

# **Vietnam Pharmaceutical Corporation - JSC**

Consolidated financial statements

For the three-month period ended 31 March 2025



# Vietnam Pharmaceutical Corporation - JSC

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**CONSOLIDATED BALANCE SHEET**  
as at 31 March 2025

**THE CORPORATION**

Vietnam Pharmaceutical Corporation - JSC ("the Corporation") was transformed from a state owned one-member limited liability company to a joint stock company from 8 December 2016 in pursuant to the Enterprise Registration Certificate for joint stock company No. 0100109385 issued by Hanoi Department of Planning and Investment, with the 7<sup>th</sup> amendment dated 25 February 2025 as the latest.

The principal activities of the Corporation in the current period are presented in Note 1 of Notes to the consolidated financial statements - General information of the Corporation.

The Corporation has a head office located at No.12 Ngo Tat To street, Van Mieu – Quoc Tu Giam ward, Dong Da district, Hanoi, Vietnam and the following dependent unit as follows:

<i>Registered Office</i>	<i>Address</i>
Representative office of Vietnam Pharmaceutical Corporation in Ho Chi Minh City	126A Tran Quoc Thao street, district 3, Ho Chi Minh City

**BOARD OF DIRECTORS**

Members of the Board of Directors during the year and at the date of this report are:

Mr. Dinh Xuan Han	Chairman	
Mr. Nguyen Tien Dung	Vice Chairman	Appointed on 21 April 2025
Mr. Tran Duc Hung	Vice Chairman	Resigned on 21 April 2025
Ms. Han Thi Khanh Vinh	Member	
Mr. Tran Van Hai	Member	
Mr. Do Manh Cuong	Independent member	

**AUDIT COMMITTEE**

Members of the Audit Committee during the year and at the date of this report are:

Mr. Do Manh Cuong	Head	
Mr. Nguyen Tien Dung	Member	Appointed on 21 April 2025
Mr. Tran Duc Hung	Member	Resigned on 21 April 2025

**INTERNAL AUDIT**

Members of the Internal Audit during the year and at the date of this report are:

Ms. Nguyen Thuy Dung	Head
Ms. Nguyen Thi Thuy	Deputy Head
Mr. Phi Ngoc Tu	Member

**MANAGEMENT**

Member of the Management during the year and at the date of this report are:

Ms. Han Thi Khanh Vinh	General Director
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**LEGAL REPRESENTATIVE**

The legal representative of the Corporation during the year and at the date of this report is Ms. Han Thi Khanh Vinh – General Director.

CONSOLIDATED BALANCE SHEET  
as at 31 March 2025

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>4,612,672,239,378</b>	<b>4,363,155,594,686</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>52,924,556,202</b>	<b>289,066,457,419</b>
111	1. Cash		23,924,556,202	38,216,457,419
112	2. Cash equivalents		29,000,000,000	250,850,000,000
<b>120</b>	<b>II. Short-term investments</b>		<b>975,870,000,000</b>	<b>755,670,000,000</b>
121	1. Held-for-trading securities		50,000,000	50,000,000
123	2. Held-to-maturity investments	5	975,820,000,000	755,620,000,000
<b>130</b>	<b>III. Short-term receivables</b>		<b>1,906,403,975,850</b>	<b>1,645,686,451,677</b>
131	1. Short-term trade receivables	6.1	1,706,967,559,425	1,584,946,177,850
132	2. Advances from customers	6.2	43,472,995,656	31,594,615,967
136	3. Other short-term receivables	7	196,706,489,476	70,199,563,270
137	4. Provision for doubtful short-term receivables	6.3	(40,743,068,707)	(41,053,905,410)
<b>140</b>	<b>IV. Inventories</b>	<b>9</b>	<b>1,637,590,257,516</b>	<b>1,633,236,624,658</b>
141	1. Inventories		1,664,554,747,033	1,662,817,347,953
149	2. Provision for obsolete inventories		(26,964,489,517)	(29,580,723,295)
<b>150</b>	<b>V. Other current assets</b>		<b>39,883,449,810</b>	<b>39,496,060,932</b>
151	1. Short-term prepaid expenses	14	2,968,272,599	2,952,155,410
152	2. Value-added tax deductible		34,933,131,315	34,106,724,260
153	3. Tax and other receivables from the State	16	1,982,045,896	2,437,181,262
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>2,016,609,026,816</b>	<b>2,092,302,291,116</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>718,011,602</b>	<b>708,299,536</b>
216	1. Other long-term receivables		718,011,602	708,299,536
<b>220</b>	<b>II. Fixed assets</b>		<b>274,977,672,239</b>	<b>281,174,501,833</b>
221	1. Tangible fixed assets	10	169,019,612,710	174,474,438,246
222	Cost		516,549,205,157	518,506,151,736
223	Accumulated depreciation		(347,529,592,447)	(344,031,713,490)
227	2. Intangible fixed assets	11	105,958,059,529	106,700,063,587
228	Cost		129,481,708,245	129,518,873,145
229	Accumulated amortisation		(23,523,648,716)	(22,818,809,558)
<b>230</b>	<b>III. Investment properties</b>	<b>12</b>	<b>35,501,518,514</b>	<b>35,759,475,749</b>
231	1. Cost		45,821,328,558	45,821,328,558
232	2. Accumulated depreciation		(10,319,810,044)	(10,061,852,809)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>5,112,718,923</b>	<b>800,200,000</b>
242	1. Construction in progress		5,112,718,923	800,200,000
<b>250</b>	<b>V. Long-term investments</b>	<b>13</b>	<b>1,665,098,434,325</b>	<b>1,738,533,518,151</b>
252	1. Investments in associates	13.1	901,876,341,629	987,874,650,144
253	2. Investments in other entities	13.2	870,823,455,837	870,823,455,837
254	3. Provision for diminution in value of long-term investments	13.2	(107,601,363,141)	(120,164,587,830)
<b>260</b>	<b>VI. Other long-term assets</b>		<b>35,200,671,213</b>	<b>35,326,295,847</b>
261	1. Long-term prepaid expenses	14	30,584,858,395	30,710,483,029
262	2. Deferred tax assets	28.3	4,615,812,818	4,615,812,818
<b>270</b>	<b>TOTAL ASSETS</b>		<b>6,629,281,266,194</b>	<b>6,455,457,885,802</b>

