

ANNUAL REPORT

**Company name: HIGHER EDUCATION AND VOCATIONAL BOOK JOINT STOCK COMPANY
(HEV)**

I. COMPANY'S HISTORY


1. Important events

Higher Education and Vocational Book Joint Stock Company, formerly known as the "University and Professional Education Publishing House", is a member of the Vietnam Education Publishing House ("NXBGDVN"), established in 2004 with the mission of compiling, editing, publishing and distributing books for university, college, vocational training and publications for the education sector and other social subjects.

Higher Education and Vocational Book Joint Stock Company officially took over the functions of the former University and Vocational Education Publishing House according to Document No. 3170/TCCB dated April 23, 2004 and Document No. 5051/KHTC dated June 21, 2004 of the Ministry of Education and Training allowing the Vietnam Education Publishing House to invest State capital in the Company.

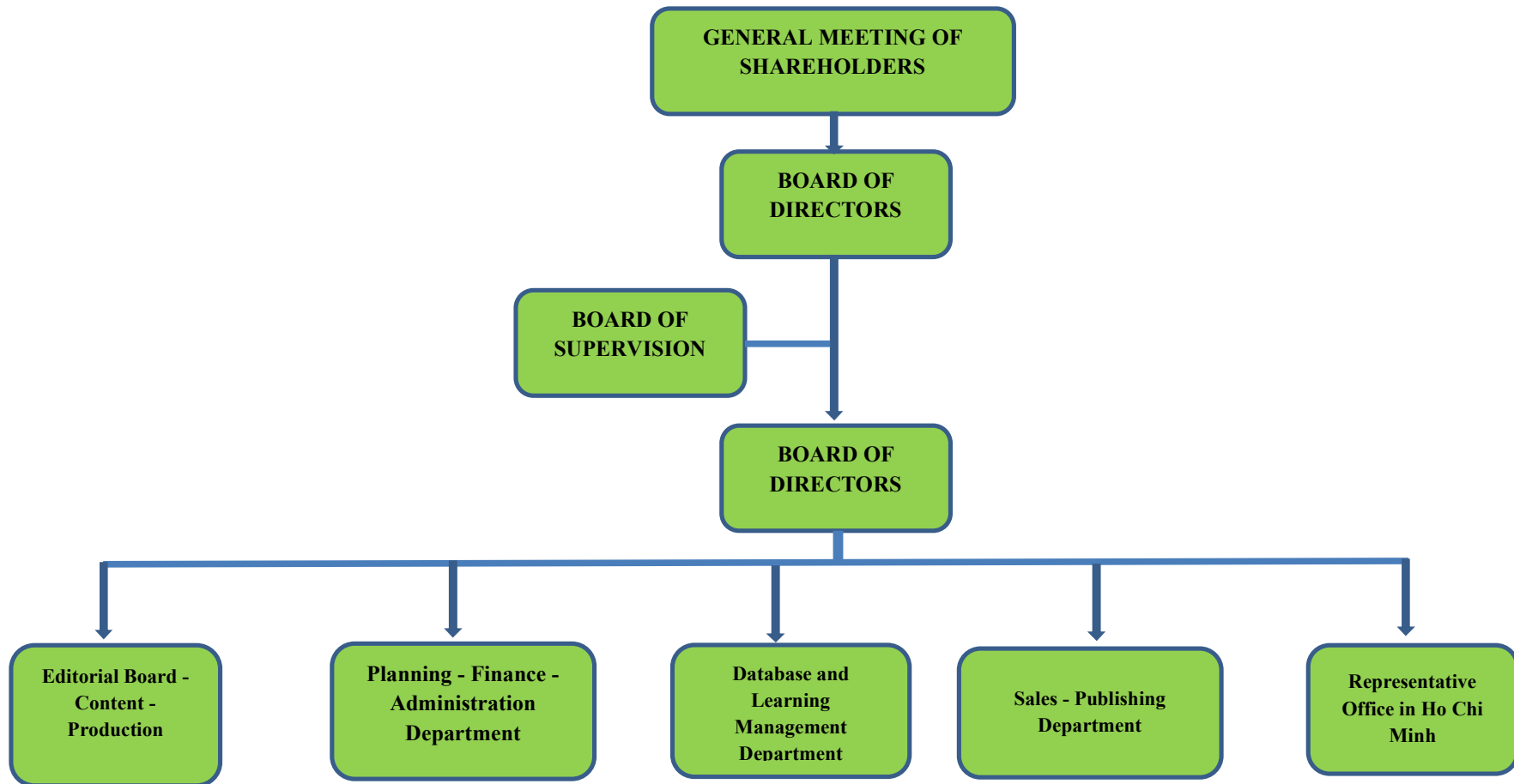
The company operates under business registration certificate No. 010517669 dated July 28, 2004 issued by the Department of Planning and Investment of Hanoi City and became a subsidiary of the Education Publishing House with an initial charter capital of 3 billion VND, registered for the first change on July 17, 2007 with the charter capital increased to 10 billion VND, registered for the second change on June 28, 2010 regarding the change of the legal representative, registered for the third change on July 20, 2016 regarding the coding of business lines, registered for the fourth change on February 9, 2018 regarding the change of the legal representative, registered for the fifth change on June 27, 2018 regarding the change of the ID card of the legal representative, registered for the sixth change on June 14, 2018 regarding the change of the legal representative. March 2023 on changing the legal representative and the 7th registration change on June 7, 2024 on changing the Company's head office address. The Company has been officially listed on the Hanoi Stock Exchange since December 11, 2007..

