

No: 06/2025/CBT - DLVN

Phutho, April 17th, 2025

PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS
Respectfully to: Hanoi Stock Exchange

Pursuant to Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16th, 2020, issued by the Ministry of Finance providing guidelines on disclosure of information on securities market, Viet Nam Medicinal Materials Joint Stock Company hereby discloses the Financial Statement for Quarter I of 2025 to the Hanoi Stock Exchange as follow:

1. Organization name : Viet Nam Medicinal Materials Joint Stock Company
- Stock code : DVM
- Address : Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province, Vietnam
- Tel : (84-24) 3984 1255
- Email : headoffice@vietmec.vn
- Website : https://duoclieuvietnam.com.vn
2. Content of information disclosure:
 - The Financial Statement for Quarter I of 2025:
 - ☒ Separated Financial Statements (Listed organization without subsidiaries and superior accounting unit that has affiliated units);
 - ☐ Consolidated Financial Statements (Listed organization with subsidiaries);
 - ☐ General Financial Statements (Listed organization has affiliated units with separate accounting apparatus);
 - Circumstances requiring explanation of reasons:
 - + The audit organization issues an opinion other than an unqualified opinion on the Financial Statements (for audited financial statements in 2024):
 - ☐ Yes ☒ No
 - Explanation document in case of "Yes":
 - ☐ Yes ☐ No
 - + Profit after taxes in the reporting period has a difference of at least 5% between the pre-audit and post-audit, is changed from negative to positive or vice versa (for the audited Financial Statements of 2024):
 - ☐ Yes ☒ No
 - Explanation document in case of "Yes":
 - ☐ Yes ☐ No



- + Profit after enterprise income tax as mentioned in the income statement of the disclosing period increases/decreases by at least 10% compared with the profit after enterprise income tax as disclosed in the same period of the last year:

☒ Yes

☐ No

Explanation document in case of "Yes":

☒ Yes

☐ No

- + Profit after taxes of the period is negative, is changed from positive in the previous period to negative in the current period or vice versa:

☐ Yes

☒ No

Explanation document in case of "Yes":

☐ Yes

☐ No

This information was published on the Company's website on April ...th 2025, as in the link: ...

3. Reporting on transactions that are worth at least 35% of the total assets in 2024 (if any):

The Company shall disclose the following details in case transactions occur:

- Transaction details: ...
- Proportion of transaction value to total asset value of the company (%) (based on the most recent financial statements): ...
- Transaction completion date: ...

We hereby certify that the information provided is true and accurate and we bear the full responsibility to the law for the content of the disclosed information.

Attach:

- Financial Statement for Quarter I of 2025;
- Explanation document.

Recipients:

- As above.
- Archives: VT, PC.

**REPRESENTATIVE OF VIETNAM MEDICINAL
MATERIALS JOINT STOCK COMPANY
LEGAL REPRESENTATIVE/ PERSON IN
CHARGE OF INFORMATION DISCLOSURE**



**VIET NAM MEDICINAL MATERIALS JOINT
STOCK COMPANY**

**FINANCIAL STATEMENTS FOR THE
FIRST QUARTER OF 2025**



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STATEMENT OF FINANCIAL POSITION

As of 31 March 2025

	Code	Note	Closing balance VND	Opening balance VND
ASSETS				
A- SHORT-TERM ASSETS	100		899,268,204,645	940,864,723,951
I. Cash and cash equivalents	110	4.1	47,704,779,568	85,716,381,492
1. Cash	111		11,867,222,556	50,049,634,000
2. Cash equivalents	112		35,837,557,012	35,666,747,492
II. Short-terms investments	120		123,553,330,078	118,906,968,745
1. Held-to-maturity investment	123	4.2	123,553,330,078	118,906,968,745
III. Short-term receivables	130		462,877,218,965	497,612,779,269
1. Short-term trade receivables	131	4.3	410,663,989,966	434,649,297,670
2. Short-term advances to suppliers	132	4.4	52,974,099,804	57,012,618,899
3. Other short-term receivables	136	4.5	1,936,071,182	8,647,804,687
4. Short-term allowance for doubtful debts	137	4.6	(2,696,941,987)	(2,696,941,987)
IV. Inventories	140	4.7	263,775,843,607	238,256,494,183
1. Inventories	141		263,775,843,607	238,256,494,183
V. Other short-term assets	150		1,357,032,427	372,100,262
1. Short-term prepaid expenses	151	4.8	1,357,032,427	372,100,262
2. Taxes and other receivables from the State budget	153	4.9	-	-
B. LONG-TERM ASSETS	200		686,077,466,805	693,705,321,666
I. Long-term receivables	210		93,582,477,273	93,577,326,528
1. Other long-term receivables	216	4.5	93,582,477,273	93,577,326,528
II. Fixed assets	220		363,909,586,769	369,926,562,095
1. Tangible fixed assets	221	4.10	134,320,685,440	137,783,362,447
- Cost	222		211,272,476,678	210,955,566,678
- Accumulated depreciation	223		(76,951,791,238)	(73,172,204,231)
2. Finance lease assets	224	4.11	22,932,306,632	25,151,899,997
- Cost	225		42,326,474,802	42,326,474,802
- Giá trị hao mòn lũy kế	226		(19,394,168,170)	(17,174,574,805)
3. Tài sản cố định vô hình	227	4.12	206,656,594,697	206,991,299,651
- Nguyên giá	228		210,320,174,528	210,320,174,528
- Accumulated depreciation	229		(3,663,579,831)	(3,328,874,877)
III. Investment properties	230		-	-
IV. Long-term assets in progress	240		207,748,851,127	207,741,675,127
1. Construction in progress	242	4.13	207,748,851,127	207,741,675,127
V. Long-term financial investment	250	4.14	20,000,000,000	20,000,000,000
1. Investment in joint-ventures, associates	252		20,000,000,000	20,000,000,000
VI. Other long-term assets	260		836,551,636	2,459,757,916

The accompanying notes are an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION (Continued)

As of 31 March 2025

			836,551,636	2,459,757,916
1. Long-term prepaid expenses	261	4.8		
TOTAL ASSETS	270		1,585,345,671,450	1,634,570,045,617
RESOURCES				
C. LIABILITIES	300		836,502,549,689	898,023,038,490
I. Short-term liabilities	310		808,417,271,004	869,787,379,806
1. Short-term trade payables	311	4.15	83,805,226,217	92,564,402,663
2. Short-term advances from customers	312	4.16	196,594,670	67,689,020
3. Taxes and amounts payable to the State budget	313	4.9	8,154,015,697	5,735,111,838
4. Payables to employees	314		5,109,506,592	2,981,715,656
5. Short-term accrued expenses	315	4.17	1,057,992,308	961,039,745
6. Short-term unearned revenue	318	4.18	2,320,806,116	2,791,437,590
7. Other short-term payables	319	4.19	71,187,558,569	20,230,820,050
8. Short-term borrowing and finance lease liabilities	320	4.20	634,406,246,840	740,666,281,550
9. Bonus and welfare	322		2,179,323,995	3,788,881,694
II. Long-term liabilities	330		28,085,278,685	28,235,658,684
1. Other long-term payables	337	4.19	2,309,412,900	2,349,412,900
2. Long-term borrowings and finance lease liabilities	338	4.20	25,775,865,785	25,886,245,784
D. EQUITY	400		748,843,121,761	736,547,007,127
I. Owner's equity	410	4.21	748,843,121,761	736,547,007,127
1. Owner's contributed capital	411		427,799,160,000	427,799,160,000
-Ordinary shares with voting rights	411a		427,799,160,000	427,799,160,000
2. Share premium	412		159,200,000,000	159,200,000,000
3. Investment and development fund	418		44,680,804,805	44,680,804,805
4. Retained earnings	421		117,163,156,956	104,867,042,322
-Retained earnings accumulated to the prior year end	421a		104,867,042,322	56,992,157,666
-Retained earnings of the current year	421b		12,296,114,634	47,874,884,656
II. Other resources and funds	430		-	-
TOTAL RESOURCES	440		1,585,345,671,450	1,634,570,045,617

Prepared by
NGUYEN THI HUONG

Chief Accountant
NGUYEN MANH THANG

General Director
VU THANH TRUNG
Phu Tho, Vietnam
April 17, 2025



STATEMENT OF INCOME

As of 31 March 2025

ITEMS	Code	Note	Current year	Prior Year
1. Gross revenue from goods sold and services rendered	01	5.1	319,797,679,264	393,828,908,293
2. Deductions	02	5.2	14,070,000	-
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10		319,783,609,264	393,828,908,293
4. Cost of goods sold and services rendered	11	5.3	284,884,387,224	364,584,964,948
5. Gross profit from goods sold and services rendered (20=10-11)	20		34,899,222,040	29,243,943,345
6. Financial income	21	5.4	844,030,278	1,272,355,004
7. Financial expenses	22	5.5	10,595,841,295	11,849,707,539
- In which: Interest expense	23		10,595,841,295	11,849,707,539
8. Selling expense	25	5.6	2,492,834,437	3,267,532,511
9. General and administration expenses	26	5.7	7,102,150,472	5,939,081,664
10. Net operating profit {30=20+(21-22)+24-(25+26)}	30		15,552,426,114	9,459,976,635
11. Other income	31	5.8	84,634,905	130,534,278
12. Other expense	32	5.9	1,595,208,843	-
13. Other profit/Losses (40=31-32)	40		(1,510,573,938)	130,534,278
14. Accounting profit before tax (50=30+40)	50		14,041,852,176	9,590,510,913
15. Current corporate tax expense	51	5.10	1,745,737,542	-
16. Deferred corporate tax expense	52		-	-
17. Net profit after corporate income tax (60=50-51-52)	60		12,296,114,634	9,590,510,913
18. Basic earnings per share	70	5.11	287	232
19. Diluted earnings per share	71	5.11	287,43	231,95

Prepared by
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Chief Accountant
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General Director
VU THANH TRUNG
Phu Tho, Vietnam
April 17, 2025

STATEMENT OF CASH FLOWS

As of 31 March 2025

(According to direct method)

ITEMS	Note	Current year	Prior Year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Proceeds from goods sold, services rendered and other	01	360,314,363,627	367,088,137,926
2. Expenditures paid to suppliers	02	(325,880,179,428)	(372,476,446,806)
3. Expenditures paid to employees	03	(277,062,291)	(58,801,685)
4. Interest paid	04	(10,287,258,242)	(11,837,795,660)
5. Corporate income tax paid	05	0	0
6. Other cash inflows from operating activities	06	77,174,994,843	605,005,799
7. Other cash outflows on operating activities	07	(27,101,357,752)	(9,728,770,816)
Net cash flows from investing activities	20	73,943,500,757	(26,408,671,242)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(7,176,000)	(589,789,331)
2. Proceeds from sale, disposal of assets and other long-term assets	22	(35,666,747,492)	0
3. Cash outflow for lending, buying debt instruments of	23	0	0
4. Cash recover from lending, selling debt instruments	24	0	0
5. Equity investments in other entities	25	0	0
6. Proceed from collection investment in other entity	26	0	(27,000,000,000)
7. Interest earned, dividends and profit received	27	175,109,577	873,162,960
Net cash flows from investing activities	30	(35,498,813,915)	(26,716,626,371)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from issuance of ordinary shares	31	0	0
2. Money to return contributed capital to owners, buy back shares of the issued enterprise	32	0	0
3. Proceeds from bond issuance and borrowings	33	315,296,999,104	346,166,986,510
4. Payments of loan	34	(426,352,709,275)	(313,218,330,893)
5. Payments for principal of finance leaser	35	(1,238,135,607)	(3,674,918,595)
6. Dividend paid to owner	36	0	0
NET CASH flows from financing activities	40	(112,293,845,778)	29,273,737,022
Net increase/(decrease) in cash for the year (50 = 20+30+40)	50	(73,849,158,936)	(23,851,560,591)
Cash and cash equivalents at the beginning of the year	60	85,716,381,492	104,847,984,669
Effects of changes in foreign exchange rates	61	0	0
Cash and cash equivalents at the end of the year (70 = 50+60+61)	70	11,867,222,556	80,996,424,078

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Phu Tho, Vietnam
April 17, 2025



NOTES TO FINANCIAL STATEMENTS (Continued)**NOTES TO THE FINANCIAL STATEMENTS***As of 31 March 2025*

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. THE BUSINESS OPERATION CHARACTERISTICS**1.1. Form of capital ownership**

Viet Nam Medicinal Materials Joint Stock Company is a joint stock company established and operating in Vietnam under Enterprise Registration Certificate No. 0105196582, initially issued on March 16, 2011 by the Hanoi Department of Planning and Investment, and amended for the 27th time on September 20, 2024 by the Phu Tho Department of Planning and Investment.

