

**ANNUAL REPORT 2024**



**EDUCATIONAL BOOKS JOINT STOCK COMPANY  
IN HO CHI MINH CITY**

**MARCH 2024**

*Ho Chi Minh City, March 28, 2025*

## **ANNUAL REPORT 2024**

### **I. GENERAL INFORMATION**

#### **1. General information:**

- Trading name: Shares of Ho Chi Minh City Education Book Joint Stock Company
- Business registration certificate: 0303280405
- Charter capital: 41,370,000,000 VND
- Owner's investment capital: 41,370,000,000 VND
- Address: 363 Hung Phu, Hung Phu Ward, District 8, City. Ho Chi Minh City
- Phone number: (028) 39540600
- Fax number: (028) 39540598
- Website: [www.sgd.edu.vn](http://www.sgd.edu.vn)
- Stock code: SGD
- Formation and development process:

Ho Chi Minh City Educational Book Joint Stock Company (hereinafter referred to as "the Company") was established under Decision No. 460/QĐ-TC dated April 7, 2004 of the Vietnam Education Publishing House. The Company is an independent accounting unit, operating production and business activities under the Certificate of Business Registration of Joint Stock Company No. 0303280405 dated January 24, 2025 (17th change) of the Department of Planning and Investment of Ho Chi Minh City, the Law on Enterprises, the Company's Charter and other relevant current legal regulations.

The Company has been registered to trade common shares at the Hanoi Stock Exchange since November 29, 2006 under the Certificate of Registration for Stock Trading No. 48/TTGDHN – DKGĐ dated November 29, 2006 of the Hanoi Stock Exchange. The second change was registered on September 16, 2009 under the Certificate of Securities Registration No. 69/2006/GCNCP-VSD-2 of the Vietnam Securities Depository Center

#### **2. Business lines and business locations**

- Business lines:

<b>No.</b>	<b>Business lines</b>	<b>Code</b>
1.	Book Publishing Details: Printing and trading all kinds of books published by the Education Publishing House according to the regulations of the Education Publishing House, trading cultural products and publications of other Publishing Houses.	(5811)
2.	Wholesale of other household items	(4649)

	Details: Buying and selling educational equipment, teaching aids, office equipment, stationery.	
3.	Restaurants and mobile food services Details: Business of popular restaurants (not operating at headquarters).	(5610)
4.	Real estate business, land use rights owned by the owner, user or lessee Details: Real estate business (implemented according to Clause 1, Article 10 of the Law on Real Estate Business).	(6810)
5.	Other remaining business support service activities not elsewhere classified Details: Import and export of goods related to the company's business lines and scope.	(8299)
6.	Nursery education	(8511)
7.	Manufacture of other paper and paperboard products not elsewhere classified Details: Production of student notebooks (no waste recycling, pulp production at headquarters).	(1709)
8.	Wholesale of other machinery, equipment and spare parts Details: Wholesale of water purifiers.	(4659)
9.	Kindergarten education	(8512)
10.	Primary education	(8521)
11.	Secondary education	(8522)
12.	High school education	(8523)
13.	Elementary Training Details: Vocational Training.	(8531)
14.	Other specialized wholesale not elsewhere classified Details: Wholesale of materials and raw materials for the petroleum industry. Wholesale of equipment and materials for the installation of solar battery systems.	(4669)
15.	Commodity agent, broker, auction Details: Petroleum trading agent.	(4610)
16.	Sale of spare parts and accessories for automobiles and other motor vehicles Details: Wholesale of means of transport and spare parts.	(4530)
17.	Renting of machinery, equipment and other tangible goods without operator Details: Renting of construction machinery and equipment.	(7730)
18.	Electrical system installation (except mechanical processing, waste recycling, electroplating at headquarters).	(4321)

19.	Installation of other building systems Details: Installation of solar energy equipment.	(4329)
20.	Specialized design activities Details: Interior and exterior decoration of construction works.	(7410)
21.	Other specialized construction activities	(4390)
22.	Retail sale of other new goods in specialized stores Details: Retail sale of equipment and materials for the installation of solar power systems.	(4773)
23.	Electricity production Details: Wind power and solar power production (except transmission, national power system dispatch and distribution grid management, multi-purpose hydropower, nuclear power).	(3511)
24.	Electricity transmission and distribution Details: Selling solar power (the enterprise does not provide goods and services under the State monopoly, does not conduct commercial activities according to Decree 94/2017/ND-CP on State monopoly goods and services).	(3512)

- **Location of business:**

26 provinces and cities in the South and nationwide.

### **3. Information about governance model, business organization and management apparatus**

#### **3.1. Governance model:**

General Meeting of Shareholders, Board of Directors, Supervisory Board and General Director

#### **3.2. Management structure of the Company**

Ho Chi Minh City Educational Book Joint Stock Company is organized and operated according to the model of a joint stock company, in compliance with the provisions of the Law on Enterprises of Vietnam and current legal documents and with a streamlined and flexible perspective to suit the Company's diverse business activities and many industries. Leadership positions are assigned clear authority and responsibility, departments are arranged in a reasonable manner to ensure operational efficiency and reduce management costs.

