

**ARMEPHACO JOINT STOCK COMPANY**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 31/12/2024**

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## **ARMEPHACO JOINT STOCK COMPANY**

No. 118, Vu Xuan Thieu Street, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam

### **STATEMENT OF THE BOARD OF GENERAL DIRECTORS**

The Board of General Directors of Armephaco Joint Stock Company presents this statements and the accompanying consolidated financial statements of the Company for the year ended 31<sup>st</sup> December 2024.

#### **THE COMPANY**

Armephaco Joint Stock Company (hereinafter referred to as the “the Company”) formerly known as Military Pharmaceutical and Medical Equipment Company was established under Decision No. 1436/QĐ-CP dated 12/8/1996 of the Ministry of Defence and operated under the Business Registration Certificate No. 110974 dated 21/8/1996 issued by Hanoi Department of Planning and Investment. The company was converted into a joint stock company under Decision No. 1183/QĐ-BQP dated 15/04/2010 of the Ministry of Defence and operated under the Business Registration Certificate of Joint Stock Company No. 0100109191 issued by Hanoi Department of Planning and Investment on 23/6/2010, Changes made several times and the 19th change on April 11, 2024 regarding the change of legal representative.

The charter capital according to the 19<sup>th</sup> amended Business Registration Certificate dated April 11, 2024 of the Company is 130,000,000,000 VND (In words: One hundred and thirty billion VND).

Company's Name: **ARMEPHACO JOINT STOCK COMPANY.**

The Company's Name in English: **ARMEPHACO JOINT STOCK COMPANY.**

The Company's stock is currently listed on the UpCOM with the code AMP.

The Company's registered office is located at: No. 118, Vu Xuan Thieu Street, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam.

#### **BOARDS OF MANAGEMENT, SUPERVISORS AND GENERAL DIRECTORS**

Members of Boards of Management, Supervisors and General Directors who held the Company during the year and at the date of this report are as follows:

##### **Board of Management**

Mr. Pham Cong Doan	Chairman (Appointed from 18/6/2024)
Mr. Doan Manh Cuong	Chairman (Dismissed from 18/6/2024)
Mr. Nguyen Van Dung	Vice Chairman (Dismissed from 18/6/2024)
Mrs. Nguyen Thi Huong	Member (Appointed from 18/6/2024)
Mrs. Nguyen Dieu Trinh	Member (Dismissed from 18/6/2024)
Mr. Nguyen Anh Dung	Member (Dismissed from 18/6/2024)
Mrs. Vu Thi Cam Trang	Member (Appointed from 18/6/2024)

##### **Board of Supervisors**

Mrs. Nguyen Thi Huong	Head of the Board (Appointed from 18/6/2024)
Mr. Nguyen Anh Tuan	Member (Dismissed from Head of the Board on 18/6/2024, Member from 18/6/2024)
Mr. Le Manh Hien	Member
Mrs. Nguyen Thi Huong Lien	Member (Dismissed from 18/6/2024)

##### **Board of General Directors**

Mr. Duong Dinh Son	General Director (Appointed from 10/4/2024; Dismissed from Deputy General Director on 10/4/2024)
Mr. Nguyen Van Dung	General Director (Dismissed from 10/4/2024)
Mr. Nguyen Anh Dung	Deputy General Director - In charge of finance (Dismissed from 01/07/2024)

**ARMEPHACO JOINT STOCK COMPANY**

No. 118, Vu Xuan Thieu Street, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam

**STATEMENT OF THE BOARD OF GENERAL DIRECTORS(CONTINUED)**

**Board of General Directors (Continued)**

Mrs. Nguyen Thi Huong	Deputy General Director
Mr. Nguyen Thien Duc	Deputy General Director - In Charge of Business (Appointed from 01/6/2024, Dismissed from 01/11/2024)
Mr. Tong Van Bien	Deputy General Director - In Charge of Business (Appointed from 03/3/2025)

**SUBSEQUENT EVENTS**

According to the Board of General Directors, in all material respects, there have been no other significant events occurring after the balance sheet date, affecting the financial position and operation of the Company which would require adjustments to or disclosures to be made in the Consolidated financial statements for the year ended 31<sup>st</sup> December 2024.

**THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY**

The Company's Board of General Directors is responsible for preparing the consolidated financial statements, which give a true and fair view of the financial position as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of Consolidated financial statements. In preparing these Consolidated financial statements, the Board of General Directors is required to:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- State clearly whether the Accounting Standards applied to the Company are followed or not, and all the material differences from these standards are disclosed and explained in the consolidated Financial Statements;
- Design and implement effectively the internal control system in order to ensure that the preparation and presentation of the consolidated Financial Statements are free from material misstatements due to frauds or errors;
- Prepare the consolidated Financial Statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the consolidated financial statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant legal regulations in preparation and presentation of the consolidated financial statements. The Board of General Directors 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.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing the consolidated financial statements.

For and on behalf of the Board of General Directors,



**Dương Đình Sơn**  
**General Director**  
Ha Noi, 29<sup>th</sup> March 2025

**Head Office in Hanoi:**

8<sup>th</sup> floor, VG Building, No. 235 Nguyen Trai Str.,  
Thanh Xuan Dist., Hanoi, Vietnam

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No: 265/2025/BCKTHN-CPA VIETNAM-NV2

**INDEPENDENT AUDITORS' REPORT**

**To:**                    **Shareholders**  
                         **Boards of Management, Supervisors and General Directors**  
                         **Armephaco Joint Stock Company**

We have audited the accompanying consolidated financial statements of Armephaco Joint Stock Company, as set out on pages 05 to pages 37, prepared on 29/3/2025 including the Consolidated Balance sheet as at 31/12/2024, and the Consolidated Income Statement, and Consolidated Cash flows Statement for the year then ended, and Notes to the consolidated financial statements

**Responsibility of the Board of General Directors**

The Company's Board General of Directors is responsible for the true and fair preparation and presentation of these Consolidated financial statements in compliance with Vietnamese Accounting Standards, Vietnamese Accounting System and the statutory requirements relevant to the preparation and presentation of the Consolidated financial statements, and for the internal control as the Board of General Directors determines is necessary to enable the preparation of Consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Responsibility of Auditors**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. These Standards require us to comply with the Standards and codes of ethics, to plan and perform the audit to obtain reasonable assurance as to whether the Company's consolidated financial statements are free from any significant errors or not.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The audit procedures are selected based on the auditor's judgment, including the assessment of risks of material misstatement in the consolidated financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design appropriate audit procedures to the actual situation, which is not intended to give an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements

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 accompanying consolidated financial statements gives a true and fair view of, in all material respects, the financial position of the Company as at 31<sup>st</sup> December 2024 and the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements in Vietnam.

  
**Nguyễn Thị Mai Hoa****Deputy General Director**

Audit Practising Registration Certificate:

No: 2326-2023-137-1

*Authorised: 08/2025/UQ-CPA VIETNAM dated 02/01/2025 of Chairman*

For and on behalf of

**CPA VIETNAM AUDITING COMPANY LIMITED****A member firm of INPACT***Ha Noi, 29<sup>th</sup> March 2025***Nguyễn Thị Tiên****Auditor**

Audit Practising Registration Certificate:

No: 5276-2021-137-1

# CONSOLIDATED BALANCE SHEET

As at 31<sup>st</sup> December 2024

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>A - CURRENT ASSETS</b> (100=110+130+140+150)	<b>100</b>		<b>1,097,544,491,763</b>	<b>935,994,852,068</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5.1</b>	<b>40,436,473,607</b>	<b>54,723,227,585</b>
1. Cash	111		40,436,473,607	53,923,227,585
2. Cash equivalents	112		-	800,000,000
<b>II. Short-term financial investments</b>	<b>120</b>	<b>5.2</b>	<b>9,032,368,957</b>	<b>7,032,368,957</b>
3. Investments held to maturity	123		9,032,368,957	7,032,368,957
<b>III. Short-term receivables</b>	<b>130</b>		<b>760,086,786,746</b>	<b>626,529,469,054</b>
1. Short-term receivables from customers	131	5.3	593,968,877,424	532,863,015,769
2. Short-term repayments to suppliers	132	5.4	152,230,280,302	81,820,825,414
6. Other short-term receivables	136	5.5	18,778,510,921	15,493,433,477
7. Short-term allowances for doubtful debts	137	5.6	(4,890,881,901)	(3,647,805,606)
<b>IV. Inventories</b>	<b>140</b>	<b>5.7</b>	<b>277,577,980,719</b>	<b>240,823,952,148</b>
1. Inventories	141		277,577,980,719	240,823,952,148
<b>V. Other current assets</b>	<b>150</b>		<b>10,410,881,734</b>	<b>6,885,834,324</b>
1. Short-term prepaid expenses	151	5.8	745,063,878	339,336,655
2. Deductible value added tax	152		9,653,358,211	6,497,649,358
3. Taxes and other receivables from government budget	153	5.14	12,459,645	48,848,311
<b>B - LONG-TERM ASSETS</b> (200=210+220+230+240+250+260)	<b>200</b>		<b>97,871,724,821</b>	<b>93,975,197,452</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>1,829,397,040</b>	<b>2,838,223,278</b>
6. Other long-term receivables	216	5.5	1,829,397,040	2,838,223,278
<b>II. Fixed assets</b>	<b>220</b>		<b>38,892,265,928</b>	<b>40,582,995,189</b>
1. Tangible fixed assets	221	5.9	38,733,018,042	40,483,395,189
- Historical costs	222		199,499,095,157	194,736,217,944
- Accumulated depreciation	223		(160,766,077,115)	(154,252,822,755)
3. Intangible fixed assets	227	5.1	159,247,886	99,600,000
- Historical costs	228		1,489,469,325	1,379,885,000
- Accumulated amortization	229		(1,330,221,439)	(1,280,285,000)
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>1,228,574,518</b>	<b>611,347,169</b>
2. Construction in progress	242		1,228,574,518	611,347,169
<b>V. Long-term investments</b>	<b>250</b>		<b>49,482,941,514</b>	<b>44,797,382,169</b>
2. Investments in joint ventures and associates	252	5.11	44,582,941,514	44,797,382,169
3. Investments in equity of other entities	253	5.11	22,000,000	22,000,000
4. Allowances for long-term investments	254		(22,000,000)	(22,000,000)
5. Held to maturity investments	255	5.2	4,900,000,000	-
<b>VI. Other long-term assets</b>	<b>260</b>		<b>6,438,545,821</b>	<b>5,145,249,647</b>
1. Long-term prepaid expenses	261	5.8	6,438,545,821	5,145,249,647
<b>TOTAL ASSETS (270 = 100+200)</b>	<b>270</b>		<b>1,195,416,216,584</b>	<b>1,029,970,049,520</b>