2. Some basic information about the Company

- Company name HIGHER EDUCATIONAL AND VOCATIONAL BOOK JOINT STOCK COMPANY
- English Name HIGHER EDUCATIONAL AND VOCATIONAL BOOK JOINT STOCK COMPANY
- Abbreviation HEVOBCO JSC
- Logo 
- Company Address 187B Giảng võ, P. Cát Linh, Q. Đống Đa, TP. Hà Nội, Việt Nam
- Website www.hevobooks.com

- Phone 024.3825.6547 – 024.39717189
 - Business registration certificate No. 0103004993 issued by Hanoi Department of Planning and Investment on July 28, 2004; 7th change registration on June 7, 2024.
- + Business areas:
- Wholesale of other household goods;
 - Retail sale of books, newspapers, magazines and stationery in specialized stores;
 - Retail sale of audio and video tapes and discs (including blank tapes and discs) in specialized stores;-Bán lẻ thiết bị, dụng cụ thể dục, thể thao trong các cửa hàng chuyên doanh;
 - Retail sale of games and toys in specialized stores;-In ấn;
 - Services related to printing;
 - Copy records of all types;
 - Production of office equipment;
 - Wholesale of computers, peripheral equipment and software;
 - Wholesale of electronic and telecommunications equipment and components;
 - Wholesale of other machinery, equipment and spare parts;
 - Data processing, leasing and related activities;
 - Software publishing;
 - Computer programming;
 - Specialized website design activities
- Charter capital: 10,000,000 VND (Ten billion VND)

3. Company management structure



❖ General meeting of shareholders:

Including all shareholders with voting rights, it is the highest authority of the Company, deciding on issues stipulated by the Law and the Company's Charter. In particular, shareholders will approve the Company's annual financial reports and financial budget for the following year..

❖ Board of Directors:

As the Company's management body, it has full authority to decide on all matters relating to the Company's purposes and interests on behalf of the Company, except for matters under the authority of the General Meeting of Shareholders. The Board of Directors is responsible for supervising the Executive Director and other managers. The rights and obligations of the Board of Directors are stipulated by the Law and the Company's Charter, the Company's internal regulations and the Resolution of the General Meeting of Shareholders. Hội đồng quản trị của Công ty (thời điểm 31/12/2024) bao gồm các thành viên sau:

- Mr. Nguyen Cong Dung Chairman of the Board of Directors
- Mrs. Nguyen Bich Ngoc Board Member
- Mrs. Nguyen Thi Huu Board Member
- Mr. Dang Tran Bao Tin Board Member
- Mrs. Ta Thi Thanh Huyen Board Member

❖ Board of Control:

