

DOMESCO MEDICAL IMPORT – EXPORT JOINT STOCK CORPORATION

FINANCIAL STATEMENTS

31 MARCH 2019



DOMESCO

Vì Chất Lượng cuộc sống

DOMESCO MEDICAL IMPORT – EXPORT JOINT STOCK CORPORATION

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BALANCE SHEET

At 31 March 2019

VND

Code	ASSETS	Notes	31/03/2019	01/01/2019
100	A. CURRENT ASSETS (100=110+120+130+140+150)		1,210,696,544,145	1,231,691,824,167
110	I. Cash and cash equivalents	4	38,519,924,977	79,508,402,993
111	1. Cash		38,519,924,977	79,508,402,993
112	2. Cash equivalents		-	-
120	II. Short-term investment	11	260,000,000,000	290,000,000,000
123	3. Held-to-maturity investments		260,000,000,000	290,000,000,000
130	III. Current accounts receivable		592,412,126,023	585,386,459,077
131	1. Short-term trade receivables	5	574,163,326,940	555,099,634,399
132	2. Short-term advances to suppliers		5,919,973,194	9,521,850,477
136	6. Other short-term receivables	6	16,496,597,620	24,932,745,932
137	7. Provision for short-term doubtful receivables (*)	5.6	(4,167,771,731)	(4,167,771,731)
139	8. Omit asset in process		-	-
140	IV. Inventories	7	310,487,134,884	266,490,181,601
141	1. Inventories		310,487,134,884	266,490,181,601
149	2. Provision for obsolete inventories (*)		-	-
150	V. Other current assets		9,277,358,261	10,306,780,496
151	1. Short-term prepaid expenses	12	9,277,358,261	8,591,454,887
152	2. VAT deductibles		-	-
153	3. Tax and other receivables from the State		-	1,715,325,609
200	B. NON-CURRENT ASSETS (200=210+220+240+250+260)		229,984,506,482	233,397,032,364
220	II. Fixed assets		194,662,019,960	185,645,766,458
221	1. Tangible fixed assets	8	146,061,347,047	137,785,851,840
222	- Cost		467,368,393,268	452,084,455,417
223	- Accumulated depreciation (*)		(321,307,046,221)	(314,298,603,577)

Code	ASSETS	Notes	31/03/2019	01/01/2019
227	3. Intangible assets	9	48,600,672,913	47,859,914,618
228	- Cost		59,321,813,583	58,250,853,583
229	- Accumulated depreciation (*)		(10,721,140,670)	(10,390,938,965)
240	IV. Long-term asset in progress		15,160,759,530	25,264,977,244
241	1. Unfinished goods		-	-
242	2. Construction in progress	10	15,160,759,530	25,264,977,244
250	V. Long-term investments	11	12,594,452,519	12,137,262,343
251	1. Investments in subsidiaries		-	-
253	3. Investment in other entity		20,000,000,000	20,000,000,000
254	4. Provision for diminution in value of long-term investments (*)		(7,405,547,481)	(7,862,737,657)
260	VI. Other long-term assets		7,567,274,473	10,349,026,319
261	1. Long-term prepaid expenses	12	5,866,557,109	6,454,525,269
262	2. Deferred tax assets	26.3	1,700,717,364	3,894,501,050
270	TOTAL ASSETS (270=100+200)		1,440,681,050,627	1,465,088,856,531
	RESOURCES			
300	C. LIABILITIES (300=310+330)		261,151,796,382	335,549,024,358
310	I. Current liabilities		259,849,400,155	334,490,688,599
311	1. Short-term trade payables	13	156,530,360,090	216,705,485,747
312	2. Short-term advances from customers		157,324,084	653,648,755
313	3. Statutory obligations	14	10,568,515,295	18,447,951,927
314	4. Payables to employees		22,648,855,326	48,420,913,671
315	5. Short-term accrued expenses	15	11,395,094,117	23,221,728,600
319	9. Other short-term payables	16	1,114,441,940	1,252,578,968
320	10. Short - term loans	17	56,829,604,176	23,497,575,804
322	12. Bonus and welfare fund		605,205,127	2,290,805,127
330	II. Non-current liability		1,302,396,227	1,058,335,759
337	7. Other long-term liabilities	16	1,302,396,227	1,058,335,759