**CONSOLIDATED BALANCE SHEET (CONTINUED)**

As at 31<sup>st</sup> December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>C- LIABILITIES (300=310+330)</b>	<b>300</b>		<b>994,608,296,241</b>	<b>860,204,816,144</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>993,673,844,241</b>	<b>859,270,364,144</b>
1. Short-term trade payables	311	5.12	301,726,407,425	289,414,428,053
2. Short-term prepayments from customers	312	5.13	119,434,653,237	48,853,726,252
3. Taxes and other payables to government budget	313	5.14	3,144,143,576	1,876,537,833
4. Payables to employees	314		7,448,352,623	6,127,019,653
5. Short-term accrued expenses	315	5.15	77,395,343,333	63,993,744,049
9. Other short-term payments	319	5.16	77,956,795,624	77,615,664,404
10. Short-term borrowings and finance lease liabilities	320	5.17	406,450,153,964	370,667,405,652
12. Bonus and welfare fund	322		117,994,459	721,838,248
<b>II. Long-term liabilities</b>	<b>330</b>		<b>934,452,000</b>	<b>934,452,000</b>
7. Other long-term payables	337	5.16	934,452,000	934,452,000
<b>D- OWNERS' EQUITY (400 = 410 + 430)</b>	<b>400</b>		<b>200,807,920,343</b>	<b>169,765,233,376</b>
<b>I- Owners' equity</b>	<b>410</b>	<b>5.18</b>	<b>200,761,126,106</b>	<b>169,718,439,139</b>
1. Contributed capital	411		130,000,000,000	130,000,000,000
- Ordinary shares with voting rights	411a		130,000,000,000	130,000,000,000
7. Development and investment funds	418		18,691,061,355	18,691,061,355
10. Undistributed profit after tax	421		51,770,064,751	20,727,377,784
- Undistributed profit after tax brought forward	421a		48,117,379,151	17,107,515,716
- Undistributed profit after tax for the current year	421b		3,652,685,600	3,619,862,068
11. Capital expenditure funds	422		300,000,000	300,000,000
13. Non-controlling shareholder interests	429		-	-
<b>II- Funding sources and other funds</b>	<b>430</b>		<b>46,794,237</b>	<b>46,794,237</b>
2. Funds used for fixed asset acquisition	433		46,794,237	46,794,237
<b>TOTAL LIABILITIES AND OWNERS' EQUITY (440 = 300+400)</b>	<b>440</b>		<b>1,195,416,216,584</b>	<b>1,029,970,049,520</b>

Preparer

Nguyen Thi Huyen

Chief Accountant

Bui Xuan Binh

Hanoi, 29<sup>th</sup> March 2025

General Director



Dương Đình Sơn

**CONSOLIDATED INCOME STATEMENT**

For the year ended 31<sup>st</sup> December 2024

ITEMS	Code	Note	In 2024	In 2023
			VND	VND
1. Revenues from sales and services rendered	01	6.1	1,073,525,239,305	1,026,479,942,391
2. Revenue deductions	02		492,881,455	2,247,956,368
3. Net revenues from sales and services rendered (10 = 01-02)	10	6.1	1,073,032,357,850	1,024,231,986,023
4. Cost of goods sold	11	6.2	988,183,739,005	950,396,506,289
<b>5. Gross revenues from sales and services render (20 = 10-11)</b>	<b>20</b>		<b>84,848,618,845</b>	<b>73,835,479,734</b>
6. Financial income	21	6.3	1,052,635,051	1,268,462,713
7. Financial expenses	22	6.4	12,695,925,275	20,482,880,444
<i>In which: Interest expenses</i>	23		8,404,342,775	17,415,651,192
8. Profit (loss) in associated companies, joint ventures	24		7,407,599,312	10,535,555,323
9. Selling expenses	25	6.5	32,081,748,393	23,531,288,742
10. General administrative expenses	26	6.5	41,699,761,848	36,561,197,566
<b>11. Net profits from operating activities {30 = 20+(21-22)+24-(25+26)}</b>	<b>30</b>		<b>6,831,417,692</b>	<b>5,064,131,018</b>
12. Other income	31	6.6	77,531,120	271,101,179
13. Other expenses	32	6.6	1,194,832,453	359,599,127
<b>14. Other profits (40 = 31-32)</b>	<b>40</b>	<b>6.6</b>	<b>(1,117,301,333)</b>	<b>(88,497,948)</b>
<b>15. Total net profit before tax (50 = 30+40)</b>	<b>50</b>		<b>5,714,116,359</b>	<b>4,975,633,070</b>
16. Current corporate income tax expenses	51	6.7	2,061,430,759	1,355,771,002
17. Deferred corporate income tax expenses	52		-	-
<b>18. Profit after corporate income tax (60 = 50-51-52)</b>	<b>60</b>		<b>3,652,685,600</b>	<b>3,619,862,068</b>
19. Profit after tax of shareholders of the parent company	61		3,652,685,600	3,619,862,068
20. Profit after tax of non-controlling shareholders	62		-	-
21. Basic earnings per share	70	6.8	281	264

Hanoi, 29<sup>th</sup> March 2025

Preparer

Chief Accountant

General Director



Nguyen Thi Huyen



Bui Xuan Binh



Duong Dinh Son

# CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the year ended 31st December 2024

ITEMS	Code	Note	In 2024 VND	In 2023 VND
<b>I. Net cash flows from operating activities</b>				
1. Profit before tax	01		5,714,116,359	4,975,633,070
2. Adjustments for				
- Depreciation of fixed assets and investment properties	02		7,705,565,074	7,325,258,066
- Provisions	03		1,243,076,295	(370,773,320)
- Unrealised loss/(gain) on foreign exchange	04		5,314,012	94,068,403
- Gains (losses) on investing activities	05		(912,583,677)	(792,057,010)
- Interest expenses	06		8,404,342,775	17,415,651,192
3. Operating profit before changes in working capital	08		22,159,830,838	28,647,780,401
- Increase (decrease) in receivables	09		(136,235,141,179)	23,799,158,767
- Increase (decrease) in inventories	10		(36,754,028,571)	(9,667,352,308)
- Increase (decrease) in payables	11		127,802,587,061	(12,282,997,189)
- Increase (decrease) in prepaid expenses	12		(1,699,023,397)	(700,611,235)
- Increase (decrease) in trading securities	13		-	-
- Interest paid	14		(11,685,545,613)	(6,405,678,513)
- Enterprise income tax paid	15		(1,363,553,420)	(2,390,438,593)
- Other payments on operating activities	17		786,157,578	(1,496,231,067)
Net cash flows from operating activities	20		(36,988,716,703)	19,503,630,263
<b>II. Cash flows from investing activities</b>				
1. Expenditures on purchase and construction of fixed assets and long-term assets	21		(6,632,063,162)	(7,084,350,353)
2. Proceeds from disposal or transfer of fixed assets and other long-term assets	22		64,293,637	36,908,967
3. Expenditures on loans and purchase of debt instruments from other entities	23		(6,900,000,000)	-
4. Proceeds from lending or repurchase of debt instruments from other entities	24		-	1,500,000,000
7. Proceeds from interests, dividends and distributed profits	27		386,983,938	779,920,646
Net cash flows from investing activities	30		(13,080,785,587)	(4,767,520,740)
<b>III. Cash flows from financial activities</b>				
3. Proceeds from borrowings	33		592,358,602,530	380,038,843,625
4. Repayment of principal	34		(556,575,854,218)	(385,686,952,256)
Net cash flows from financial activities	40		35,782,748,312	(5,648,108,631)
Net cash flows during the period (50 = 20+30+40)	50		(14,286,753,978)	9,088,000,892
Cash and cash equivalents at the beginning of the period	60		54,723,227,585	45,635,226,693
Cash and cash equivalents at the end of the period (70 = 50+60+61)	70	5.1	40,436,473,607	54,723,227,585

Preparer



Nguyen Thi Huyen

Chief Accountant



Bui Xuan Binh

Ha Noi, 29<sup>th</sup> March 2025

General Director



Duong Dinh Son

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31<sup>st</sup> December 2024

**1. COMPANY INFORMATION**

**1.1 Structure of ownership**

Armephaco Joint Stock Company formerly known as Military Pharmaceutical and Medical Equipment Company was established under Decision No. 1436/QD-CP dated 12/8/1996 of the Ministry of Defence and operated under the Business Registration Certificate No. 110974 dated 21/8/1996 issued by Hanoi Department of Planning and Investment. The company was converted into a joint stock company under Decision No. 1183/QD-BQP dated 15/04/2010 of the Ministry of Defence and operated under the Business Registration Certificate of Joint Stock Company No. 0100109191 issued by Hanoi Department of Planning and Investment on 23/6/2010, Changes made several times and the 19th change on April 11, 2024 regarding the change of legal representative.