An agency under the General Meeting of Shareholders, elected by the General Meeting of Shareholders. The Supervisory Board is responsible for checking the reasonableness and legality in the management of business activities and financial reports of the Company. The Supervisory Board operates independently from the Board of Directors and the Board of Management. The Supervisory Board (as of December 31, 2024) includes the following members:

- Mrs. Tran Thi Thu Thuy Head of Supervisory Board
- Mr. Nguyen Hoang Duc Viet Board of Supervisors
- Mr. Pham Gia Huan Board of Supervisors

❖ Board of Directors and Chief Accountant

The Director is the executive and has the highest decision-making authority on all matters related to the Company's daily operations and is responsible to the Board of Directors for the implementation of assigned rights and duties. The Deputy Directors assist the Director and are responsible to the Director for the assigned work, proactively handling tasks authorized and assigned by the Director in accordance with the State's policies and the Company's Charter.

- Mr. Tran Dinh Hoang Manager
- Mrs. Tran Thi Phuong Lan Vice president
- Mrs. Vu Bich Thanh Accounting Manager

II. DEVELOPMENT PROCESS

1. Operating status:

The Company's products are: University and College books, Professional High School books, Vocational books and reference books: In addition, the Company is currently actively exploiting the business of teaching equipment and cultural products serving schools and society, gradually increasing the proportion of external products, enriching the business items. Currently, the Company is deploying a sample product system combining printed books and electronic learning materials.

2. Development orientation

Main objectives:

- Total Revenue and Profit increase 5-10% annually.
- Develop more new products and items to diversify products and increase revenue.
- Deploying a technology solution system combining printed books and electronic learning materials to bring added value to users while ensuring security and anti-copying.
- Strengthening facilities, machinery and equipment to serve the implementation of the new system.

III. PRODUCTION AND BUSINESS RESULTS

1. Highlights of performance in 2024:

• Implementation status compared to last year:

- Total revenue (including DTTC and other income) increased 158%
- Pre-tax profit increased 114%

• Implementation status compared to plan:

- Total revenue achieved 124%
- Profit before tax reached 40%

Total revenue increased by 158% compared to the previous year because the Company tried to find products to replace the 4.0 Technology Stamps, QPAN 10, 11 books, supplementary books for grade 4, vocational books for grade 11 according to the 2018 textbook replacement program. Expanding the product range of calendars, teaching equipment to find new customers such as Universities, Banks, Companies, etc.

2. Financial Statement:

The financial situation as of December 31, 2024, the results of operations and cash flows for the fiscal year ended on the same day of University - Vocational Training Book Joint Stock Company have been audited by AAC Auditing and Accounting Company

Limited. The Board of Directors confirms that the Financial Statements have been prepared correctly, honestly and reasonably reflecting the financial situation as of December 31, 2024, the results of operations and cash flows for the fiscal year 2024 and in accordance with the current Vietnamese Enterprise Accounting Standards and Regimes and relevant legal regulations.

❖ **Some indicators of profitability and solvency in 2024:**

- Fast payment ability: 1,9 lần
- Current payment capacity: 2,75 lần
- Profit after tax/Total assets: 0.99 %
- Profit margin after tax/Net revenue: 0.81 %
- Profit after tax/Equity: 1,54 %

Book value as of December 31, 2024: VND 13,070/share

❖ **Changes in shareholders' equity during the year:**

- In 2024, the Company's charter capital is 10 billion VND
- Total number of shares: 1,000,000 shares
- Type of shares: Common shares
- Number of outstanding shares: 1,000,000 shares
- Number of reserved shares, treasury shares: None
- Dividend in 2024: 0%

❖ **Report on production and business results:**

Unit of measure: VNĐ

TT	Target	2024	2023
1	Sales and service revenue	24.741.368.045	15.584.587.903
2	Revenue deductions	0	0
3	Net revenue from sales and services	24.741.368.045	15.584.587.903
4	Cost of goods sold	20.396.141.898	12.407.999.809
5	Gross profit from sales and service provision	4.345.226.147	3.176.588.094
6	Financial revenue	277.086.121	224.643.141