Code	ASSETS	Notes	31/03/2019	01/01/2019
400	D. OWNERS' EQUITY (400=410+430)		1,179,529,254,245	1,129,539,832,173
410	I. Capital	18	1,179,529,254,245	1,129,539,832,173
411	1. Issued share capital		347,274,650,000	347,274,650,000
411a	- Shares with voting rights		347,274,650,000	347,274,650,000
411b	Preferred shares		-	-
412	2. Share premium		60,333,949,894	60,333,949,894
418	8. Investment and development fund		493,189,885,886	493,159,584,889
421	11. Undistributed earnings		278,730,768,465	228,771,647,390
421a	- Undistributed earnings up to prior year-end		228,771,647,390	228,771,647,390
421b	- Undistributed earnings of current period		49,959,121,075	-
430	II. Other funds		-	-
440	TOTAL LIABILITIES AND OWNERS' EQUITY (440=300+400)		1,440,681,050,627	1,465,088,856,531

Cao Lanh, th April 2019

Preparer

Chief Accountant

General Director



Đoàn Thị Quyên



Phạm Ngọc Tuyền



Lương Thị Hương Giang

INCOME STATEMENT

1st quarter 2019

VND

Code	ITEMS	Notes	1 st quarter		Accumulated to 31 March	
			2019	2018	2019	2018
1	1. Revenue from sale of goods and rendering of	19.1	322,601,162,177	297,649,140,156	322,601,162,177	297,649,140,156
2	2. Deductions	19.1	12,920,148,887	5,300,533,895	12,920,148,887	5,300,533,895
10	3. Net revenue from sale of goods and	19.1	309,681,013,290	292,348,606,261	309,681,013,290	292,348,606,261
11	4. Cost of goods sold and services rendered	20	207,838,016,652	179,602,156,747	207,838,016,652	179,602,156,747
20	5. Gross profit from sale of goods and		101,842,996,638	112,746,449,514	101,842,996,638	112,746,449,514
21	6. Finance income	19.2	4,903,544,327	5,232,360,863	4,903,544,327	5,232,360,863
22	7. Finance expenses	22	360,761,074	161,131,619	360,761,074	161,131,619
23	- In which: Interest expense		663,078,810	-	663,078,810	-
25	8. Selling expenses	21	25,382,380,018	30,728,756,633	25,382,380,018	30,728,756,633
26	9. General and administrative expenses	21	18,791,355,822	22,298,167,825	18,791,355,822	22,298,167,825
30	10. Operating profit		62,212,044,051	64,790,754,300	62,212,044,051	64,790,754,300
31	11. Other income	23	258,176,943	565,694,310	258,176,943	565,694,310
32	12. Other expenses	24	181,490	161,988,632	181,490	161,988,632
40	13. Other profit/loss		257,995,453	403,705,678	257,995,453	403,705,678
50	14. Accounting profit before tax		62,470,039,504	65,194,459,978	62,470,039,504	65,194,459,978
51	15. Current income tax expense	26.1	10,317,134,744	9,975,782,480	10,317,134,744	9,975,782,480
52	16. Deferred income tax income	26.3	2,193,783,685	3,112,417,839	2,193,783,685	3,112,417,839
60	17. Net profit after tax		49,959,121,075	52,106,259,659	49,959,121,075	52,106,259,659
70	20. Basic earnings per share		1,439	1,500	1,439	1,500