The charter capital according to the 19<sup>th</sup> amended Business Registration Certificate dated April 11, 2024 of the Company is 130,000,000,000 VND (*In words: One hundred and thirty billion VND*).

Company's Name: ARMEPHACO JOINT STOCK COMPANY.

The Company's Name in English: ARMEPHACO JOINT STOCK COMPANY.

The Company's stock is currently listed on the UpCOM with the code AMP.

The Company's registered office is located at: No. 118, Vu Xuan Thieu Street, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam.

The total number of the Company's employees as at 31/12/2024 is: 286 employees (As at 31/12/2023 is 291 employees).

**1.2 Operating industries and principal activities**

Lines of business according to the business registration of the Company:

- Wholesale of machinery, equipment and other machine spare parts – details: Wholesale of medical machinery and equipment; Wholesale of electrical machinery, equipment, electrical materials (generators, electric motors, wires and other equipment used in electrical circuits); Wholesale of machinery, equipment and other machine parts that have not been classified anywhere;
- Producing other chemical products that have not been classified anywhere (except those prohibited by the State);
- Installation of electrical systems; Installation of heating, drainage, heating and air conditioning systems;
- Other specialized wholesalers that have not been categorized; Detail:
- Wholesale of other chemicals (except those used in agriculture); Other specialized wholesalers have not been classified anywhere (except for those prohibited by the State); Trading in chemicals (except chemicals prohibited by the State);
- Water extraction, treatment and supply; Repair of electrical equipment; Installation of industrial machinery and equipment;
- Building houses of all kinds; Sewerage and wastewater treatment;
- Wholesale of solid, liquid, gaseous fuels and related products;
- Installation of other construction systems; Other specialized construction activities;
- Wholesale of other household utensils. Details: Wholesale of other household utensils; Drug wholesalers;
- Trading in real estate, land use rights belonging to owners, users or renters. Details: Real estate business;
- Vocational education; Warehousing and storage of goods; Freight transport by road;
- The remaining business support services have not been categorized. Details: Import and export of trading company items;
- Other Health Activities that have not been categorized. Details: Enterprises providing drug storage services; Enterprises providing drug testing services;
- Retail sale of medicines, medical instruments, cosmetics and hygiene items in specialized stores. Details: Retail sale of medical supplies, cosmetics and hygiene items in specialized stores; (For conditional business lines, enterprises only do business when they meet the conditions prescribed by law).

Main activities of the Company during the year: Manufacturing and selling drugs, medical devices and commercial services.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**1.3. Normal operating cycle**

The Company's normal operating cycle is 12 months

**1.4. The Company structure**

As at 31/12/2024, the Company has subsidiaries and associates as follows:

<b>Name</b>	<b>Address</b>	<b>Major business lines</b>	<b>Capital contribution ratio</b>	<b>Voting Ratio</b>	<b>Benefit ratio</b>
<b>Subsidiaries</b>					
120 Armephaco One Member Company	Ha Noi	Production of medicines, medicinal	100%	100%	100%
130 Armephaco Medical Equipment One Member Company Limited	Ha Noi	Manufacture of medical, dental, orthopaedic and rehabilitation equipment and	100%	100%	100%
150 Cophavina Pharmaceutical One Member Company Limited	Ho Chi Minh City	Production of medicines, medicinal chemicals and medicinal herbs	100%	100%	100%
<b>Associates</b>					
Vinahancook Medical Supplies CO., JSC	Ha Noi	Production of 1-time use syringes and production of medical instruments	32.3%	32.0%	32.3%

Dependent units as at 31/12/2024:

<b>Name</b>	<b>Address</b>
Branch of Armephaco Joint Stock Company - 150 Pharmaceutical Enterprise	112 Tran Hung Dao, Pham Ngu Lao Street, District 1, Ho Chi Minh City
Branch in Ho Chi Minh City	112 Tran Hung Dao, Pham Ngu Lao Street, District 1, Ho Chi Minh City
Branch in Can Tho City	Hung Phu New Urban Area, Cai Rang District, Can Tho
Hanoi Branch	No. 8 Tang Bat Ho, Pham Dinh Ho Ward, Hai Ba Trung District, Hanoi (Decommissioned since 2018)
Representative Office in Da Nang City	49/211 Le Dinh Duong Street, Phuoc Ninh Ward, Hai Chau District, Da Nang City

**1.5. Statement of information comparability on the Consolidated financial statements**

The Company consistently applies accounting policies according to the Corporate Accounting Regime issued with Circular No. 200/2014/TT-BTC dated 22/12/2014 Circular No. 53/2016/TT-BTC dated March 21, 2016, amending and supplementing a number of articles of Circular No. 202/2014/TT-BTC dated December 22, 2014 issued by the Ministry of Finance, therefore, information and data presented in the consolidated financial statements are comparable.

**2. FISCAL YEAR AND ACCOUNTING CURRENCY**

**Fiscal years**

The Company's fiscal year begins on 1st January and ends on 31st December of solar year.

**Accounting currency**

The accompanying consolidated financial statements are expressed in Vietnam Dong (VND).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**3. ACCOUNTING STANDARDS AND SYSTEM**

**Accounting System**

The Company applied to Vietnamese Accounting System promulgated under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT- BTC dated March 21, 2016 amending and supplementing a number of articles of Circular 200/2014/TT- BTC.

**Statements for the compliance with Accounting Standards and System**

The Board of General Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the Consolidated Financial Statements for the year ended December 31, 2023.

**Applicable forms of accounting**

The company uses the form of accounting: General diary.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation of the Consolidated financial statements**

The attached Consolidated financial statements for the year ended December 31, 2024 are expressed in Vietnam Dong (VND), under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and legal regulations relevant to the preparation and presentation of Consolidated financial statements for the year ended December 31, 2024.

The Company's consolidated financial statements are prepared in accordance with Circular 202/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance on Guidelines for preparation and presentation of consolidated financial statements, specifically:

The Consolidated Financial Statements consist of the Company's Separate Financial Statements and Financial Statements of the Company-controlled Companies (Subsidiaries) prepared for the fiscal year ended December 31 of each year. This control is achieved when the Company has the ability to control the financial policies and operations of investee companies in order to derive benefits from their operations.

The results of operations of subsidiaries acquired or sold during the year are presented in the Consolidated Income Statement from the date of purchase or until the date of sale of the investment in that subsidiary.

Where necessary, the financial statements of the Subsidiaries are adjusted so that the accounting policies applied at the Company and its Subsidiaries are the same.

All operations and balances between companies within the same Company are eliminated when consolidating the Financial Statements.

Non-controlling shareholder interest in the net assets of the Consolidated Subsidiary is defined as a separate indicator separated from the shareholders' equity portion of the Parent Company. Non-controlling shareholder interests include the value of the non-controlling shareholder's interests at the date of the initial business combination and the non-controlling shareholder's share of the interest in the fluctuation of total equity since the date of the business combination. Losses incurred at the Subsidiary must be distributed in proportion to the non-controlling shareholder's share of ownership, even if such losses are greater than the non-controlling shareholder's share in the subsidiary's net assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**The Consolidated subsidiaries are:**

120 Armephaco One Member Company Limited operating under the Certificate of Business Registration No. 0106358934 first registered on November 08, 2013, the second change registration dated June 13, 2018 issued by the Department of Planning and Investment of Hanoi City. Charter capital: VND 45,000,000,000 (*In words: Forty-five billion VND*). Armephaco Joint Stock Company holds 100% charter capital

130 Armephaco Medical Equipment One Member Company Limited is a One Member Limited Company; formerly known as Armephaco Joint Stock Company Branch. The company operates under the Business Registration Certificate No. 0106358934 first registered on November 08, 2013, Business Registration Certificate No. 0106892737 dated 05/07/2015, the second change registration dated May 11, 2018 issued by the Department of Planning and Investment of Hanoi City. Charter capital: VND 18,500,000,000 (*In words: Eighteen billion, five hundred million VND*). Armephaco Joint Stock Company holds 100% charter capital.

150 Cophavina Pharmaceutical One Member Company Limited is a One Member Limited Company. The company operates under the Business Registration Certificate No. 0316092423 issued by the Department of Planning and Investment of Ho Chi Minh City for the first time on 03/01/2020, the 1st Certificate of Business Registration changed on 12/3/2020. The charter capital of the Company according to the 1st Change Business Registration Certificate dated 12/3/2020 is VND 45,000,000,000 (*In words: Forty-five billion VND*). Armephaco Joint Stock Company holds 100% charter capital.