The company's charter capital is: 427,799,160,000,000 VND (In words: Four hundred twenty seven billion seven hundred ninety nine million one hundred sixty thousand dong). Total number of shares is 42,779,916 shares.

The list of shareholders [owners] as of March 31, 2025 was as follows:

No	Name of shareholder	Amount of capital contribution	Number of shares	Ratio
		VND	Shares	%
1.	Mr.Vu Thanh Trung	85,800,000,000	8,580,000	20.06%
3.	Other shareholders	341,999,160,000	34,199,916	79.94%
		427,799,160,000	42,779,916	100.00%

The total number of employees of the Company as of December 31, 2024 was 212 (December 31, 2023: 229 employees)

1.2. Business fields

The main business field in which the company operates is the manufacture and wholesale of medicinal materials.

1.3. Business line

During the year, the Company's main business lines were: Goods brokerage and auction agency (Details: Goods sales agents; Goods trading brokers); Wholesale of raw agricultural and forestry products (except wood, bamboo, rattan) and live animals (except those prohibited by the State); Wholesale of food (Details: Trading in functional foods; Wholesale of sugar, milk and dairy products, confectionery and products processed from cereals, flour, starch); Wholesale of beverages; Wholesale of other household items (Details: Wholesale of medical equipment; Wholesale of perfumes, cosmetics and hygiene products; Wholesale of drugs (not operating at headquarters); Wholesale of medicinal materials, oriental medicine, and herbal medicines); Wholesale of other machinery, equipment and spare parts (Details: Wholesale of medical machinery and equipment); Other specialized wholesale not elsewhere classified (Details: Wholesale of industrial chemicals such as Essential oils, colorants, perfumes and flavourings, soda, industrial salt; Wholesale of pharmaceuticals (Modern pharmaceutical, vaccines, medical biologicals); Growing spice crops, medicinal plants, perennial

NOTES TO FINANCIAL STATEMENTS (Continued)

aromatic plants; Growing other perennial plants; Propagating and caring for annual plant varieties; Cultivation service activities; Livestock service activities; Post-harvest service activities; Seed treatment for propagation;

Organizing trade introduction and promotion (except press conferences); Other remaining business support service activities not classified elsewhere (Details: Import and export of company's business items); Other education services not classified elsewhere; Education support services; Real estate business, land use rights owned, used or leased (Details: Real estate business); Real estate consulting, brokerage, auction, land use rights auction (Details: Real estate consultancy and brokerage); Scientific research and technological development in the field of natural sciences; Scientific research and technological development in the field of science, engineering and technology; Scientific research and technological development in the field of agricultural sciences; Advertising (excluding tobacco advertising); Other professional, scientific and technological activities not elsewhere classified (Details: Technology transfer consulting); Retail sale of food, foodstuff, beverages, cigarettes, and tobacco accounts with a large proportion in general merchandise stores; Retail sale of beverages in specialized stores; Processing of milk and dairy products; Manufacture of other chemical products not elsewhere classified (Details: Production of natural essential oils); Production of drugs, pharmaceutical chemicals and medicinal materials (Details: Pharmaceutical manufacturing enterprises; Production of raw materials for modern medicine; Production of vaccines and medical biological products (biological products for human use); Road freight transport; Warehousing and storage of goods (excluding real estate business); Retail sale of drugs, medical equipment, cosmetics and hygiene products in specialized stores (Details: Retail establishments selling oriental medicine and herbal medicines; Retailing medical equipment, cosmetics and hygiene products in specialized stores).

1.4. Normal operating cycle

The Company's normal operating cycle does not exceed 12 months.

1.5. Business structure

Name	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal activities
Joint-ventures, associates				
VIBFA Joint Stock Company	Ha Noi	40.00%	40.00%	product distribution

Subordinate units do not have dependent accounting legal status

Unit name	Address
Headquarters of Viet Nam Medicinal Materials Joint Stock Company	Area 8, Phu Ninh commune, Phu Ninh district, Phu Tho province
Branch of Viet Nam Medicinal Materials Joint Stock Company in Hanoi	No. 139, Hong Tien Street, Bo De Ward, Long Bien District, Hanoi City
Branch of Viet Nam Medicinal Materials Joint Stock Company in Hai Phong	No. SB.02 Cau Rao 2 Urban Area, Vinh Niem Ward, Le Chan District, Hai Phong City
Branch of Viet Nam Medicinal Materials Joint Stock Company in Ho Chi Minh	D9-04, D9 street, Manhattan Vinhomes Grand Park townhouse area, Long Binh ward, Thu Duc City, Ho Chi Minh City

Dependent units without legal entity status and dependent accounting

NOTES TO FINANCIAL STATEMENTS (Continued)

1.6. Information comparability declaration in Financial statements

The figures presented in the financial statements for the fiscal year ended December 31, 2024 were comparable with the corresponding figures for the previous year.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND ACCOUNTING PERIOD**2.1. Basis of preparation of Financial Statements**

The accompanying financial statements were presented in Vietnamese Dong (VND), under the historical cost principle and in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations related to the preparation and presentation of financial statements.

The accompanying financial statements were not intended to present the financial position, Income Statement and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2. Going concern assumption

There were no events bringing about significant doubt on the Company's ability to continue as a going concern and the Company had no intention or necessity to cease operations or to reduce the scale of its operations significantly.

2.3. Fiscal year

The fiscal the Company year begins on the first of January and end on the thirty-first of December of each year.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1. Accounting estimates**

The preparation of financial statements in accordance with Vietnamese accounting standards, the Vietnamese corporate accounting regime and legal regulations related to the preparation and presentation of financial statements requires the Board of Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and the presentation of contingent liabilities and assets at the date of the financial statements as well as the reported amounts of revenue and expenses during the financial year. Although these accounting estimates were made based on the best knowledge of the Board of Management, actual results may differ from these estimates and assumptions.

3.2. Foreign currency transactions

Transactions arising in currencies other than the Company's accounting currency (USD) was accounted for at the actual transaction exchange rate on the date of transaction according to the following principles:

- Transactions giving rise to receivables were accounted for at the purchasing rate of the commercial bank where the Company designates the customer to make payment;

NOTES TO FINANCIAL STATEMENTS (Continued)

- Transactions giving rise to payables were accounted for at the selling exchange rate of the commercial bank where the Company intends to conduct transactions; and
- Asset purchases or expenses paid immediately in foreign currency (not through accounts payable) were accounted for at the buying rate of the commercial bank where the enterprise makes the payment.

The exchange rate used to re-evaluate the balance of foreign currency monetary items at the end of the fiscal year was determined according to the following principles:

- Monetary items classified as assets were accounted for at the buying exchange rate of the commercial bank where the Company regularly conducted transactions; and
- Monetary items classified as debts were accounted for at the selling exchange rate of the commercial bank where the Company regularly conducted transactions; and

All actual exchange differences arising during the year and differences arising from the revaluation of foreign currency balances at the end of the period were taken to the income statement.

3.3. Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

3.4. Financial investment**Held-to-maturity Investments**

Held-to-maturity investments include those investments that the Company has the intention and ability to hold until maturity. Held-to-maturity Investments include: Term bank deposits (including treasury bills and promissory notes), bonds, preference shares that the issuer is required to repurchase at a certain time in the future, loans held to maturity for the purpose of earning periodic interest, and other investments held to maturity.

Held-to-maturity investments are recorded from the date of acquisition and are initially measured at cost, including the purchase price and any transaction costs incurred in connection with the purchase of the investments. Interest income from investments held to maturity after the acquisition date is recognized in the Income Statement on an accrual basis. Interest earned before the Company holds is deducted from the cost at the time of purchase.

Held-to-maturity investments are measured at cost less allowance for doubtful receivables.

Provision for doubtful receivables of investments held to maturity is made in accordance with current accounting regulations.

Investment in the associates

The associates is a company in which the Company has significant influence but is neither a subsidiary nor a joint venture of the Company. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Company initially recognized investments in subsidiaries, joint ventures and associates at cost. The Company recognized in the Income Statement the portion of the accumulated net profits of the investee arising after the date of acquisition as income. Other amounts received by the Company in

NOTES TO FINANCIAL STATEMENTS (Continued)

addition to the distributed profits were considered as the recovery of investments and were recognized as a deduction from the original cost of the investment.

Investments in subsidiaries, joint ventures and associates were presented in the Balance Sheet at original cost less impairment provisions (if any). Provision for impairment of investments was made when there is solid evidence showing a decline in the value of these investments at the end of the accounting period.

3.5. Receivables

Receivables represent the amounts recoverable from customers or other parties. Receivables are presented at its carrying amount less allowance for doubtful receivables.

Provision for doubtful receivables is made for each doubtful receivables based on the aging analysis of overdue debts or the estimated potential loss, or for receivables where the debtor is unlikely to pay due to liquidation, bankruptcy, or similar difficulties.

3.6. Inventories

Inventories are measured at the lower of original cost and net realizable value. The original cost of inventories includes direct materials, direct labor and, where applicable, those overheads incurred in bringing the inventories to their present location and condition.

The original cost of inventories are valued using the First-In, First-Out (FIFO) method

Net realizable value is determined as the estimated selling price less the estimated costs of completing the product and the costs to be incurred in marketing, selling and distribution.

The Company's inventory impairment provision was made in accordance with current accounting regulations. Accordingly, the Company was allowed to make provisions for obsolete, damaged, or substandard inventories and in cases where the original cost of inventories was higher than their net realizable value at the end of the accounting period.

3.7. Tangible fixed assets

Fixed tangible fixed assets are stated at original cost less accumulated depreciation.

The original cost of tangible fixed assets comprises the purchase price and any other costs directly attributable to bringing the assets to working condition for their intended use.

The original cost of self-made or self-constructed tangible fixed assets includes construction costs, actual production costs incurred plus installation and commissioning costs. (Not applicable)

	Current year	Last year
	<i>[Years]</i>	<i>[Years]</i>
Buildings and structures	05 – 25	05 – 25
Machinery and and equipment	03 – 10	03 – 10
Means of transportation and transmission	04 – 07	04 – 07
Management tools and equipment	04 – 06	04 – 06
Other tangible fixed assets	03 – 15	03 – 15

NOTES TO FINANCIAL STATEMENTS (Continued)**3.8. Leased Assets**

The Company recognized finance leased assets as its own assets at the fair value of the leased asset at the inception of the lease or at the present value of the minimum lease payments, whichever is lower. The corresponding liability to the lessor was recorded on the Balance Sheet as a finance lease liability. Lease payments were split into finance charges and principal repayment to achieve a constant periodic rate of interest on the remaining balance of the lease. Finance lease costs were recognized in the income statement, unless they were directly attributable to qualifying assets, in which case they were capitalized in accordance with the Company's policy on borrowing costs (see below).

