

**VIET NAM MEDICINAL MATERIALS JOINT
STOCK COMPANY**

The owner's distribution report for the increase on the issuance of
8,650,000 shares until 31 December 2024
(Audited)



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VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY
Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province
STATEMENT OF THE BOARD OF GENERAL DIRECTOR

The Board of General Director of Viet Nam Medicinal Materials Joint Stock Company (hereinafter called "the Company") presents this report together with the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 and the notes to owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 (Hereinafter referred to as the owner's distribution report).

1. General Information

Viet Nam Medicinal Materials Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No.0105196582 for the first time on 16th March 2011, and the 27th amendment dated 20th September 2024 issued by the Phu Tho Department of Planning and Investment.

Head Office: Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province

Charter Capital : 427,799,160,000 VND.
Actual Contributed Capital: 427,799,160,000 VND.
Number of Shares : 42,779,916 shares.
Value : 10,000 VND/ shares

The company's business activities include the production and wholesale of medicinal herbs.

2. The members of the board of directors, the board of supervisors, and the board of general management

The members of the Board of Directors, the Board of Supervisors, and the Board of General Management of the Company during the year and to the date of this statement are as follows:

The Board of Directors

Full name	Position	Date of appointment/Dismissal
Mr. Nguyen Van Cai	Chairman	Appointed on 10/05/2024
Mr. Tran Binh Duyen	Chairman	Dismissed on 10/05/2024
Mr. Vu Thanh Trung	Member	
Mr. Pham Hoang Linh	Member	Dismissed on 10/05/2024
Ms. Doan Thi Thu Hoai	Member	Dismissed on 10/05/2024
Ms. Nguyen Thi Ha	Independent member	Appointed on 31/05/2024

The Board of Supervisors

Full name	Position	Date of appointment/Dismissal
Ms. Nguyen Diep Khanh Linh	Head of Supervisor	Appointed on 05/06/2024
Ms. Nguyen Thi Tuyet Mai	Head of Supervisor	Dismissed on 10/05/2024
Mr. Bui Cong Tuan	Member	Appointed on 31/05/2024
Ms. Dang Thi Khanh Ngan	Member	Appointed on 31/05/2024
Ms. Tran Thi Thanh Tam	Member	Dismissed on 10/05/2024
Ms. Duong Thi Ngoc	Member	Dismissed on 10/05/2024

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY
Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province
STATEMENT OF THE BOARD OF GENERAL DIRECTOR

The Board General Management

Full name	Position	Date of appointment/Dismissal
Mr. Vu Thanh Trung	General Director	
Mr. Tran Binh Duyen	Deputy General Director	Appointed on 09/05/2024
Ms. Nguyen Thi Thu Hoai	Deputy General Director	Appointed on 09/05/2024

Legal representatives

The legal representative of the Company during the year and to the date of this statement is Mr. Vu Thanh Trung – The General Director.

Auditors

International Auditing and Valuation Company Limited has been appointed to audit the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 of the Company.

3. Events arising after the date of the owner's contribution report.

There are no significant events occurring after the year ended 31 December 2024, which needs to be adjusted or presented in the owner's contribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024.

4. Disclosure of the board of General Director's responsibilities for the owner's contribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024

The Board of General Director of the Company is responsible for preparing the financial statements, which give a true and fair view of the owner's contribution report for the increase on the issuance of 8,650,000 shares until 31st December 2024 accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, The Board of General Director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the owner's distribution report so as to minimize errors and frauds.

The Board of General Director of the Company is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, and that the owner's contribution report comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the owner's contribution report. The Board of General Director is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY
Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province
STATEMENT OF THE BOARD OF GENERAL DIRECTOR

5. Approval of the owner's distribution report

The Board of General Directors approves the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 reflected truly and fairly the use of the owner's contributed capital.