The consolidated financial statements for the fiscal year ended December 31, 2024 are consolidated on the basis of the financial statements for the fiscal year ended December 31, 2024 of the parent company Armephaco Joint Stock Company, subsidiaries of Armephaco Joint Stock Company are 120 Armephaco One Member Company Limited; 130 Armephaco Medical Equipment One Member Company Limited; 150 Cophavina Pharmaceutical One Member Company Limited.

**Accounting estimates**

The preparation of the Consolidated financial statements in conformity with Vietnamese Accounting Standards requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.

**Accounting for operations arising in foreign currency**

Operations arising in foreign currency are converted according to the exchange rate applicable at the time the business arises, the exchange rate difference arising from these operations is recognized as income and financial expenses in the Consolidated Income Statement.

**Re-evaluation of foreign currency-based monetary items at the time of preparation of the Consolidated Financial Statements**

- (i) Cash funds of foreign currency origin classified as liabilities (Payable to sellers, borrowers,...): Reassessed according to the selling rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam at 31/12/2024.

Exchange rate differences arising from the revaluation are incorporated into Financial Revenues or expenses at the time of preparation of the Consolidated Financial Statements.

**Cash and cash equivalents**

Cash comprises cash on hand, bank deposits.

Cash equivalents are short-term investments that have a recovery or maturity period of no more than 3 months from the date of purchase, are easily converted into a specified amount of money as well as do not have much risk in converting into cash at the time of reporting.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial investments**

*Held to maturity investments*

Held to maturity investments are term bank deposits held to maturity for the purpose of earning periodic interest.

Held-to-maturity investments are stated at cost and determined at fair value based on the recoverability of the investment..

*Investments in associates and other investments*

Investments in Associates: Investments in associates or joint ventures in which the Company has significant influence are presented according to the equity method.

Profit distributions that Company received from the accumulated profits of the subsidiaries after the Company obtains control right are recognized in income statement. Other distributions are considered a recovery of investment and are deducted to the investment value.

Other investments are recorded at cost, including purchase price plus directly attributable acquisition costs. After the initial recognition, these investments are measured at cost less allowance for diminution in value of investments.

*Allowance for loss of investments*

Allowance for losses of investments in equity instruments of other entities is made when there is apparent evidence for impairment in value of the investments as at the balance sheet date.

**Receivables**

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties.

**Inventories**

Inventories is determined on the basis of cost price, in case the original price of inventories is higher than the net realizable value, it must be calculated according to the net realizable value. Inventories cost includes direct material costs, direct labor costs, and overhead production costs, if any, to obtain inventory at its current location and state. The net realizable value is determined by the estimated sales price minus the costs to complete and the marketing, sales, and distribution costs incurred. Inventories is accounted for by the nominal method.

The Company's allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Tangible fixed assets and Depreciation**

Tangible fixed assets are stated at history cost less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Tangible fixed assets are depreciated using straight line method over their estimated useful lives. Details are as follows:

	<u>Years</u>
Buildings, structures	08 - 20
Machinery and equipment	05 - 20
Motor vehicles	06 - 15
Office equipment	03 - 05
Others	03 - 10

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

**Intangible fixed assets and Amortization**

Intangible fixed assets are reflected at cost, are stated at history cost less accumulated amortization.

Intangible fixed assets are accumulated using straight line method over their estimated useful lives. Details are as follows:

	<u>Years</u>
Accounting Software	03 - 08

**Prepaid expenses**

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods and the transfer of these expenses into production and business expenses of the following accounting periods.

Long-term prepaid expenses related to tools and instruments are initially reflected at the cost and allocated in a straight-line method over a period of 02 to 03 years.

**Payables**

The account payables are monitored in details by payable terms, payable parties, original currency and other factors depending on the Company's management requirement.

The account payables include payables as trade payables, loans payable, intercompany payable and other payables which are determined almost certainly about the recorded value and term, which is not carried less than amount to be paid. They are classified as follows:

- Trade payables: reflect payables of commercial nature arising from the purchase of goods, services, or assets, payables for import through trustees of which the seller is an independent entity with the Company (including payables between the parent company and its subsidiaries, associates). This payable includes amounts payable upon import through the trustee (in a trust import transaction).
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Loans and finance lease liabilities**

Loans and finance lease liabilities include loans, financial leases, excluding loans in the form of bonds or preference shares with terms that the issuer is required to repurchase at a certain point in the future.

The Company monitors loan amounts and financial liabilities in details by each type and classifies them into short-term and long-term according to repayment term.

Expenses directly related to the loan are recognized to financial expenses, except for expenses incurred from a separate loan for investment, construction or production in progress, which are capitalized according to Accounting Standard "Borrowing costs".

**Accrued expenses**

Accrued expenses are those already recorded in operating expenses in the year but not actually paid to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on matching principle between income and expenses.

**Owners' equity**

Capital is recorded according to the actual amounts invested by owners.

Undistributed profit is determined on the basis of business results after corporate income tax and the distribution of profits of the Company.

Profit after corporate income tax is distributed to shareholders after being approved by the General Meeting of Shareholders at the Company's Annual General Meeting and after having set aside reserve funds in accordance with the Company's Charter.

Dividends are declared and paid based on the estimated amount of profit achieved. Dividends are officially announced and paid in the next year from undistributed profits based on the approval of the General Meeting of Shareholders at the Company's Annual General Meeting.

**Revenue and other income**

The Company's revenue includes revenue from sales of goods, revenue from services.

***Revenue from sale of goods***

Revenue from sale of goods shall be recognized when it satisfies all the five (5) conditions below:

- The Company has transferred to the buyer the significant risks and reward of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- Costs related to transactions can be determined.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue and other income (Continued)**

*Revenue from services*

Revenue from services is recognized when the outcome of that transaction can be reliably determined. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in the year by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- Identify the completed work as at the balance sheet date; and
- Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that service.

*Revenue from interest income, dividends and profits received and other income:*

The revenue is recognized when the Company can obtain economic benefits from the above activities and when it is reliably measured.

**Revenue deductions**

Revenue deductions includes:

- Returned goods: due to violation of commitments, economic contracts, low quality or incorrect types and specifications.

In case goods sold or services provided in the previous period but sales discounts, sales allowances, sales returns incur in the following period, the Company recognises as the following principles:

- If incurred before issuance of financial statements: reducing revenue in the financial statements of the reporting period.
- If incurred after issuance of financial statements: reducing revenue of the occurrence period.

**Cost of goods sold**

Includes the cost price of products, goods and services provided during the year (including depreciation expenses; repair costs;...) recognized in accordance with revenue for the year.

For direct material costs that exceed normal, labor costs, fixed general production costs not allocated to the value of warehousing products are immediately recognized in the cost of goods sold (after deducting compensations, if any) even if the product, goods that have not been identified for consumption.

**Financial expenses**

- Losses related to financial investment activities:

- Losses due to outward investment capital contribution: Recognized according to the principle of actual incurrence.

- Borrowing expenses: Monthly recognition based on the loan, loan interest rate and actual number of loan days.

- Exchange rate loss expense: Recognized when there is a difference between the actual transaction rate and the bookkeeping rate and when there is a loss when re-evaluating foreign currency-based currency items.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31<sup>st</sup> December 2024**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED))****Current corporate income tax expense and deferred corporate income tax expense**

Corporate income tax expenses (or corporate income tax income): is total current and deferred income tax expenses (or total current and deferred tax) in determining profit or loss of a period.

- Current income tax expenses: are corporate income tax payable calculated on taxable profit during the year and current corporate income tax rate. Current income tax is calculated on taxable income and applicable tax rate during the tax period. Difference between taxable income and accounting profit is from adjustment of differences between accounting profit and taxable income in accordance with current tax policies.

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable profits.

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 examination results of the competent tax authorities.

**Earnings per share**

Basic earnings per share is calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

**Related parties**

A party is considered a related party of the Company in case that party is able to control the Company or to cause material effects on the financial decisions as well as the operations of the Company. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

When considering the relationship of related parties, the nature of relationship is focused more than its legal form.

**Segment reporting**

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments. The Board of General Directors believes that the main activities of the Company are manufacturing and trading drugs, medical equipment and commercial services, not organized into separate divisions and operating only in the territory of Vietnam. Therefore, the Company does not prepare a Divisional Report.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET**

**5.1 Cash and cash equivalents**

	31/12/2024 VND	01/01/2024 VND
Cash	590,824,814	1,608,517,150
Bank deposits	38,535,248,793	52,314,710,435
Cash equivalents	-	800,000,000
-Term deposits under 3 months	-	800,000,000
<b>Total</b>	<b>40,436,473,607</b>	<b>54,723,227,585</b>

**5.2 Held to maturity investments**

*Unit: VND*

	31/12/2024		01/01/2024	
	Original cost	Book value	Original cost	Book value
<b>Short-term</b>	<b>9,032,368,957</b>	<b>9,032,368,957</b>	<b>7,032,368,957</b>	<b>7,032,368,957</b>
<i>Term deposits exceeding 3 months</i>				
Joint Stock Commercial Bank For Foreign Trade Of Vietnam - Hanoi Branch	8,200,000,000	8,200,000,000	6,200,000,000	6,200,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi Branch (*)	832,368,957	832,368,957	832,368,957	832,368,957
<b>Long-term</b>	<b>4,900,000,000</b>	<b>4,900,000,000</b>	-	-
<i>Term deposits exceeding 12 months</i>				
Joint Stock Commercial Bank for Investment and Development of Vietnam-Thanh Do Branch (**)	4,900,000,000	4,900,000,000	-	-
<b>Total</b>	<b>13,932,368,957</b>	<b>13,932,368,957</b>	<b>7,032,368,957</b>	<b>7,032,368,957</b>

(\*) Deposits at commercial banks, with a term of 6-12 months, interest rates from 4.6% to 6.0%/year. At the same time, the deposit worth 4 billion VND is mortgaged to secure the Company's short-term loans, as presented in Note 5.16.