CONSOLIDATED BALANCE SHEET (continued)  
as at 31 March 2025

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>3,036,583,472,433</b>	<b>2,945,521,946,922</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>3,005,082,308,784</b>	<b>2,914,045,605,262</b>
311	1. Short-term trade payables	15.1	1,602,034,755,147	1,555,881,211,506
312	2. Advances to suppliers	15.2	25,538,151,372	22,610,280,609
313	3. Statutory obligations	16	53,108,238,481	52,276,416,801
314	4. Payables to employees		11,685,025,870	26,686,757,010
315	5. Short-term accrued expenses	17	10,768,048,907	10,469,639,652
318	6. Short-term unearned revenues		1,472,059,519	2,366,571,045
319	7. Other short-term payables	18	44,656,652,235	21,093,076,654
320	8. Short-term loans	20	1,240,622,088,630	1,207,514,630,352
322	9. Bonus and welfare fund	19	15,197,288,623	15,147,021,633
<b>330</b>	<b>II. Non-current liabilities</b>		<b>31,501,163,649</b>	<b>31,476,341,660</b>
336	1. Long-term unearned revenues		223,397,801	198,575,812
337	2. Other long-term payables		1,082,000,000	1,082,000,000
338	3. Long-term loans	20	30,195,765,848	30,195,765,848
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>3,592,697,793,761</b>	<b>3,509,935,938,880</b>
<b>410</b>	<b>I. Capital</b>	21	<b>3,592,697,793,761</b>	<b>3,509,935,938,880</b>
411	1. Issued share capital		2,370,000,000,000	2,370,000,000,000
	- Shares with voting rights		2,370,000,000,000	2,370,000,000,000
414	2. Other owners' capital		57,597,010,408	57,597,010,408
416	3. Asset revaluation reserve		(366,766,560,611)	(388,400,444,386)
417	4. Foreign exchange differences reserve		-	(9,010,862)
418	5. Investment and development fund		416,297,582,809	416,297,582,809
420	6. Other funds belonging to owners' equity		982,723,327	982,723,327
421	7. Undistributed earnings		840,773,110,597	792,862,397,827
421a	- Undistributed earnings by the end of prior year		753,903,808,090	376,684,564,188
421b	- Undistributed earnings of the current period		86,869,302,507	416,177,833,639
429	8. Non-controlling interests		273,813,927,231	260,605,679,757
			-	-
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>6,629,281,266,194</b>	<b>6,455,457,885,802</b>

Nguyen Thi Hang  
Preparer

Lu Thi Khanh Tran  
Chief Accountant

Han Thi Khanh Vinh  
General Director

28 April 2025

CONSOLIDATED CASH FLOW STATEMENT  
for the three-month period ended 31 March 2025

Currency: VND

Code	ITEMS	Notes	For the three-month period ended	
			31 March 2025	31 March 2024
01	1. Revenue from sale of goods and rendering of services	23.1	1,243,928,856,148	1,195,975,363,086
02	2. Deductions	23.1	1,011,354,244	1,135,882,298
10	3. Net revenue from sale of goods and rendering of services	23.1	1,242,917,501,904	1,194,839,480,788
11	4. Cost of goods sold and services rendered	24	1,104,454,355,922	1,040,566,347,723
20	5. Gross profit from sale of goods and rendering of services		138,463,145,982	154,273,133,065
21	6. Finance income	23.2	34,639,685,939	29,353,954,958
22	7. Finance expenses	25	12,913,127,667	22,083,392,212
23	In which: Interest expenses		14,938,190,149	14,033,736,399
24	8. Share of profit of associates	13.1	24,238,672,486	39,668,403,790
25	9. Selling expenses	26	60,406,804,583	62,079,390,287
26	10. General and administrative expenses	26	28,179,516,004	33,272,569,866
30	11. Operating profit		95,842,056,153	105,860,139,448
31	12. Other income		188,652,631	376,348,230
32	13. Other expenses		462,089,534	206,638,149
40	14. Other profit/(loss)		(273,436,903)	169,710,081
50	15. Accounting profit before tax		95,568,619,250	106,029,849,529
51	16. Current corporate income tax expenses	28.1	9,729,330,269	11,609,186,420
60	17. Net profit after tax		85,839,288,981	94,420,663,109
61	18. Net profit after tax attributable to shareholders of the parent		72,631,041,507	80,658,200,649
62	19. Net profit after tax attributable to non-controlling interests		13,208,247,474	13,762,462,460
70	20. Basic earnings per share	30	300	324
71	21. Diluted earnings per share	30	300	324