A lease is classified as an operating lease when the lessor retains a majority of the rewards and is subject to the risks of ownership of the asset. Operating lease costs were recognized in the Income Statement on a straight-line basis over the lease term. Any upfront payments received or receivable to facilitate the execution of an operating lease were also recognized on a straight-line basis over the lease term.

Finance leased assets were depreciated over their estimated useful lives in the same manner as the Company's own assets. However, if it was not reasonably certain that the lessee will obtain ownership of the asset at the end of the lease term, the leased asset was depreciated over the shorter of the lease term or the asset's useful life:

	[Years]
	<i>[Years]</i>
Machinery and and equipment	05 - 10

3.9. Intangible fixed assets

Intangible fixed are stated at cost less accumulated depreciation.

The cost of intangible fixed assets includes all costs incurred by the Company to acquire the fixed assets up to the time the assets are ready for use. Expenditures relating to intangible fixed assets incurred after initial recognition are recognized as expenses in the period in which they are incurred, unless they are associated with a specific intangible fixed asset and result in an increase in the economic benefits derived from the asset.

When intangible fixed assets are sold or disposed of, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is recognized as income or expense in the year.

Intangible fixed assets of Company include:

Land Use Rights

Land use rights were all actual costs the Company has incurred that are directly related to the land used, including: Amounts paid for the right to use land, compensation costs, site clearance costs, land leveling costs, registration fees, etc.

The Company's land use rights were amortized as follows: Land use rights were granted by the State with collection of land use levy: Depreciation was made using the straight-line method over the land lease term (581 months), land use rights with indefinite term were not amortized.

NOTES TO FINANCIAL STATEMENTS (Continued)

Software program

Costs relating to computer software programs that were not an integral part of the related hardware were capitalized. The original cost of computer software was the total cost that Company spent as of the time the software is put into use. Computer software was amortized using the straight-line method over a period of 3 years

3.10. Construction-in-progress costs

Assets under construction for production, rental, administrative purposes or for any other purpose are stated at their original cost. This cost includes costs necessary to form the asset in accordance with the Company's accounting policy.

3.11. Business cooperation contract**Jointly controlled assets**

The Company recognized in its Financial Statements business cooperation contracts in the form of jointly controlled assets as follows:

- The Company's share in jointly controlled assets was classified according to the nature of the assets.
- The Company's own separately incurred liabilities.
- The portion of the liability arising jointly with other joint venture partners from the operations of the joint venture.
- Income from the sale or use of the portion of products/services shared from joint ventures, together with the portion of expenses incurred and shared from the joint venture's operations.
- The expenses of Company incurred capital contributions to joint ventures.

Fixed assets and investment properties contributed to business cooperation contracts without transferring ownership to the joint ownership of the joint venture parties are not derecognized. In the case where the Company received contributed assets to a joint venture, these were monitored as assets held in custody and were not recorded as an increase in assets and business capital.

Fixed assets and investment real estate contributed as capital to a business cooperation contract with ownership transfer and in the process of construction of jointly controlled assets were recorded as a decrease in assets in the accounting books and the asset value was recorded in the cost of unfinished basic construction. Upon completion and handover for use of the jointly controlled assets, based on the value of the assets allocated, the Company recognized an increase in its own assets in accordance with their intended use.

Jointly Controlled Operations

The Company recognized the following items in its Financial Statements for business cooperation contracts in the form of jointly controlled operations:

- The value of the property currently under the Company's ownership
 - Liabilities borne by the Company
 - Revenue shared from the sale of goods or or provision of services of the joint venture;
- Expenses borne by the Company.

3.12. Prepaid expenses

NOTES TO FINANCIAL STATEMENTS (Continued)

Prepaid expenses include actual expenses that have been incurred but are related to the business performance of many accounting periods. Prepaid expenses of Company includes the following costs:

Pre-Operating Costs

Pre-operating costs include training, advertising and promotion costs prior to Company officially commenced its production and operations. These costs were allocated to expenses using the straight-line method over 36 months since Company had commenced its production and operations.

Tools and Equipment

Tools and equipment put into use were allocated to expenses using the straight-line method with an allocation period not exceeding 36 months

Costs for fixed assets repair

Significant one-off fixed asset repair costs were amortized to expenses using the straight-line method over 36 months.

Prepaid Land Lease

Prepaid land lease represents the land rental fees paid in advance for the land the Company is currently using. Prepaid land rental was allocated to expenses using the straight-line method over the lease term.

3.13. Payables and Accrued Expenses

Payables and accrued expenses are recognized for the amounts to be paid in the future for goods and services received. Accrued expenses are recorded based on reasonable estimates of the amounts payable.

Classification of payables as trade payables, accrued expenses, and other payables is based on the following principles:

- Trade payables reflect commercial payables arising from transactions of purchasing goods, services, assets and the seller is an independent entity from the Company.
- Payable expenses reflect amounts payable for goods and services received from sellers or provided to buyers but not yet paid due to lack of invoices or insufficient accounting records and documents, and amounts payable to employees for leave wages, production and business expenses that must be accrued in advance. When such expenses arise, if there is a difference with the amount deducted, the accountant will record additional expenses or reduce the expenses corresponding to the difference.
- Other payables reflect non-commercial payables unrelated to transactions of purchasing, selling, and providing goods and services.

3.14. Borrowings and Finance Lease Liabilities

Borrowings were tracked for each lender, each loan agreement, and the repayment term of the loans. In the case of foreign currency borrowings, detailed tracking was maintained in the original currency.

3.15. Borrowing Costs

NOTES TO FINANCIAL STATEMENTS (Continued)

Borrowing costs were recognized as an expense in the period in which they are incurred, except when they were capitalized in accordance with Vietnamese Accounting Standard No. 16 "Borrowing Costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale were added to the cost of those assets, until such time as the assets were substantially ready for their intended use or sale. Income arising from temporary investment of loans was recorded as a reduction in the original cost of related assets. For separate loans for the construction of fixed assets or investment real estate, interest was capitalized even if the construction period is less than 12 months.

3.16. Unearned revenue

Unearned revenue is revenue received in advance for one or more accounting periods, consisting primarily of prepayments from customers for rentals of assets for multiple periods. The Company recognized unearned revenue corresponding to the portion of the obligation that the Company would have to perform in the future. When the revenue recognition conditions were met, unearned revenue would be recorded in the income statement in the year corresponding to the portion that satisfied the revenue recognition conditions.

3.17. Owner's equity

Owner's equity is recorded at the actual capital contributed by shareholders.

3.18. Profit Distribution

Profit after corporate income tax is distributed to shareholders after setting aside funds according to the Company's Charter as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to shareholders takes into account non-monetary items in undistributed profits after tax that might affect cash flow and the ability to pay dividends such as interest on revaluation of contributed assets, interest on revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders.

3.19. Revenue and income recognition**Revenue from sales of goods and finished products**

Revenue from the sale of goods and finished products is recognized when all of the following conditions are simultaneously satisfied:

- The company has transferred most of the risks and benefits associated with ownership of the product or goods to the buyer.
- The company no longer holds the right to manage the goods as the owner of the goods or the right to control the goods.
- Revenue is determined relatively reliably.
- The company has received or will receive economic benefits from the sales transaction.
- The costs related to the sales transaction can be determined.

NOTES TO FINANCIAL STATEMENTS (Continued)

Revenue from providing services

Revenue from service transactions is recognized when the outcome of such transactions can be reliably estimated. When services are performed over multiple periods, revenue is recognized in the period in which the services are rendered, based on the stage of completion of the transaction at the end of the reporting period. The outcome of a service transaction is determined when all of the following conditions are satisfied:

- Revenue is determined relatively reliably.
- It is possible to obtain economic benefits from the service provision transaction.
- Determined the completed works as of the end of the fiscal year
- The costs incurred for the transaction and the costs to complete the service provision transaction can be determined

Processing revenue

Revenue from processing activities for materials and goods is the actual processing fee earned, excluding the value of the materials and goods received for processing.

Interest

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

3.20. Cost of goods sold and services rendered

Cost of goods sold includes the cost of products, goods and services provided during the year and is recorded in accordance with revenue consumed during the year. For direct material costs that exceed normal levels, labor costs, and fixed general production costs that are not allocated to the value of products in stock, accountants must immediately calculate it into cost of goods sold (after deducting compensation, if any) even when the products and goods have not been determined to be consumed.

3.21. Selling expenses

Selling costs reflect costs incurred in the process of selling goods, and providing services. This mainly includes sales department staff salary expenses, sales promotion, product introduction, advertising and sales commission costs.

3.22. Administration expenses

Administration expenses reflect actual costs incurred in the general management process of the Company, mainly including costs for salaries of management staff; social insurance, health insurance, union fees, unemployment insurance of management staff; office materials costs; depreciation costs; provision costs; outsourced services and other costs.

3.23. Tax

Corporate income tax represents the sum of current and deferred tax liabilities.

Current tax payable is based on taxable income for the year. Taxable income differs from profit before tax as reported in the Income Statement because it excludes items of income or expense that are deductible in other years (including losses carried forward, if any) and further excludes items that are not taxable or deductible.

NOTES TO FINANCIAL STATEMENTS (Continued)

Deferred income tax is calculated on the differences between the carrying amount and the tax base of assets or liabilities in the financial statements and is recorded under the Balance Sheet method. Deferred income tax liabilities are recognized for all taxable temporary differences, while deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred income tax is determined using the tax rates that are expected to apply to the period when the asset is realized or the liability is settled. Deferred income tax is recognized in the Statement of Profit or Loss, except when it relates to items recognized directly in equity, in which case the deferred income tax is also recognized in equity.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxable entity and the same taxation authority and the Company intends to settle its current tax liabilities on a net basis

The determination of the Company's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the results of the examination by the competent tax authority.

Other taxes are applied according to current tax laws in Vietnam.

3.24. Financial instruments**Initial recognition**

Financial assets At the date of initial recognition, financial assets are recorded at cost plus that are directly attributable to the acquisition of the financial assets. The Company's financial assets include cash, cash equivalents, trade receivables, other receivables, deposits, financial investments and derivative financial instruments.

Financial liabilities At the date of initial recognition, financial liabilities are recorded at cost plus that are directly attributable to the issuance of the financial liabilities. The Company's financial liabilities include trade payables, other payables, accrued expenses, finance lease liabilities, borrowings, and derivative financial instruments

Re-evaluate after initial recognition

Currently, there are no regulations on the revaluation of financial instruments after initial recognition.

3.25. Stakeholders

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

In considering related party relationships, the substance of the relationship is given more emphasis than the legal form.

NOTES TO FINANCIAL STATEMENTS (Continued)**4. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET****4.1. Cash and cash equivalents**

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Cash	3,907,763,955	4,806,201,036
Non-term bank deposits	7,959,458,601	45,243,432,964
Cash equivalents	35,837,557,012	35,666,747,492
	47,704,779,568	85,716,381,492

4.2. Held-to-Maturity Investments

	Ending balance (31/03/2025)		Beginning balance (01/01/2025)	
	Original cost VND	Book value VND	Original cost VND	Book value VND
Short-term	123,553,330,078	123,553,330,078	118,906,968,745	118,906,968,745
Term bank deposits (i)	123,553,330,078	123,553,330,078	118,906,968,745	118,906,968,745
Long-term	-	-	-	-
	123,553,330,078	123,553,330,078	118,906,968,745	118,906,968,745

(i) Deposits at commercial banks and foreign bank branches in Vietnam with terms from 03 to 06 months, interest rates from 1.5%/year to 4.8%/year.