##### **a. General Meeting of Shareholders**

The General Meeting of Shareholders (GMS) includes all shareholders with voting rights and is the highest decision-making body of the Company. The GMS meets at least once a year and within the time limit prescribed by law. The GMS decides on the following issues:

- Approving the development orientation of the company;
- Deciding on the types of shares and the total number of shares of each type that are entitled to be offered for sale; deciding on the annual dividend rate for each type of shares;
- Electing, dismissing, and removing members of the Board of Directors and Supervisors;

- Deciding on investing or selling assets with a value of 35% or more of the total asset value recorded in the company's most recent financial report, unless the Company Charter stipulates a different ratio or value;
- Deciding on amending and supplementing the Company Charter;
- Approving the annual financial report;
- Decide to buy back more than 10% of the total number of shares sold of each type;
- Review and handle violations by members of the Board of Directors and Supervisors that cause damage to the company and its shareholders;
- Decide to reorganize and dissolve the company;
- Decide on the budget or total remuneration, bonuses and other benefits for the Board of Directors and Supervisory Board;
- Approve the internal governance regulations; regulations on the operation of the Board of Directors and Supervisory Board;
- Approve the list of independent auditing companies; decide on the independent auditing company to conduct inspections of the company's operations, and dismiss independent auditors when deemed necessary.

**b. Board of Management**

The Board of Directors (BOD) is the Company's management agency consisting of five (05) members elected or dismissed by the General Meeting of Shareholders. The BOD is the highest management body of the Company, managing the Company between two General Meetings of Shareholders. The BOD represents the shareholders and has full authority on behalf of the Company to decide on all matters related to the Company's purposes and interests, except for matters under the authority of the General Meeting of Shareholders.

Current members of the Board of Directors include:

- Mr. Ngo Trong Vinh, Chairman
- Mr. Nguyen Trong Ha, Member
- Ms. Lam Quynh Huong, Member
- Ms. Le Thi Tuyet Minh, Member
- Ms. Vuong Thi Thanh Huyen, Member

**c. Supervisory Board**

The Supervisory Board (BOS) is an agency under the General Meeting of Shareholders, elected by the General Meeting of Shareholders. The BOS is responsible for checking the reasonableness and legality of business operations and checking the Company's financial statements. The BOS operates independently from the Board of Directors and the Board of Management.

Current members of the Supervisory Board include:

- Ms. Ngo Thi Thanh Huyen, Head of the Board
- Ms. Nguyen Thi Anh Hong, Member
- Ms. Nguyen Thi Mai, Member

**d. Board of Directors**

The Company's Board of Directors has 01 Deputy General Director

The Deputy General Director is the legal representative of the Company, manages all daily activities of the Company and is responsible to the Board of Directors for the implementation of assigned rights and duties.

The current Board of Directors includes:

- Mr. Ngo Trong Vinh Deputy General Director

**e. Professional departments**

Including 03 departments: Business Department, Administration Department, Accounting - Finance Department.

**3.3. Subsidiaries, associates, investments in other entities :**

**Investments in related companies and joint ventures, associates**

No.	Company Name	Operational status	Ownership ratio	Investment capital
1	Dong Nai School Equipment Book Joint Stock Company	Currently active	55,99%	
2	Vinh Long School Equipment Book Joint Stock Company	Currently active	80,99%	
3	EBS Solar Vietnam Energy Joint Stock Company	Currently active	25%	
4	Le Thanh Education Investment Joint Stock Company	Currently active	49%	

**4. Development orientation**

- The main objectives of the Company:

- Focus resources on publishing reference books according to the new general education program.

- Maintain the existing market; develop new customers, locations, and new product consumption targets, with priority given to the general education market. Strive to expand the Company's distribution agents in 26 southern provinces and cities, especially strongly exploiting product consumption sources in Dong Nai and Vinh Long areas because there are 02 units as subsidiaries (Dong Nai Joint Stock Company and Vinh Long Joint Stock Company). In addition, the Company also develops representative agents to consume the Company's products well in some other key areas across the country. Survey, research and apply reasonable business policies that are competitive enough in the market.

- Strengthen the leadership team with sufficient capacity, intelligence, experience and dedication to the long-term interests of the Company, train the next generation of young, dynamic and highly qualified personnel.
- Medium and long-term development strategy:
  - Continue to expand the market, develop products to meet market demand and the new textbook replacement cycle.
  - Focus on consolidating and developing the Company's key educational products while expanding new products, enhancing diversity and competitiveness in the market
  - Continue to adjust sales policies; improve competitiveness, customer service and care; promote direct marketing; have a financial mechanism for communication work to introduce new products.
  - Develop stably, maintain existing markets and develop new markets. Actively research the market; especially the markets of Ho Chi Minh City, Vinh Long and Dong Nai to develop new products to supply the market.
- The Company's environmental, social and community goals
  - The Company complies with regulations on environmental protection, labor safety, fire prevention and fighting, ensuring safety in storage and transportation, creating jobs and welfare for employees.

## **5. Risks**

Educational books are the Company's main product at present, this product has the following basic risks:

- Risks regarding goods: The implementation of replacing textbooks has also significantly affected the distribution of general reference books. Distributors participating in the distribution are hesitant to stockpile goods, parents and students are also hesitant to purchase materials.
- Risks regarding inventory: The policy of comprehensively renewing the content and curriculum of textbooks is being promoted, leading to the fact that books by grade level according to the old reference book curriculum that are still in stock will not be sold after this time.
- Competitive risk: The purchasing policy of reference books has decreased, so competition in terms of import and export discounts is increasingly difficult.