(\*\*) Term deposits at commercial banks with a term of 13 months and interest rates from 4.2% to 4.7%/year

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.3 Receivables from customers**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>593,968,877,424</b>	<b>532,863,015,769</b>
Children's Hospital 1	4,941,749,000	9,726,949,000
Xuan Hieu Technique Trading Company Limited	60,450,631,975	54,537,097,076
TFA Technology Joint Stock Company	32,167,037,123	32,765,881,580
36.66 Joint Stock Company	12,101,341,607	12,101,341,607
HANCORP Joint Stock Company	6,206,938,506	17,206,938,506
Others	478,101,179,213	406,524,808,000
<b>Total</b>	<b>593,968,877,424</b>	<b>532,863,015,769</b>

**5.4 Repayments to suppliers**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>152,230,280,302</b>	<b>81,820,825,414</b>
TFA Technology Joint Stock Company	20,690,981,187	20,690,981,187
Eromed Joint Stock Company	33,215,165,000	-
Qv Medical Equipment Company Limited	17,095,519,566	-
G5 Hoang Gia Company Limited	14,847,080,961	8,347,362,791
Others	66,381,533,588	52,782,481,436
<b>Total</b>	<b>152,230,280,302</b>	<b>81,820,825,414</b>

**5.5 Other receivables**

*Unit: VND*

	31/12/2024		01/01/2024	
	Book Value	Allowances	Book Value	Allowances
<b>Short-term</b>	<b>18,778,510,921</b>	-	<b>15,493,433,477</b>	-
Advances	13,640,796,868	-	11,339,447,014	-
Deposits	794,875,749	-	480,207,009	-
Other receivables	4,342,838,304	-	3,673,779,454	-
- <i>Accrued interest expense</i>	201,646,576	-	-	-
- <i>Others</i>	4,141,191,728	-	3,673,779,454	-
<b>Long - term</b>	<b>1,829,397,040</b>	-	<b>2,838,223,278</b>	-
Deposits	1,829,397,040	-	2,838,223,278	-
<b>Total</b>	<b>20,607,907,961</b>		<b>18,331,656,755</b>	

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.6 Bad debts**

*Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Recoverable amount	Original value	Recoverable amount
Total value of receivables, loans that are overdue or not pass due but hardly recoverable;	4,890,881,901	-	4,935,881,901	1,288,076,295
<i>In which:</i>				
	Overdue from 6 months to 01 year	Overdue from 01 year to 02 years	Overdue from 02 years to 03 years	Overdue for more than 03 years
Hai Thanh Inox Production Trading Service Company Limited	-	-	-	1,472,500,000
Bach Yen Pharmaceutical Company Limited	-	-	-	506,804,517
Consultant Design Technology Construction Joint Stock Company	-	-	-	174,500,000
Viet Thang Medical Equipment Joint Stock Company	-	-	-	69,170,000
Li Ly France Joint Stock Company	-	-	-	133,198,765
Hai Dang Pharmacy Limited Company	-	-	-	353,651,967
Ky Phuong Pharmaceutical Joint Stock Company	-	-	-	125,328,600
MC-FOOD One Member Company Limited	-	-	-	158,083,488
Van Anh Company Limited	-	-	-	169,880,000
Le Dinh Chien	-	-	-	445,730,704
Others	-	-	-	1,282,033,860
<b>Total</b>	-	-	-	<b>4,890,881,901</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.7 Inventories**

*Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Allowances	Original value	Allowances
Raw materials	80,706,945,339	-	72,748,491,939	-
Tools and supplies	288,744,699	-	71,377,917	-
Work in progress	17,275,155,371	-	18,322,901,319	-
Finished goods	23,330,331,650	-	26,750,051,054	-
Goods	155,976,803,660	-	122,931,129,919	-
<b>Total</b>	<b>277,577,980,719</b>	<b>-</b>	<b>240,823,952,148</b>	<b>-</b>

**5.8 Prepaid expenses**

	31/12/2024	01/01/2024
	VND	VND
<b>Short-term</b>	<b>745,063,878</b>	<b>339,336,655</b>
Prepaid materials, tools and supplies expenses	494,390,839	339,336,655
Repair and improvement expenses	125,673,039	-
Prepaid expenses	125,000,000	-
<b>Long-term</b>	<b>6,438,545,821</b>	<b>5,145,249,647</b>
Prepaid materials, tools and supplies expenses	1,747,395,133	652,888,952
Repair expenses	2,607,526,838	1,986,087,599
Others	2,083,623,850	2,506,273,095
<b>Total</b>	<b>7,183,609,699</b>	<b>5,484,586,302</b>

**ARMEPHACO JOINT STOCK COMPANY**

No. 118, Vu Xuan Thieu Street, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam

**Form B 09 - DN/HN**

Issued under Circular No. 202/2014/TT-BTC  
December 22, 2014 of the Ministry of Finance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.9 Tangible fixed assets**

						<i>Unit: VND</i>	
<b>HISTORY COST</b>							
	Buildings and Structures	Machinery, equipment	Transportation means	Office equipment	Total		
As at 01/01/2024	95,876,548,909	90,744,307,675	6,836,020,124	1,279,341,236	194,736,217,944		
Increase	1,913,553,300	3,991,698,188	-	-	5,905,251,488		
Purchase	263,865,000	3,991,698,188	-	-	4,255,563,188		
Completed capital construction investment	1,649,688,300				1,649,688,300		
Decrease	-	626,168,561	516,205,714	-	1,142,374,275		
Disposal	-	626,168,561	516,205,714	-	1,142,374,275		
As at 31/12/2024	97,790,102,209	94,109,837,302	6,319,814,410	1,279,341,236	199,499,095,157		
<b>ACCUMULATED DEPRECIATION</b>							
As at 01/01/2024	70,513,632,421	77,281,753,413	5,211,498,406	1,245,938,515	154,252,822,755		
Increase	4,497,868,575	2,737,243,346	395,486,189	25,030,525	7,655,628,635		
Depreciation	4,497,868,575	2,737,243,346	395,486,189	25,030,525	7,655,628,635		
Decrease	-	626,168,561	516,205,714	-	1,142,374,275		
Disposal	-	626,168,561	516,205,714	-	1,142,374,275		
As at 31/12/2024	75,011,500,996	79,392,828,198	5,090,778,881	1,270,969,040	160,766,077,115		
<b>NET BOOK VALUE</b>							
As at 01/01/2024	25,362,916,488	13,462,554,262	1,624,521,718	33,402,721	40,483,395,189		
As at 31/12/2024	22,778,601,213	14,717,009,104	1,229,035,529	8,372,196	38,733,018,042		

History cost of tangible fixed assets which are fully depreciated but still in use as at 31/12/2024 is VND 91,877,382,295 (As at 31/12/2023 is VND 91,877,382,295)

Net book value of tangible fixed assets used to secure bank loans as at 31/12/2024 is VND 5,438,330,253 (As at 31/12/2023 is 7,249,115,533)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.10 Intangible fixed assets**

*Unit: VND*

	Software	Total
<b>HISTORY COST</b>		
As at 01/01/2024	1,379,885,000	1,379,885,000
Increase	109,584,325	109,584,325
Purchase	109,584,325	109,584,325
Decrease	-	-
As at 31/12/2024	1,489,469,325	1,489,469,325
<b>ACCUMULATED AMORTIZATION</b>		
As at 01/01/2024	1,280,285,000	1,280,285,000
Increase	49,936,439	49,936,439
Amortization	49,936,439	49,936,439
Decrease	-	-
As at 31/12/2024	1,330,221,439	1,330,221,439
<b>NET BOOK VALUE</b>		
As at 01/01/2024	99,600,000	99,600,000
As at 31/12/2024	159,247,886	159,247,886

The historical cost of intangible fixed assets which have been fully amortized but still in use as at 31/12/2024 is 1,240,285,000 VND (As at 31/12/2023 is VND 1,092,285,000).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.11 Long-term financial investments**

Unit: VND

	Ratio		31/12/2024			01/01/2024		
	Equity owned	Voting rights	Original cost	Provision	Fair value	Original cost	Provision	Fair value
<b>Investments in joint ventures and associates</b>								
Vinahankook Medical Supplies Joint Stock Company	32.30%	32.30%	44,582,941,514	-		44,797,382,169	-	
<b>Investments in other entities</b>								
Comtoir Pharmaceutique Du Viet Nam	10.00%	10.00%	22,000,000	(22,000,000)		22,000,000	(22,000,000)	
<b>Total</b>			<b>44,604,941,514</b>	<b>(22,000,000)</b>	<b>(*)</b>	<b>44,819,382,169</b>	<b>(22,000,000)</b>	<b>(*)</b>

