7 March 2025

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at 31 December 2024 and for the year then ended

1. CORPORATE INFORMATION

Lof International Dairy Products Joint Stock Company (formerly known as International Dairy Products Joint Stock Company) ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 0500463609 issued by the Department of Planning and Investment ("DPI") of Hanoi City on 24 November 2014, as subsequently amended.

The current principal activities of the Company are to manufacture and trade milk and milk products.

The Company's registered head office is located at Duc Thinh Hamlet, Tan Linh Commune, Ba Vi District, Hanoi City, Vietnam. In addition, the Company has three (3) branches in Dau Tieng District, Binh Duong Province, Ba Vi District, HaNoi City and Cu Chi District, Ho Chi Minh City.

According to the 12th amended ERC issued by the DPI of Binh Duong City on 15 July 2024, the Company has moved its Head Office from Duc Thinh Hamlet, Tan Linh Commune, Ba Vi District, Hanoi City, Vietnam to Slot C-13A-CN, N16 Street, Bau Bang Extension Industrial Park, Long Tan Ward, Dau Tieng District, Binh Duong Province, Vietnam and changed its name to Lof International Dairy Products Joint Stock Company.

The Company's normal course of business cycle is 12 months.

The number of the Company's employees as at 31 December 2024 was 2,623 (31 December 2023: 2,208).

2. BASIS OF PREPARATION

2.1 Purpose of preparing the separate financial statements

The Company has a subsidiary as disclosed at Note 5. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by this regulation, the Company has also prepared the consolidated financial statements of the Company and its subsidiary ("the Group") for the year ended 31 December 2024 dated 7 March 2025.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.

2.2 Accounting standards and system

The separate financial statements of the Company, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per the:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying separate financial statements and related notes including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the separate financial position and separate results of operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.3 *Applied accounting documentation system*

The Company's applied accounting documentation system is the General Journal system.

2.4 *Fiscal year*

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 January and ends on 31 December.

2.5 *Accounting currency*

The separate financial statements are prepared in VND which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 *Receivables*

Receivables are presented in the separate balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful receivables represents amounts of outstanding receivables at the separate balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the separate income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the separate income statement.

3.3 *Inventories*

Inventories are measured at their historical costs. The cost of inventories comprise costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, and consumables - cost of purchase on a weighted average basis.

Finished goods and work-in process - cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Inventories (continued)

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of merchandise goods, raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the separate balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the separate income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the separate income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the separate income statement.

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the separate income statement as incurred.

When fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the separate income statement.

3.5 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the separate income statement as incurred.

When intangible assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the separate income statement.

Land use rights

Land use rights are recorded as intangible assets when the Company has the land use right certificates. The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for use and is not amortised as having indefinite useful life.

3.6 Depreciation and amortisation

Depreciation of fixed assets and amortisation of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset.

Buildings and structures	6 – 31 years
Machinery and equipment	5 – 15 years
Means of transportation	6 – 17 years
Office equipment	5 – 6 years
Computer software	3 – 7 years
Other assets	4 – 20 years

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Lease assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Where the Company is the lessee

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the lease term.

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

3.9 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the separate balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

Prepaid land rental

Prepaid rental is recognised as a long-term prepaid expense for allocation to the separate income statement over the remaining lease period according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

3.10 Investments

Investments in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the separate income statement and deducted against the value of such investments.

3.11 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Foreign currency transactions

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the separate balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All exchange differences incurred are taken to the separate income statement.

3.13 Contributed capital

Ordinary shares

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognised as a deduction from share premium.

Share premium

Share premium is the difference between the par value and the issuance price of the shares, minus the actual expenses incurred for the issuance of the shares.

3.14 Appropriation of net profit

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval by the Annual general meeting, and after making appropriation to reserve a fund in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from its net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual general meeting:

Investment and development fund

This fund is set aside for use in the Group's expansion of its operation or of in-depth investments

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the separate balance sheet.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Interest

Revenue is recognised as the interest accrues unless collectability is in doubt.

3.16 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the separate balance sheet date.