## **II. OPERATION IN THE YEAR 2024**

### **1. Situation of production and business operations**

- Textbook + Supplementary Books segment: 02 subsidiaries have a firm grasp of the area for effective exploitation, local students do not lack textbooks. Helps limit the spread of counterfeit, pirated, and illegal books that are difficult to manage, in line with the direction and plan of the Company's Board of Directors.
- Reference books segment: experienced difficulties due to discount competition among units in the same distribution system.
- Replacing new textbooks brings in a significant portion of revenue, contributing to maintaining and stabilizing the Company's business situation. However, replacing textbooks also partly directly affects the distribution work. The regular purchasing budget

for Reference Books of units has decreased, and the work of selecting books for school libraries is also very cautious.

### Table of production and business performance results in 2024

*Unit: VND*

Indicators	2023	2024	% increase/ decrease 2024/2023	Plan 2024	% complet ed in 2024
Revenue	205.216.419.546	190.698.012.321	92,92	210.000.000.000	90,81
Profit before tax	3.722.436.092	357.926.712	9,61	5.000.000.000	7,16
Dividends	0	0	0	0	

- Revenue in 2024 was 190 billion VND, down 7.08% compared to 2023 and only reached 90.81% of the plan set for 2024.
- Profit before tax was 357 million VND, down 90.39% compared to 2023 and only reached 7.16% of the plan set for 2024.

### Business operating expenses table in 2024

*Unit: Million VND*

No.	Cost Elements	2023		2024	
		Value	%/ Revenue	Value	%/ Revenue
1	Revenue	205.216		190.698	
2	Cost of Goods Sold	187.279	91,25	174.764	91,64
3	Selling Expenses	7.485	3,64	8.899	4,66
4	Administrative Expenses	7.306	3,56	6.920	3,62
5	Financial Operating Expenses	1.915	0,93	1.781	0,93

## 2. Organization and Human resource

### • List of the Board of Management

List, summary of resumes and percentage of voting shares owned by

1. Mr. Ngo Trong Vinh - Deputy General Director
2. Ms. Dao Thi Thanh Ban - Chief Accountant

#### (1). Deputy General Director - Ngo Trong Vinh

Full name: Ngo Trong Vinh

Gender: Male

Date of birth: February 5, 1964

Place of birth: Hanoi

CCCD number: 001064033275 Date of issue: July 29, 2023 Place of issue: CCS

Nationality: Vietnam

Ethnicity: Kinh

Hometown: Hoang Van Thu - Hanoi



Permanent address: No. 211, Group 20, Hoang Van Thu, Hoang Mai, Hanoi  
Contact phone number: 0903407730  
Educational level: 12/12  
Professional level: Bachelor of Business Administration  
Current position: Chairman of the Board of Directors and Deputy General Director of the Educational Book Joint Stock Company in Ho Chi Minh City.  
Positions held at other companies:  
- Chairman of the Board of Directors, Hanoi Educational Book Joint Stock Company  
- Chairman of the Board of Directors, Telecommunications Light Electricity Joint Stock Company  
- Chairman of the Board of Directors, CMC Investment Joint Stock Company

Number of shares owned (as of March 5, 2025): 207,000 shares (accounting for 5.12% of total outstanding shares)  
Shareholding ratio of related persons: 400,800 shares (accounting for 9.91% of total outstanding shares)  
Interests in conflict with the Company's interests: none  
Debts to the Company: none  
Related interests to the Company: none  
Illegal acts: none  
Remuneration and related benefits to the Company: The remuneration of the Company's Board of Directors is paid according to the Company's salary and business performance regulations

**(2). Chief Accountant - Dao Thi Thanh Ban**

Full name: Dao Thi Thanh Ban  
Gender: Female  
Date of birth: May 14, 1976  
Place of birth: Hanoi  
CCCD number: 001176009268 Date of issue November 22, 2021  
Nationality: Vietnam  
Ethnicity: Kinh  
Permanent address: No. 19 Trang Tien, Trang Tien Ward, Hoan Kiem, Hanoi  
Contact phone number: 0988766198  
Educational level: 12/12  
Professional level: Bachelor of Finance and Accounting  
Current position: Chief Accountant of Educational Book Joint Stock Company in Ho Chi Minh City.  
Position held at other companies: None  
Number of shares owned and represented (as of March 5, 2025): 0 shares (accounting for 0% of total outstanding shares).  
Share ownership ratio of related persons: none  
Interests conflicting with the Company's interests: none  
Debts to the Company: none  
Related interests to the Company: none  
Illegal acts: none  
Remuneration and related interests to the Company: The remuneration of the Company's Board of Directors is paid according to the Company's regulations on salary payment and business performance.