7	Financial costs	0	0
8	Cost of sales	1.258.155.505	1.474.909.885
9	Business management costs	3.169.070.672	3.471.276.209
10	Net operating profit	195.086.091	(1.544.954.859)
11	Other income	10.000.000	10.873.669
12	Other costs	3.601.249	224.897.371
13	Other profits	6.398.751	(214.023.702)
14	Total accounting profit before tax	201.484.842	(1.758.978.561)
15	Corporate income tax	0	0
16	Profit after corporate income tax	201.484.842	(1.758.978.561)
17	Basic earnings per share	0	0
18	Dividend per share	0%	0%

3. Future development plans:

The market for books, equipment and supplies for training at Universities, Colleges, Vocational High Schools and Vocational Training is currently very large. Although the publishing sector is facing fierce competition with the emergence of many publishers in recent years, the University - Vocational Training Book Company is a publisher of textbooks and reference books with a long tradition and brand in publishing books for Universities, Colleges, Vocational High Schools and Vocational Training Schools, so it still occupies a large market share. The market book and translated book segments are a large market with many opportunities.

* Medium and long-term development strategy:

- Transform the operating model of representative offices in the regions to increase market share in the Southern region.
- Develop and expand the school supplies segment and some other types of stationery to diversify products and increase revenue for the Company.
- Develop agents, expand the network of intermediary distributors.
- Increase the number of competent and experienced staff in book editing to compile new textbooks according to the priorities of the Vietnam Education Publishing House.
- Increase the publication of books for Universities, Colleges, and Vocational Schools nationwide.

- Develop electronic database packages to serve University and College training according to each major.

IV. FINANCIAL STATEMENTS

The Company's financial statements have been audited by AAC Accounting and Auditing Company Limited, including:

- Balance sheet as of December 31, 2024;
- Business performance report;
- Cash flow statement;
- Notes to the financial statements for the 2024 fiscal year;

V. EXPLANATION OF FINANCIAL STATEMENTS AND AUDIT REPORT

1. Independent auditor: AAC Accounting and Auditing Company Limited

2. Independent auditor's opinion:

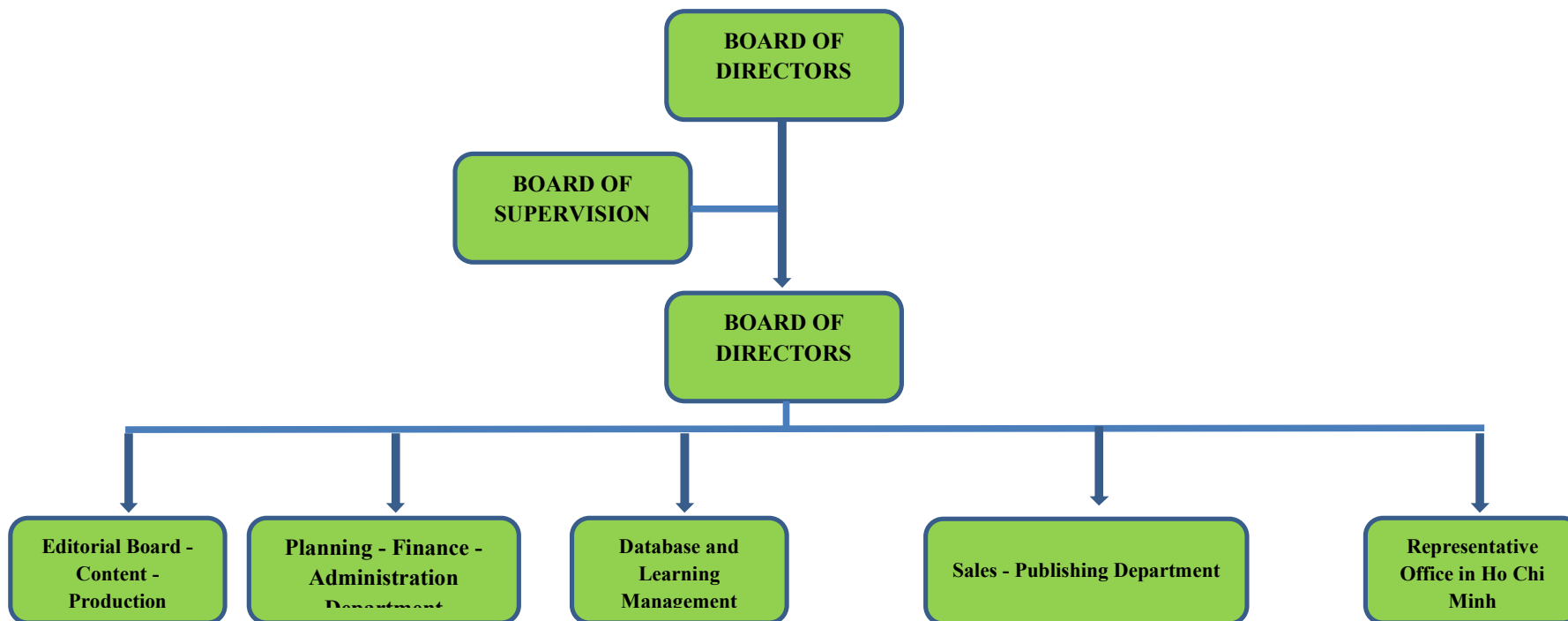
In our opinion, in all material respects, the Financial Statements give a true and fair view of the Company's financial position as at December 31, 2024, as well as its business performance and cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations on the preparation and presentation of Financial Statements.