Preparer

Đoàn Thị Quyên

Chief Accountant

Phạm Ngọc Tuyên



 General Director
 Lương Thị Hương Giang

th April 2019

CASH FLOW STATEMENT*For the year ended 31 March 2019*

Code	TEMS	Notes	Q1/2019	Q1/2018
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
1	1. Profit before tax		62,470,039,504	65,194,459,978
	2. Adjustments for:		-	-
2	Depreciation and amortization	9	7,338,644,349	7,653,295,383
3	Provisions		(457,190,176)	790,570,065
4	Foreign exchange losses arisen from revaluation of monetary accounts denominated in foreign currency	-	512,120,043	-
5	Profit (loss) from investing activities	19,23	(4,508,330,466)	(5,088,746,946)
6	Loan interest expenses		663,078,810	-
8	3. Operating profit before changes in working capital		66,018,362,064	68,549,578,480
9	Increase/Decrease in receivables		(5,823,218,049)	6,176,554,139
10	Increase/Decrease in inventories		(43,996,953,283)	37,657,592,065
11	Increase/Decrease in payables		(99,411,517,369)	(135,966,685,512)
12	Increase/Decrease in prepaid expenses		139,332,286	(1,117,763,976)
13	Loan interest expenses already paid		(663,078,810)	-
14	Corporate income tax paid	14	(15,771,393,766)	(15,772,802,248)
15	Other cash inflows from operating activities		30,300,997	-
16	Other cash outflows for operating activities		(3,375,600,000)	(5,161,995,558)
20	Net cash flows from operating activities		(102,853,765,930)	(45,635,522,610)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase and construction of fixed assets		(6,487,947,637)	(7,641,257,034)
22	2. Proceeds from disposals of fixed assets		-	-
23	3. Term deposit	11	(20,000,000,000)	(20,000,000,000)

Code	TEMS	Notes	Q1/2019	Q1/2018
24	4. Revenue from lending or re-sale of debt instruments		50,000,000,000	-
25	5. Payments for investment in other entity		-	-
26	6. Revenue for investment in other entity		-	-
27	7. Interest received		5,021,207,179	4,093,457,410
30	Net cash flows used investing activities		28,533,259,542	(23,547,799,624)
	III. CASH FLOWS FROM A FINANCING ACTIVITY			
32	2. Payments for capital contributed by owners, or for re-purchase of issued shares of the enterprise		-	-
33	3. Short-term or long-term loans received	17	33,332,028,372	-
34	4. Payments for principal of loans		-	-
36	6. Dividend paid	18	-	(52,091,197,500)
40	Net cash flows used in financing activity		33,332,028,372	(52,091,197,500)
50	Net (decrease) increase in cash and cash equivalents (20+30+40)		(40,988,478,016)	(121,274,519,734)
60	Cash and cash equivalents at beginning of period		79,508,402,993	158,731,379,082
61	Impact of exchange rate fluctuation		-	-
70	Cash at end of period (50+60+61)	4	38,519,924,977	37,456,859,348

Prepaper



Đoàn Thị Quyên

Chief Accountant



Phạm Ngọc Tuyền

Cao Lanh, th April 2019

General Director



Lương Thị Hương Giang

NOTE TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

1. CORPORATE INFORMATION

Domesco Medical Import - Export Joint Stock Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise pursuant to the Business Registration Certificate No. 1400460395 issued by the Department of Planning and Investment of Dong Thap Province on 30 December 2003, as amended,

The Company’s shares were listed on the Ho Chi Minh Stock Exchange with trading code of DMC in accordance with the License No. 94/UBCK-GPNY issued by the State Securities Commission of Vietnam on 4 December 2006,

The current principal activities of the Company are to manufacture, trade, import pharmaceutical products, materials and sub-material, medical tools, equipment and chemicals for analysis; pure water, mineral water and medical water; nutritional materials and products, purchasing, cultivation and processing medical herbs,

Normal manufacturing and business cycle of the Company is 12 months,

The Company’s registered head office is located at No. 66, Highway 30, My Phu Ward, Cao Lanh City, Dong Thap Province, Vietnam. In addition, the Company also has 01 Represent office at No. 37, Thanh Thai Street, Ward 14, District 10, Ho Chi Minh City and thirteen (13) branches located at other province/cities within Vietnam.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The financial statements of the Company, expressed in Vietnam dong (“VND”), are prepared in accordance with Vietnamese Enterprise Accounting System, the Vietnamese Accounting Standard No. 27 - Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-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 financial statement, 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 financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

The Company's applied accounting documentation system is the voucher journal system.