### Percentage of voting shares owned by the Board of Directors

No.	Full Name	Position	ID card number	Number of shares owned
1	Ngo Trong Vinh	Deputy General Director	001064033275	207.000
2	Dao Thi Thanh Ban	Chief Accountant	001176009268	0

- **Changes in the Board of Management:** None
- **Number of staffs. Brief information and changes on the employee's policies.**  
Number of staff and employees in the company: In 2024, the Company currently has 8 long-term employees.
- **Policies for employees:**
  - Working regime: The Company organizes work 8 hours/day from Monday to Friday every week.
  - Leave, holidays, Tet: Staff and employees are entitled to holidays and Tet according to the provisions of the Labor Code.
  - Sick leave, maternity leave: The Company strictly complies with regulations on Social Insurance, Health Insurance and other current regulations of the State on sick leave.
  - Working conditions: The office is spacious and airy. The Company is fully equipped with equipment to serve the work to achieve the best results.
  - Salary regime: Applied according to the title and nature of the job. The Company pays salaries to employees in the Company correctly and fully according to the Company's Salary Regulations on the basis of current legal regulations.
  - Bonus regime: Implemented for employees based on job titles and the Company's production and business performance.
  - Trade Union organization: The Company's Trade Union operates quite effectively, creating conditions to help employees improve their spiritual life and health.

### 3. Investment activities, project implementation

#### a. Major investments:

In 2024, the Company has no major investments in financial investment or project investment.

#### b. Subsidiaries, associated companies

No.	Company Name	Operational status	Ownership ratio	Investment capital
<b>I.</b>	<b>Subsidiaries</b>			
1	Vinh Long Books & Educational Equipment JSC	Currently active	80,99%	
2	Dong Nai Books & Educational Equipment JSC	Currently active	55,99%	
<b>II.</b>	<b>Affiliates</b>			
1	EBS Solar Vietnam Energy JSC	Currently active	25%	
2	Le Thanh Education Investment JSC	Currently active	49%	

c. **Investment in capital contribution to other units:** None

No.	Company Name	Operational status	Ownership ratio	Investment capital

4. **Financial situation**

a. **Financial situation**

Indicators	2024	2023	% increase/decrease
Total Asset Value	86.627.309.268	86.574.245.869	100,06%
Net Revenue	190.393.599.344	203.960.573.354	93,34%
Profit from business activities	492.646.186	2.996.886.174	16,42%
Other Profit	-134.719.474	725.549.918	-18,48%
Profit Before Tax	357.926.712	3.722.436.092	9,59%
Profit After Tax	-421.288.239	2.742.043.963	-15,35%
Payout ratio	0	0	

b. **Major financial indicators:**

Indicators	2024	2023
<b>1. Solvency ratio</b>		
- Current ratio (Short term Asset/Short term debt)	2.17	2.40
- Quick ratio (Short term Asset – Inventories /Short term Debt)	0.55	0.73
<b>2. Capital structure criteria</b>		
- Debt/Total assets ratio	0.32	0.31
- Debt/Owner's Equity ratio)	0.49	0.45
<b>3. Performance indicators</b>		
<b>Inventory turnover:</b>		
- Cost of goods sold/Average inventory	4.88	5.61
<b>Total asset turnover:</b>		
- Net revenue/Average total assets	2.19	2.35
<b>4. Profitability indicators</b>		
- Profit after tax/ Net revenue Ratio	-0.22	1.34
- Profit after tax/ total capital Ratio	-0.74	4.59
- Profit after tax/ Total assets Ratio	-0.48	3.16
- Profit from business activities/ Net revenue Ratio	0.25	1.46

**5. Shareholder structure, change in owner's capital:**

**a. Shares**

- Total number of listed shares: 4,137,000 shares. Of which:
  - Total number of outstanding shares: 4,043,000 shares
  - Treasury shares: 94,000 shares
- Total number of outstanding bonds: none

**b. Shareholder structure**

- Shareholder structure as of March 5, 2025 (the date of closing the list of shareholders for the 2025 Annual General Meeting).

No.	Shareholders	Number of shareholders (Person)	Number of shares owned (Shares)	Value (VND)	Ownership ratio (%)
<b>1.</b>	<b>Domestic Shareholders</b>	<b>319</b>	<b>4.015.600</b>	<b>40.156.000.000</b>	<b>97.07</b>
1.1	Organizations	05	777.294	7.772.940.000	18.79
1.2	Individuals	314	3.238.306	32.383.060.000	78.28
<b>2.</b>	<b>Foreign Shareholders</b>	<b>11</b>	<b>27.400</b>	<b>274.000.000</b>	<b>0.66</b>
2.1	Organizations	09	25.600	256.000.000	0.62
2.2	Individuals	02	1.800	18.000.000	0.04
<b>3.</b>	<b>Treasury Shares</b>	<b>01</b>	<b>94.000</b>	<b>940.000.000</b>	<b>2.27</b>
	<b>Total</b>	<b>331</b>	<b>4.137.000</b>	<b>41.370.000.000</b>	<b>100</b>

- List of shareholders holding more than 5%.