Current income tax is charged or credited to the separate income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the separate balance sheet liability method on temporary differences at the separate balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purpose.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each separate balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Previously unrecognised deferred income tax assets are re-assessed at each separate balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets is realised or the liability is settled based on tax rates and tax laws that have been enacted at the separate balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation (continued)

Deferred tax (continued)

Deferred tax is charged or credited to the separate income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Company intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.16 Segment information

The Head Office's principal activities are to manufacture and trade milk and milk products. In addition, these activities are mainly taking place within Vietnam. Therefore, the Company's risks and returns are not impacted by the Company's products that the Company is manufacturing or the locations where the Company is trading. As a result, the Company's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

3.17 Related parties

Parties are considered to be related parties of the Company if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	233,185,175	457,197,491
Cash in banks	222,881,303,856	86,323,884,058
Bank deposits (*)	38,904,153,425	125,000,000,000
TOTAL	262,018,642,456	211,781,081,549

(*) The balance represented short-term deposits by VND at commercial banks with the original maturities less than three (3) months earn interest from 3.2%/p.a to 4.4%/p.a (at 31 December 2023: from 0.5%/p.a. to 3.2%/p.a).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

5. INVESTMENTS

		<i>VND</i>	
		<i>Ending balance</i>	<i>Beginning balance</i>
		<i>Cost</i>	<i>Fair value</i>
		<i>Cost</i>	<i>Fair value</i>
Short-term			
Bank deposits (i)	1,581,800,913,954	1,581,800,913,954	2,048,494,358,686
Long-term	806,875,550,000	806,875,550,000	204,313,613,441
Investments in subsidiaries (ii)	606,875,550,000	606,875,550,000	-
Bond (iii)	200,000,000,000	200,000,000,000	200,000,000,000
Bank deposits	-	-	4,313,613,441
TOTAL	2,388,676,463,954	2,388,676,463,954	2,252,807,972,127

- (i) The balance represented short-term deposits by VND at commercial banks with the original maturities of more than three (3) months and less than twelve (12) months and earn interest at the rate from 4.6% to 6.2% p.a (at 31 December 2023: from 4.0%/p.a. to 8.6%/p.a).

The deposits of VND 707 billion were pledged for the Company's short-term bank loans (Note 18), and a deposit of VND 28.8 billion was blocked to fulfil contractual obligations.

- (ii) As at 31 December 2024, The company has subsidiaries as follow:

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Voting right</i>	<i>Cost</i>	<i>Voting right</i>
	<i>(VND)</i>	<i>(%)</i>	<i>(VND)</i>	<i>(%)</i>
Lof Ha Nam International Dairy Company Limited (*)	600,000,000,000	100	-	-
PT Produk Susu Internasional (**)	6,875,550,000	99.9	-	-
TOTAL	606,875,550,000		-	

- (*) On 24 June 2024, the Board of Directors approved Resolution No. 07/2024/NQ.HDQT.IDP, establishing Lof Ha Nam International Dairy Company Limited ("Lof Ha Nam") with a charter capital of VND 600 billion, fully contributed by the Company. As of the date of this report, the Company has completed its capital contribution.

Lof Ha Nam is a one-member limited liability company established under the Law on Enterprises of Vietnam. It is registered under the ERC No. 0700883431, issued by the DPI of Ha Nam province on 27 June 2024. The principal activities of Lof Ha Nam are to manufacture and trade milk and milk products.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

5. INVESTMENTS (continued)

(**) On 14 February 2024, the Company received approval from the Ministry of Planning and Investment to purchase capital contribution and additional capital contribution in PT Produk Susu Internasional ("Susu") under the Overseas Investment Registration Certificate No. 202401238. Subsequently, on 22 April 2024, the Minister of Law and Human Rights of the Republic of Indonesia approved changes to Susu's company charter, as a result, the Company's ownership in Susu amounts to Rp 22,237,754,766 (VND 35 billion), which corresponds to a 99.9% ownership. As of the date of this report, the Company is in the process of finalizing the contributions in compliance with the State Bank of Vietnam's guidelines on foreign exchange management for overseas investment activities.

PT Produk Susu Internasional is a limited liability company established under Indonesian Company Law. It was registered with the Certificate of Business Registration No. 0076889.AH.01.11 of 2024, issued by the Minister of Law and Human Rights of the Republic of Indonesia on 22 April 2024. The principal activities of Susu are wholesale of milk and dairy products.

(iii) The balance represented long-term bond of Bank of Investment and Development of Vietnam- Ha Thanh Branch with the original maturities is 7 years and earn interest at that equal to Commercial interest reference rate plus 1.00%/p.a. and were pledged for the Group's short-term bank loan (Note 18).