2.3 Fiscal year

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

2.4 Accounting currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Change in accounting policies and notes

Circular 200/2014/TT-BTC Circular on guidelines for accounting policies for Enterprises

On 22th December 2014, Ministry of Finance issued Circular 200/2014/TT-BTC Circular on guidelines for accounting policies for Enterprises ("Circular 200") to replace Decision No. 15/2006/GĐ-BTC on 20 March 2006 and Circular 244/2009/TT-BTC on 31 December 2009 issued by Ministry of Finance, Circular 200 comes into effect from or after 1 January 2015,

3.2 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 less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.3 Receivables

Receivables are presented in the financial statements at the carrying amounts due from customers and other debtors, after the provision for doubtful receivables.

The provision for doubtful receivables represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administration expense in the income statement.

3.4 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value. Net realisable value 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 - actual cost on a weighted average basis,
mechandise

Work-in-process and - cost of direct materials and labour plus attributable overheads based on the
finished goods normal level of activities on a weighted average basis,

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 raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold account in the income statement.

3.5 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 income statement as incurred,

When tangible 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 income statement.

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization,

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 income statement as incurred,

When intangible 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 income statement.

11/4/00/4 1/0/1

Land use rights

Land use rights are recorded as intangible assets representing the value of the rights to use the lands acquired by the Company. The useful life of land use rights are assessed as either definite or indefinite. Accordingly, the land use rights with definite useful life representing the land lease are amortized over the lease term while the land use rights with indefinite useful lives is not amortized,

3.7 Depreciation and amortization

Depreciation of tangible fixed assets and amortization of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 - 25 year
Machinery and equipment	5 - 10 year
Means of transportation	6 - 10 year
Office equipment	3 - 5 year
Land use rights	37 - 50 year
Patents	3 - 5 year
Computer software	7 - 8 year

3.8 Construction in progress

Construction in progress represents tangible fixed assets under construction and is stated at cost. This includes costs of construction, installation of equipment and other direct costs.

3.9 Prepaid expenses

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

3.10 Investments*Investments in a subsidiary*

Investments in a subsidiary over which the Company has control are carried at cost,

Distributions from accumulated net profits of the subsidiary arising subsequent to the date of acquisition are recognised in the 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,

Investments in other entity

Investments in other entity are stated at their acquisition costs,

Provision is made for any diminution in value of the investment in subsidiary and other entity at the balance sheet date in accordance with the guidance under the Circular No. 228/2009/TT-BTC dated 7 December 2009 and the Circular No. 89/2013/TT-BTC dated 26 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as finance expense in the income statement.

3.11 Payables and accruals

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

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 transaction of commercial banks designated for payment;
- Transactions resulting in contributions or contributions receiving are recorded at buying exchange rates of the transaction of commercial banks designated for distribution receiving;
- Transactions resulting in purchasing of assets or payment which are made under foreign currency are recorded at the selling exchange rates of the transaction of commercial banks designated for payment,

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

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

All foreign exchange differences incurred during the period and arising from the revaluation of monetary accounts denominated in foreign currency at period-end are taken to the income statement.

3.13 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval in the shareholders' meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements,

The Company maintains the following reserve funds which are appropriated from the Company's 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 Company's expansion of its operation or 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 balance sheet.

3.14 Revenue recognition

Revenue is recognized 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 recognized:

Sales of goods

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

Rendering of services

Revenue is recognised when the service is rendered,

Interest

Revenue is recognized as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt,

3.15 Taxation

Current income tax

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

Current income tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the current deferred 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 income tax assets against current income tax liabilities and when the Company intend to settle its current income tax assets and liabilities on a net basis,

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss,

Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax

The carrying amount of deferred tax assets is reviewed at each 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 tax asset to be utilised. Previously unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized 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 period when the assets are realized or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset 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 period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4. CASH AND CASH EQUIVALENTS

1 - Cash	31 March 2019	31 December 2018
Cash on hand	3,090,235,327	9,252,895,563
Cash in banks	35,429,689,650	66,010,224,611
Cash equivalents	-	4,245,282,819
Total	38,519,924,977	79,508,402,993