Shareholder Name	Ownership registration number	Nationality	Stocks held	Ownership ratio
Ngo Phuong Anh	001192012603	Việt Nam	1.008.500	24.94
Ngo Anh Thu	001187033062	Việt Nam	674.800	16.69
Vietnam Education Publishing House One Member Co., Ltd.	0100108543	Việt Nam	632.000	15.63
Vu Thanh Thuy	001189032676	Việt Nam	331.000	8.19
Nguyen Thi La	001139007909	Việt Nam	207,000	5.12
Ngo Trong Vinh	001064033275	Việt Nam	207,000	5.12

- List of shareholders holding 1-5%

Shareholder Name	Ownership registration number	Nationality	Stocks held	Ownership ratio
Ngo Trong Quang	001061008268	Vietnam	193,800	4.79
Ngo Thi Thanh Huyen	001171027891	Vietnam	142,750	3.53
Nhat Phuong Trading and Construction Co., Ltd	0102001516	Vietnam	134,200	3.32
Vu Dinh Xuat	030067004447	Vietnam	64,900	1.61

- Changes in ownership of internal shareholders and major shareholders during the year:

No.	Name	Address	Position/ Relationship with Internal Shareholders	Number of shares held	Current Ownership Ratio	Ownership ratio fluctuates during the year
1	Ngo Trong Vinh	No. 211, Group 20, Hoang Van Thu, Hoang Mai, Hanoi	Chairman of the Board	207.000	5.12	
2	Nguyen Trong Ha	No. 3, Alley 4, Group 11, Yen Hoa, Cau Giay, Hanoi	Board Member			
3	Lam Quynh Huong	No. 41, Alley 15/31 Tay Mo Street, Tay Mo, Nam Tu Liem, Hanoi	Board Member			
4	Le Thi Tuyet Minh	165/2C Bach Dang, Ward 2, Tan Binh District, Ho Chi Minh City	Board Member			
5	Vuong Thi Thanh Huyen	No. 48 Tran Kim Xuyen Street, Yen Hoa Ward, Cau Giay District, Hanoi City	Board Member			
6	Ngo Thi Thanh Huyen	Block 23, Lot 1, Group 73, Hoang Van Thu, Hoang Mai, Hanoi	Head of the Supervisory Board			
7	Nguyen Thi Anh Hong	P307TT 8/3 Quynh Mai, Hai Ba Trung, Hanoi	Board of Supervisors member.			
8	Nguyen Thi Mai	Trung Hoang Village, Thanh Binh, Chuong My, Hanoi	Board of Supervisors member.			
9	Ngo Phuong Anh	No. 69, Lane 83, Ngoc Hoi Street, Hoang Liet Ward, Hoang Mai, Hanoi	Major shareholder	1,008,500	24.94	
10	Ngo Anh Thu	P2307, IP2 BUILDING, 360 GIAI PHONG, THANH XUAN, HANOI	Major shareholder	674,800	16.69	
11	Vu Thanh Thuy	9 Alley 173/84 Hoang Hoa Tham, Ngoc Ha, Ba Dinh, Hanoi	Major shareholder	330,000	8.16	

12	Nguyen Thi La	No. 211, Group 20, Hoang Van Thu, Hanoi	Related person	207,000	5.12	
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- c. **Changes in owner's capital** : No changes in owner's capital
- d. **Treasury stock transactions** : No treasury stock transactions
- e. **Other securities** : None

## 6. Report on the company's environmental and social impacts

**6.1/ Impact on the environment:** There are no criteria for assessing the total direct and indirect greenhouse gas (GHG) emissions. The Company's activities are commercial, without direct production, so there is no impact on the environment.

**6.2/ Management of raw materials:** The Company's activities are publishing publications, educational equipment, stationery, etc. in the commercial field, without direct production, so the Company's management of raw materials is not necessary.

**6.3/ Energy consumption:** The energy used for the Company's commercial activities is mainly electricity, serving machinery and office equipment. The Company uses electricity very economically to reduce input costs in order to increase profits. In mid-2023, the Company invested in a solar rooftop system, contributing to reducing the consumption of national grid electricity and saving monthly electricity costs.

**6.4/ Water consumption:** Water use is very limited, mainly used for daily activities of the Company's employees. Water is purchased from the Ho Chi Minh City water supply.

**6.5/ Compliance with environmental protection laws:** Strictly implementing regulations on environmental sanitation and implementing a civilized, green-clean-beautiful office culture, the Company strictly complies with environmental laws.

**6.6/ Policies related to employees:** The Company's Board of Directors coordinates with organizations (Party Committee, Trade Union, ...) to seriously implement State regulations, as well as the Company's internal regulations to ensure stable employment for employees; Salary and income as well as policies and regimes related to employees are fully implemented, striving to make each year better than the previous year. Participate in social insurance, health insurance, and unemployment insurance according to regulations for employees. In addition, the Company also organizes annual health check-ups and organizes vacation trips for employees if revenue and profits achieve good results.

**6.7/ Responsibility to the local community:** The Company also closely coordinates with local authorities to ensure security and order, fire prevention and fighting in the area where the Company operates.

**6.8/ Reports related to green capital market activities according to the guidance of the State Securities Commission:** None.

## III. REPORT AND ASSESSMENT OF THE BOARD OF DIRECTORS

### 1. Assessment of production and business performance

The General Education Innovation Program has come into practice, so the purchase of library books and knowledge improvement has decreased. The inventory pressure of the

Company - agents is a difficult problem, old books that are not suitable for the program will be difficult to sell.

In the face of many changes, the Company has been proactive in diversifying published products, diversifying partners, and different agent customers. Focusing on increasing the output of new reference books, thereby gradually stabilizing revenue and profits to ensure the lives of employees and salary regimes.