(\*): The Company has not determined the fair value of these investments for disclosure in the Consolidated Financial Statements as there is no market quoted price for these financial instruments and the current Vietnamese Accounting Standards and Vietnam Corporate Accounting Regime do not provide guidance on fair value calculations using techniques pricing. The fair value of these financial instruments may differ from the carrying value.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.12 Trade payables**

*Unit: VND*

	31/12/2024		01/01/2024	
	Book value	Repayable amount	Book value	Repayable amount
<b>Short-term</b>	<b>301,726,407,425</b>	<b>301,726,407,425</b>	<b>289,414,428,053</b>	<b>289,414,428,053</b>
Apc Pharmaceuticals And Chemical Ltd	-	-	10,814,157,585	10,814,157,585
Central Pharmaceutical Joint Stock Company 1 - PHARBACO	11,959,675,875	11,959,675,875	-	-
VRT Pharmaceutical One Member Company Limited	12,645,266,847	12,645,266,847	-	-
Medison- Viet Nam Company Limited	2,000,000,000	2,000,000,000	2,163,628,000	2,163,628,000
Smart Solutions Trading Corp	2,968,200,883	2,968,200,883	2,968,200,883	2,968,200,883
Gisp Vietnam Technologies Corporation	32,104,282	32,104,282	20,749,200,000	20,749,200,000
Bac Ha Technology and Investment Joint Stock Company	1,250,799,100	1,250,799,100	28,520,250,325	28,520,250,325
Thai Son Medical Equipment Company Limited	4,410,778,703	4,410,778,703	8,185,978,703	8,185,978,703
Phuc Dan International Pharmaceutical Trading Corporation	-	-	9,756,329,452	9,756,329,452
Phuong Phuc Pharmaceutical Chemical Company Limited	10,880,996,494	10,880,996,494	6,341,195,902	6,341,195,902
Bendison Pharmaceuticals PTE.LTD.	-	-	8,160,924,684	8,160,924,684
T&T Pharmaceutical And Trading Joint Stock Company	14,375,218,305	14,375,218,305	14,375,218,305	14,375,218,305
Amec Holdings Company Limited	17,777,365,000	17,777,365,000	19,177,365,000	19,177,365,000
Others	223,426,001,936	223,426,001,936	158,201,979,214	158,201,979,214
<b>Total</b>	<b>301,726,407,425</b>	<b>301,726,407,425</b>	<b>289,414,428,053</b>	<b>289,414,428,053</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.13 Prepayments from customers**

	31/12/2024 VND	01/01/2024 VND
<b>Short-term</b>	<b>119,434,653,237</b>	<b>48,853,726,252</b>
Hanoi Construction Corporation - JSC	16,132,636,500	16,132,636,500
Quang Ninh Provincial Management Board of Civil and Industrial Construction Investment Projects	3,931,559,756	4,322,497,473
Imexpharm Corporation	-	6,411,490,313
Vietnam Rubber Technology Co., Ltd	42,215,938,543	-
G5 Hoang Gia Company Limited	6,411,490,313	-
Others	50,743,028,125	21,987,101,966
<b>Total</b>	<b>119,434,653,237</b>	<b>48,853,726,252</b>

**5.14 Taxes and payables to, receivables from the State Budget**

*Unit: VND*

	01/01/2024	Additions	Paid	31/12/2024
<b>Payables</b>	<b>1,876,537,833</b>	<b>31,074,592,809</b>	<b>29,806,987,066</b>	<b>3,144,143,576</b>
VAT	20,870,888	27,498,973,833	27,277,609,064	242,235,657
Import-export tax	-	11,599,212	11,599,212	-
Corporate income tax	1,213,040,311	2,061,430,759	1,363,553,420	1,910,917,650
Personal income tax	642,626,634	1,487,196,231	1,138,832,596	990,990,269
License tax	-	15,392,774	15,392,774	-
<b>Receivables</b>	<b>48,848,311</b>	<b>48,848,311</b>	<b>12,459,645</b>	<b>12,459,645</b>
VAT	40,895,711	40,895,711	12,459,645	12,459,645
Import-export tax	7,952,600	7,952,600	-	-

**5.15 Accrued expenses**

	31/12/2024 VND	01/01/2024 VND
<b>Short-term</b>	<b>77,395,343,333</b>	<b>63,993,744,049</b>
Toxic expenses	9,800,000	-
Electricity bills expenses	89,000,000	-
Interest expenses	73,237,560,523	63,944,019,049
Accrued order fulfillment costs	851,402,800	-
Severance allowance	49,725,000	49,725,000
Provision and payment of sales incentives and commissions for economic contracts in 2024	3,157,855,010	-
<b>Total</b>	<b>77,395,343,333</b>	<b>63,993,744,049</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.16 Other payables**

	31/12/2024 VND	01/01/2024 VND
<b>Short-term</b>	<b>77,956,795,624</b>	<b>77,615,664,404</b>
Trade Union fees	3,137,092,699	2,874,732,607
Social insurance	83,493,931	377,710,358
Short-term deposits received	248,736,000	871,849,750
Others	74,487,472,994	73,491,371,689
<i>Dividend, Profit payables</i>	<i>877,584,667</i>	<i>26,877,584,667</i>
<i>Rent for Family Area X130</i>	<i>450,000,000</i>	<i>450,000,000</i>
<i>Viet My Medical Investment Joint Stock Company</i>	<i>13,482,401</i>	<i>63,482,401</i>
<i>The land lease payment to the Ministry of Defense (*)</i>	<i>46,695,588,644</i>	<i>38,102,997,523</i>
<i>Nguyen Thi Thuy Linh</i>	<i>9,745,360,000</i>	-
<i>Thai Son Company</i>	<i>552,742,873</i>	<i>552,742,873</i>
<i>Others</i>	<i>16,152,714,409</i>	<i>7,444,564,225</i>
<b>Long-term</b>	<b>934,452,000</b>	<b>934,452,000</b>
Long-term deposits received	934,452,000	934,452,000
<b>Total</b>	<b>78,891,247,624</b>	<b>78,550,116,404</b>

(\*) Land rent payables to the Ministry of Defence under Land Lease Contract No. 3258/HD-BQP in October 2011 on the lease of 14,176 m2 of land in Ngoc Hoi commune, Thanh Tri District, Hanoi; Land lease Contract No. 3259/HD-BQP in October 2011 on the lease of 15,276 m2 of land at 118B Vu Xuan Thieu, Phuc Loi Ward, Long Bien District, Hanoi City; Land lease Contract No. 3260/HD-BQP October 2011 on the lease of 11,000 m2 of land at 118A Vu Xuan Thieu, Phuc Loi Ward, Long Bien District, Hanoi City; Contract 3261/HD-BQP on the lease of 1,266.5 m2 of land at No. 8 Tang Bat Ho, Pham Dinh Ho Ward, Hai Ba Trung District, Hanoi City.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.17 Borrowings and finance lease liabilities**

	During the year				01/01/2024		Unit: VND
	31/12/2024						
a. Borrowings	Carrying value	Repayable amount	Increase	Decrease	Carrying value	Repayable amount	
Short-term borrowings	406,450,153,964	406,450,153,964	592,358,602,530	556,575,854,218	370,667,405,652	370,667,405,652	
SaiGon - HaNoi Commercial Joint Stock Bank (1)	69,439,855,972	69,439,855,972	146,728,223,180	158,973,380,905	81,685,013,697	81,685,013,697	
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thanh Do Branch (2)	48,816,777,719	48,816,777,719	120,054,215,473	121,217,458,431	49,980,020,677	49,980,020,677	
Tien Phong Commercial Joint Stock Bank - Thang Long Branch (3)	84,955,440,980	84,955,440,980	152,312,896,384	83,717,942,559	16,360,487,155	16,360,487,155	
Joint Stock Commercial Bank For Foreign Trade Of Vietnam - Hanoi Branch (4)	26,079,985,650	26,079,985,650	62,426,927,900	99,217,072,250	62,870,130,000	62,870,130,000	
- Vietnam Joint Stock Commercial Bank for Industry and Trade -Ha Noi Branch	-	-	1,687,392,000	1,687,392,000	-	-	
Joint Stock Commercial Bank For Foreign Trade Of Vietnam (5)	34,562,093,643	34,562,093,643	72,552,947,593	77,762,608,073	39,771,754,123	39,771,754,123	
Personal loans	142,596,000,000	142,596,000,000	36,596,000,000	14,000,000,000	120,000,000,000	120,000,000,000	
Total	406,450,153,964	406,450,153,964	592,358,602,530	556,575,854,218	370,667,405,652	370,667,405,652	

<1> Credit limit contract No. 0141/2024/HDHM-PN/SBH.110100 with Saigon - Hanoi Commercial Joint Stock Bank dated April 25, 2024 with a credit limit value of VND 300 billion. Purpose of use: Loan purpose, L/C issuance purpose, guarantee purpose, discount purpose; credit limit maintenance period is 12 months; loan interest rate is specified for each debt acknowledgment contract but maximum 9 months, late payment interest is maximum 50% of loan interest rate within term but not exceeding 10%/year. Security measures: No security measures; credit is only guaranteed for business plans signed with state agencies, hospitals, medical centers; projects with capital provided by the Ministry of Health, provincial budget capital, ODA capital managed by the Ministry of Finance.