5. SHORT-TERM TRADE RECEIVABLES

	31 March 2019	31 December 2018
Accounts receivable	574,163,326,940	555,099,634,399
Provision for short-term doubtful receivables	(3,459,396,436)	(3,459,396,436)
Total	570,703,930,504	551,640,237,963

6. OTHER SHORT-TERM RECEIVABLES

	31 March 2019	31 December 2018
Advance to employees	911,092,437	773,447,084
Deposits	350,749,318	319,283,538
Others	15,234,755,865	23,840,015,310
Total	16,496,597,620	24,932,745,932
Provision for short-term doubtful receivables	(708,375,295)	(708,375,295)
Total	15,788,222,325	24,224,370,637

7. INVENTORIES

	31 March 2019		31 December 2018	
	Cost	Provision	Cost	Provision
Goods in transit	-	-	5,331,063,182	-
Raw materials	128,048,921,229	-	100,688,894,569	-
Work in process	9,944,296,813	-	12,699,197,843	-
Finished goods	165,598,026,584	-	142,108,159,188	-
Merchandise goods	6,895,890,258	-	5,662,866,819	-
Total	310,487,134,884	-	266,490,181,601	-

8. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Total
Cost:					
31-Dec-18	177,523,628,139	217,277,000,247	46,770,406,752	10,513,420,279	452,084,455,417
Newly purchased	-	12,973,378,251	2,007,609,600	302,950,000	15,283,937,851
Disposed	-	-	-	-	-
Other deduction	-	-	-	-	-
31-Mar-19	177,523,628,139	230,250,378,498	48,778,016,352	10,816,370,279	467,368,393,268
Accumulated depreciation					
31-Dec-18	88,031,039,969	180,175,966,110	37,126,427,802	8,965,169,696	314,298,603,577
Depreciation for the period	1,887,942,825	4,036,736,719	973,756,727	110,006,373	7,008,442,644
Disposed	-	-	-	-	-
Other deduction	-	-	-	-	-
31-Mar-19	89,918,982,794	184,212,702,829	38,100,184,529	9,075,176,069	321,307,046,221
Net carrying amount					
31-Dec-18	89,492,588,170	37,101,034,137	9,643,978,950	1,548,250,583	137,785,851,840
31-Mar-19	87,604,645,345	46,037,675,669	10,677,831,823	1,741,194,210	146,061,347,047

* Ending amount of intangible fixed asset which are under mortgage:

* Cost of fixed assets which are fully depreciated but still in use:

172.223.879.111 đ

9. INTANGIBLES ASSETS

Item	Land use rights	Computer software	Patents	Total
Cost				
31-Dec-18	52,217,281,417	2,003,857,880	4,029,714,286	58,250,853,583
Newly purchases	-	1,070,960,000	-	1,070,960,000
IW : -Newly purchases	-	-	-	-
-Newly construction	-			-
Deduction	-	-	-	-
IW : - Disposed	-			-
- Sales of assets	-			-
31-Mar-19	52,217,281,417	3,074,817,880	4,029,714,286	59,321,813,583
Accumulated amortization				-
31-Dec-18	5,309,100,248	1,922,271,259	3,159,567,458	10,390,938,965
Amortization	182,731,137	66,430,092	81,040,476	330,201,705
Disposed				-
Other deduction				-
31-Mar-19	5,491,831,385	1,988,701,351	3,240,607,934	10,721,140,670
Net carrying amount:				-
31-Dec-18	46,908,181,169	81,586,621	870,146,828	47,859,914,618
31-Mar-19	46,725,450,032	1,086,116,529	789,106,352	48,600,672,913

10. CONSTRUCTION IN PROGRESS

	31-Mar-19	31-Dec-18
Purified water workshop	146,591,576	146,591,576
Nonbetalactam factory (solid)	109,939,091	109,939,091
Others	2,765,406,363	1,997,121,054
Buy machinery and equipment	12,138,822,500	23,011,325,523
Total	15,160,759,530	25,264,977,244