4.3. Short term receivables from customers

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
<i>Traditional Medicine Hospital (Ho Chi Minh City)</i>	595,509,600	949,443,600
<i>VITAMEC Joint Stock Company</i>	19,627,055,563	26,122,076,635
NO 5 CENTRAL JOINT STOCK COMPANY	39,073,907,418	39,073,907,418
DP EUPHAR JOINT STOCK COMPANY	8,060,656,290	8,060,656,290
UNESFA Joint Stock Company	33,876,055,939	42,660,512,694
TW9 Joint Stock Company	36,173,393,011	40,958,721,906
BAC LIEU 333 JOINT STOCK COMPANY	47,268,335,297	45,876,419,693
EXPOS JOINT STOCK COMPANY	21,779,461,750	39,501,416,797
ROMAS JOINT STOCK COMPANY	53,779,839,068	53,779,839,068
Phu Tho Provincial General Hospital	23,705,297,766	15,825,677,084
Hanoi Pharmaceuticals Joint Stock Company	414,794,847	6,184,307,597
Other customer receivables	126,309,683,417	115,656,318,888
	410,663,989,966	434,649,297,670

NOTES TO FINANCIAL STATEMENTS (Continued)**4.4. Current advances to suppliers**

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Saigonfa Joint Stock Company	-	3,738,385,509
B. PHARMA Company Limited	48,565,345,525	48,565,345,525
Ecopha Joint Stock Company Ngoc Duy Phu Tho One Member Co., Ltd	2,405,906,860	2,405,906,860
Prepayments to suppliers are other entities	2,002,847,419	2,302,981,005
	52,974,099,804	57,012,618,899

(i) According to contracts No. VM10 between Viet Nam Medicinal Materials Joint Stock Company (The buyer) and B-Pharm Vn Co., LTD (seller) signed on May 10, 2021, on the purchase and sale of machinery and equipment to serve the production of products.

4.5. Other receivables**4.5.1. Other short-term receivables**

	Ending balance (31/03/2025)		Beginning balance (01/01/2025)	
	Value VND	Provision VND	Value VND	Provision VND
Advance payments	-	-	-	-
Deposits and collaterals		-		-
			2,450,745	
Interest receivables from deposits	1,142,722,973		788,731,065	-
VAT on finance-leased assets	793,348,209		856,622,877	-
Sale value of finance-leased assets	-	--	-	-
Other receivables	-	-	7,000,000,000	-
	1,936,071,182	-	8,647,804,687	-

4.5.2. Other non-current receivables

	Ending balance (31/03/2025)		Beginning balance (01/01/2025)	
	Value VND	Provision VND	Value VND	Provision VND
Deposits and collaterals	2,259,527,273	-	4,239,198,274	-
Central Pharmaceutical Joint Stock Company Govamec (i)	40,665,250,000	-	40,665,250,000	-
Tuyen Quang Biotechnology Joint Stock Company (ii)	40,655,000,000	-	40,655,000,000	-
Minh Khang Pharmaceutical and Herbal Joint Stock Company (iii)	10,000,000,000	-	-	-
Total	93,579,777,273	-	85,559,448,274	-

(i) Receivables from Investment Cooperation Contract No. 26/2023/HDHT/VIETMEC-GOVAMEC dated November 26, 2023 between Viet Nam Medicinal Materials Joint Stock Company and Govamec

NOTES TO FINANCIAL STATEMENTS (Continued)

Central Pharmaceutical Materials Joint Stock Company on investment cooperation in the Project for Investment and Support for the Development of Precious Medicinal Herb Areas in Sapa Town, Lao Cai Province; The capital for cooperation is 81,330,500,000 VND, representing 35% of the total investment capital of the project; Method of after-tax profit distribution

(ii) Receivables from Investment Cooperation Contract No. 25/2023/HDHT/VM-SHTQ dated October 25, 2023 between Viet Nam Medicinal Materials Joint Stock Company and Tuyen Quang Biological Joint Stock Company on investment cooperation in the Project for Investment and Support for the development of precious medicinal herb area in Na Hang district, Tuyen Quang province; The capital for cooperation is 81,310,000,000 VND, accounting for 35% of the total investment of the project; Method of after-tax profit distribution

(iii) According to the investment cooperation contract 0312/2024/HDDT/DLVN.MK on the project "Investment and support for the development of precious medicinal herb growing areas" in Bac Ai district, Ninh Thuan province signed on December 3, 2024 between Viet Nam Medicinal Materials Joint Stock Company (VIETMEC) (Party A) and Minh Khang Pharmaceutical and Herbal Joint Stock Company (Party B):

- General Objective: Forming a value chain system for developing precious medicinal herbs; forming awareness of cultivating medicinal herbs according to the value chain and preserving medicinal herb genetic resources to ensure quality management processes and standards; combining protection and sustainable forest development.
- Project implementation location. The locations are distributed in the communes of Phuoc Tien, Phuoc Tan, Phuoc Binh, and Phuoc Hoa. These areas are invested and renovated to produce precious medicinal herbs in the project.
- Project duration: 25 years from the date of acceptance of the completed construction put into use (investment carried out from: 01/2025; estimated date of putting the project into operation: 04/2025)
- Total investment: 250,000,000,000 VND (Two hundred and fifty billion VND)
- Capital contribution ratio: Party A invested 50,000,000,000 (Fifty billion VND) equivalent to 27% of the total project; Party B invested 132,000,000,000 (One hundred thirty-two billion VND) equivalent to 73% of the total project capital contribution.

NOTES TO FINANCIAL STATEMENTS (Continued)

4.6. Bad debts	Ending balance (31/03/2025)			Beginning balance (01/01/2025)		
	Overdue period	Original cost VND	Provision VND	Time VND	Original cost VND	Provision VND
Total value of receivables overdue for payment and unlikely to be collected						
Quang Nam Medical College General Hospital	Under 3 years	916,989,150	(916,989,150)	Under 3 years	916,989,150	(916,989,150)
Huong Khe District General Hospital	Under 3 years	306,218,650	(306,218,650)	Under 3 years	306,218,650	(306,218,650)
Bim Son Town General Hospital	Under 3 years	375,879,000	(375,879,000)	Under 3 years	375,879,000	(375,879,000)
Thu Duc City Hospital	Under 3 years	203,733,600	(203,733,600)	Under 3 years	203,733,600	(203,733,600)
Que Son District Medical Center	Under 3 years	161,221,620	(221,851,350)	Under 3 years	221,851,350	(221,851,350)
Quang Nam Provincial General Hospital	Under 3 years	618,465,280	(344,764,930)	Under 3 years	516,108,130	(344,764,930)
Phuoc Hanh General Hospital	Under 3 years	454,707,750	(2,268,000)	Under 3 years	358,621,200	(2,268,000)
Company Limited (Tien Phuoc Thai Binh Duong)	Over 6 months	904,468,443	(325,237,307)	Over 6 months	1,127,455,893	(325,237,307)
Other partners	-	3,941,683,493	(2,696,941,987)		4,026,856,973	(2,696,941,987)

NOTES TO FINANCIAL STATEMENTS (Continued)**4.7. Inventories**

	Ending balance (31/03/2025)		Beginning balance (01/01/2025)	
	Value VND	Provision VND	Value VND	Provision VND
Raw materials	114,383,948,865	114,612,902,897	-	-
Tools and instruments	-	-	-	-
Work in progress cost	9,399,429,605	9,227,046,875	-	-
Finished products	89,616,298,659	84,864,073,866	-	-
Goods	50,376,166,478	29,552,470,545	-	-
Goods sent for sale	-	-	-	-
	263,775,843,607	238,256,494,183	-	-

4.8. Other current and non-current prepaid expenses**4.8.1. Current prepaid expenses**

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Expenses for tools and equipment used	2,050,000	714,587
Insurance purchase expenses	136,109,163	136,109,163
Others	1,218,873,264	235,276,512
	1,357,032,427	372,100,262

4.8.2. Non-current prepaid expenses

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Expenses for tools and equipment used	615,824,943	1,091,620,763
Insurance purchase expenses		59,794,564
Land rental expenses		371,821,477
Other expenses	220,726,693	936,521,112
	836,551,636	2,459,757,916

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NOTES TO FINANCIAL STATEMENTS (Continued)

4.9. Status of decrease and Increase of Tangible fixed assets

	Houses and architectural structures VND	Machinery and equipment VND	Means of transport VND	Management equipment and instruments VND	Other fixed assets VND	Total VND
ORIGINAL COST						
Beginning balance	107,066,114,168	76,927,478,487	10,495,018,300	8,647,549,804	7,819,405,919	210,955,566,678
Increase during the year	-	-	-	-	316,910,000	316,910,000
- Completed construction investment	-	-	-	-	-	-
- Purchased during the year	-	-	-	-	-	-
Decrease during the year	-	-	-	-	-	-
- Liquidation and transfer of ownership	-	-	-	-	-	-
- Other decreases	-	-	-	-	-	-
Ending balance	107,066,114,168	76,927,478,487	10,495,018,300	8,647,549,804	8,136,315,919	211,272,476,678
ACCUMULATED DEPRECIATION						
Beginning balance	27,049,576,481	33,037,197,777	5,046,811,430	5,053,066,630	2,985,551,913	73,172,204,231
Increase during the year	1,181,279,994	1,773,202,830	401,586,948	239,547,876	183,969,359	3,779,587,007
- Depreciation during the year	1,181,279,994	1,773,202,830	401,586,948	239,547,876	183,969,359	3,779,587,007
Decrease during the year	-	-	-	-	-	-
- Liquidation and transfer of ownership	-	-	-	-	-	-
- Other decreases	-	-	-	-	-	-
Ending balance	28,230,856,475	36,583,603,437	5,849,985,326	5,532,162,382	3,353,490,631	76,951,791,238
REMAINING VALUE						
- At the beginning of the period	80,016,537,687	43,890,280,710	5,448,206,870	3,594,483,174	4,833,854,006	137,783,362,447
- At the end of the period	78,835,257,693	40,343,875,050	4,645,032,974	3,115,387,422	4,782,825,288	134,320,685,440
Original cost of fully depreciated tangible fixed assets that are still in use						
- At the beginning of the period	3,605,548,427	2,250,790,500	372,935,445	39,090,909	769,970,681	7,038,333,362
- At the end of the period	3,605,548,427	2,250,790,500	372,935,445	39,090,909	769,970,681	7,038,333,362
Net book value at the end of the period of fully depreciated tangible fixed assets that are still in use						
- At the beginning of the period	80,016,537,687	43,890,280,710	5,448,206,870	-	-	129,355,025,267
- At the end of the period	78,835,257,693	40,343,875,050	4,645,032,974	-	-	129,355,025,267

The accompanying notes are an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS (Continued)**4.10. Leased fixed assets**

	Machinery and equipment VND	Total VND
ORIGINAL COST		
Beginning balance	42,326,474,802	42,326,474,802
Increase during the period	-	-
- <i>Financial lease during the period</i>	-	-
Decrease during the period	-	-
- <i>Purchase of financial leased assets</i>	-	-
Ending balance	42,326,474,802	42,326,474,802
ACCUMULATED DEPRECIATION		
Beginning balance	17,174,574,805	17,174,574,805
Increase during the period	2,219,593,365	2,219,593,365
- <i>Depreciation during the period</i>	2,219,593,365	2,219,593,365
Decrease during the period	-	-
- <i>Purchase of financial leased assets</i>	-	-
Ending balance	19,394,168,170	19,394,168,170
REMAINING VALUE		
- At the beginning of the period	25,151,899,997	25,151,899,997
- At the end of the period	22,932,306,632	22,932,306,632