For and on behalf of the Board of General Directors,



VU THANH TRUNG

General Director

Phu Tho Province, 31 March 2025

No: 13082.1/2024/BCV/IAV

INDEPENDENT AUDITORS' REPORT

**To: The Board of Directors, the Board of Supervisors, and the Board of General Management
Viet Nam Medicinal Materials Joint Stock Company**

We have audited the accompanying the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 of Viet Nam Medicinal Materials Joint Stock Company (hereinafter called "the Company") prepared on March 2025, as set out from page 06 to page 12, which comprises the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 and notes the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 (Hereinafter referred to as the owner's distribution report).

The Board of General Director's Responsibility

The Board of General Director of the Company is responsible for the preparation and fair presentation of the owner's distribution report in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the owner's distribution report and for such internal control as The Board of General Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the owner's distribution report based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the the owner's distribution report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the owner's distribution report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the owner's distribution report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of General Director, as well as evaluating the overall presentation of the owner's distribution report.

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

Auditors' Opinion

In our opinion, the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 give a true and fair view, in all material respects, the situation of the use of owner's contributed capital in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the owner's distribution report.

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of Matters

We would like to draw the reader's attention to Note 3 – "Basis for the Preparation and Purpose of the owner's distribution report." The explanatory section of the Report on the owner's distribution report describes the basis applied by the Company in preparing this report, which is intended for the Company's use for information disclosure purposes and for reporting to the state management authorities in accordance with the current laws. Therefore, this report on the use of capital may not be suitable for any other purposes.



NGUYEN HUU HOAN

Director

Audit Practising Registration Certificate: 2417-2023-283-1

INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED

Hà Nội, 31st March 2025

DUONG VAN THIEU

Auditor

Audit Practising Registration Certificate: 5353-2025-283-1

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY

Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province

THE OWNER'S DISTRIBUTION REPORT

For the increase on the issuance of 8,650,000 shares until 31 December 2024

1. LEGAL BASIS FOR THE CAPITAL CONTRIBUTION PROCESS AND USE

1.1 Legal Basis

The owner's contributed capital from the issuance of 8,650,000 shares is based on:

- Minutes of the Meeting No. 02/2021/BB-ĐHĐCĐ/DLVN dated July 19, 2021, of the 2021 Annual General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company;
- Resolution No. 02/2021/NQ-ĐHĐCĐ/DLVN dated July 19, 2021, of the 2021 Annual General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company;
- Proposal No. 04/2021/TT-ĐHĐCĐ/DLVN dated July 14, 2021, of the 2021 Annual General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company;
- Proposal No. 05/2021/TT-ĐHĐCĐ/DLVN dated July 14, 2021, of the 2021 Annual General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company regarding the plan for offering shares to increase charter capital in 2021;
- Proposal No. 06/2021/TT-ĐHĐCĐ/DLVN dated July 14, 2021, of the 2021 Annual General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company regarding the approval of the investment project;
- Resolution No. 16/2021/TT-ĐHĐCĐ/DLVN dated November 26, 2021, of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company regarding the adjustment of the project;
- Public share offering notice No. 2303/2022/TB-DLVN dated March 23, 2022, of Viet Nam Medicinal Materials Joint Stock Company;
- Official letter No. 2504/2022 dated April 25, 2022, of Viet Nam Medicinal Materials Joint Stock Company regarding the confirmation of the list of registered investors, deposit payments for share purchases, and the number of shares available for investors;
- Resolution No. 0605/2022/NQ/HĐQT dated May 6, 2022, of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company regarding the announcement of the results of the initial public offering (IPO) and the distribution of fractional shares due to rounding rules;
- Official letter No. 1205/2022/CV-DLVN dated May 12, 2022, of Viet Nam Medicinal Materials Joint Stock Company regarding the report on the results of the IPO;
- IPO results report No. 1205/2022/CV-DLVN dated May 12, 2022, of Viet Nam Medicinal Materials Joint Stock Company;
- Official letter No. 2912/UBCK-QLCB dated May 18, 2022, of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company regarding the change in the debt repayment subject under the capital use purpose "restructuring part of bank debt" from the proceeds of the IPO;
- Official letter No. 07/2022/DVM dated May 21, 2022, of Viet Nam Medicinal Materials Joint Stock Company regarding the report on changes in the capital use plan/the amount raised from the offering/issuance;
- Resolution No. 12A/2022/NQ/HĐQT-DVM dated July 5, 2022, of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company regarding the flexible adjustment of the capital

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY

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THE OWNER'S DISTRIBUTION REPORT

For the increase on the issuance of 8,650,000 shares until 31 December 2024

raised from the IPO that has not yet been used to enhance the financial effectiveness of the Company;

- Progress report on the use of funds/amount raised from the offering/issuance No. 162024/BC dated November 14, 2024, of Viet Nam Medicinal Materials Joint Stock Company sent to the State Securities Commission.