11. INVESTMENTS

- Short-term investments	31 March 2019	31 December 2018
- 12 months deposits	260,000,000,000	290,000,000,000
- Long-term investments	31 March 2019	31 December 2018
Investment in a subsidiary (*)	-	-
Investment in other entity (**)	20,000,000,000	20,000,000,000
Total	20,000,000,000	20,000,000,000
Provision for diminution in value of long-term investment	(7,405,547,481)	(7,862,737,657)
Net	12,594,452,519	12,137,262,343

(**) Detail of investment in other entity as at 31 December 2016 is presented as follow:

Name	31 March 2019		31 December 2018	
	Cost of investment (VND)	% of interest	Cost of investment (VND)	% of interest
ATP Package JSC	20,000,000,000	6,67	20,000,000,000	6,67
Provision for diminution in value of long-term investment	(7,405,547,481)		(7,862,737,657)	
Net	12,594,452,519		12,137,262,343	

ATP Package Joint Stock Company (“ATP”) is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the Business Certificate No. 3700811591 issued by the Department of Planning and Investment of Binh Duong Province on 9 July 2007, as amended. The head office of ATP is located at No. 99A, Group 3A, Block 5, My Phuoc Ward, Ben Cat Town, Binh Duong Province, Viet Nam. The principal activities of ATP are to manufacture and supply plastic packaging for manufacturers of pharmaceutical, cosmetics, veterinary medicine and food.

12. PREPAID EXPENSES

	31 March 2019	31 December 2018
a/ Short-term		
Tools and supplies	4,513,832,477	4,440,923,153
Others	4,763,525,784	4,150,531,734
Sub total	9,277,358,261	8,591,454,887
b/ Long-term		
Tools and supplies	2,680,610,848	2,916,604,817
Others	3,185,946,261	3,537,920,452
Sub total	5,866,557,109	6,454,525,269
Total	15,143,915,370	15,045,980,156

13. PAYABLES

	31 March 2019	31 December 2018
a/ Short-term trade payables to suppliers		
SINOBRIGHT - CHINA	6,064,356,700	3,659,672,900
Other suppliers	150,466,003,390	213,045,812,847
Sub total	156,530,360,090	216,705,485,747
b/ Trade payables to related parties		
LAB,RECALCINE – CHILE	-	-
Sub total	-	-
TOTAL	156,530,360,090	216,705,485,747

14. TAX AND OTHER OBLIGATIONS

	31 December 2018	Increase for the period	Paid during the period	31 March 2019
VAT tax	-	8,531,184,097	8,309,004,278	222,179,819
Sepecial consumption tax	-	-	-	-
Import, export tax	-	797,979,411	797,979,411	-
Corporate income tax	15,771,393,766	15,771,393,766	10,317,134,744	10,317,134,744
Personal income tax	2,669,544,321	200,339,705	2,847,530,254	22,353,772
Natural resources tax	7,013,840	46,803,338	46,970,218	6,846,960
Total	18,447,951,927	25,347,700,317	22,318,618,905	10,568,515,295

15. SHORT-TERM ACCRUED EXPENSESE

	31 March 2019	31 December 2018
Accured sales commissions	8,503,586,822	19,472,505,249
Others	2,891,507,295	3,749,223,350
Total	11,395,094,117	23,221,728,599

16. OTHER PAYABLES

	31 March 2019	31 December 2018
a/ Short-term		
Dividends	13,560,650	13,556,650
Deposits received	55,948,524	46,795,974
Remuneration of Board of Directors	-	92,710,899
Others	1,044,932,766	1,099,515,445
Total	1,114,441,940	1,252,578,968
b/ Long-term		
Deposits received	1,302,396,227	1,058,335,759
Total	2,416,838,167	2,310,914,727