4.11. Intangible fixed assets

	Land use rights VND	Other assets VND	Total VND
ORIGINAL COST			
Beginning balance	210,141,494,528	178,680,000	210,320,174,528
Increase during the period	-	-	-
- <i>Purchased during the period</i>	-	-	-
Decrease during the period	-	-	-
Ending balance	210,141,494,528	178,680,000	210,320,174,528
ACCUMULATED DEPRECIATION			
Beginning balance	3,161,669,472	167,205,405	3,328,874,877
Increase during the period	323,230,359	11,474,595	334,704,954
- <i>Depreciation during the period</i>	323,230,359	20,970,012	344,200,371
Decrease during the period	-	-	-
Ending balance	3,484,899,831	178,680,000	3,663,579,831
REMAINING VALUE			
- At the beginning of the period	206,979,825,056	11,474,595	206,991,299,651
- At the end of the period	206,979,825,056	-	206,991,299,651

4.12. Construction-in-progress costs

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Machinery and equipment for the production system of cancer treatment drugs	79,275,269,136	79,275,269,136
Machinery and equipment for the research and testing system	9,408,670,786	9,408,670,786

NOTES TO FINANCIAL STATEMENTS (Continued)

Exhaust system for the 5-story building at Phu Tho Factory	602,742,536	602,742,536
Land purchase costs for the Project: Center for the Conservation of Rare Medicinal Resources and Development of Medicinal Plants under Forest Canopy (i)	88,000,000,000	88,000,000,000
IPO project investment costs	13,982,407,027	13,982,407,027
Land leveling costs at Phu Tho Factory	6,954,850,000	6,954,850,000
Land purchase costs for the project to expand the scale and landscape of Phu Tho Factory	-	-
Other investment costs	9,524,911,642	9,524,911,642
	207,748,851,127	207,748,851,127

(i) Pursuant to Resolution No. 05A/2022/NQ-HĐQT/DLVN dated May 13, 2022 of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company on approving the Project to establish a Center for conservation of precious medicinal materials and development of medicinal materials under forests in Yen Son commune, Thanh Son district, Phu Tho province, the Company purchased 02 plots of land with a total area of 571,000 m² in Yen Son commune, Thanh Son district, Phu Tho province with a transfer price of VND 88,000,000,000; Purpose of use: RTs; Expiry date: By 2054, the Company is converting the land use term to 50 years.

NOTES TO FINANCIAL STATEMENTS (Continued)**4.13. Non-Current Financial investment**

	Ending balance		Beginning balance	
	Original cost VND	Provision VND	Fair value VND	Fair value VND
Investment in subsidiaries	-	-	-	-
Investments in joint ventures and associates	20,000,000,000	-	-	-
VIBFA Joint Stock Company	20,000,000,000	-	(i)	(i)
Investment in other entities	-	-	-	-
	20,000,000,000	-	-	20,000,000,000
				-

(i) The Company has not determined the fair value of unlisted investments because there is no specific guidance on determining fair value.

NOTES TO FINANCIAL STATEMENTS (Continued)**4.14. Short-term payables to the seller**

	Ending balance (31/03/2025)		Beginning balance (01/01/2025)	
	Value VND	Amounts capable of debt repayment VND	Value VND	Amounts capable of debt repayment VND
Hai Minh Pharmacy Company Limited BENOVAS Pharmaceutical Joint Stock Company - Hanoi Branch	2,687,697,268	2,687,697,268	2,687,697,268	2,687,697,268
VENZOR Joint Stock Company	4,133,634,039	4,133,634,039	4,054,183,839	4,054,183,839
Pham Thi Duong	4,370,474,885	4,370,474,885	15,235,699,387	15,235,699,387
Nhat Minh Pharmaceutical Joint Stock Company	3,310,884,352	3,310,884,352	3,248,491,802	3,248,491,802
FISAMEC CENTRAL JOINT STOCK COMPANY	524,603,000	524,603,000	10,496,455,900	10,496,455,900
Other entities	4,050,062,692	4,050,062,692	4,350,691,776	4,350,691,776
	64,727,869,961	64,727,869,961	52,491,182,691	52,491,182,691
	83,805,226,217	83,805,226,217	92,564,402,663	92,564,402,663

4.15. Paid in advance from the buyer

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Pharbaco Central Pharmaceutical Joint Stock Company No. 1	-	-
NO. 5 CENTRAL JOINT STOCK COMPANY	-	-
Other entities	196,594,670	67,689,020
	196,594,670	67,689,020

4.16. Taxes and receivables and payables to the State

	Beginning balance (01/01/2025)		Arising during the period		Closing balance (31/03/2025)	
	Payables VND	Receivables VND	Payables VND	Receivables VND	Payables VND	Receivables VND
Value-Added Tax (VAT) on domestic sales	204,525,487	-	16,417,012,870	15,539,253,889	1,082,284,468	-
Value-Added Tax (VAT) on imported goods	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS (Continued)

Export and import taxes	-	-	-	-	-	-
Corporate income tax	5,032,923,043	-	1,745,737,542	-	6,778,660,585	-
Personal income tax	497,663,308	-	257,320,640	461,913,304	293,070,644	-
Real estate tax	-	-	1,141,375	1,141,375	-	-
Fees, charges and other payables	-	-	9,000,000	9,000,000	-	-
	5,735,111,838	-	18,430,212,427	16,011,308,568	8,154,015,697	

Note: The Company is entitled to corporate income tax incentives from implementing new projects in areas with difficult socio-economic conditions at a tax rate of 17% for a period of 10 years from the first year the Company has taxable income from the new investment project. The Company is exempted from corporate income tax for 02 years and has a 50% reduction in corporate income tax for the next 04 years for taxable income arising from new investment projects in areas with difficult socio-economic conditions. Fiscal year 2024 is the 5th year of income arising from the new investment project.

4.17. Current accrued expenses

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Bank Loan Interest Expenses	1,057,992,308	961,039,745
Bond Loan Interest Expenses	-	-
	1,057,992,308	961,039,745

4.18. Current unearned revenue

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Prepaid revenue from the sale of financial lease assets	2,320,806,116	2,791,437,590
Other unearned revenue	-	-
	2,320,806,116	2,791,437,590

4.19. Other payables**4.19.1. Other current payables**

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Union fund	119,800,050	119,620,050
Social insurance	-	-
Health insurance	-	-
Unemployment insurance	-	-
State Treasury of Phu Tho province	-	-
Board of Directors Remuneration	111,200,000	-

NOTES TO FINANCIAL STATEMENTS (Continued)

Other payables and liabilities	70,956,558,519	20,000,000,000
	71,187,558,569	20,119,620,050

4.19.2. Other non-current payables

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Payables related to funds collected for employee share purchases	1,133,042,000	1,133,042,000
Payables related to employee responsibility retention payments	1,176,370,900	1,216,370,900
	2,309,412,900	2,349,412,900

NOTES TO FINANCIAL STATEMENTS (Continued)**4.20. Loans and Finance Leases****4.20.1. Current loans and financial leases**

	Beginning balance (01/01/2025)		During the year		Ending balance (31/03/2025)	
	Value VND	Amounts capable of debt repayment VND	Increase VND	Decrease VND	Value VND	Amounts capable of debt repayment VND
Short term loans	573,023,113,968	573,023,113,968	158,792,391,049	322,429,061,657	620,799,313,353	620,799,313,353
Vietnam Prosperity Joint Stock Commercial Bank (VPBank) (1)	67,701,620,318	67,701,620,318	57,786,782,079	54,268,910,140	71,219,492,257	71,219,492,257
Vietnam Joint Stock Bank for Industry and Trade (Vietinbank) (2)	39,991,700,891	39,991,700,891	37,926,255,708	37,969,614,491	39,948,342,108	39,948,342,108
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) (3)	355,660,950,296	355,660,950,296	53,079,353,262	176,817,340,820	231,922,962,738	231,922,962,738
Prosperity And Growth Commercial Joint Stock Bank (PGBank) (4)	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000
INDOVINA Bank (5)	56,795,646,257	56,795,646,257	-	-	56,795,646,257	56,795,646,257
GENFIVE COMPANY LIMITED (6)	-	-	2,000,000,000	500,000,000	1,500,000,000	1,500,000,000
Sinopac Bank (7)	44,873,196,206	44,873,196,206	0	44,873,196,206	-	-
Woori Vietnam One-Member Limited Liability Bank (8)	39,883,104,425	39,883,104,425	39,756,641,132	39,883,104,425	39,756,641,132	39,756,641,132
Hong Leong Vietnam One-Member Limited Liability Bank (9)	29,301,270,498	29,301,270,498	0	26,570,949	29,274,699,549	29,274,699,549
Huanan Vietnam One-Member Limited Liability Bank (10)	72,981,599,774	72,981,599,774	46,912,233,944	59,333,432,920	60,560,400,798	60,560,400,798
Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank) (11)	7,901,354,561	7,901,354,561	5,883,431,069	1,839,390,095	11,945,395,535	11,945,395,535
Shinhan Bank Vietnam Limited (12)	-	-	69,875,732,979	-	69,875,732,979	69,875,732,979
Current portion of long-term debt	10,923,076,920	10,923,076,920	-	2,730,769,230	8,192,307,690	8,192,307,690
Current portion of long-term financial lease liabilities	6,652,761,404	6,652,761,404	-	1,238,135,607	5,414,625,797	5,414,625,797
Bonds maturing during the period	-	-	-	-	-	-
Short-term borrowings and financial lease liabilities	740,666,281,550	740,666,281,550	321,220,430,173	427,480,464,883	634,406,246,840	634,406,246,840

The accompanying notes are an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS (Continued)**Additional information for current loans:**

(1) Firstly, they were current loans at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch according to Credit Limit Contract No. CLC-27890-01 signed on October 1, 2024, credit limit: 190,000,000,000 VND, credit term 12 months. The loan was for the purpose of supplementing working capital, issuing guarantees, issuing LCs, issuing guarantees (bidding, contract performance, advances, payment guarantees) to serve the business activities of pharmaceuticals, medical equipment and functional foods. Loan terms and interest rates were specified in each debt agreement. The loan was secured by:

- Certificate of House ownership and other assets attached to land No DP 999201, number recorded in the certificate issuance book: VP 02700 issued by Hanoi Land Registration Office on August 13, 2024 at Address: TB-25, Business Villa Area, An Khanh Commune, Hoai Duc District, Hanoi City; with a value of 24,971,274,252 corresponding to an area of 297m2
- Certificate of House ownership and other assets attached to land No CO 250935, number recorded in the certificate issuance book: VP 2872 DO issued by Viet Tri City People's Committee on May 9, 2019; October 19, 2020; Land plot No. 122 Map sheet No. 14 Address: Zone 9, Gia Cam ward, Viet Tri city, Phu Tho province, with an area of 91.4m2, with the value of: 2,700,555,000
- Certificate of Land and House ownership and other assets attached to land No CX 432394, number recorded in the certificate issuance book: CT16020 issued by the Department of Natural Resources and Environment of Hai Phong City

Secondly, they were current loans at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch according to Credit Limit Contract No. 020823-2751778-01-SME signed on August 07, 2023, credit limit: 100,000,000,000 VND, credit term 12 months. The loan was for the purpose of supplementing working capital, issuing guarantees, issuing LC to serve the business activities of pharmaceuticals, medical equipment and functional foods. Loan terms and interest rates were specified in each debt agreement. The loan was secured by:

- Certificate of Land Use Right and assets attached to land No CX 432394, number recorded in the certificate issuance book: CT16020 issued by the Hai Phong Department of Natural Resources and Environment on January 13, 2021 at SB.02 of Vinhoms Marina urban area, Hai Phong city of Mr. Vu Thanh Trung (General Director of the Company);
- 01 Honda City car, license plate: 19A-383-66, chassis number: RLHGN2685MY003704, machine number: L15ZC1005499 of the Company;
- The Company's term deposit contracts at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch.