Nguyễn Thị Hang  
Preparer

Lu Thi Khanh Tran  
Chief Accountant

Hàn Thị Khanh Vinh  
General Director

28<sup>th</sup>  
April 2025

**CONSOLIDATED CASH FLOW STATEMENT**  
for the three-month period ended 31 March 2025

Currency: VND

Code	ITEMS	Notes	For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>95,568,619,250</b>	<b>106,029,849,529</b>
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties, amortisation of intangible fixed assets and amortisation of land use rights	10,11, 12	7,355,158,397	7,338,764,514
03	(Reversal of provisions)/provisions		(12,350,458,605)	1,773,413,354
04	Foreign exchange losses arisen from revaluation of monetary accounts denominated in foreign currencies		3,717,916,348	5,914,222,665
05	Profits from investing activities		(42,027,632,725)	(59,342,473,862)
06	Interest expenses	25	14,938,190,149	14,033,736,399
08	<b>Operating profit before changes in working capital</b>		<b>67,201,792,814</b>	<b>75,747,512,599</b>
09	Increase/(decrease) in receivables		(146,671,330,818)	133,364,897,153
10	Increase in inventories		(4,928,727,645)	(45,610,086,901)
11	Increase/(decrease) in payables		49,778,386,811	(145,069,862,256)
12	Increase in prepaid expenses		(145,804,123)	(2,417,999,778)
14	Interest paid		(14,534,436,608)	(14,209,979,247)
15	Corporate income tax paid	16	(9,600,428,134)	(12,228,771,176)
17	Other cash outflows from operating activities		(3,027,167,110)	(3,758,319,247)
20	<b>Net cash flows (used in)/from operating activities</b>		<b>(61,927,714,813)</b>	<b>(14,182,608,853)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase, construction of fixed assets		(1,077,956,000)	(454,490,000)
22	Proceeds from disposals of fixed assets and other long-term assets		72,643,097	253,000,000
23	Loans to other entities and payments for purchase of debt instruments of other entities		(321,100,000,000)	(97,200,000,000)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		100,900,000,000	68,000,000,000
26	Proceeds from sale of investments in other entities		21,633,883,775	-
27	Interest, dividends received, profits shared		(7,745,434,039)	25,400,990,771
30	<b>Net cash flows from investing activities</b>		<b>(207,316,863,167)</b>	<b>(4,000,499,229)</b>


CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the three-month period ended 31 March 2025


Currency: VND

Code	ITEMS	Notes	For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings		815,466,403,756	764,479,668,778
34	Repayment of borrowings		(782,358,945,478)	(786,922,301,677)
36	Dividends paid, profit distributed to equity holders of the parent and non-controlling interests		(75,994,689)	(5,700,000)
40	<b>Net cash flows from/(used in) financing activities</b>		<b>33,031,463,589</b>	<b>(22,448,332,899)</b>
50	<b>Net decrease in cash and cash equivalents for the year</b>		<b>(236,213,114,391)</b>	<b>(40,631,440,981)</b>
60	<b>Cash and cash equivalents at the beginning of the year</b>		<b>289,066,457,419</b>	<b>104,326,275,471</b>
61	Impact of exchange rate fluctuation		71,213,174	10,992,372
70	<b>Cash and cash equivalents at the end of the year</b>	<b>4</b>	<b>52,924,556,202</b>	<b>63,705,826,862</b>

  
Nguyen Thi Hang  
Preparer

  
Lu Thi Khanh Tran  
Chief Accountant

  
Han Thi Khanh Vinh  
General Director

  
28<sup>th</sup> April 2025

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
as at 31 March 2025 and for the three-month period then ended

**1. CORPORATE INFORMATION**

Vietnam Pharmaceutical Corporation - JSC ("the Corporation") was transformed from a state owned one-member limited liability company to a joint stock company from 8 December 2016 in pursuant to the Enterprise Registration Certificate for joint stock company No. 0100109385 issued by Hanoi Department of Planning and Investment, with the 7<sup>th</sup> amendment dated 25 February 2025 as the latest.