6. TRADE RECEIVABLES AND ADVANCE TO SUPPLIERS

6.1 Short-term trade receivables

	VND	
	Ending balance	Beginning balance
Wincommerce General Commercial Services Joint Stock Company	50,172,620,190	43,192,805,704
B.S Lucky Company Limited	25,353,269,526	20,477,730,222
Bach Hoa Xanh Trading Joint Stock Company	22,318,324,840	19,411,287,534
EB Services Company Limited	11,351,627,345	10,786,474,221
Others	48,587,192,663	31,575,577,547
TOTAL	157,783,034,564	125,443,875,228
Provision for doubtful debt	(828,250,000)	(1,628,250,000)
NET	156,954,784,564	123,815,625,228

Movement of provision for doubtful short-term receivables is as follows:

	VND	
	Current year	Previous year
Beginning balance	1,628,250,000	-
Add: Provision made during the year	-	1,628,250,000
Less: Reversal of provision during the year	(800,000,000)	-
Ending balance	828,250,000	1,628,250,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

6. TRADE RECEIVABLES AND ADVANCE TO SUPPLIERS (continued)

6.2 Short-term advances to suppliers

	VND	
	Ending balance	Beginning balance
GEA Vietnam Company Limited	20,961,951,280	39,236,639,258
Yangzhou Shengli Pak Co., Ltd	14,082,673,662	3,297,449,673
Tetra Pak South East Asia Pte. Ltd.	6,313,937,584	96,536,428,725
Others	57,744,074,847	111,571,083,499
TOTAL	99,102,637,373	250,641,601,155

7. LENDING PRINCIPAL RECEIVABLE

	VND	
	Ending balance	Beginning balance
Phuc Dat Real Estate Joint Stock Company (i)	500,000,000,000	300,000,000,000
LTM Investment Joint Stock Company (ii)	350,000,000,000	-
TOTAL	850,000,000,000	300,000,000,000

(i) The balance represented unsecured short-term loan to Phuc Dat Real Estate Joint Stock Company with the remaining maturities of less than 12 months, maturity date to 30 September 2025 and earn interest at 7.0% p.a.

(ii) The balance represented unsecured short-term loan to LTM Investment Joint Stock Company with the remaining maturities of less than 12 months, maturity date from 2 April 2025 to 11 April 2025 and earn interest at 7.0% p.a.

8. OTHER SHORT-TERM RECEIVABLES

	VND	
	Ending balance	Beginning balance
Interest receivables	43,266,362,662	41,317,791,038
Staff advances	12,841,735,521	10,383,870,448
Others	18,310,498,356	14,108,692,677
TOTAL	74,418,596,539	65,810,354,163
<i>In which</i>		
Other receivables from other parties	74,418,596,539	64,908,788,374
Other receivables from a related party (Note 27)	-	901,565,789

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
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9. INVENTORIES

	<i>Ending balance</i>		<i>Beginning balance</i>		VND
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>	
Raw materials	268,440,453,870	(2,494,657,087)	214,369,923,287	(1,571,475,793)	
Finished goods	185,584,892,351	-	107,971,033,249	-	
Goods in transit	93,955,574,826	-	61,391,784,075	-	
Tools and supplies	70,040,707,886	-	47,671,220,805	-	
Merchandise goods	25,486,311,333	-	5,218,849,206	-	
Work in process	603,242,629	-	288,084,036	-	
TOTAL	644,111,182,895	(2,494,657,087)	436,910,894,658	(1,571,475,793)	

Detail of movements of provision for obsolesces inventories:

		<i>Current year</i>	<i>Previous year</i>	VND
At beginning of year		1,571,475,793	2,416,293,091	
Add: Provision made during the year		923,181,294	-	
Less: Reversal of provision during the year		-	(844,817,298)	
At end of year		<u>2,494,657,087</u>	<u>1,571,475,793</u>	

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
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10. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
						VND
Cost:						
Beginning balance	220,023,434,149	1,418,945,854,109	11,961,447,510	47,572,143,948	558,990,156	1,699,061,869,872
New purchases	3,471,121,409	132,492,648,563	9,362,195,291	4,915,227,871	-	150,241,193,134
Transfer from construction in progress	-	77,026,756,309	833,249,084	-	-	77,860,005,393
Disposal	-	(16,215,228,428)	(4,340,257,491)	(642,070,000)	-	(21,197,555,919)
Ending balance	223,494,555,558	1,612,250,030,553	17,816,634,394	51,845,301,819	558,990,156	1,905,965,512,480
<i>In which:</i>						
Fully depreciated	17,747,013,340	394,756,103,206	5,345,502,946	22,290,320,185	558,990,156	440,697,929,833
Accumulated depreciation:						
Beginning balance	106,491,379,199	741,345,371,835	5,759,030,084	29,131,474,527	558,990,156	883,286,245,801
Depreciation for the year	18,822,320,382	165,045,462,736	2,844,349,881	5,657,182,664	-	192,369,315,663
Disposal	-	(16,215,228,428)	(2,893,504,995)	(642,070,000)	-	(19,750,803,423)
Ending balance	125,313,699,581	890,175,606,143	5,709,874,970	34,146,587,191	558,990,156	1,055,904,758,041
Net carrying amount:						
Beginning balance	113,532,054,950	677,600,482,274	6,202,417,426	18,440,669,421	-	815,775,624,071
Ending balance	98,180,855,977	722,074,424,410	12,106,759,424	17,698,714,628	-	850,060,754,439
<i>In which:</i>						
Pledged as loan security (Note 18)	-	79,120,614,570	-	-	-	79,120,614,570