Although there are many unfavorable subjective and objective factors that directly affect the Company's business activities, the Company still strives to implement the planning targets assigned by the General Meeting of Shareholders.

### Targets in 2024 and progress in implementing targets in 2024

*Unit: VND*

Indicators	2023	2024	% increase/decrease 2024/2023	Plan 2024	% completed in 2024
Revenue	205.216.419.546	190.698.012.321	92,92	210.000.000.000	90,81
Profit before tax	3.722.436.092	357.926.712	9,61	5.000.000.000	7,16
Dividends	0	0	0	0	

- Revenue in 2024 was VND 190 billion, down 7.08% compared to 2023 and only reached 90.81% of the 2024 plan.
- Profit before tax was VND 357 million, down 90.39% compared to 2023 and only reached 7.16% of the 2024 plan.

## 2. Financial situation

In general, the Company's financial situation is transparent, healthy, ensuring sufficient capital for business operations and using capital effectively, for the right purposes to serve business operations, monitoring the management and use of assets and operating capital of the company.

### a. Assets

*Unit: VND*

Indicators	31/12/2024	01/01/2024
<b>I. Current assets</b>	<b>48,007,783,056</b>	<b>48,131,259,776</b>
1. Cash and cash equivalents	1,969,710,679	2,905,231,687
2. Short-term financial investments	1,213,195,916	1,162,605,733
3. Short-term receivables	8,553,469,581	10,218,681,126
4. Inventories	35,777,582,745	33,325,169,716
5. Other short-term assets	493,824,135	519,571,514
<b>II. Long-term assets</b>	<b>38,619,526,212</b>	<b>38,442,986,093</b>
1. Long-term receivables	0	0
2. Fixed assets	12,182,154,623	12,151,232,318
3. Long-term financial investments	8,991,281,281	8,614,394,710
4. Other long-term assets	6,005,902,037	5,996,339,685
<b>Total assets</b>	<b>86,627,309,268</b>	<b>86,574,245,869</b>

## b. Debt Payable

### The Company's Accounts Payables Table

*Unit: VND*

No.	Debt payable	2024	2023
<b>I.</b>	<b>Current Debt</b>	<b>22,045,073,737</b>	<b>20,043,626,386</b>
1	Short-term Loans and Debts	12,078,290,912	12,857,108,912
2	Payables to Suppliers	8,081,324,840	4,647,173,149
3	Prepayments from Buyers	376,273,374	422,304,876
4	Taxes and Payments to the State Budget	354,530,649	662,576,900
5	Welfare and Reward Fund	(243,825,076)	(243,825,076)
6	Accrued Expenses	360,879,548	593,739,738
7	Other Short-term Payables	435,578,317	554,357,211
8	Payables to Employees	602,021,173	550,190,676
<b>II.</b>	<b>Long-term Debt</b>	<b>5,954,090,895</b>	<b>6,899,381,808</b>

### 3. Improvements in organizational structure, policies, and management

The Company's employees always learn, study, and practice their professional qualifications as well as other skills to serve the Company's business operations. In order to better meet the requirements of increasing labor productivity and economic efficiency, the work of training, recruiting, transferring employees, and reforming salaries continues to receive attention: Increasing talented personnel with experience in exploiting topics, training sales skills, and other professional skills (communication, forecasting, contract appraisal, etc.).

With a structure of 03 specialized departments, the Company's business activities take place normally, the departments complete their assigned tasks quite well and have close, voluntary, and effective mutual support.

### 4. Development plans in future

#### 4.1. The Company's general objectives in 2025

Based on the business performance in 2024, product development trends and market changes, the Company plans to achieve some of the following targets in 2025 :

Indicator (VND)	2025
Total revenue	210.000.000.000
Profit before tax	3.000.000.000
Dividends	5%

#### 4.2. Specific tasks and directions in 2025

The market in 2025 still has many difficulties and challenges, so the Company's direction is to focus on promoting products chosen by the market, preparing well to develop new reference books, suitable for the new program.

Organize business activities well - collect debts. Avoid inventory.



Continue to restructure assets, capital sources, research for effective financial investment.  
Clear inventory.  
Recruit and transfer personnel reasonably in the direction of increasing direct labor in business and goods delivery stages.  
Maintain internal solidarity, enhance communication and cooperation to develop multilateral relationships to support the company's operations.  
Ensure reasonable benefits for employees based on achieved profits.

#### **5. Explanation of the Board of Directors on the Auditor's Opinion**

The Board of Directors of the Company agrees with the Auditor's opinions, seriously and effectively implements the Auditor's recommendations for the purpose of transparency, accuracy and compliance with the law of all financial activities of the Company on the basis of current regulations, the Company's charter, the resolution of the 2024 General Meeting of Shareholders and the specific characteristics of the business sector...

#### **6. Assessment report related to the Company's environmental and social responsibilities.**

The Company has fully performed its obligations and responsibilities to the environment, society and employees as prescribed.

### **IV. ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S ACTIVITIES**

#### **1. Assessment of the Board of Directors on all aspects of the Company's operations**

Regarding supervision and management activities: implemented in accordance with the Company's Charter, the working regulations of the Board of Directors, the Board of Management, and the delegation of authority... All instructions of the Board of Directors are implemented promptly and to the right subjects; reports of problems and difficulties are thoroughly directed by the Board of Directors to be resolved to avoid risks and losses.