(2) Loan Agreement No. 01/2024-HDCVHM/NHCT224-VIETMEC dated August 23, 2024 between Vietnam Joint Stock Commercial Bank for Industry and Trade - Luu Xa Branch for the purpose of supplementing working capital for production and business activities. The loan term was 12 months, the interest rate was specified in each debt agreement, the loan was secured by the Land Use Rights and all other assets attached to the land at plot number 10 on map sheet number 39, address: No. 324 Minh Khai Street, Group 30A, Minh Khai Ward, Hai Ba Trung District, Hanoi City, area 102.6m2 according to Certificate of house ownership and other assets attached to land No. DB513041, number recorded in the certificate issuance book: CS-HBT 14117 Issued by the Hanoi Department of Natural Resources and Environment on February 17, 2022, with value at the time of mortgage: 37,570,000,000.

(3) They were current loans at the Joint Stock Commercial Bank For Investment And Development of Vietnam - Hanoi Branch under credit limit contract No. 01/2023/3990765/HDTD signed on August 8, 2023 for the purpose of supplementing working capital, guaranteeing, opening L/C to serve production and business activities. Credit limit was 450,000,000,000 VND. Loan terms and interest rates were specified in each debt agreement. This The loan was secured by:

NOTES TO FINANCIAL STATEMENTS (Continued)

- Real estate at Land plot No. 1(6), map sheet No. 03, address at Group 10, Bo De ward, Long Bien district, Hanoi city, area of 142.0 m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CN 999011, number recorded in the certificate issuance book: CT-DA 01480 Issued by the Hanoi Department of Natural Resources and Environment on July 25, 2018, to Viet Nam Medicinal Materials Joint Stock Company;
 - Real estate at Land plot No. 1(7), map sheet No. 03, address at Group 10, Bo De ward, Long Bien district, Hanoi city, area of 136.0 m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CN 999012, number recorded in the certificate issuance book: CT-DA 01481 Issued by the Hanoi Department of Natural Resources and Environment on July 25, 2018, to Viet Nam Medicinal Materials Joint Stock Company;
 - Real estate at Land No. 15, map sheet No. 03, address at Group 10, Bo De ward, Long Bien district, Hanoi city, area of 175,8m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CD 858870, number recorded in the certificate issuance book: CT-DA 00883 Issued by the Hanoi Department of Natural Resources and Environment on September 15, 2016, to Viet Nam Medicinal Materials Joint Stock Company;
 - Real estate at Land plot No. 124, map sheet No. 111, address at Bieu Khe hamlet, Thuy Lam Commune, Dong Anh District, Hanoi city, area of 300.0 m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. DD 710372, number recorded in the certificate issuance book: CS 66506 Issued by the Hanoi Department of Natural Resources and Environment on November 18, 2021, to Mr. Vu Thanh Trung (The Company General Director);
 - Real estate at Land No. 30, map sheet No. 03-84/PA-CL, address at Sap Mai Hamlet, Vong La Commune, Dong Anh District, Hanoi city, area of 80.0 m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. DD 888523, number recorded in the certificate issuance book: CS 66297 Issued by the Hanoi Department of Natural Resources and Environment on November 17, 2021, to Mr. Vu Thanh Trung (The Company General Director);
 - Certificate of land Use Rights and and other assets attached to land at address AD09-76, Vinhomes Riverside Ecological Urban Area, area 304.0 m2, recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CN 742082, number recorded in the certificate issuance book: DA 24966 Issued by the Hanoi Department of Natural Resources and Environment on June 01, 2018, of the third party;
 - Term deposit contract of the Company, Mr. Vu Thanh Trung (General Director of the Company) and the Third Party;
- (4) The overdraft limit contract number 04 71/2024/HDHMTG/PGB dated July 31, 2024 between Prosperity and Growth Commercial Joint Stock Bank and Viet Nam Medicinal Materials Joint Stock Company with overdraft limit: 8,000,000,000 VND, term of 6 months corresponding to interest rate of 12.4%/year for the purpose of performing payment services on payment accounts serving production and business activities.
- (5) The current loan at Indovina Bank according to each debt commitment paper with the limit: 100,000,000,000 VND, loan term not exceeding 8 months for the purpose of financing working capital, issuing and guaranteeing and opening Letters of Credit of the Borrower. This loan was secured by the following collateral:
- Land use rights for plot number 451, map sheet number 33 at address Trung Chanh commune, Hoc Mon district, Ho Chi Minh city according to "Certificate of land use rights, house ownership rights and other assets attached to land" No BE 711913, number recorded in the certificate issuance book: CH 00740 issued by the People's Committee of Hoc Mon District, Ho Chi Minh City on November 11, 2011, transferred to Mr. Vu Hoang Anh and confirmed by the Branch of the Hoc Mon District Land Registration Office on January 27, 2022, with a value of 56,602,000,000 VND (In words: Fifty-six billion six hundred

and two million dong) according to the Minutes of collateral valuation dated August 14, 2024, established by the Land Use Rights Mortgage Contract notarized number 011517, book number 08/2024 TP/CC-SCC/HĐGD dated August 20, 2024, appendices, contracts amending and supplementing the Mortgage Contract and other related documents

- Property rights of Viet Nam Medicinal Materials Joint Stock Company arise from the Housing Sale and Purchase Contract No. D9-04/VHGP/HĐMBNO dated August 7, 2020 signed between the Buyer, Ms. Bui Thi My Duyen, and the Seller, Green City Development Joint Stock Company (hereinafter referred to as "Investor"); The document transferring the Commercial Housing Sale and Purchase Contract signed between the Transferor, Ms. Bui Thi My Duyen, and the Transferee, Ms. Nguyen Thi Hai, was certified by the notary of Chau A Notary Office, Ho Chi Minh City on October 27, 2020, notarization number -26120, book number 10 TP/CC-SCC/HĐGD, Confirmation of the Investor on November 17, 2020; The document of assignment of the Housing Sale and Purchase Contract between the Transferor, Ms. Nguyen Thi Hai, and the Transferee, Viet Nam Medicinal Materials Joint Stock Company, was certified by the Notary Public of Chau A Notary Office, Ho Chi Minh City on July 11, 2022. Notarization number 015956, book number 7/2022 TP/CC-SCC/HĐGD, Confirmation of the Investor on July 26, 2022. The value was 17,617,000,000. Deposits at Indovina Bank Hanoi Branch.
- (6) The current loans at VIETNAM Technological And Commercial Joint Stock Bank under credit contract No. DDA20231309798/HDTD dated October 24, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. Credit limit was 80 VND. Loan terms and interest rates were specified in each debt agreement. The loan was secured by: Residential House Sale and Purchase Agreement No. D9-04/VHGP/HĐMBNO signed on August 7, 2020; Commercial House Sale and Purchase Agreement Transfer Contract certified under No. 026120, Book No. 20 TP/CC-SCC/HĐGD dated October 22, 2020; and Commercial House Sale and Purchase Agreement Transfer Contract certified under No. 015956, Book No. 7/2022 TP/CC-SCC/HĐGD dated July 11, 2022, for Commercial House No. D09-04, Long Binh Ward, District 9, Hanoi City, Vinhomes Grand Park Project.
- (7) Current loans at Sinopac Bank - Ho Chi Minh City Branch under short-term credit contract No. 221035 dated October 17, 2022 and amendment to short-term credit contract No. 221035-SDBS1 dated November 6, 2023 on extending the credit period to October 31, 2024 and the credit limit is 4,000,000 USD or equivalent amounts in Vietnamese Dong for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Sinopac Bank, Ho Chi Minh City Branch.
- (8) The current loans at Woori Bank Vietnam Limited - Hoan Kiem branch under credit contract No. VN123002314-001/2023-HĐCVHM/WBVN101 dated March 31, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The credit limit was 40 billion VND. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Woori Bank Vietnam Limited - Hoan Kiem branch.
- (9) The current loans at Hong Leong Bank Vietnam Limited - Hanoi Branch under credit contract No. HN/2023/04/BCB/HDTD dated May 05, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The credit limit was 70 billion VND. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Hong Leong Bank Vietnam Limited - Hanoi Branch.
- (10) The current loans at Hua Nan Commercial Bank, Ltd - Ho Chi Minh City Branch under credit contract No. HNHCMCFL-S/76/2023 dated October 23, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities.

NOTES TO FINANCIAL STATEMENTS (Continued)

The credit limit was 3,000,000 USD. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Hua Nan Commercial Bank, Ltd - Ho Chi Minh City Branch.

(11) Credit limit contract No. 27016/24MB/HDTD dated September 11, 2024 between Ho Chi Minh City Development Joint Stock Commercial Bank, Ba Dinh branch with credit limit of: 30,000,000,000 (Thirty billion VND) with a loan term of 12 months for the purpose of supplementing working capital to pay salaries to employees through HDBank.

(12) The short-term loans at SHINHAN BANK - Hoan Kiem Branch under credit contract No. 810600093565 dated March 14, 2025 for the purpose of supplementing the company's working capital. The credit limit was 70 billion VND. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at SHINHAN BANK - Hoan Kiem Branch.

Non-current borrowings and finance leases

	Beginning balance (01/01/2025)		During the year		Ending balance (31/03/2025)	
	Value VND	Amounts capable of debt repayment VND	Increase VND	Decrease VND	Value VND	Amounts capable of debt repayment VND
Long term loans	46,634,259,555	46,634,259,555	1,400,000,000	13,920,626,982	34,113,632,573	34,113,632,573
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) (1)	45,039,452,884	45,039,452,884	-	12,359,106,982	32,680,345,902	32,680,345,902
Vietnam Prosperity Joint Stock Commercial Bank (VPBank) (2)	1,594,806,671	1,594,806,671	1,400,000,000	1,561,520,000	1,433,286,671	1,433,286,671
Long-term financial lease liabilities	17,120,289,477	17,120,289,477	7,087,893,779	14,859,731,721	9,348,451,535	9,348,451,535
BIDV Financial Leasing Co., Ltd. (3)	2,228,821,632	2,228,821,632	-	2,228,821,632	-	-
Chailease International Financial Leasing Co., Ltd. (4)	14,891,467,845	14,891,467,845	7,087,893,779	12,630,910,080	9,348,451,535	9,348,451,535
	63,754,549,032	63,754,549,032	8,487,893,779	28,780,358,703	43,462,084,108	43,462,084,108
Where:						
Payable within the next 12 months	21,273,597,250	21,273,597,250			17,575,838,324	17,575,838,324
Current portion of long-term debt	11,364,596,916	11,364,596,916			10,923,076,920	10,923,076,920
Long-term financial lease liabilities issued bonds	9,909,000,334	9,909,000,334			6,652,761,404	6,652,761,404
	-	-			-	-
Long-term borrowings and finance lease liabilities	42,480,951,782	42,480,951,782			25,886,245,784	25,886,245,784

The accompanying notes are an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS (Continued)**Additional information for non-current loans:**