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

11. INTANGIBLE FIXED ASSETS

	VND
	<i>Computer software</i>
Cost:	
Beginning balance	19,226,243,762
New purchases	135,000,000
Transfer from construction in progress	3,156,254,383
Ending balance	<u>22,517,498,145</u>
<i>In which:</i>	
Fully amortized	17,503,420,762
Accumulated amortisation:	
Beginning balance	18,125,551,289
Amortisation for the year	1,488,511,663
Ending balance	<u>19,614,062,952</u>
Net carrying amount:	
Beginning balance	<u>1,100,692,473</u>
Ending balance	<u>2,903,435,193</u>

12. CONSTRUCTION IN PROGRESS

	VND	VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Lof International Dairy Factory – Binh Duong Project (*)	1,338,058,089,686	542,966,084,744
Others	8,869,839,026	53,005,108,202
TOTAL	<u>1,346,927,928,712</u>	<u>595,971,192,946</u>

(*) At 31 December 2024, a part of machinery and equipment and Factory were pledged for commercial bank loans as presented in (Note 18).

During the year, the Company capitalised borrowing costs amounting to VND 4,836,142,736 (2023: VND nil)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
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13. PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	5,383,074,138	6,974,639,811
Expenses of upgrading information technology system	2,564,057,058	1,935,668,481
Warehouse rental	1,021,180,500	877,089,760
Others	1,797,836,580	4,161,881,570
Long-term	314,949,557,714	56,482,427,230
Prepaid land rental at Bau Bang Expanded Industrial Park, Binh Duong Province (*)	260,144,526,563	-
Prepaid land rental in other locations	50,469,801,447	50,850,750,342
Expenses of upgrading information technology system	3,366,806,611	3,560,881,182
Others	968,423,093	2,070,795,706
TOTAL	320,332,631,852	63,457,067,041

(*) Land rental costs under the contract signed with Becamex IDC Corp. at 8 June 2021 with total of 120,000 m², and a lease term until 26 April 2066. This land use right has been pledged for a loan at a commercial bank as presented in Note 18.

14. SHORT-TERM TRADE PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Prowtech International Vina Joint Stock Company	88,559,557,600	-
An Phong Construction Joint Stock Company	46,477,548,330	15,133,145,572
Thanh Thanh Cong Trading Joint Stock Company	40,840,369,500	25,374,510,000
SIG Combibloc Ltd.	40,399,794,444	5,754,827,701
Dong Tay Promotion Corporation	42,478,669,530	42,478,669,530
GEA Process Engineering Pte Ltd	41,764,695,599	30,504,677,073
Others	634,676,992,220	543,570,720,455
TOTAL	935,197,627,223	662,816,550,331

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

15. STATUTORY OBLIGATIONS

	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>VND Ending balance</i>
Receivables				
Value-added tax	54,125,542,662	540,391,835,974	(425,454,765,093)	169,062,613,543
Import tax	191,345,290	3,581,915,152	(88,406,309)	3,684,854,133
Others	24,557,880	(24,557,880)	-	-
TOTAL	54,341,445,832	543,949,193,246	(425,543,171,402)	172,747,467,676
Payables				
Value-added tax	4,024,326,079	793,332,325,771	(784,716,202,834)	12,640,449,016
Enterprise income tax	159,050,028,198	203,221,135,206	(350,805,835,504)	11,465,327,900
Personal income tax	4,898,822,696	59,557,475,597	(56,841,071,624)	7,615,226,669
Import tax	-	199,741,147	(199,741,147)	-
Others	8,527,778	12,845,863,878	(12,854,391,656)	-
TOTAL	167,981,704,751	1,069,156,541,599	(1,205,417,242,765)	31,721,003,585

16. SHORT-TERM ACCRUED EXPENSES

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Selling expenses	225,856,406,090	158,838,725,611
Advertising expenses	4,803,945,498	272,594,971,803
Interest expenses	4,158,351,212	404,916,744
Others	7,726,596,223	2,175,142,732
TOTAL	242,545,299,023	434,013,756,890
<i>In which</i>		
Other receivables from other parties	240,026,833,269	434,013,756,890
Other receivables from a related party (Note 27)	2,518,465,754	-

17. OTHER SHORT-TERM PAYABLES

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Deposit received	10,581,866,600	10,833,136,600
Compulsory insurance and trade union	3,860,248,824	3,016,897,684
Others	735,750,236	1,466,185,399
TOTAL	15,177,865,660	15,316,219,683