VI. RELATED COMPANIES

Currently, the Company does not hold more than 50% of the equity capital of other related Companies

VII. HUMAN RESOURCES ORGANIZATION

1. Company Organizational Structure:



2. Summary of the profiles of the individuals on the Executive Board (as of December 31, 2024):

❖ BOARD OF DIRECTORS + BOARD OF DIRECTORS

1. MR NGUYEN CONG DUNG

- Date of birth: 20/09/1974
- Hometown: Hanoi
- Permanent residence: 26 Cua Bac Street, Truc Bach Ward, Ba Dinh District, Hanoi
- Professional qualification: PhD
- Current position: Chairman of the Board of Directors

2. MRS NGUYEN BICH NGOC

- Date of birth: October 16, 1980
- Hometown: Hanoi
- Permanent residence: No. P202, D5 Phuong Mai, Dong Da District, Hanoi
- Professional qualification: Master of Economics
- Current position: Member of the Board of Directors

3. MRS NGUYEN THI HUU

- Date of birth: May 21, 1980
- Hometown: Lai Chau
- Permanent residence: No. 179, Street 17, Ward 11, Go Vap District, Ho Chi Minh City
- Professional qualification: Master
- Current position: Member of the Board of Directors

4. MR DANG TRAN BAO TIN

- Date of birth: 07/01/1999
- Hometown: Quang Ngai
- Permanent residence: No. 904, Building 107 Truong Dinh, Ward Vo Thi Sau, District 3, Ho Chi Minh City
- Professional qualification: Bachelor of Accounting
- Current position: Member of the Board of Directors

5. MRS TA THI THANH HUYEN

- Date of birth: March 28, 1992
- Hometown: Hanoi
- Permanent residence: Hanoi
- Professional qualifications: Bachelor of Accounting - Auditing
- Current position: Member of the Board of Directors, Specialist of the Science and Technology Department – NXBGDVN

6. MR TRAN DINH HOANG

- Date of birth: 06/07/1980
- Hometown: Hanoi
- Permanent residence: Vinh Tuy, Hai Ba Trung, Hanoi
- Professional qualification: Bachelor of Electronics and Telecommunications
- Current position: Director

7. MRS TRAN THI PHUONG LAN

- Date of birth: 08/08/1968
- Hometown: Hanoi
- Permanent residence: No. 25/2/1 Vu Thanh, Dong Da, Hanoi
- Professional qualification: Bachelor of English
- Current position: Deputy Director of the Company

8. MRS VU BICH THANH

- Date of birth: 14/03/1982
- Hometown: Hanoi
- Permanent residence: 20 Tan Lac, Dai La, Truong Dinh, Hai Ba Trung, Hanoi
- Professional qualification: Bachelor of Business Accounting.
- Current position: Accounting Manager