<2> Credit limit contract No. 01/2024/1758456/HDTD with Vietnam Joint Stock Commercial Bank for Investment and Development dated December 5, 2024 with a credit limit of VND 80 billion. Of which, the loan limit; opening L/C and issuing payment guarantee is VND 60 billion; the guarantee limit (other than payment guarantee) is VND 20 billion. Purpose of use: Supplementing working capital, guarantee, issuing L/C. Limit granting period: from the date of signing the credit limit contract to November 30, 2025. The maximum loan term is 9 months for each loan withdrawal. Interest rate is determined according to the bank's interest rate regime for each period. Security measures are security contracts (Pledge/mortgage/guarantee/deposit contracts)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.17 Borrowings and finance lease liabilities (Continued)**

<3> Credit limit contract No. 104/2024/HDTG/TLG with Tien Phong Commercial Joint Stock Bank dated May 15, 2024 with a credit limit of VND 550 billion; of which the loan limit is VND 150 billion, the L/C limit is VND 300 billion, the guarantee limit is VND 300 billion. The above credit limit value includes the outstanding debt under the credit limit contract No. 116/2023/HDTG/TLG signed on June 20, 2023. Term of credit limit: 12 months from the date of signing the contract. Purpose of loan: supplementing working capital for production and business activities of pharmaceuticals and medical equipment. Flexible interest rates are specifically stipulated in each customer's debt acknowledgment document. The security measures are the following Mortgage Contracts: Mortgage Contract No. 85/2019/HDBD/TLG/01 dated March 13, 2019; Contract No. 133/2020/HDBD/TLG/13 dated November 3, 2021; Contract No. 228/2022/HDBD/TLG dated October 4, 2022; Contract No. 290/2022/HDBD/TLG dated October 21, 2022; Contract No. 308/2022/HDBD/TLG dated November 25, 2022; Contract No. 313/2022/HDBD/TLG dated December 5, 2022; Contract No. 317/2022/HDBD/TLG dated December 16, 2022; Contract No. 13/2023/HDBD/TLG dated January 13, 2023; Contract No. 12/2023/HDBD/TLG dated January 16, 2023.

<4> Loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch under Loan Agreement No. 01/2023/CVHM/VCBHN-120.ARME dated December 13, 2023. Loan limit: VND 35,000,000,000. Loan purpose: Funding legal, reasonable, and valid credit needs to serve customers' production and business activities, but excluding short-term needs to serve fixed asset investment activities. Loan term: maximum 7 months. Interest rate: Floating with adjustment and specified in each debt receipt. Security measures: Pledge a term deposit account worth VND 1,000,000,000 according to Account Pledge Contract No. 01/2016 HDTG VCBHN-ARM120 dated March 25, 2016, pledge a term deposit account worth VND 200,000,000 according to Account Pledge Contract No. 03/2015/TKCC/VCBHN-120 dated December 9, 2015, pledge a term deposit account worth VND 650,000,000 according to Account Pledge Contract No. 02/2015 HDTG VCBHN-ARM, pledge a term deposit account worth VND 350,000,000 according to Contract No. 01/2015 HDTG VCBHN - ARM dated August 5, 2015 and mortgage of circulating inventories and receivables on books, formed from equity and/or bank loans; minimum collateral value of VND 30,000,000,000.

<5> Loan limit contract No. 01/2024/CTD/VCBHN-COPHAVINA dated August 9, 2024 between Cophavina Pharmaceutical One Member Co., Ltd. 150 and Vietnam Joint Stock Commercial Bank for Foreign Trade - Hanoi Branch. Credit limit is: VND 35,000,000,000. Loan purpose: To finance legal, reasonable, and valid short-term credit needs to serve customers' production and business activities, but not including short-term needs to serve fixed asset investment activities. Loan term: 12 months from the date of signing the contract but not exceeding September 4, 2025. Loan interest rate: Applied according to each debt acknowledgment contract. Loan security form: The borrower mortgages the Term Deposit Contract at the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch. Mortgage:

+ Deposit contract No. 01/HDTG/2022/VCBHN-150.COPHAVINA, Value: 2,000,000,000 VND, Interest rate 4.1% per year. Term 12 months.

+ Deposit contract No. 02/HDTG/2022/VCBHN-150.COPHAVINA, Value: 2,000,000,000 VND, Interest rate 5.1% per year. Term 12 months.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.18 Owners' equity**

**a. Changes of owners' equity**

*Unit: VND*

	Share capital	Development and Investment Fund	Retained profits	Fund for Construction	Total
<b>As at 01/01/2023</b>	130,000,000,000	18,583,441,412	43,419,790,234	300,000,000	192,303,231,646
Profit in the previous year	-	-	3,619,862,068	-	3,619,862,068
Deduction of welfare reward fund at subsidiaries	-	-	(107,619,943)	-	(107,619,943)
Deduction of development investment funds	-	107,619,943	(107,619,943)	-	-
Dividends	-	-	(26,000,000,000)	-	(26,000,000,000)
Deduction of welfare reward fund at subsidiaries	-	-	(97,034,632)	-	(97,034,632)
<b>As at 31/12/2023</b>	130,000,000,000	18,691,061,355	20,727,377,784	300,000,000	169,718,439,139
<b>As at 01/01/2024</b>	130,000,000,000	18,691,061,355	20,727,377,784	300,000,000	169,718,439,139
Profit in this year	-	-	3,652,685,600	-	3,652,685,600
Dividends (i)	-	-	26,000,000,000	-	26,000,000,000
Other additions	-	-	1,583,941,553	-	1,583,941,553
Deduction of welfare reward fund at subsidiaries (i)	-	-	(193,940,186)	-	(193,940,186)
<b>As at 31/12/2024</b>	130,000,000,000	18,691,061,355	51,770,064,751	300,000,000	200,761,126,106

(i): The Company shall cancel the 2017-2023 dividend payment according to Resolution No. 279/NQ-DHĐCĐ dated June 18, 2024 of the 2024 Annual General Meeting of Shareholders.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**5.18 Owners' equity (Continued)**

**b. Details of owners' equity**

	31/12/2024	01/01/2024
	VND	VND
Ministry of Defense	37,700,000,000	37,700,000,000
Le Minh Thang	-	49,450,000,000
Nguyen Thi Huong	11,208,330,000	11,208,330,000
Nguyen Anh Dung	-	17,823,780,000
Viet Leader Asset Investment Company Limited	41,157,560,000	-
Pham Cong Doan	30,000,000,000	-
Capital contribution from other shareholders	9,934,110,000	13,817,890,000
<b>Total</b>	<b>130,000,000,000</b>	<b>130,000,000,000</b>

**c. Capital transactions with shareholders and appropriation of profits and dividends**

	In 2024	In 2023
	VND	VND
<b>Shareholders' capital</b>		
Opening balance	130,000,000,000	130,000,000,000
Increased during the period	-	-
Decreased during the period	-	-
Closing balance	130,000,000,000	130,000,000,000
<b>Dividend</b>	<b>(26,000,000,000)</b>	<b>26,000,000,000</b>

**d. Shares**

	31/12/2024	01/01/2024
	Shares	Shares
<b>Quantity of registered shares</b>	<b>13,000,000</b>	<b>13,000,000</b>
<b>Quantity of issued shares</b>	<b>13,000,000</b>	<b>13,000,000</b>
Common shares	13,000,000	13,000,000
<b>Quantity of repurchased shares</b>	<b>-</b>	<b>-</b>
Common shares	-	-
<b>Quantity of outstanding shares</b>	<b>13,000,000</b>	<b>13,000,000</b>
Common shares	13,000,000	13,000,000
Par value of outstanding shares (VND/ share)	10,000	10,000

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**6. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT**

**6.1 Revenue from sales of goods and provision of services**

	<b>In 2024</b>	<b>In 2023</b>
	<b>VND</b>	<b>VND</b>
Revenue from sales of goods	1,058,894,910,958	1,004,057,569,874
Revenue from provision of services	14,630,328,347	22,422,372,517
<b>Total</b>	<b>1,073,525,239,305</b>	<b>1,026,479,942,391</b>
<b>Revenue deductions</b>		
Sale return	492,881,455	2,247,956,368
<b>Total</b>	<b>492,881,455</b>	<b>2,247,956,368</b>
<b>Net revenue</b>		
Revenue from sales of goods	1,058,402,029,503	1,001,809,613,506
Revenue from provision of services	14,630,328,347	22,422,372,517
<b>Total</b>	<b>1,073,032,357,850</b>	<b>1,024,231,986,023</b>

**6.2 Cost of goods sold**

	<b>In 2024</b>	<b>In 2023</b>
	<b>VND</b>	<b>VND</b>
Cost of goods	980,968,189,942	940,276,694,023
Cost of provision of services	7,215,549,063	10,119,812,266
<b>Total</b>	<b>988,183,739,005</b>	<b>950,396,506,289</b>

**6.3 Financial income**

	<b>In 2024</b>	<b>In 2023</b>
	<b>VND</b>	<b>VND</b>
Interest income from deposits	848,290,040	779,920,646
Gains on realized exchange rate differences	204,345,011	88,972,436
Gains on unrealized exchange rate differences	-	399,569,631
<b>Total</b>	<b>1,052,635,051</b>	<b>1,268,462,713</b>

**6.4 Financial expenses**

	<b>In 2024</b>	<b>In 2023</b>
	<b>VND</b>	<b>VND</b>
Interest expense	8,404,342,775	17,415,651,192
Losses on realized exchange rate differences	4,286,268,488	2,573,591,218
Losses on unrealized exchange rate differences	5,314,012	493,638,034
<b>Total</b>	<b>12,695,925,275</b>	<b>20,482,880,444</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**6.5 Selling expenses and General and administrative expenses**