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
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18. LOANS

	Beginning balance	Drawdown	Repayment	Reclassification	Ending balance
					VND
Short-term	740,500,295,314	3,604,960,953,849	(2,686,784,537,439)	55,718,025,250	1,714,394,736,974
Loans from banks	704,782,270,066	3,109,960,953,849	(2,388,348,486,941)	-	1,426,394,736,974
Loan from a related party (Note 27)	-	495,000,000,000	(227,000,000,000)	-	268,000,000,000
Current portion of long-term loans from bank	35,718,025,248	-	(71,436,050,498)	55,718,025,250	20,000,000,000
Long-term					
Loans from banks	35,718,025,250	687,589,452,112	-	(55,718,025,250)	667,589,452,112
TOTAL	776,218,320,564	4,292,550,405,961	(2,686,784,537,439)	-	2,381,984,189,086

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18. LOANS (continued)

Details of loans from commercial banks are as follows:

<i>Lenders</i>	<i>Ending balance (VND)</i>	<i>Maturity date</i>	<i>Interest rate (% p.a.)</i>	<i>Description of collateral</i>
Short-term				
Joint Stock Commercial Bank for Foreign Trade	480,320,660,356	From 17 January 2025 to 17 June 2025	3.5 – 3.7	Bank deposits of VND 210 billion at Bank of Investment and Development of Vietnam
Bank of Investment and Development of Vietnam	450,919,439,371	From 9 May 2025 to 10 June 2025	3.4 – 4.4	A bond with total amount of VND 200 billion and bank deposits of VND 62 billion at Vietnam Joint Stock Commercial Bank for Investment and Development Tetra Pak A3 Speed V500 milk filling line with remaining value of VND 79 billion
Vietnam Joint Stock Commercial Bank for Industry and Trade	388,527,444,080	From 20 January 2025 to 31 March 2025	3.5	Bank deposits of 185 billion VND at Viet Capital Commercial Joint Stock Bank and 70 billion VND at Vietnam Joint Stock Commercial Bank for Investment and Development
Hongkong and Shanghai Banking Private International Bank	106,627,193,167	6 February 2025 to 11 February 2025	3.67 – 3.68	Bank deposits of VND 180 billion at Vietnam Prosperity Joint stock commercial bank
TOTAL	1,426,394,736,974			
Long-term				
Bank of Investment and Development of Vietnam	687,589,452,112	From 29 May 2025 to 29 May 2030	6.1	A part of assets generated from Lof International Dairy Factory - Binh Duong Project and 120,000 m ² of leased land at Bau Bang Expanded Industrial Park

In which:

<i>Current portion of long-term loans</i>	20,000,000,000
<i>Long-term loans</i>	667,589,452,112

Lof International Dairy Products Joint Stock Company
(formerly known as International Dairy Products Joint Stock Company)

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

19. OWNERS' EQUITY

19.1 Increase and decrease in owners' equity

	Share capital	Share premium	Investment and development fund	Undistributed earnings	VND Total
Previous year:					
Beginning balance	589,454,720,000	275,323,280,000	5,150,000,000	937,142,548,641	1,807,070,548,641
Increase in capital	24,050,000,000	574,656,303,600	-	-	598,706,303,600
Net profit for the year	-	-	-	924,363,842,640	924,363,842,640
Dividends declared	-	-	-	(265,254,624,000)	(265,254,624,000)
Ending balance	613,504,720,000	849,979,583,600	5,150,000,000	1,596,251,767,281	3,064,886,070,881
Current year:					
Beginning balance	613,504,720,000	849,979,583,600	5,150,000,000	1,596,251,767,281	3,064,886,070,881
Increase in capital	4,540,000,000	-	-	-	4,540,000,000
Net profit for the year	-	-	-	872,685,797,216	872,685,797,216
Dividends declared	-	-	-	(521,479,012,000)	(521,479,012,000)
Ending balance	618,044,720,000	849,979,583,600	5,150,000,000	1,947,458,552,497	3,420,632,856,097

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

19 OWNERS' EQUITY (continued)

19.2 Capital transactions with owners and distribution of dividends, profits

	VND	
	Current year	Previous year
Issued share capital		
As at beginning of the year	613,504,720,000	589,454,720,000
Issued share capital during the year (*)	4,540,000,000	24,050,000,000
As at ending of the year	618,044,720,000	613,504,720,000
Dividends declared		
Advance dividends for 2024: 5,000 VND/share (Note 30)	309,022,360,000	-
Dividends for 2023: 8,500 VND/share (Dividends for 2022: 4,500 VND/share) (**)	521,479,012,000	265,254,624,000
Dividend and dividend advance paid during the year	521,479,012,000	265,254,624,000