The principal activities of the Corporation are:

- ▶ Wholesale of perfume, cosmetics and hygiene products (except cosmetics which are harmful to people's health);
- ▶ Manufacture of drugs, pharmaceutical chemical products, medicines;
- ▶ Provision of drugs preservation service, drugs import-export service, import-export of products which the Corporation trades; testing of drugs, cosmetics and functional foods;
- ▶ Manufacture of functional foods, food additives, sterilization substances for human;
- ▶ Trade of chemicals (except chemicals prohibited by the Government);
- ▶ Manufacture of cosmetics, soaps, detergents, polishes and hygiene products (except cosmetics which are harmful to people's health);
- ▶ Retail of drugs, medical instruments, cosmetics and hygiene products in specialised shops;
- ▶ Trade of real estate, land use rights of land owners, land users or land lease;
- ▶ Wholesale of medical machines and equipment;
- ▶ Manufacture of wrinkled papers, wrinkled boards, and packing from papers and boards;
- ▶ Manufacture of medical, dental, orthopedic and rehabilitation equipment and instruments; and
- ▶ Other business activities.

The Corporation has a head office located at No.12 Ngo Tat To Street, Van Mieu – Quoc Tu Giam ward, Dong Da District, Hanoi, Vietnam and the following dependent unit as follows:

<i>Registered office</i>	<i>Address</i>
Representative office of Vietnam Pharmaceutical Corporation in Ho Chi Minh City	126A Tran Quoc Thao Street, District 3, Ho Chi Minh City

The normal course of business cycle of the Corporation and its subsidiaries is 12 months.

The number of the Corporation and its subsidiaries' employees as at 31 March 2025 is 832 (as at 31 December 2024: 867).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

# 1. CORPORATE INFORMATION (continued)

## Corporate structure

As at 31 March 2025, the Corporation has 4 subsidiaries (31 December 2024: 4). Details on these subsidiaries of the Corporation are as follows:

No.	Name	Head office's address	Principal activities during the period	Ending balance		Beginning balance	
				Capital contribution	Voting rights	Capital contribution	Ownership and interest
1	Central Pharmaceutical CPC1 Joint Stock Company	No. 87, Nguyen Van Troi street, Phuong Liet ward, Thanh Xuan district, Ha Noi	Wholesale and retail of drugs, medical instruments, cosmetics and hygiene products.	65.41%	65.41%	65.41%	65.41%
2	Codupha Central Pharmaceutical Joint Stock Company	No. 262L, Le Van Sy, Ward 14, District 3, Ho Chi Minh City	Importing, exporting and trading pharmaceuticals, medical equipment, instruments and cosmetics.	66.35%	66.57%	66.35%	66.57%
3	Central Pharmaceutical Joint Stock Company No.3 ("TW3")	No. 115, Ngo Gia Tu street, Hai Chau district, Da Nang City	Manufacturing and trading pharmaceutical products, pharmaceutical packaging, nutritious food, medical machinery and equipment, pharmaceutical processing.	65.00%	66.81%	65.00%	66.81%
4	Codupha-Lao Pharmaceutical Company Limited (*)	No. 253, Vieng Chalueng Street, Saysetta, Vientiane, Laos	Manufacturing and trading pharmaceutical products	62.17%	93.70%	62.17%	93.70%
						62.17%	62.38%

(\*) The Corporation indirectly holds interest and voting rights in this entity through Codupha Central Pharmaceutical Joint Stock Company. As at the date of these consolidated financial statements, Central Pharmaceutical Joint Stock Company Codupha is in the process of carrying out the sale of this subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

## 2. BASIS OF PREPARATION

### 2.1 *Accounting standards and system*

The consolidated financial statements of the Corporation and its subsidiaries, which are expressed in Vietnam Dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard No. 27 - Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 2.2 *Applied accounting documentation system*

The applied accounting documentation system of the Corporation and its subsidiaries is the General Journal system.

### 2.3 *Fiscal year*

The Corporation and its subsidiaries' fiscal year starts on 1 January and ends on 31 December.

### 2.4 *Accounting currency*

The consolidated financial statements are prepared in VND which is also the Corporation and its subsidiaries' accounting currency.

### 2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Corporation and its subsidiaries for the period ended 31 March 2025.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Corporation obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**2. BASIS OF PREPARATION (continued)**

**2.5 Basis of consolidation (continued)**

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Corporation and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in retained earning.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

**3.2 Inventories**

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, tools and supplies and goods for resale	- cost of purchase on a weighted average basis.
	- cost of purchase at Codupha Central Pharmaceutical Joint Stock Company – a subsidiary of the Corporation on a specific identification basis.
Finished goods and work-in-process	- cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.2 Inventories (continued)**

*Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Corporation and its subsidiaries, based on appropriate evidence of impairment available at the consolidated balance sheet date.

Increases or decreases to the provision balance are recorded the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

**3.3 Receivables**

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

The provision for doubtful debts represents amounts of outstanding receivables of the Corporation and its subsidiaries at the balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

**3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use or is at the revaluated amounts at the time when the Corporation and its subsidiaries were officially transformed into joint stock companies.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.5 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Corporation and its subsidiaries are the lessee*

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

*Where the Corporation and its subsidiaries are the lessor*

Assets subject to operating leases are included as the Corporation and its subsidiaries' fixed assets in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated income statement as incurred.