Regarding the organizational structure: from the Board of Directors, the Board of Supervisors, the Board of Management to the departments, all are restructured to ensure the effective operation of the apparatus. The salary and income regime of employees is stable. The trade union organization promptly cares about the lives of employees. In addition, the work of gratitude and social charity is always given attention and timely support.

Financially : In 2024, although the economic situation is still difficult, it has greatly affected the Company's production and business activities. As a result, the profit has not been achieved as planned.

#### **2. Assessment of the Board of Directors on the performance of the Company's Board of Directors**

Performing the functions, tasks and powers according to the Company's Charter, operating regulations and Resolutions of the Shareholders' Meeting, the Board of Directors has worked closely with the Board of Management to promptly issue flexible decisions to ensure the Company's effective and sustainable development goals. The

Board of Directors monitors, supervises and supports the Board of Management in the face of difficulties and obstacles, promoting the personal responsibility of the Board members. Thanks to such close support and supervision, problems and complex business issues under the authority of the Board of Directors have been resolved quickly and effectively. The Board of Directors also pays attention to coordinating with the Supervisory Board in inspection and supervision.

In general, the Board of Directors has organized and implemented business activities according to the direction of the Board of Directors and the Resolution of the General Meeting of Shareholders. During the implementation process, the Board of Directors regularly reported to the Board of Directors on the business situation as well as the financial situation and other aspects of the Company's operations to provide timely guidance.

2024 is a year with many challenges in business operations. With high determination, the Board of Directors has strengthened its focus, flexibility and closely followed the main tasks to carry out business tasks according to the targets assigned by the General Meeting of Shareholders and the Board of Directors, bringing efficiency and practical benefits to the Company through the targets and business results achieved.

To promote the achievements gained in the past time, the Board of Directors needs to make more efforts in managing production activities, ensuring the best interests of shareholders in harmony with the interests of employees.

### **3. Plans and orientations of the board of directors**

**Goals:** The enterprise develops stably and sustainably, expands its business area nationwide, increases its value and ensures the maintenance of shareholders' interests.

#### **Policy orientations:**

##### **Regarding products:**

The current product quality is good, the company will further improve product quality and increase new products such as e-books, e-documents and other supporting tools to diversify the company's products.

Select the company's existing products to match the content of the new general education program to save costs and implementation time.

Diversify products.

##### **Regarding communication and market work:**

Consolidate and enhance the company's position, maintain its strengths in providing educational products and meeting the diverse needs of customers, expand the market and business area, and develop new customers.

Survey, research and apply appropriate business models to improve the organizational structure to be competitive with competitors in the market.

##### **Regarding human resources:**

Improve the quality of the company's human resources, specifically the staff working in business, logistics and retail to meet the requirements of assigned work.

## **V. CORPORATE GOVERNANCE**

### **1. Board of Directors**

#### **a. Members and structure of the Board of Directors**

<b>No.</b>	<b>Name</b>	<b>Position</b>	<b>ID card number</b>	<b>Address</b>	<b>Number of shares held</b>	<b>Tỷ lệ %</b>
1	Ngo Trong Vinh	Chairman of the Board	001064033275	No. 211, Group 20, Hoang Van Thu, Hoang Mai, Hanoi	207.00	5.12
2	Nguyen Trong Ha	Board Member	025069000254	No. 3, Alley 4, Group 11, Yen Hoa, Cau Giay, Hanoi	0	0
3	Lam Quynh Huong	Board Member	019178013575	No. 41, Alley 15/31 Tay Mo Street, Tay Mo, Nam Tu Liem, Hanoi	0	0
4	Le Thi Tuyet Minh	Board Member	250399541	165/2C Bach Dang, Ward 2, Tan Binh District, Ho Chi Minh City	0	0
5	Vuong Thi Thanh Huyen	Board Member	C1082160	No. 48 Tran Kim Xuyen Street, Yen Hoa Ward, Cau Giay District, Hanoi City	0	0

Sub-committees under the Board of Directors: none

#### **b. Activities of the Board of Directors:**

In 2024, the Board of Directors of the Company supervised and directed the Board of Directors in the regular management of business operations.

Decided on the Company's strategy, development and business plans.

Approved the audited quarterly and annual financial statements and other reports on production and business activities.

No.	Resolution/ Decision Number	Date	Contents	Proportion through
01	01/NQ-HĐQT	23/01/2024	Approval of the Last Registration Date to finalize the list of shareholders for the 2024 Annual General Meeting of Shareholders as follows: + Last Registration Date: Friday, February 23, 2024 + Expected date of the General Meeting of Shareholders: March 2024 + Meeting location: Expected at the Conference Hall of the Educational Book Joint Stock Company in Ho Chi Minh City, address: 363 Hung Phu, Ward 9, District 8, Ho Chi Minh City	100%
02	02/NQ-HĐQT	01/03/2024	Approving the date of the 2024 Annual General Meeting of Shareholders as follows: - Meeting time: 8:30 a.m. - Meeting date: Thursday, March 28, 2024 - Venue: Conferencehall of the Educational Book Joint Stock Company in Ho Chi Minh City. No. 363 Hung Phu - Ward 9 - District 8 - Ho Chi Minh City - Conditions for participation: Shareholders holding shares of the company that have been closed until February 23, 2024. - Meeting content: Approving the 2023 reports, the targets and directions for production and business activities in 2024, electing members of the Board of Directors, the Supervisory Board for Term V (2024-2028) and other contents to be submitted to the General Meeting of Shareholders for approval.	100%
03	03/NQ-HĐQT	02/04/2024	Election of the new Chairman of the Board of Directors and Appointment of other Positions.	100%
04	04/NQ-HĐQT	07/06/2024	Through the selection of AAC Auditing and Accounting Company Limited, address: Lot 78-80, 30/4 Street, Hoa Cuong Bac Ward, Hai Chau District, Da Nang City, Vietnam as the auditing unit for the fiscal year 2025 of Ho Chi Minh City Education Book Joint Stock Company.	100%