(*) On 29 February 2024, the Company issued 454,000 new ordinary shares to its employees under the Employee Stock Ownership Plan ("ESOP") with the total amount of VND 4,540,000,000 (issue price at par value) in accordance with the ESOP program. This issuance has been approved by shareholders according to Annual General Meeting Resolution No. 001/2023/ NQ.DHDCD.IDP dated 11 April 2023, resolution of Board of Directors No. 013/2023/NQ.HĐQT.IDP dated 21 November 2023; and resolution of Board of Directors No. 004/2024/NQ.HĐQT.IDP dated 6 February 2024. Accordingly, on 7 May 2024, the Company received the 11th amended BRC issued by the Department of Planning and Investment of Ha Noi City approving the increase in the Company's share capital from VND 613,504,720,000 to VND 618,044,720,000.

(**) On 13 December 2024, the Board of Directors approved the plan to pay dividends of financial year 2023 in cash at 85% of par value, as resolution of Board of Directors No. 11/2024/NQ-HĐQT.IDP and in accordance with the Annual General Meeting Resolution No. 001/2024/NQ.ĐHĐCĐ.IDP dated 15 March 2024. Previously, the Management had completed the payment of the dividends advance in accordance with resolution of Board of Directors No. 01/2024/NQ-HĐQT.IDP dated 9 January 2024.

19.3 Shares

	Quantity of ordinary shares	
	Ending balance	Beginning balance
Authorized shares	61,804,472	61,350,472
Issued shares	61,804,472	61,350,472
Shares in circulation	61,804,472	61,350,472

Par value of outstanding share: VND 10,000/share (31 December 2023: VND 10,000/share).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

20. REVENUES

20.1 Revenue from sale of goods

	VND	
	Current year	Previous year
Gross revenue	7,774,453,292,729	6,746,724,641,984
Sale of finished goods	7,697,254,841,642	6,745,229,328,114
Sale of merchandise	77,198,451,087	1,495,313,870
Less	(116,302,989,201)	(92,072,643,379)
Trade discounts	(116,302,989,201)	(92,020,167,619)
Sales returns	-	(52,475,760)
Net revenue	<u>7,658,150,303,528</u>	<u>6,654,651,998,605</u>

20.2 Finance income

	VND	
	Current year	Previous year
Interest income	145,241,567,789	127,751,041,487
Foreign exchange gains	21,797,596,894	14,788,727,968
Early payment discount	8,966,951,392	3,606,500,169
Others	-	17,772,160
TOTAL	<u>176,006,116,075</u>	<u>146,164,041,784</u>

21. COST OF GOODS SOLD

	VND	
	Current year	Previous year
Cost of goods sold	4,511,261,975,528	3,945,980,481,852
Cost of merchandise	21,922,758,392	2,097,997,626
TOTAL	<u>4,533,184,733,920</u>	<u>3,948,078,479,478</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

22. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	1,884,222,635,814	1,450,803,925,742
Marketing expenses	1,286,809,823,430	941,814,153,560
Labour cost	359,774,158,680	297,264,235,552
Transportation expense	210,715,571,279	171,650,347,017
Depreciation	176,798,884	-
Others	26,746,283,541	40,075,189,613
General and administrative expenses	248,795,826,172	177,351,781,031
Labour cost	172,192,220,615	109,924,474,421
External services	29,414,268,278	23,724,164,618
Depreciation	3,703,197,926	3,670,126,464
Others	43,486,139,353	40,033,015,528
TOTAL	<u>2,133,018,461,986</u>	<u>1,628,155,706,773</u>

23. FINANCE EXPENSES

	VND	
	Current year	Previous year
Loan interest	47,181,459,289	43,585,944,815
Foreign exchange losses	18,032,112,235	14,684,635,137
Others	1,151,676,329	947,688,614
TOTAL	<u>66,365,247,853</u>	<u>59,218,268,566</u>

24. OTHER INCOME AND EXPENSE

	VND	
	Current year	Previous year
Other income	5,858,032,722	5,842,530,780
Proceeds from disposal of fixed asset and scrap	4,907,436,056	4,967,541,387
Others	950,596,666	874,989,393
Other expenses	(2,532,203,531)	(18,844,579,102)
Administrative penalty	(2,404,539,039)	(18,803,301,405)
Others	(127,664,492)	(41,277,697)
NET	<u>3,325,829,191</u>	<u>(13,002,048,322)</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

25. PRODUCTION AND OPERATING COSTS

	VND	
	Current year	Previous year
Raw materials	4,233,165,756,270	3,574,830,981,176
Marketing expenses	939,484,741,030	728,204,063,880
Labour costs	620,709,076,964	492,164,804,516
Sale support	347,325,082,400	213,610,089,680
Expenses for external services	304,083,858,627	263,609,451,363
Transportation expense	210,715,571,279	171,650,347,017
Depreciation and amortisation (Note 10 and 11)	193,857,827,326	161,842,210,124
Other expenses	18,459,712,924	14,670,980,326
TOTAL	6,867,801,626,820	5,620,582,928,082

26. CORPORATION INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the separate financial statements could change at a later date upon final determination by the tax authorities.