❖ BOARD OF SUPERVISION

1. MRS TRAN THI THU THUY

- Date of birth: 05/08/1984
- Hometown: Nghe An
- Permanent residence: No. 85, Lane 67 Thai Thinh, Dong Da District, Hanoi
- Professional qualification: Bachelor of Economics
- Current position: Head of the Control Board

2. MR NGUYEN HOANG DUC VIET

- Date of birth: May 19, 1995
- Hometown: Quang Tri
- Permanent residence: Vinh Chap Commune, Vinh Linh District, Quang Tri Province.
- Professional qualification: Bachelor of Law
- Current position: Member of the Board of Supervisors

3. MR PHAM GIA HUAN

- Date of birth: November 17, 1995
- Hometown: Hai Duong
- Permanent residence: U11-L11 Do Nghia Urban Area, Yen Nghia, Ha Dong, Hanoi
- Professional qualification: Bachelor of Finance - Banking
- Current position: Member of the Board of Supervisors - Expert of the Finance

and Accounting Department - Publishing House of Education and Training of Vietnam.

3. Board of Directors' benefits:

The Company shall pay salaries, bonuses and other benefits to the Board of Directors in accordance with the Company's Salary Regulations.

4. Number of staff and policies for employees

Total number of employees as of December 31, 2024: 15 people. Of which:

Indirect sector: 5 people

Direct sector: 10 people

The company builds its own salary policy in accordance with the characteristics of business performance and ensures that employees enjoy full benefits according to State regulations in accordance with the qualifications, capacity and specific work of each person. The 2024 salary fund is determined on the basis of production and business activities.

5. Changes in executive board personnel during the year

In 2024, University - Vocational Books Joint Stock Company will have changes in the Executive Board and Chief Accountant.

- Change of Chief Accountant

VIII. SHAREHOLDER INFORMATION AND CORPORATE VERNANCE

1. Board of Directors and Supervisory Board:

❖ The Company's Board of Directors consists of 5 members:

- Mr. Nguyen Cong Dung: Chairman of the Board of Directors
- Ms. Nguyen Bich Ngoc: Member of the Board of Directors
- Ms. Nguyen Thi Huu: Member of the Board of Directors
- Mr. Dang Tran Bao Tin: Member of the Board of Directors
- Ms. Ta Thi Thanh Huyen: Member of the Board of Directors

❖ Independent non-executive board member:

- Mr. Nguyen Cong Dung: Chairman of the Board of Directors
- Ms. Nguyen Bich Ngoc: Member of the Board of Directors
- Ms. Nguyen Thi Huu: Member of the Board of Directors
- Mr. Dang Tran Bao Tin: Member of the Board of Directors
- Ms. Ta Thi Thanh Huyen: Member of the Board of Directors

❖ The Company's Board of Supervisors consists of 3 members:

- Ms. Tran Thi Thu Thuy: Head of the Supervisory Board
- Mr. Nguyen Hoang Duc Viet: Member of the Supervisory Board
- Mr. Pham Gia Huan: Member of the Supervisory Board

❖ Independent non-executive Board member:

- Ms. Tran Thi Thu Thuy: Head of the Supervisory Board
- Mr. Nguyen Hoang Duc Viet: Member of the Supervisory Board

- Mr. Pham Gia Huan: Member of the Supervisory Board

2. Activities of the Board of Directors:

In 2024, the Board of Directors held 06 Board meetings and 01 annual General Meeting of Shareholders. The Board meetings were held in accordance with the Company's charter, resolutions and decisions of the Board of Directors.

The Board of Directors and the Executive Board of the Company have closely coordinated in managing and operating the Company's activities in accordance with the provisions of law, the State's policies and regimes, complying with the Charter and internal regulations and rules of the Company and closely following the Resolutions of the General Meeting of Shareholders.

The structure of the Board of Directors does not have subcommittees, but the Board of Directors has assigned each member of the Board of Directors to be in charge of an area suitable to his/her expertise to give accurate and effective opinions to help the Board of Directors make the right decisions to serve the Company's production and business activities.