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

#### 3.6 *Intangible fixed assets*

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use or is at the revaluated amounts at the time when the Corporation and its subsidiaries were officially transformed into joint stock companies.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

*Land use rights*

Land use rights comprise the indefinite land use rights and the prepayment for the land lease contracts which are effective prior to 2003 and for which, land use right certificates were issued. These land use rights are recorded as intangible fixed assets according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.7 Depreciation and amortisation**

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

Buildings and structures	5 - 40 years
Office equipment	2 - 12 years
Means of transportation	4 - 10 years
Machinery and equipment	3 - 12 years
Computer software	2 - 10 years
Definite land use rights	30 - 50 years
Other fixed assets	3 - 7 years

Infinite land use rights are not amortised.

**3.8 Investment properties**

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation. Investment properties held for capital appreciation are not depreciated/amortised but subject to impairment review.

Subsequent expenditure relating to an investment property that has already been recognised is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Corporation.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings	9 - 46 years
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Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the consolidated income statement in the period of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

**3.9 Borrowing costs**

Borrowing costs consist of interest and other costs that the Corporation and its subsidiaries incur in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.10 *Prepaid expenses*

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

##### *Prepaid land rental*

The prepaid land rental represents the unamortised balance of advance payment made in accordance with the lease contract signed with Tan Tao Investment & Industry JSC on 21 October 2005 and 21 February 2017 with the lease terms from 21 October 2005 to 21 October 2050 and from 21 February 2017 to 16 August 2050. In accordance with Circular 45/2013/TT-BTC dated 25 April 2013, such prepayments for land rental are recognised as long-term prepaid expenses and amortised over the remaining lease period.

#### 3.11 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost the business combination over the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiaries acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized in an estimated period of ten (10) years on a straight-line basis. The Corporation conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

#### 3.12 *Investments*

##### *Investments in associates*

The Corporation's investments in its associates are accounted for using the equity method of accounting. An associate is an entity in which the Corporation has significant influence that is neither subsidiaries nor joint ventures. The Corporation generally deems it has significant influence if it has over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Corporation's share of net assets of the associates. Funds shared from associates are recognised accordingly in equity of the Corporation. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operations of the associates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.12 Investments (continued)

##### *Investments in associates (continued)*

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing receivable from associates reduces the carrying amount of the investment. In addition, for the dividends/profits shared from undistributed earnings of associates arising before the date that the Corporation was transformed to the joint stock company, the Corporation recognises an increase in asset revaluation reserve (Note 3.13) and a decrease in undistributed earnings on the consolidated balance sheet.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Corporation. Where necessary, adjustments are made to bring the accounting policies in line with those of the Corporation.

##### *Investments in other entities*

Investments in other entities are stated at their original costs according to the revaluated value at the time when the Corporation and its subsidiaries were officially transformed into joint stock companies. Distributions from accumulated net profits of the associates arising subsequent to the date of significant influence or the date that the Corporation and its subsidiaries were transformed to a joint stock company are recognised in the consolidated income statement. Dividends or profit shared from accumulated profits of other entities arising before the date that the Corporation and its subsidiaries were transformed to a joint stock company are deducted to the cost of the investment.

##### *Provision for diminution in investments*

Provision for diminution in value of investments is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the consolidated income statement.

##### *Held-to-maturity investments*

Held-to-maturity investments are stated at their original costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the consolidated income statement and deducted against the value of such investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.13 *Difference arising from revaluation of equity investments for equitization purpose***

For the purpose of enterprise valuation at the time of transformation into joint stock companies, the Corporation and its subsidiaries exercised the revaluation of its investments in subsidiaries and associates and based on the valuation results approved by the authorized government agencies, the Corporation and its subsidiaries recognised the investments in subsidiaries and associates based on the revaluated amounts.

For the purpose of preparing the consolidated financial statements, the difference between the revaluated investments in subsidiaries and associates and the previous carrying value is accounted for as a deduction to "Asset revaluation reserve" on the consolidated balance sheet. Dividends or profit shared from accumulated profits arising before the date that the Corporation was transformed to a joint stock company (8 December 2016) related to the pre-equitization period is accounted for as an addition to "Asset revaluation reserve".

**3.14 *Payables and accruals***

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Corporation and its subsidiaries.

**3.15 *Foreign currency transactions***

Transactions in currencies other than the Corporation and its subsidiaries' reporting currency (VND) are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;
- ▶ Capital contributions or capital contribution receipts are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

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

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Corporation and its subsidiaries conduct transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Corporation and its subsidiaries conduct transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.15 *Foreign currency transactions* (continued)

##### *Conversion of the financial statements of a foreign operation*

Conversion of the financial statements of a subsidiary of the Group which maintains its accounting records in other currency rather than the Group's accounting currency of VND, for consolidation purpose, is as follows:

- Assets and liabilities are converted into VND by using the actual transactional exchange rates at the balance sheet date;
- Undistributed earnings arising subsequent to the date of acquisition of the subsidiary are converted to VND by calculating revenues and expenses on the income statement;
- Dividends paid are converted into VND by using actual transactional exchange rates at the payment date; and
- Items on the income statement and the statement of cash flow are converted into VND by using the average exchange rate of the reporting period.

All foreign exchange differences resulting from conversion of the financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange differences reserve" on the consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.