**c. Activities of independent members of the Board of Directors:**

Attend all meetings of the Board of Directors, review and give opinions on the resolutions of the Board of Directors.

Regularly work with the Finance and Accounting Department, the Company's Supervisory Board, to inspect the financial activities and other activities of the Company. Provide timely comments to the Board of Directors and the Board of Directors when there are unreasonable decisions.

**d. List of members of the Board of Directors with corporate governance training certificates**

- Mr. Ngo Trong Vinh - Chairman of the Board of Directors: Bachelor of Economics, Master of Business Administration, engineer.
- Mr. Nguyen Trong Ha - Member of the Board of Directors: Bachelor of Finance and Accounting and has a certificate in business management.

**2. Board of Supervisors**

**a. Members and structure of the Board of Supervisors**

List	Position	Shareholding Ratio (as of 05/03/2025)
1. Ms. Ngo Thi Thanh Huyen	Head of Supervisory Board	3.53 %
2. Ms. Nguyen Thi Anh Hong	Member	0 %
3. Ms. Nguyen Thi Mai	Member	0 %

**b. Activities of the Board of Supervisors**

Advise the Board of Directors on the selection of an independent auditor, review annual and quarterly financial reports before submitting them to the Board of Directors.

Coordinate with the Company's Board of Directors to resolve other issues arising according to regulations.

**3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors**

**a. Salary, rewards, remuneration and benefits**

No	Shareholder name	Position	Number of shares own	Salary/Remuneration received (VND/person/month)
<b>I. Board of Directors Remuneration</b>				
1	Ngo Trong Vinh	Chairman of BOD	207.000	0
2	Nguyen Trong Ha	Board Member	0	0
3	Lam Quynh Huong	Board Member	0	0
4	Le Thi Tuyet Minh	Board Member	0	0
5	Vuong Thi Thanh Huyen	Board Member	0	0
<b>II. Board of Supervisors' remuneration</b>				
1	Ngo Thi Thanh Huyen	Head of Supervisory Board	142.750	0
2	Nguyen Thi Anh Hong	Member	0	0
3	Nguyen Thi Mai	Member	0	0
<b>III. Board of Management</b>				
1	Ngo Trong Vinh	Deputy General Director	207.000	23.160.000
2	Dao Thi Thanh Ban	Chief Accountant	0	

**b. Share transactions by internal shareholders: None**

No	Organization /Individual Name	Relationship with the Company	NSH Certificate Number* Date of issue, place of issue	Head office address/Contact address	Content, quantity, total transaction value	Note

**c. Contracts or transactions with internal shareholders: None**

No	Organization /Individual Name	Relationship with the Company	NSH Certificate Number* Date of issue, place of issue	Head office address/Contact address	Content, quantity, total transaction value	Note

**d. Assessing the Implementation of regulations on corporate governance: None**

**VI. FINANCIAL STATEMENTS**

**1. Auditor's opinion**

**Independent Auditor:**

- AAC Auditing and Accounting Company Limited
- Deputy General Director: Tran Thi Thu Hien - Auditing Practice Registration Certificate No.: 0753-2023-010-1.
- The auditing company has been approved by the Ministry of Finance to audit listed enterprises on the stock exchange.

**Independent Auditor's opinion:**

- *Auditor's responsibility: Our responsibility is to express an opinion on the financial statements based on the results of the audit. We conducted the audit in accordance with Vietnamese Auditing Standards. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Company's 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 auditor's 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 auditor considers 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 management, 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 audit opinion. □ Auditor's opinion: In our opinion, in all material respects, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2024, as well as the results of its operations and cash flows for the fiscal year then ended, in accordance with Vietnamese accounting standards, the Vietnamese corporate accounting regime and relevant legal regulations on the preparation and presentation of financial statements.*

➤ *Special comments (management letter): None*

**2. Audited financial statements**

The full text of the Company's audited financial statements is posted on the website: [www.sgd.edu.vn](http://www.sgd.edu.vn)

**Confirmed by representative  
according to the Company's laws**

A red circular stamp with the text "M.S.D. N: 0303280405 - C.T.C.", "CÔNG TY CỔ PHẦN SÁCH GIÁO DỤC TẠI THÀNH PHỐ HỒ CHÍ MINH", and "QUẬN 8 - TP. HỒ CHÍ MINH". A blue ink signature is written over the stamp.

**NGO TRONG VINH**