26.1 CIT expense

	VND	
	Current year	Previous year
Current tax expense	196,482,265,974	222,786,538,076
Under accrual of CIT expense from prior years	6,738,869,232	35,514,868,241
	203,221,135,206	258,301,406,317
Deferred tax expense (income)	29,006,872,613	(30,303,711,707)
TOTAL	232,228,007,819	227,997,694,610

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

26. CORPORATION INCOME TAX (continued)

26.1 CIT expense (continued)

Reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
Accounting profit before tax	1,104,913,805,035	1,152,361,537,250
At applicable CIT rate of 20%	220,982,761,007	230,472,307,450
<i>Adjustments:</i>		
Non-deductible expenses	4,584,635,376	9,583,919,062
Under (over) accrual of CIT expense from prior years	6,738,869,232	35,514,868,241
Temporary differences not yet recognized as deferred tax asset of the prior years	(458,050,410)	(47,621,356,779)
Foreign exchange losses	379,792,614	-
Adjust loss from wholly-owned subsidiary	-	47,956,636
Current CIT expense	232,228,007,819	227,997,694,610

26.2 Current CIT

The current tax payable is based on taxable profit for the current year. The taxable profit of the Company for the year differs from the profit as reported in the separate income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at separate balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

26. CORPORATION INCOME TAX (continued)

26.3 Interest expense exceeds the prescribed threshold

The Company is entitled to carry forward interest expense exceeding the prescribed threshold that have not been deducted when calculating CIT for the current year ("non-deductible interest expenses") to the following year when determining the total deductible interest expenses of the following year. The subsequent year that the interest expense can be carried forward to will not exceed consecutive period of 05 years subsequent to the year in which the non-deductible interest expense incurred. At the separate balance sheet date, the Company has aggregated non-deductible interest expenses available as follows:

VND:					
Originating year	Can be used as deductible interest expense up to	Non-deductible interest expenses incurred (*)	Non-deductible interest expense carried forward to following years by 31 December 2024	Forfeited	Non-deductible interest expense available to be carried forward as at 31 December 2024
2022	2027	191,738,211	-	-	191,738,211
2023	2028	4,542,027,339	-	-	4,542,027,339
2024	2029	12,223,330,669	-	-	12,223,330,669
TOTAL		16,957,096,219	-	-	16,957,096,219

(*) Estimated non-deductible interest expense as per the Company's corporate income tax declaration for the year ended 31 December 2024 has not been audited by the local tax authorities as of the date of these financial statements.

26.4 Deferred tax

The following are the deferred tax assets recognised by the Company, and the movements thereon, during the current and previous years.

VND				
	Separate Balance sheet		Separate Income statement	
	Ending balance	Beginning balance	Current year	Previous year
Accrue expenses	27,750,039,250	64,955,814,053	(37,205,774,803)	32,075,513,893
Tax losses carried forward	5,013,324,580	-	5,013,324,580	-
Interest expense	3,391,419,244	814,352,700	2,577,066,544	814,352,700
Foreign exchange difference	-	379,792,613	(379,792,613)	(2,417,191,427)
Provision for inventory	498,931,417	314,295,159	184,636,258	(168,963,459)
Others	803,667,421	-	803,667,421	-
Net deferred tax assets	37,457,381,912	66,464,254,525		
Net deferred tax (charge) credit to income statement			(29,006,872,613)	30,303,711,707

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

27. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have a controlling relationship and related parties that have significant transactions with the Company during the period and as at 31 December 2024 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Blue Point Joint Stock Company	Shareholders
Viet Capital Securities Joint Stock Company	Shareholders
Daytona Investment PTE Limited	Shareholders
Green Light Investment Joint Stock Company	Subsidiary (before 1 August 2023)
Lof Ha Nam International Dairy Company Limited	Subsidiary (from 27 June 2024)
PT Produk Susu Internasional	Subsidiary (from 22 April 2024)
Mr To Hai	Chairman
Mr. Bui Hoang Sang	Chief Executive Officer (from 22 February 2024)
Ms Dang Pham Minh Loan	Member the Board of Directors ("BOD") (before 22 February 2024)
Mr Dinh Quang Hoan	Member of BOD
Ms Truong Nguyen Thien Kim	Member of BOD
Mr Doan Huu Nguyen	Independence member of BOD
Ms Hoang Ngoc Trieu Duong	Head of Board of Supervision ("BOS")
Ms Ton Minh Phuong	Member of BOS
Ms Mai Thi Thanh Trang	Member of BOS
Ms Chu Hai Yen	Deputy General Director
Mr Pham Trong Bao Chau	Managing Director (before 25 January 2024)
Mr Phan Van Thang	Chief Accountant