#### 3.16 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Charters of the Corporation and its subsidiaries and Vietnam's regulatory requirements.

The Corporation and its subsidiaries maintain the following reserve funds which are appropriated from net profits of the Corporation and its subsidiaries as proposed by the Board of Directors and subject to approval by shareholders at the annual general meetings.

##### *Investment and development fund*

This fund is set aside for use in the Corporation and its subsidiaries' expansion of its operation or of in-depth investments.

##### *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

#### 3.17 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Corporation and its subsidiaries and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

##### *Sale of inventory properties*

Revenue is recognised when the significant risks and rewards of ownership of the properties have passed to the buyer.

##### *Sale of goods*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.17 Revenue recognition (continued)**

*Rendering of services*

Revenue is recognised when services are rendered and completed.

*Rental income*

Rental income from assets held under operating leases is recognized in the consolidated income statement on a straight-line basis over the term of the lease.

*Dividend income*

Dividend income is recognised when the Corporation and its subsidiaries' entitlement as investors to receive the dividend is established. Stock dividend is not recognised as finance income.

*Interest income*

Interest income is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

**3.18 Taxation**

*Current income tax*

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

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Corporation and its subsidiaries to off-set current tax assets against current tax liabilities and when the Corporation and its subsidiaries intend to settle its current tax assets and liabilities on a net basis.

*Deferred tax*

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.18 Taxation (continued)**

*Deferred tax (continued)*

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each consolidated balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each consolidated balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Corporation and its subsidiaries to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Corporation and its subsidiaries intend either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.19 Earning per share**

Basic earning per share is calculated by dividing the profit or loss after tax attributable to the ordinary shareholders of the Corporation (after adjusting for setting up bonus and welfare funds) by the weighted average number of ordinary shares outstanding during the period.

Diluted earning per share is calculated by dividing the profit or loss after tax attributable to the ordinary shareholders of the Corporation (after adjusting for dividends of preferred shares with the right to convert) for the weighted average number of ordinary shares outstanding during the year and the weighted average number of ordinary shares that will be issued in case all potential ordinary shares with diluted impact are converted into common shares.

**3.20 Segment reporting**

A segment is a component determined separately by the Corporation and its subsidiaries which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

The Corporation and its subsidiaries' business segment is derived mainly from lines of product sold and services rendered. In addition, these activities are mainly taking place within Vietnam. The Corporation's management is of the view that the activities are mainly taking place within Vietnam; therefore, presentation of geographical segmental information is not required.

**3.21 Related parties**

Parties are considered to be related parties of the Corporation and its subsidiaries if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Corporation and its subsidiaries and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

**4. CASH AND CASH EQUIVALENTS**

	Currency: VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	3,123,498,585	1,307,086,434
Cash at banks	20,801,057,617	36,909,370,985
Cash equivalents	29,000,000,000	250,850,000,000
<b>TOTAL</b>	<b>52,924,556,202</b>	<b>289,066,457,419</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**5. HELD-TO-MATURITY INVESTMENTS**

These represent term deposits with original terms of 6 to 12 months and earn interest at the rates as stipulated in each deposit contract.

**6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS**

**6.1 Short-term trade receivables**

	Currency: VND	
	Ending balance	Beginning balance
Short-term trade receivables	1,706,967,559,425	1,584,946,177,850
Trade receivables from related parties (Note 29)	-	-
<b>TOTAL</b>	<b>1,706,967,559,425</b>	<b>1,584,946,177,850</b>
Provision for short-term trade receivables	(35,865,597,125)	(36,157,486,308)

**6.2 Short-term advances to suppliers**

	Currency: VND	
	Ending balance	Beginning balance
Advances to suppliers		
- Bay Pharma INC	7,045,407,638	-
- Nhat Anh Pharmaceutical Co., Ltd.	6,166,651,590	5,890,000,000
Advance payment to related parties (Note 29)	-	-
Other advances	30,260,936,428	25,704,615,967
<b>TOTAL</b>	<b>43,472,995,656</b>	<b>31,594,615,967</b>
Provision for doubtful short-term advances to suppliers	(259,063,685)	(278,011,205)

**6.3 Provision for doubtful short-term receivables**

	Currency: VND	
	For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
Beginning balance	41,053,905,410	29,981,140,924
Add: Provision made during the period	44,083,098	776,940,045
Less: Reversal during the period	(354,919,801)	(24,465,031)
Ending balance	40,743,068,707	30,733,615,938

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 7. OTHER SHORT-TERM RECEIVABLES

Currency: VND				
	Ending balance		Beginning balance	
	Balance	Provision	Balance	Provision
Dividend receivables	114,971,171,500	-	6,936,127,000	-
Interest receivables	13,306,439,782	-	7,276,635,876	-
Advances to employees	5,304,354,671	-	4,602,854,367	-
Receivables for trust import activities	17,678,246,719	-	7,015,892,573	-
Receivables from sales allowance	16,764,515,119	-	29,164,537,400	-
Deposit, mortgages or collaterals	5,404,877,343	-	4,326,420,247	-
Others	23,276,884,342	(4,618,407,897)	10,877,095,807	(4,618,407,897)
<b>TOTAL</b>	<b>196,706,489,476</b>	<b>(4,618,407,897)</b>	<b>70,199,563,270</b>	<b>(4,618,407,897)</b>
<i>In which:</i>				
Other short-term receivables	86,469,508,476	(4,618,407,897)	59,222,323,270	(4,618,407,897)
Other short-term receivables from related parties (Note 29)	110,236,981,000	-	-	-