17. SHORT - TERM LOANS

VCB HCM	56,829,604,176	23,497,575,804
Total	56,829,604,176	23,497,575,804

18. OWNERS' EQUITY

18.1 Increase and decrease in owners' equity

	Issued share capital	Share premium	Investment and	Undistributed	Total
31 December 2017	347,274,650,000	60,333,949,894	389,626,548,814	155,570,765,260	952,805,913,968
Increase capital	-	-	-	-	-
Remuneration of Board of Directors and Board of Supervisors	-	-	-	-	-
Fund appropriation	-	-	-	-	-
Dividends declared	-	-	-	-	-
Fund utilization	-	-	-	-	-
Other increase	-	-	-	-	-
Net profit for the period	-	-	-	52,106,259,659	52,106,259,659
31 March 2018	347,274,650,000	60,333,949,894	389,626,548,814	207,677,024,919	1,004,912,173,627
31 December 2018	347,274,650,000	60,333,949,894	493,159,584,889	228,771,647,390	1,129,539,832,173
Increase capital	-	-	-	-	-
Remuneration of Board of Directors and Board of Supervisors	-	-	-	-	-
Fund appropriation	-	-	-	-	-
Dividends declared	-	-	-	-	-
Fund utilization	-	-	30,300,997	-	30,300,997
Other increase	-	-	-	-	-
Net profit for the period	-	-	-	49,959,121,075	49,959,121,075
31 March 2019	347,274,650,000	60,333,949,894	493,189,885,886	278,730,768,465	1,179,529,254,245

18.1 Capital transactions with owners and distribution of dividends, profit

	For the year ended 31 March 2019	For the year ended 31 Dec 2018
Contributed capital		
+ Opening amount	347,274,650,000	347,274,650,000
+ Increase during the period	-	-
+ Ending amount	347,274,650,000	347,274,650,000
Dividends paid	-	52,091,197,500

18.2 Dividends

	For the year ended 31 March 2019	For the year ended 31 Dec 2018
Dividends declared as at ended of fical year:		
Dividends declared in 2016: / 2.000đ , 2017: 2.500đ/ cổ phiếu	-	-
Dividends paid during the period	-	52,091,197,500

18.3 Shares

	For the year ended 31 March 2019		For the year ended 31 Dec 2018	
	Quantity	Amount	Quantity	Amount
Ordinary shares authorized to be	34,727,465	347,274,650,000	34,727,465	347,274,650,000
Ordinary shares issued and fully paid	34,727,465	347,274,650,000	34,727,465	347,274,650,000
Outstanding ordinary shares	34,727,465	347,274,650,000	34,727,465	347,274,650,000

* Par valued of outstanding ordinary shares: 10,000đ,

19. REVENUE**19.1 Revenue from sale of goods and rendering of services**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Net revenue	309,681,013,290	292,348,606,261
<i>Of which:</i>		
Sale of merchandise goods	91,488,031,129	48,569,771,131
Sale of finished foods	218,192,982,161	243,778,835,130
Rendering of services	-	-

19.2 Financial income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income	4,508,330,466	5,088,746,946
Dividend received	-	-
Foreign exchange difference gains	388,462,055	143,556,999
Others	6,751,806	56,918
Total	4,903,544,327	5,232,360,863

20. COST OF GOODS SOLD

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cost of merchandise sold	86,703,332,330	46,178,631,494
Cost of finished goods sold	121,134,693,322	133,423,525,253
Total	207,838,025,652	179,602,156,747

21. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 March 2019	For the year ended 31 March 2018
a/ General and administrative expenses	18,791,355,822	22,298,167,825
Salary expenses	9,698,405,858	11,614,947,074
Other expenses	9,092,949,964	10,683,220,751
b/ Selling expenses	25,382,380,018	30,728,756,633

Salary expenses	12,849,830,834	16,691,364,764
Sales commissions	7,140,257,240	6,305,451,852
Other expenses	5,392,291,944	7,731,940,017
Total	44,173,735,840	53,026,924,458

22. FINANCIAL EXPENSES

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expenses	663,078,810	-
Reversal of provision for diminution in value of	(457,190,176)	-
Foreign exchange difference losses	644,562	112,930,379
Unrealized foreign exchange difference losses	-	-
Provision for diminution in value of short-term investment	153,150,230	46,323,369
Others	1,077,648	1,877,871
Total	360,761,074	161,131,619

23. OTHER INCOME

	For the year ended 31 March 2019	For the year ended 31 March 2018
Disposed of assets	-	-
Discount	-	-
Others	258,176,943	565,694,310
Total	258,176,943	565,694,310