- (1) Non-current loans at the Joint Stock Commercial Bank For Investment And Development Of Vietnam - Hanoi Branch under the Credit Limit Contract No. 02/2020/3990765/HDTD signed on December 15, 2020 for the purpose of paying reasonable investment costs for the GMP-WHO Phase 2 Pharmaceutical and Medical Products Factory project in Zone 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province. Loan term was 84 months, loan interest rate was equal to personal savings interest rate payable after 24-month term plus 3%/year and adjusted every 6 months. The loan was secured by:
 - All shares and all rights arising from the number of shares owned, including: the right to receive dividends in cash or in shares, the right to buy additional shares issued at a preferential price and other benefits, the total number of guaranteed shares was 950,000 shares of Mr. Vu Thanh Trung (General Director of the company);
 - All machinery and equipment formed in the future of the Project "Investment in GMP-WHO Phase 2 Pharmaceutical and Medical Products Factory project in Zone 8, Phu Ninh commune, Phu Ninh district, Phu Tho province" of Viet Nam Medicinal Materials Joint Stock Company;
- (2) Non-current loans at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch:
 - According to loan contract No. 140720-2751778-01-SME signed on July 15, 2020 for the purpose of partial payment for the purchase of 01 car. Loan term was 78 months, loan interest rate at the time of disbursement was 8.8%/year and adjusted periodically at the beginning of each quarter. The loan was secured by the Company's Vinfast brand car, model number Lux SA, BSX 30G-444.36;
 - According to loan contract No. CLC-7758-01 signed on July 15, 2020 for the purpose of partial payment for the purchase of 01 car. Loan term was 60 months, loan interest rate at the time of disbursement was 9.8%/year and adjusted periodically at the beginning of each quarter. The loan was secured by the Company's Kia brand car, model number CARNIVAL KA4 23.5 AFH7, license plate No 30K-718.25;
- (3) The financial leasing debts of Chailease International Leasing Company Limited - Hanoi branch under the following contracts:
 - Finance lease contract No. C241001312 dated October 9, 2024. Lease term 36 months, rental interest rate 9.5%/year;
 - Finance lease contract No. C211235212 dated December 28, 2021. Lease term 42 months, rental interest rate 12.17%/year;

NOTES TO FINANCIAL STATEMENTS (Continued)**4.20.2. Schedule for paying non- current loans:**

	Ending balance (31/03/2025)	Beginning balance (01/01/2025)
	VND	VND
Within 1 year	8,192,307,690	10,923,076,920
From the second year	11,356,578,738	11,364,596,916
From the third year to the fifth year	11,364,596,916	11,825,958,737
After five years	-	-
	31,272,483,344	34,113,632,573
<i>Deductions: Amount Payable within 12 Months</i>	8,192,307,690	10,923,076,920
Amount payable after 12 months	23,080,175,654	23,190,555,653

4.20.3. Schedule for paying financial leasing debts:

	Minimum Lease Payments		Present Value of Minimum Lease Payments	
	Ending balance (31/03/2025)	Beginning balance (01/01/2025)	Ending balance (31/03/2025)	Beginning balance (01/01/2025)
	VND	VND	VND	VND
Finance Lease Payables:				
- Within 1 year	5,414,625,797	6,652,761,404	5,414,625,797	6,652,761,404
- From the second year to the fifth year	2,799,787,113	2,695,690,131	2,799,787,113	2,695,690,131
	8,214,412,910	9,348,451,535	8,214,412,910	9,348,451,535
Deductions: Future Finance Charges			-	-
Present Value of Finance Lease Payables			8,214,412,910	9,348,451,535
Deductions: Amount Payable within 12 Months			5,414,625,797	6,652,761,404
Amount payable after 12 months			2,799,787,113	2,695,690,131

NOTES TO FINANCIAL STATEMENTS (Continued)**4.21. Owner's equity****4.21.1. Reconciliation table of changes in equity**

	Owners' contributed capital VND	Surplus equity VND	Development and investment fund VND	Undistributed post-tax profit VND	Total VND
Beginning balance of the prior year	356,500,000,000	159,200,000,000	12,607,975,389	160,364,147,082	688,672,122,471
Increase during the prior year	71,299,160,000	-	-	47,874,884,656	79,947,714,072
- Capital increase during the prior year	71,299,160,000	-	32,072,829,416	-	71,299,160,000
- Profit in the prior year	-	-	-	47,874,884,656	47,874,884,656
- Profit distribution during the prior year	-	-	32,072,829,416	-	32,072,829,416
Decrease during the prior year	-	-	-	(103,371,989,416)	(103,371,989,416)
- Appropriation to the development investment fund	-	-	-	(32,072,829,416)	(32,072,829,416)
- Appropriation to the bonus and welfare fund	-	-	-	-	-
- Increase capital during the year	-	-	-	(71,299,160,000)	(71,299,160,000)
Ending balance of the prior year	427,799,160,000	159,200,000,000	44,680,804,805	104,867,042,322	736,547,007,127
Beginning balance of the current period	427,799,160,000	159,200,000,000	44,680,804,805	104,867,042,322	736,547,007,127
Increase during the period	-	-	-	-	-
- Profit in the current period	-	-	-	12,296,114,634	12,296,114,634
- Profit distribution during the current period	-	-	-	-	-
Decrease during the year	-	-	-	-	-
- Appropriation to the development investment fund (i)	-	-	-	-	-
- Appropriation to the bonus and welfare fund (i)	-	-	-	-	-
Ending balance of the current period	427,799,160,000	159,200,000,000	44,680,804,805	117,163,156,956	748,843,121,761

The accompanying notes are an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS (Continued)**4.21.2. Details on contributed capital of the owners**

No.	Name of shareholder	Capital contribution	Number of shares	Percentage
		VND	Shares	%
1.	Mr. Vu Thanh Trung	85,800,000,000	8,580,000	20,06%
2.	Capital of other shareholders	341,999,160,000	34,199,916	79,94%
		427,799,160,000	42,779,916	100,00%

4.21.3. Capital transactions with owners and distribution of dividends, profit sharing

	Ending balance VND	Beginning balance VND
Equity		
Contributions at the beginning of the period	427,799,160,000	427,799,160,000
Contributions increased during the period	-	-
Contributions decreased during the period	-	-
Ending contributions	427,799,160,000	427,799,160,000
Dividends, Profits Distributed	-	-

4.21.4. Stocks

	Ending balance (31/03/2025) Shares	Beginning balance (01/01/2025) Shares
- Number of shares registered for issuance	42,779,916	42,779,916
- Number of shares sold to the public	42,779,916	42,779,916
+ Common shares	42,779,916	42,779,916
+ Preferred shares	-	-
- Number of shares repurchased and resold	-	-
+ Common shares	-	-
+ Preferred shares	-	-
Number of shares outstanding	42,779,916	42,779,916
+ Common shares	42,779,916	42,779,916
+ Preferred shares	-	-
Par value of outstanding shares	10,000 VND/share	

4.21.5. Profit Distribution

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Undistributed profit at the beginning of the period	104,867,042,322	160,364,147,082
Profit from production and business activities during the period	12,296,114,634	47,874,884,656
Other adjustments reducing profit	-	-
Other adjustments increasing profit	-	-
Profit distributed as dividends and allocated to funds during the period	117,163,156,956	208,239,031,738
Allocation to funds and dividend distribution, including:	-	(103,371,989,416)

NOTES TO FINANCIAL STATEMENTS (Continued)

- Dividends distributed during the period	-	(71,299,160,000)
- Appropriation to the development investment fund	-	(32,072,829,416)
- Appropriation to the bonus and welfare fund	-	-
Undistributed profit remaining at the end of the period	117,163,156,956	104,867,042,322

5. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT**5.1. Revenue from sales of merchandise and services**

	Quarter 1/2025	Quarter 1/2024
	VND	VND
Revenue from sales of goods	195,805,355,836	186,274,095,773
Revenue from the sale of finished goods and outsourced services	123,960,186,656	207,554,812,520
Revenue from service provision	32,136,772	-
	319,797,679,264	393,828,908,293

5.2. Revenue deductions

	Quarter 1/2025	Quarter 1/2024
	VND	VND
Sales discounts	-	-
Sales returns	14,070,000	-
	14,070,000	-

5.3. Cost of goods sold

	Quarter 1/2025	Quarter 1/2024
	VND	VND
Cost of goods sold for merchandise	189,041,989,108	170,455,905,680
Cost of goods sold for finished goods and outsourcing	95,842,398,116	194,129,059,268
Cost of goods sold for services	-	-
	284,884,387,224	364,584,964,948

5.4. Financial income

	Quarter 1/2025	Quarter 1/2024
	VND	VND
Interest income from deposits and loans	844,030,278	1,272,355,004
Gains from foreign exchange differences during the year	-	-
	844,030,278	1,272,355,004

5.5. Financial expenses

	Quarter 1/2025	Quarter 1/2024
	VND	VND
Loan interest income	10,595,841,295	11,849,707,539
Losses from foreign exchange differences during the year	-	-
	10,595,841,295	11,849,707,539

5.6. Selling expenses

	Quarter 1/2025	Quarter 1/2024
	VND	VND
Employee costs	1,870,891,392	2,102,733,477
Costs of raw materials and packaging	9,105,758	11,535,530

NOTES TO FINANCIAL STATEMENTS (Continued)

Costs of tools, instruments, and supplies	12,926,843	60,328,589
Depreciation of fixed assets	303,328,283	348,009,626
Costs of outsourced services	171,954,894	553,188,003
Other monetary expenses	124,627,267	191,737,286
	2,492,834,437	3,267,532,511

5.7. Administration expenses

	Quarter 1/2025 VND	Quarter 1/2024 VND
Management employee costs	4,216,617,775	2,912,533,673
Management material costs	192,313,777	31,075,233
Costs of tools, instruments, and supplies	99,627,268	174,585,273
Depreciation of fixed assets	522,709,407	526,407,026
Taxes, fees, and charges	5,179,034	19,429,033
Costs of outsourced services	947,841,202	1,491,347,378
Other monetary expenses	1,117,862,009	783,704,408
	7,102,150,472	5,939,081,664

5.8. Other income

	Quarter 1/2025 VND	Quarter 1/2024 VND
Income from the disposal of fixed assets	-	-
Income from penalties	-	-
Other incomes	84,634,905	130,534,278
	84,634,905	130,534,278

5.9. Other expenses

	Quarter 1/2025 VND	Quarter 1/2024 VND
Expenses for the disposal of fixed assets	-	-
Expenses for administrative violations and late payment penalties	-	-
Other expenses	1,595,208,843	-
	1,595,208,843	

5.10. Current Income Tax Expense

	Quarter 1/2025 VND	Quarter 1/2024 VND
Corporate income tax expenses based on current taxable income (i)	1,745,737,542	1,321,533,514
Total current corporate income tax expenses	1,745,737,542	1,321,533,514

(i) The current corporate income tax expense for the year was calculated as follows:

	Quarter 1/2025 VND	Quarter 1/2024 VND
Accounting profit before tax	12,960,171,659	9,590,510,913
- Increase adjustments	-	-
+ Non-deductible expenses	-	-
- Decrease adjustments	-	-
+ Other items	-	-
Taxable profit for corporate income tax	12,960,171,659	9,590,510,913
Profit from business activities eligible for a preferential tax rate of 17%	2,077,752,019	5,187,553,639
Profit from business activities subject to a tax rate of 20%	706,861,532	4,402,957,274
Corporate income tax payable		

NOTES TO FINANCIAL STATEMENTS (Continued)

Corporate income tax expenses from business activities eligible for a preferential tax rate of 17% and a 50% reduction	1,038,876,010	440,942,059
Corporate income tax expenses from business activities subject to a tax rate of 20%	706,861,532	880,591,455
Estimated corporate income tax payable for the year	1,745,737,542	1,321,533,514

5.11. Basic and Diluted Earnings Per Share

	Quarter 1/2025 VND	Quarter 1/2024 VND
a) Basic earnings per share		
Profit after corporate income tax (VND)	12,296,114,634	8,268,977,399
Adjustments to accounting profit to determine profit attributable to ordinary shareholders	-	-
Undistributed profit attributable to ordinary shareholders (VND)	12,296,114,634	8,268,977,399
Weighted average number of ordinary shares outstanding during the year (shares)	42,779,916	35,650,000
Basic earnings per share (VND/share)	287,00	232,00
b) Diluted earnings per share		
Number of potentially dilutive shares to be issued (shares)	-	-
Diluted earnings per share (VND/share)	287,43	231,95

The diluted earnings per share figure was affected by the Company's profit distribution in accordance with Resolution No. 01/2024/NQ-ĐHĐCĐ/DLVN dated May 31, 2024, of the General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company, based on the accumulated undistributed after-tax profit of 2023.