	In 2024 VND	In 2023 VND
<b>Selling expenses</b>	<b>32,081,748,393</b>	<b>23,531,288,742</b>
Employee expenses	15,312,287,996	11,287,799,436
Materials expenses	368,092,137	680,730,533
Office supplies expenses	141,472,593	216,810,715
Amortization and Depreciation expenses	-	-
Charges and fee	27,868,889	96,807,776
Outsourcing expenses	10,515,193,667	8,796,553,545
Other cash expense	5,716,833,111	2,452,586,737
<b>General and administrative expenses</b>	<b>41,699,761,848</b>	<b>36,561,197,566</b>
Employee expenses	20,282,639,521	15,881,146,901
Materials expenses	1,673,697,148	556,171,163
Office supplies expenses	526,845,730	311,878,972
Amortization and Depreciation expenses	1,567,329,024	1,705,764,696
Charges and fee	6,455,906,764	10,528,447,862
Provision expenses	1,243,076,295	-26,288,527
Outsourcing expenses	6,919,840,670	4,248,781,096
Other cash expense	3,030,426,696	3,355,295,403
<b>Total</b>	<b>73,781,510,241</b>	<b>60,092,486,308</b>

**6.6 Other income/ Other expenses**

	In 2024 VND	In 2023 VND
<b>Other income</b>		
Disposals of fixed assets	64,293,637	12,136,364
Liquidate inventory	-	30,472,816
Temporary collection of electricity bills Ho Chi Minh E	-	(68,101,000)
Re-determine the amount of corporate income tax payable in previous years according to the Tax Inspection Minutes	-	187,694,353
Others	13,237,483	108,898,646
<b>Total</b>	<b>77,531,120</b>	<b>271,101,179</b>
<b>Other expenses</b>		
Payment of tax and administrative penalties	241,253,593	158,282,990
Liquidation of warehouse inventory	-	51,836,166
Interest expense for late payment of social insurance	12,448,151	2,963,034
Contract breach penalties	520,100,000	-
Residual value of liquidated assets	-	24,772,603
Others	421,030,709	121,744,334
<b>Total</b>	<b>1,194,832,453</b>	<b>359,599,127</b>
<b>Other income</b>	<b>(1,117,301,333)</b>	<b>(88,497,948)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**6.7 Current corporate income tax expense**

	In 2024 VND	In 2023 VND
Current corporate income tax expense	2,061,430,759	1,355,771,002
<b>Total</b>	<b>2,061,430,759</b>	<b>1,355,771,002</b>

**6.8 Basic earnings per share**

	In 2024 VND	In 2023 (Restatement)
<b>Profit after corporate income tax distributable to the Parent Company</b>	<b>3,652,685,600</b>	<b>3,619,862,068</b>
Decrease	-	(193,940,186)
<i>-Extracted from subsidiary bonus and welfare fund</i>	-	(193,940,186)
<b>Profit or loss allocated to shareholders owning common shares of the Parent Company</b>	<b>3,652,685,600</b>	<b>3,425,921,882</b>
Average quantity of outstanding shares in the year	13,000,000	13,000,000
<b>Basic earnings per share (VND/Share) (i) (ii)</b>	<b>281</b>	<b>264</b>

(i): At the reporting date, the Company and its subsidiaries have not yet reliably estimated the amount of profit for the fiscal year ending December 31, 2024 that can be allocated to the Bonus, Welfare and Executive Board Bonus Fund. If the Bonus, Welfare and Executive Board Bonus Fund is allocated for the fiscal year ending December 31, 2024, the net profit attributable to shareholders and basic earnings per share will decrease.

(ii) The Company re-determines the amount allocated to the Bonus, Welfare and Executive Board Bonus Fund for the fiscal year ending December 31, 2023 according to the Company's 2023 profit distribution ratio approved in the Resolutions of the 2023 General Meeting of Shareholders of the Parent Company and its subsidiaries. Accordingly, basic earnings per share for the fiscal year ending December 31, 2023 is restated as follows:

	In 2023 (Restatement)	In 2023 (Presented)	Differences
<b>Profit after corporate income tax distributable to the Parent Company</b>	<b>3,619,862,068</b>	<b>3,619,862,068</b>	-
Increase			-
Decrease	(193,940,186)	-	(193,940,186)
<i>-Extracted from the parent company's bonus and welfare fund</i>	-	-	-
<i>-Extracted from subsidiary bonus and welfare fund</i>	(193,940,186)	-	(193,940,186)
<b>Profit or loss allocated to shareholders owning common shares of the Parent Company</b>	<b>3,425,921,882</b>	<b>3,619,862,068</b>	<b>(193,940,186)</b>
Average quantity of outstanding shares in the year	13,000,000	13,000,000	-
<b>Basic earnings per share (VND/Share)</b>	<b>264</b>	<b>278</b>	<b>(15)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31<sup>st</sup> December 2024

### 6.8 Production and business expenses by factors

	In 2024 VND	In 2023 VND
Raw material expenses	309,626,330,520	326,535,023,158
Employee expenses	60,046,562,551	50,360,224,144
Amortization and Depreciation expenses	7,705,565,074	7,246,559,715
Provision expenses	1,243,076,295	(26,288,527)
Outsourcing expenses	61,052,513,924	20,907,804,385
Other cash expense	16,047,325,973	18,774,184,163
<b>Total</b>	<b>455,721,374,337</b>	<b>423,797,507,038</b>

## 7. OTHER INFORMATION

### 7.1 Information of related parties

List of Related parties:

Related parties	Relations
Vinahankook medical supplies CO.,JSC	Associates
Members of the Board of Directors, the Executive Board, the Supervisory Board involved in managing the Corporation during the year and their close family members	Significant influence

In the year, the Company has transactions with related parties as follows:

### Remuneration for Boards of General Directors, Management and Supervisors

Related parties	Nature of transaction	In 2024 VND	In 2023 VND
Remuneration for Board of Management and Supervisors	Salary and remuneration	964,549,998	545,500,000
Income of the Board of Directors, Chief accountant and other managers	Salary	2,302,324,000	1,959,235,209

In which:

### Remuneration for Board of Management

Full name	Position	In 2024 VND	In 2023 VND
Nguyen Thanh Quang	Chairman (Dismissed from 26/6/2023)	-	68,000,000
Doan Manh Cuong	Chairman (Appointment from 18/6/2024)	56,000,000	48,000,000
Pham Cong Doan	Chairman (Appointment from 18/6/2024)	369,799,998	-
Nguyen Van Dung	Vice Chairman (Dismissed from 18/6/2024)	35,000,000	72,500,000
Nguyen Thi Huong	Member	115,310,000	72,500,000
Nguyen Anh Dung	Member (Dismissed from 18/6/2024)	35,000,000	72,500,000
Nguyen Dieu Trinh	Member (Dismissed from 18/6/2024)	35,000,000	72,500,000
Vu Thi Cam Trang	Member (Appointment from 18/6/2024)	82,560,000	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**7.1 Information of related parties (Continued)**

**Remuneration for Board of Supervisors**

<b>Full name</b>	<b>Position</b>	<b>In 2024 VND</b>	<b>In 2023 VND</b>
Tran Tien Duc	Head of the Board (Dismissed from 30/11/ 2023)	-	47,500,000
Nguyen Anh Tuan	Member (Dismissed as Head of the Board on 18/06/2024, Member from 18/06/2024)	53,000,000	5,000,000
Nguyen Thi Huong	Head of the Board (Appointment from 18/6/2024)	122,880,000	-
Le Manh Hien	Member	39,000,000	43,500,000
Nguyen Thi Phuong Thao	Member (Dismissed from 26/06/ 2023)	-	25,500,000
Nguyen Thi Huong Lien	Member (Dismissed from 18/6/2024)	21,000,000	18,000,000

**Remuneration for Board of General Directors and others**

<b>Full name</b>	<b>Position</b>	<b>In 2024 VND</b>	<b>In 2023 VND</b>
Duong Dinh Son	General Director(Appointed General Director on 10/04/2024; Resigned Deputy General Director on 10/04/2024)	550,000,000	-
Nguyen Van Dung	General Director (Dismissed from 10/04/2024)	303,500,000	870,000,000
Nguyen Anh Dung	Deputy General Director(Dismissed from 01/07/2024)	282,500,000	580,000,000
Nguyen Thien Duc	Deputy General Director - Manager of Business Development	646,200,000	-
Bui Xuan Binh	Chief Accountant	428,900,000	408,100,000
Nguyen Thi Bich Hong	Secretary of the Board-Person Information Disclosure	-	40,000,000
Dang Hoai Anh	Secretary of the Board-Person Information Disclosure	-	41,962,609
Nguyen Thi Thanh Nhan	Secretary of the Board-Person Information Disclosure	91,224,000	19,172,600

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31<sup>st</sup> December 2024

**7.2 Comparative figures**

Comparative figures are taken from the consolidated financial statements for the year ended 31<sup>st</sup> December 2023 which are audited by CPA VIETNAM Auditing Company Limited - A Member of INPACT.

*Hanoi, 29<sup>th</sup> March 2025*

**Preparer**



**Nguyen Thi Huyen**

**Chief Accountant**



**Bui Xuan Binh**

**General Director**



**Duong Dinh Son**