24. OTHER EXPENSES

	For the year ended 31 March 2019	For the year ended 31 March 2018
Disposed of assets	-	-
Other expenses	181,490	161,988,632
Total	181,490	161,988,632

25. PRODUCTION AND OPERATING COSTS

	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw materials	94,388,309,929	137,662,451,116
Labour costs	39,480,377,998	41,150,162,838
Depreciation and amortization	7,338,644,349	7,653,295,383
External services	11,803,982,533	5,770,035,786
Other expenses	13,733,598,945	23,576,871,893
Total	166,744,913,754	215,812,817,016

26. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company is 20%

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

26.1 CIT expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax expenses	10,317,134,744	9,975,782,480
Deferred tax (income) expense	2,193,783,685	3,112,417,839
Total	12,510,918,429	13,088,200,319

26.2 Current CIT

The current tax payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods 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 by the balance sheet date.

A reconciliation between the taxable profit and the accounting profit before tax as reported in the income statement is presented below:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Accounting profit before tax	62,470,039,504	65,194,459,978
Adjustments		
Change in accrual for sales commission	(10,968,918,427)	(15,562,088,853)
Depreciation of fixed asset exceeded the cap	84,552,642	84,552,642
Non-deductible expense	-	161,988,632
Estimated taxable profit	51,585,673,719	49,878,912,399
Estimated CIT expenses	10,317,134,744	9,975,782,480
Adjustment for under accrual of CIT expenses from prior years	-	-
CIT payable at beginning of period	15,772,802,247	15,772,802,247
CIT paid during the period	(15,772,802,247)	(15,772,802,247)
CIT payable at the end of period	10,317,134,744	9,975,782,480

26.3 Deferred tax

The following are deferred tax assets recognized by the Company as at the balance sheet date:

	Balance sheet		Income statement	
	cuối kỳ	đầu năm	Q1/2019	Q1/2018
Accrual for sales commission	1,700,717,364	3,894,501,050	2,193,783,685	3,112,417,839
Total	1,700,717,364	3,894,501,050	2,193,783,685	3,112,417,839

27. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the period were as follows:

Related party	Location	Relationship	Transaction	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Abbott Laboratoires (Chile) Holdco Spa	Chile	Parent Company	Dividend payment	-	26,924,700,000
State Capital Investment Corporation - Limited Liability Company	Ha noi	Shareholder	Dividend payment	-	18,081,700,500
GLOMED Pharmaceutical Co.Inc	Binh duong	Related party	Purchase of API	-	4,830,708,885
GLOMED Pharmaceutical Co.Inc	Binh duong	Related party	selling raw materials	715,810,640	-
Abbott Operations Uruguay	Peru	Related party	Trading finished products	439,298,880	

Payable to suppliers

Related party	Location	Relation ship	Transaction	For the year ended 31 Mar 2019	For the year ended 31 Dec 2018
Abbott Laboratoires (Chile) Holdco Spa	Chile	Parent Company	Purchase of API	-	-
Total				-	-

Short - term receivables

Related party	Location	Relation ship	Transaction	For the year ended 31 Mar 2019	For the year ended 31 Dec 2018
Abbott Operations Uruguay	Peru	Related party	Trading finished products	439,298,880	440,642,528
GLOMED Pharmaceutical Co.Inc	Binh duong	Related party	selling raw materials	771,941,704	1,472,002,508
Total				1,211,240,584	1,912,645,036

28. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Net profit after tax	49,959,121,075	52,106,259,659
Transfer to bonus and welfare fund	-	-
Net profit attributable to ordinary equity holders of the Company	49,959,121,075	52,106,259,659
Weighted average number of ordinary shares	34,727,465	34,727,465
Basic and diluted earnings per share	1,439	1,500
- Basis earning per share	1,439	1,500
- Diluted earnings per share	1,439	1,500

29. EVENT AFTER THE BALANCE SHEET DATE

There has been no other significant event occurring after the balance sheet date.

Cao Lãnh City, th April 2019

Preparer

Chief Accountant

General Director



Đoàn Thị Quyên



Phạm Ngọc Tuyền



Lương Thị Hương Giang