5.12. Production and Business Costs by elements

	Quarter 1/2025 VND	Quarter 1/2024 VND
Costs of raw materials and supplies	39,805,810,481	157,213,459,221
Labor costs	9,646,893,765	7,696,210,688
Costs of tools, instruments, and supplies	1,330,735,431	234,913,862
Depreciation of fixed assets	3,782,661,677	6,940,572,355
Taxes, fees, and charges	1,914,002,993	-
Costs of outsourced services	3,551,545,044	2,044,535,381
Other monetary expenses	1,263,017,166	894,784,058
	61,294,666,557	175,024,475,565

6. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CASH FLOW STATEMENT**6.1. Proceeds from borrowings during the year:**

	Quarter 1/2025 VND	Quarter 1/2024 VND
Proceeds from loans under conventional agreements	315,296,999,104	348,139,597,610
	315,296,999,104	348,139,597,610

6.2. Principal repayments during the year:

	Quarter 1/2025 VND	Quarter 1/2024 VND
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NOTES TO FINANCIAL STATEMENTS (Continued)

Principal repayments of loans under conventional agreements	427,590,844,882	316,893,249,488
Principal repayments of regular bonds	-	-
	427,590,844,882	316,893,249,488

6.3. Capital risk management

The Company managed the capital to ensure that it would be able to continue as a going concern while maximizing the return to its owners [shareholders] through the optimization of the debt and equity balance.

Financial leverage ratio

The Company's financial leverage ratio at the end of the accounting period was as follows:

	Ending balance (31/03/2025) VND	Beginning balance (01/01/2025) VND
Loans	660,182,112,625	766,552,527,334
Less: Cash and cash equivalents	47,704,779,568	85,716,381,492
Net debt	612,477,333,057	680,836,145,842
Equity	748,843,121,761	736,547,007,127
Net debt-to-equity ratio	0,82	0,92

6.4. Significant accounting policies

Details of the significant accounting policies and methods applied by the Company (including the criteria for recognition, the basis for determining value and the basis for recording income and expenses) for each type of financial asset and financial liability.

6.5. Types of financial instruments

	Ending balance (31/03/2025) VND	Book value (i) Beginning balance (01/01/2025) VND
Financial assets		
Cash and cash equivalents	47,704,779,568	85,716,381,492
Trade receivables, other receivables	503,485,596,434	539,571,370,872
Loans	-	-
Short term investment	123,553,330,078	118,906,968,745
Long term investment	20,000,000,000	20,000,000,000
	694,743,706,080	764,194,721,109

	Ending balance (31/03/2025) VND	Book value (i) Beginning balance (01/01/2025) VND
Financial liabilities		
Payables to suppliers and other payables	157,302,197,686	115,033,435,613
Accrued expenses	1,057,992,308	961,039,745
Loans and Debts	660,182,112,625	766,552,527,334
	818,542,302,619	882,547,002,692

(i) The Book value is recorded at net value, i.e., after deducting provisions

NOTES TO FINANCIAL STATEMENTS (Continued)

The Company did not yet assessed the fair value of the financial assets and financial liabilities as at the balance sheet date because Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on November 6, 2009 ("Circular 210") as well as current regulations had not provided specific guidance on determining the fair value of financial assets and financial liabilities. Circular 210 required the application of International Financial Reporting Standards on the presentation of financial statements and disclosure of information for financial instruments but did not provide equivalent guidance for the measurement and recognition of financial instruments including the application of fair value, in order to be consistent with International Financial Reporting Standards.

6.6. Financial risk management objectives

The Company established a risk management system to identify and assess the risks to which the Company was exposed, and to establish policies and procedures to control risks at an acceptable level. The risk management system was reviewed periodically to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

Market risk

The Company's business operations would be primarily exposed to risks from changes in exchange rates, interest rates and prices. The Company did not hedge these risks due to the lack of an active market for trading these financial instruments.

Exchange rate risk management

The Company conducted a number of transactions denominated in foreign currencies, which would expose the Company to risks of exchange rate fluctuations.

Interest risk management

The Company was exposed to interest rate risks arising from interest-bearing loans it had entered. This risk would be managed by the Company by maintaining an appropriate level of borrowings and analyzing the competitive market situation to obtain favorable interest rates for the Company from appropriate lending sources.

Good price risk management

The company purchased raw materials and goods from domestic and foreign suppliers to serve production and business activities. Therefore, the Company would bear the risk of changes in selling prices of raw materials and goods.

Credit risk

Credit risk occurred when a customer or counterparty fails to meet its contractual obligations, resulting in financial losses to the Company. The Company had a suitable credit policy and regularly monitors the situation to assess whether the Company was exposed to credit risk. The Company did not have any significant credit risk exposure to customers or counterparties because the receivables arose from a large number of customers operating in diverse industries and distributed across different geographical areas.

Liquidity risk management

The purpose of liquidity risk management was to ensure adequate funds were available to meet current and future financial obligations. Liquidity was also managed by the Company to ensure that

NOTES TO FINANCIAL STATEMENTS (Continued)

the excess of maturing liabilities over maturing assets in any period was kept to manageable levels relative to the amount of funds that the Company believes could be generated within that period. It was the Company's policy to regularly monitor current and expected liquidity requirements to ensure that the Company maintained adequate levels of cash reserves, borrowings and committed capital from owners to meet its current and non-current liquidity requirements.

The tables below detail the remaining contractual maturities for non-derivative financial assets and financial liabilities and their agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The disclosure of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as liquidity was managed on a net asset and liability basis.

TYPES OF FINANCIAL INSTRUMENTS

	Book value		Fair value	
	Ending balance (31/03/2025)	Beginning balance (01/01/2025)	Ending balance (31/03/2025)	Beginning balance (01/01/2025)
	VND	VND	VND	VND
Financial assets				
Cash and cash equivalents	47,704,779,568	85,716,381,492	47,704,779,568	85,716,381,492
Trade receivables, other receivables	503,485,596,434	539,571,370,872	503,485,596,434	539,571,370,872
Short term investment	123,553,330,078	118,906,968,745	123,553,330,078	118,906,968,745
Long term investment	20,000,000,000	20,000,000,000	20,000,000,000	20,000,000,000
	694,743,706,080	764,194,721,109	694,743,706,080	764,194,721,109

	Book value		Fair value	
	Ending balance (31/03/2025)	Beginning balance (01/01/2025)	Ending balance (31/03/2025)	Beginning balance (01/01/2025)
	VND	VND	VND	VND
Financial liabilities				
Payables to suppliers and other payables	157,302,197,686	115,033,435,613	157,302,197,686	115,033,435,613
Accrued expenses	1,057,992,308	961,039,745	1,057,992,308	961,039,745
Loans and Debts	660,182,112,625	766,552,527,334	660,182,112,625	766,552,527,334
	818,542,302,619	882,547,002,692	818,542,302,619	882,547,002,692

LIQUIDITY RISK – AT THE BEGINNING OF THE PERIOD

NOTES TO FINANCIAL STATEMENTS (Continued)

	No more than 01 year VND	From 01 year to 05 years VND	Over 05 years VND	Total VND
At the beginning of the period				
Cash and cash equivalents	85,716,381,492	-	-	85,716,381,492
Trade receivables, other receivables	445,994,044,344	93,577,326,528	-	539,571,370,872
Short term investment	118,906,968,745	-	-	118,906,968,745
Long term investment	-	-	20,000,000,000	-
	650,617,394,581	93,577,326,528	20,000,000,000	764,194,721,109
	No more than 01 year VND	From 01 year to 05 years VND	Over 05 years VND	Total VND
At the beginning of the period				
Payables to suppliers and other payables	112,684,022,713	-	-	112,684,022,713
Accrued expenses	961,039,745	-	-	961,039,745
Loans and Debts	740,666,281,550	25,886,245,784	2,349,412,900	768,901,940,234
	854,311,344,008	25,886,245,784	2,349,412,900	882,547,002,692

LIQUIDITY RISK – AT THE ENDING OF THE PERIOD

	No more than 01 year VND	From 01 year to 05 years VND	Over 05 years VND	Total VND
At the end of the period				
Cash and cash equivalents	47,704,779,568	-	-	47,704,779,568
Trade receivables, other receivables	409,903,119,161	93,582,477,273	-	503,485,596,434
Short-term investment	123,553,330,078	-	-	123,553,330,078
Long-term investment	-	-	20,000,000,000	20,000,000,000
	581,161,228,807	93,582,477,273	20,000,000,000	
	No more than 01 year VND	From 01 year to 05 years VND	Over 05 years VND	Total VND
At the end of the period				
Payables to suppliers and other payables	154,992,784,786	2,309,412,900	-	157,302,197,686
Accrued expenses	1,057,992,308	-	-	1,057,992,308
Loans and Debts	634,406,246,840	25,775,865,785	-	660,182,112,625
	790,457,023,934	28,085,278,685	-	818,542,302,619

The Board of Directors assessed the liquidity risk at a low level. The Board of Directors believed that the Company would be able to generate sufficient funds to meet the financial obligations as and when they fall due.

NOTES TO FINANCIAL STATEMENTS (Continued)**7. OTHER INFORMATION****7.1. Events occurring after the End of the Financial Year**

The Board of Directors of the Company affirmed that, in their opinion, and considering all material aspects, no unusual events occurred subsequent to the end of the financial year that affected the financial position and operations of the Company requiring adjustment to or disclosure in these Financial Statements.

7.2. Transactions and Balance with stakeholders

The Company's Stakeholders include: key management members, individuals related to key management members and other stakeholders.

7.2.1. Transactions and balances with key management members and individuals related to key management members.

Key management members include: The members of the Board of Directors/Board of Members and Board of Executive (The Board of Management, Chief Financial Officer, Chief Accountant). Individuals related to key management members are close family members of key management members.

Transactions with key management members and individuals related to key management members.

The Company did not incur any transactions regarding the sale of goods and the provision of services to key management personnel and parties related to key management personnel.

Balances with key management members and individuals related to key management members.

As at the end of the financial year, the Company had no outstanding balances with key management personnel and parties related to key management personnel.

7.2.2. Transactions and Balance with Other stakeholders

The other Company's Stakeholders include: subsidiaries, associates, jointly controlled entities, individuals owning, directly or indirectly, voting power in the Company and close members of their families, enterprises controlled by key management personnel and individuals owning, directly or indirectly, voting power in the Company and close members of their families.

List of other stakeholders

Other stakeholders	Place of incorporation and operation	Relationship
VIBFA JSC	Hanoi	Affiliated Company

Transactions with other stakeholders

During the fiscal year, the company did not have any transactions with the stakeholder.

Balance of receivables/(payables) with other stakeholders

NOTES TO FINANCIAL STATEMENTS (Continued)

The Company had no receivable or payable balances with related in quarter of 2025

7.3. Information on ongoing operations

In the first quarter of 2025, there were no activities or events that significantly affected the Company's ability to continue as a going concern. Therefore, the Financial Statements were prepared on the basis of the assumption that the Company will continue to operate.



Prepared by
NGUYEN THI HUONG



Chief Accountant
NGUYEN MANH THANG



General Director
VU THANH TRUNG
Hanoi, Vietnam
April 17, 2025