3. Board of Control Activities:

Perform the function of controlling the implementation of the Enterprise Law, the Company's Charter and the Resolution of the General Meeting of Shareholders in the management and operation of production and business at the Company.

Check and supervise the implementation of the production and business plan, supervise the implementation of the Resolution of the Annual General Meeting of Shareholders in 2023.

Participate in periodic control through monthly cash audits, quarterly review meetings, and year-end summary meetings.

Review quarterly financial reports.

Monitor the disclosure of information according to the regulations of the State Securities Commission and the Company's Charter.

Participate in coordination with independent auditors in auditing the Financial Reports.

1.3 Plan to enhance the effectiveness of corporate governance activities:

- Regarding products

Strengthen copyright activities, joint publishing and book distribution: continue to develop copyright purchasing activities of domestic and foreign authors. Promote joint publishing activities, improve the quality of topic selection, manuscript and translation appraisal, and improve presentation.

- Expand the range of school supplies and other stationery to diversify products and increase revenue for the company.

- Develop a number of new products and services to keep up with changing trends in content and learning materials in Vietnam and the world.

- Apply 4.0 technology in product and service development.

* Distribution channels

- Promote the development of Ho Chi Minh City branches while expanding the Southern market.

- Develop agents, expand the network of intermediary distributors such as bookstores and local stationery stores. Distribute the Company's books directly to schools in remote areas of the country.

- Develop an online sales system through the Company's website system to expand market share, increase revenue and reduce travel and advertising costs for finished products.

* Human Resources

- Recruit more competent and experienced staff in book editing to compile new textbooks according to the company's priority of reference books.

4. Remuneration of Board of Directors and Board of Supervisors in 2024:

Remuneration of the Board of Directors and Board of Supervisors in 2024: VND 330,000,000

1.3 Share ownership ratio of members of the Board of Directors:

1.4 Share ownership ratio of members of the Board of Directors as of December 31, 2024 is as follows:

1. Mr. Nguyen Cong Dung - Chairman of the Board of Directors

Number of shares held: 162,975 shares (par value: VND 10,000)

In which:

- Personal ownership: 0 shares (par value: VND 10,000)
- Representative of state capital ownership: 162,975 shares.

2. Ms. Nguyen Bich Ngoc - Member of the Board of Directors

Number of shares held: 17,850 shares (par value: VND 10,000)

In which:

- Personal ownership: 17,850 shares (par value: VND 10,000)
- Representative of state capital ownership: 0 shares.

3. Ms. Nguyen Thi Huu - Member of the Board of Directors

Number of shares held: 0 shares (par value: VND 10,000)

In which:

- Personal ownership: 0 shares (par value: VND 10,000)
- Representative of state capital ownership: 0 shares.

4. Mr. Dang Tran Bao Tin - Member of the Board of Directors

Number of shares held: 103,020 shares (par value: VND 10,000)

In which:

- Personal ownership: 103,020 shares (par value: VND 10,000)
- Representative of state capital ownership: 0 shares.

5. Ms. Ta Thi Thanh Huyen - Member of the Board of Directors

Number of shares held: 54,325 shares (par value: VND 10,000)

In which:

- Personal ownership: 0 shares (par value: VND 10,000)
- Representative of state capital ownership: 54,325 shares.

5. Stock transactions of the Board of Directors, Board of Supervisors, Board of Executive Directors, major shareholders and other transactions, transactions related to the above subjects.

Carry out transaction registration and information disclosure in accordance with the provisions of the Law.

6. Statistical data on shareholders

According to the list finalized on March 29, 2024 by the Vietnam Securities Depository Center

1.1 Domestic shareholders:

- State shareholders:

Shareholder name: Vietnam Education Publishing House Company Limited

Address: 81 Tran Hung Dao, Hoan Kiem District, Hanoi

Number of shares held: 217,300 shares, accounting for 21.73%

- Other domestic shareholders: 759,400 shares, accounting for 75.94%

1.2 Foreign shareholders:

- Foreign shareholders: 23,300 shares, accounting for 2.33%.

Hanoi, March 29, 2025

**HIGHER EDUCATION AND VOCATIONAL BOOK JOINT
STOCK COMPANY**



Tran Dinh Hoang