1.2 Information on the Issuance Plan

- Issuer: Viet Nam Medicinal Materials Joint Stock Company
- Name of offered Shares: Shares of Viet Nam Medicinal Materials Joint Stock Company
- Stock Code: DVM
- Type of shares: Common Shares
- Number of shares registered for sale: 8,650,000 shares
- Number of shares distributed: 8,650,000 shares
- Par value of shares: 10,000 VND/share
- Expected offering price: 18,000 VND/share
- Number of issuance rounds: 1 round
- The shares will be offered to investors through the distribution unit, Vietnam Joint Stock Commercial Bank for Foreign Trade Securities Company – Advisory Organization. The Company's existing shareholders will not exercise their preemptive rights to purchase shares in proportion to their current ownership of the shares being publicly offered in this round. Existing shareholders wishing to participate will need to register to purchase shares according to regulations.
- Any remaining shares from the offering, which are not purchased by investors compared to the total number of shares expected to be offered (if any), will be further offered by the Board of Directors to other investors who express interest, at a price no lower than the price for investors who have registered to purchase shares through the advisory organization.

In the event that the remaining shares are still not fully distributed to other investors, the Board of Directors will adjust the total number of shares being offered to match the actual number of shares distributed in the offering.

1.3 Purpose of the Issuance and Capital Use Plan

According to Proposal No. 05/2021/TT-ĐHĐCĐ-DLVN dated July 14, 2021, approved by Resolution No. 02/2021/NQ-ĐHĐCĐ/DLVN dated July 19, 2021, of the 2021 Annual General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company, the funds raised from the initial public offering (IPO) will be used to invest in the project "Research and Application of Advanced Technology in Propagation, Processing, and Preservation of Medicinal Herbs" and to restructure part of the bank loan.

According to Resolution No. 16/2021/NQ-HĐQT/DLVN dated November 26, 2021, of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company regarding the adjustment of the project "Research and Application of Advanced Technology in Propagation, Processing, and Preservation of Medicinal Herbs," it has been changed to the project "Cultivation and Development of Medicinal Plants Under Forest Canopy in Phu Tho."

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY

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THE OWNER'S DISTRIBUTION REPORT

For the increase on the issuance of 8,650,000 shares until 31 December 2024

According to Resolution No. 12A/2022/NQ/HĐQT-DVM dated July 5, 2022, of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company regarding the flexible adjustment of the funds raised from the IPO that have not yet been used, to enhance the financial efficiency of the Company, the Company will deposit a part of the funds raised from the IPO, with a maximum deposit amount of 25 billion VND and a maximum deposit term of 6 months.

2. INFORMATION ON THE OWNER'S CAPITAL CONTRIBUTION STATUS

Form of capital contribution	Capital contribution amount at par value VND	Share premium VND	Total amount raised from capital contribution VND	Capital contribution period
Capital contribution via bank deposit into account	86,500,000,000	69,200,000,000	155,700,000,000	From 05/04/2022 to 09/05/2022
Total	86,500,000,000	69,200,000,000	155,700,000,000	

3. STATUS OF THE USE OF OWNER'S CAPITAL CONTRIBUTION**3.1 Status of the use of owner's capital contribution from the end of the offering period to 31 December, 2024**

No	Content	Capital used as of 31 December 2024
1	Purchase of land for the project: "Cultivation and Development of Medicinal Plants Under Forest Canopy in Phu Tho"	60,760,000,000
2	Investment in items: basic construction, procurement of equipment, land improvement, cultivation and care of medicinal plants, other contingency expenses	33,987,354,229
-	Land improvement (filling, creating access roads, etc.)	17,828,382,661
-	Basic construction (fence construction, warehouse, etc.)	9,607,996,386
-	Cultivation and care of medicinal plants	6,158,556,116
-	Other expenses (notarization, travel expenses, etc.)	392,419,066
3	Additional working capital for repaying bank loans	55,700,000,000
	Total	150,447,354,229