## 8. BAD DEBTS

Currency: VND				
	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Mi Nguyen Pharmaceutical Trading Co., Ltd	20,568,683,728	5,418,464,118	19,954,092,956	5,278,990,203
Hiep Bach Nien Pharmaceutical Joint Stock Company	4,213,079,013	2,106,539,507	5,183,291,111	2,746,779,324
Kim Chau Pharmaceutical Co., Ltd	4,086,849,776	-	4,086,849,776	-
Other overdue receivables	25,138,586,978	6,499,633,684	26,411,784,241	6,556,343,147
<b>TOTAL</b>	<b>54,007,199,495</b>	<b>14,024,637,309</b>	<b>55,636,018,084</b>	<b>14,582,112,674</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 9. INVENTORIES

	Currency: VND			
	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Goods in transit	33,997,948,931	-	117,684,774,764	-
Raw materials	14,972,581,631	(22,370,242)	12,711,938,105	(34,682,235)
Work-in-process	3,015,319,605	-	4,006,801,085	-
Finished goods	5,153,770,621	(12,311,993)	5,463,705,329	(17,777,736)
Merchandise	1,607,415,126,245	(26,929,807,282)	1,522,950,128,670	(29,528,263,324)
TOTAL	1,664,554,747,033	(26,964,489,517)	1,662,817,347,953	(29,580,723,295)

### Movements of provision for obsolete inventories:

		Currency: VND	
		For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
Beginning balance		29,580,723,295	55,330,320,171
Add: Provision made during the period		1,605,693,528	3,701,904,864
Less: Reversal during the period		(1,030,598,741)	(1,643,404,974)
Less: Utilisation during the period		(3,191,328,565)	(17,231,126)
Ending balance		<u>26,964,489,517</u>	<u>57,371,588,935</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 10. TANGIBLE FIXED ASSETS

Currency: VND

Cost:	Buildings and structures	Machineries and equipments	Means of transportation	Office equipment	Others	Total
Beginning balance	315,020,865,028	122,175,387,616	71,822,992,988	9,151,209,673	335,696,431	518,506,151,736
- New purchase	-	-	-	645,060,000	-	645,060,000
- Foreign exchange differences arising from conversion of financial statements to VND						
- Disposal	(342,659,420)	(260,692,101)	(102,216,632)	-	(16,346,410)	(721,914,563)
	-	-	(1,880,092,016)	-	-	(1,880,092,016)
Ending balance	314,678,205,608	121,914,695,515	69,840,684,340	9,796,269,673	319,350,021	516,549,205,157
In which:						
Fully depreciated	93,690,790,581	44,548,067,899	32,371,018,757	6,512,692,261	336,786,192	177,459,355,690
Accumulated depreciation:						
Beginning balance	186,918,143,068	96,943,228,520	52,022,895,166	7,811,750,305	335,696,431	344,031,713,490
- Depreciation for the period	2,594,752,010	2,236,218,115	1,112,526,663	156,388,748	-	6,099,885,536
- Foreign exchange differences arising from conversion of financial statements to VND						
- Disposal	(342,659,420)	(260,692,101)	(102,216,632)	-	(16,346,410)	(721,914,563)
	-	-	(1,880,092,016)	-	-	(1,880,092,016)
Ending balance	189,170,235,658	98,918,754,534	51,153,113,181	7,968,139,053	319,350,021	347,529,592,447
Giá trị còn lại:						
Beginning balance	128,102,721,960	25,232,159,096	19,800,097,822	1,339,459,368	-	174,474,438,246
Ending balance	125,507,969,950	22,995,940,981	18,687,571,159	1,828,130,620	-	169,019,612,710

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**11. INTANGIBLE FIXED ASSETS**

	Currency: VND		
	<i>Land use rights</i>	<i>Computer software</i>	<i>Total</i>
<b>Cost:</b>			
Beginning balance	123,420,668,307	6,098,204,838	129,518,873,145
- Foreign exchange differences arising from conversion of financial statements to VND	(27,518,400)	(9,646,500)	(37,164,900)
Ending balance	<u>123,393,149,907</u>	<u>6,088,558,338</u>	<u>129,481,708,245</u>
<i>In which:</i>			
<i>Fully amortised</i>	1,031,675,198	3,035,238,838	4,066,914,036
<b>Accumulated amortisation:</b>			
Beginning balance	18,071,926,564	4,746,882,994	22,818,809,558
- Amortisation for the period	634,918,257	107,085,801	742,004,058
- Foreign exchange differences arising from conversion of financial statements to VND	(27,518,400)	(9,646,500)	(37,164,900)
Ending balance	<u>18,679,326,421</u>	<u>4,844,322,295</u>	<u>23,523,648,716</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>105,348,741,743</u>	<u>1,351,321,844</u>	<u>106,700,063,587</u>
Ending balance	<u>104,713,823,486</u>	<u>1,244,236,043</u>	<u>105,958,059,529</u>