Significant transactions with related parties during current year and previous year were as follows:

<i>Related parties</i>	<i>Transactions</i>	<i>Current year</i>	<i>VND Previous year</i>
Lof Ha Nam	Capital contribution	600,000,000,000	-
International Dairy	Loan	495,000,000,000	-
Company Limited	Loan repayment	227,000,000,000	-
	Interest expense	4,407,602,740	-
PT Produk Susu Internasional	Capital contribution	6,875,550,000	-
Ms Dang Pham Minh Loan	Buy shares under the ESOP program	1,250,000,000	-
Ms Chu Hai Yen	Buy shares under the ESOP program	150,000,000	-
Mr Phan Van Thang	Buy shares under the ESOP program	170,000,000	-
Green Light Investment Joint Stock Company	Capital withdrawal	-	499,900,000,000
	Dividend income	-	17,768,606
Daytona Investment PTE Limited	Capital contribution	-	598,706,303,600

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

27. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the separate balance sheet date were as follows:

		VND	
<i>Related parties</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<i>Other short-term receivables</i>			
Individual	Advance	<u>-</u>	<u>901,565,789</u>
<i>Short-term Loan (*)</i>			
Lof Ha Nam International Dairy Company Limited	Loan	<u>268,000,000,000</u>	<u>-</u>
<i>Short-term accrual expense</i>			
Lof Ha Nam International Dairy Company Limited	Interest expense	<u>2,518,465,754</u>	<u>-</u>

(*) The balance represented unsecured short-term loan from Lof Ha Nam International Dairy Company Limited with the remaining maturities of less than 12 month, maturity date at 25 May 2025 and charged interest at 3.5% p.a.

Transactions with other related parties

Remuneration to members of the Board of Directors, Board of Supervision and management during the year was as follows:

	VND	
	Ending balance	Beginning balance
Mr Bui Hoang Sang	25,077,610,547	-
Ms Chu Hai Yen	3,468,216,000	1,945,062,778
Ms Dang Pham Minh Loan	1,571,626,500	8,998,534,583
Mr Pham Trong Bao Chau	322,311,000	4,451,460,500
TOTAL	30,439,764,047	15,395,057,861
Bonus and welfare fund		

	VND	
	Ending balance	Beginning balance
Bonus and welfare fund	1,679,966,430	1,679,966,430

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

28. OPERATING LEASE COMMITMENTS

The Company entered into operating lease for its warehouses in Ho Chi Minh and Hanoi city. As at the separate balance sheet date, the minimum lease commitment under such operating lease arrangement is as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	12,798,302,119	2,776,719,366
From 1 to 5 years	11,121,352,388	7,500,043,624
More than 5 years	34,435,596,570	35,967,812,801
TOTAL	<u>58,355,251,077</u>	<u>46,244,575,791</u>

Capital commitments

As at 31 December 2024, the Company has capital commitments of VND 952,627,472,909 principally. Details are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Binh Duong Branch	925,000,000,000	2,000,000,000,000
PT Produk Susu Internasional	27,627,472,909	-
TOTAL	<u>952,627,472,909</u>	<u>2,000,000,000,000</u>

29. OFF SEPARATE BALANCE SHEET ITEM

	<i>Ending balance</i>	<i>Beginning balance</i>
Foreign currencies:		
– United States dollar (<i>USD</i>)	1,676,839	169,943
– Indonesian Rupiah (<i>Rp</i>)	50,091,472	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

30. EVENT AFTER THE SEPARATE BALANCE SHEET DATE

On 13 December 2024, Board of Directors has approved the plan of paying the dividends advance of financial year 2024 at 50% of par value, as resolution of Board of Directors No. 11/2024/NQ-HĐQT.IDP and in accordance with Annual General Meeting Resolution No. 001/2024/NQ-ĐHĐCD.IDP dated 15 March 2024. Accordingly, on 20 January 2025, the Management had completed the payment for the said dividends.

Except for this event above, there have been no significant events occurring after the separate balance sheet date which would require adjustments or disclosures to be made in the separate financial statements of the Company.



Phan Van Thang
Preparer cum Chief Accountant



Bui Hoang Sang
Chief Executive Officer

Binh Duong Province, Vietnam

7 March 2025