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY

Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province

THE OWNER'S DISTRIBUTION REPORT

For the increase on the issuance of 8,650,000 shares until 31 December 2024

3.2 Status of the use of owner's capital contribution from the end of the offering period to 31 December, 2024 according to the approved share issuance plan

No	Content	Approved capital utilization plan VND	Amount actually used VND	Amount not yet used VND
1	Investment in the project "Cultivation and Development of Medicinal Plants Under Forest Canopy in Phu Tho"	100,000,000,000	94,747,354,229	5,252,645,771
2	Restructure part of the bank loan	55,700,000,000	55,700,000,000	-
	Total	155,700,000,000	150,447,354,229	5,252,645,771

Note: The amount not yet used by the Company is deposited in a fixed-term savings account at a commercial bank

3.3 Assets formed from the use of owner's capital contribution from the end of the offering period to 31 December, 2024

No	Items	Amount
1	Tangible fixed assets and other long-term assets	4,104,482,408
2	Intangible asset is land use rights	60,760,000,000
3	Construction in progress and other expenses	85,582,871,821
	Total	150,447,354,229

**NGUYEN THI HUONG**
Preparer**NGUYEN MANH THANG**
Chief Accountant**VU THANH TRUNG**
General Director
Phu Tho, 31 March 2025

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY

Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province

NOTES TO THE OWNER'S DISTRIBUTION REPORT

For the increase on the issuance of 8,650,000 shares until 31 December 2024

This note is an integral part of and should be read in conjunction with the accompanying the owner's distribution report.

1. GENERAL INFORMATION

1.1. Structure of ownership

Viet Nam Medicinal Materials Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No.0105196582 for the first time on 16th March 2011, and the 27th amendment dated 20th September 2024 issued by the Phu Tho Department of Planning and Investment.

Head Office: Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province

1.2. Business area

The company's main business activities include the production and wholesale of medicinal herbs.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

2.1 Accounting period

The owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024 is prepared from the end of the offering period to 31 December, 2024

2.2 The currency used in the accounting period.

The currency used in accounting is the Vietnamese Dong (VND) as all receipts and payments are made in VND.

3. BASIS FOR PREPARATION AND PURPOSE OF THE REPORT ON THE USE OF OWNER'S CAPITAL CONTRIBUTION

3.4 Basis for preparing the owner's distribution report

The report on the use of the owner's capital contribution is prepared and presented based on the historical cost principle, in accordance with the current Vietnamese Accounting Standards, the Vietnamese Accounting System, and relevant legal regulations related to the preparation and presentation of the report on the use of the owner's capital contribution.

The owner's distribution report is prepared on the basis of actual receipts and actual payments, and is part of the overall cash flow of the Company.

3.5 Purpose the owner's capital contribution report

The Company prepares this owner's distribution report for the purpose of information disclosure and reporting to the state management authorities in accordance with current legal regulations. Therefore, this owner's distribution report may not be suitable for any other purposes.

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY

Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province

NOTES TO THE OWNER'S DISTRIBUTION REPORT

For the increase on the issuance of 8,650,000 shares until 31 December 2024

4. CAPITAL DISBURSED FROM OWNER'S CAPITAL CONTRIBUTION

As of December 31, 2024, the capital from the issuance of 8,650,000 shares has been used by the Company for the purposes that have been approved.

5. EVENTS ARISING AFTER THE END OF THE PERIOD

The Board of General Director of the Company affirms that there are no unusual events occurred after the end of the owner's distribution report needed to be adjusted or presented in the owner's distribution report for the increase on the issuance of 8,650,000 shares until 31 December 2024.



NGUYEN THI HUONG
Preparer



NGUYEN MANH THANG
Chief Accountant



VU THANH TRUNG
General Director
Phu Tho, 31 March 2025