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**12. INVESTMENT PROPERTIES**

	<i>Currency: VND</i>
	<i>Buildings and structures</i>
<b>Cost:</b>	
Beginning balance	45,821,328,558
Ending balance	45,821,328,558
<i>In which: Fully depreciated</i>	-
<b>Accumulated depreciation:</b>	
Beginning balance	10,061,852,809
- Depreciation for the period	257,957,235
Ending balance	10,319,810,044
<b>Net carrying amount:</b>	
Beginning balance	35,759,475,749
Ending balance	35,501,518,514

The Corporation's investment properties as at 31 March 2025 consist of office spaces at the Commercial Office, which are held under operating lease.

The Corporation has not been able to obtain necessary information to determine and disclose the fair value of these investment properties.

**13. LONG-TERM INVESTMENTS**

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in associates (Note 13.1)	901,876,341,629	987,874,650,144
Investments in other entities (Note 13.2)	870,823,455,837	870,823,455,837
Provision for long-term investments	(107,601,363,141)	(120,164,587,830)
<b>TOTAL</b>	<b>1,665,098,434,325</b>	<b>1,738,533,518,151</b>

**Movements of provision for long-term investments:**

	<i>Currency: VND</i>	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Beginning balance	120,164,587,830	123,486,516,430
Less: Reversal during the year	(12,563,224,689)	(1,037,561,550)
Ending balance	107,601,363,141	122,448,954,880

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## 13. LONG-TERM INVESTMENTS (continued)

### 13.1 Investments in associates

Details of the associates of the Corporation and its subsidiaries are as follows:

Name	Location	Principal activities	Ending balance			Beginning balance		
			Capital contribution	Voting rights	Ownership and interest	Capital contribution	Voting rights	Ownership and interest
Imexpharm Pharmaceutical Joint Stock Company	No 4, 30/4 street, ward 1, Cao Lanh town, Dong Thap province	Manufacturing and trading pharmaceutical products, medical machineries and equipment, pharmaceutical packages	22.04%	22.04%	22.04%	22.03%	22.04%	22.04%
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	No 10 Ham Nghi, district 1, Ho Chi Minh city	Manufacturing drugs, pharmaceutical products and chemicals	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Danapha Pharmaceutical Joint Stock Company	No 253 Dung Si Thanh Khe, Thanh Khe district, Da Nang city	Manufacturing drugs, pharmaceutical products and chemicals	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%
Central Pharmaceutical Joint Stock Company No. 25	No 448B Nguyen Tat Thanh, ward 18, district 4, Ho Chi Minh city	Manufacturing drugs, pharmaceutical products and chemicals	28.43%	28.43%	28.43%	28.43%	28.43%	28.43%
Central Pharmaceutical Joint Stock Company No. 3 ("Foripham")	No 16 Le Dai Hanh, Minh Khai ward, Hong Bang District, Hai Phong	Producing drugs, pharmaceutical chemistry and materials	22.07%	22.07%	22.07%	22.07%	22.07%	22.07%
Vietnam Medical Products Import - Export Joint Stock Company	No 138 Giang Vo, Kim Ma ward, Ba Dinh district, Hanoi city	Trading, importing-exporting pharmaceutical products (raw materials and finished goods) and chemicals	41.15%	41.15%	41.15%	41.15%	41.15%	41.15%
Davina Pharmaceutical Joint Stock Company	No 253 Dung Si Thanh Khe, Thanh Khe district, Da Nang city	Manufacturing drugs, pharmaceutical products and chemicals	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Alfresa Codupha Healthcare Vietnam Co., Ltd.	No 2 Thi Sach, Ben Nghe ward, district 1, Ho Chi Minh city	Wholesale of pharmaceutical chemistry and materials	30.00%	30.00%	19.97%	30.00%	30.00%	19.97%

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## 13. LONG-TERM INVESTMENTS (continued)

### 13.1 Investments in associates (continued)

Currency: VND

	Ending balance		Beginning balance	
	Carrying value under equity method	Fair value	Carrying value under equity method	Fair value
Imexpharm Corporation (i)	495,444,527,726	1,512,427,593,600	481,234,715,585	1,595,602,624,000
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	28,363,181,618	(*)	124,222,288,290	(*)
Danapha Pharmaceutical Joint Stock Company (i)	206,705,889,889	188,297,678,000	202,300,485,426	171,683,177,000
Central Pharmaceutical Joint Stock Company No.25 (i)	44,195,701,497	37,800,000,000	44,113,745,307	38,556,000,000
Central Pharmaceutical Joint Stock Company No.3 (i)	105,572,533,129	277,646,089,500	114,542,763,511	276,696,872,100
Vietnam Medical Products Import - Export Joint Stock Company	17,405,737,847	(*)	17,076,577,847	(*)
Davina Pharmaceutical Joint Stock Company	-	(*)	-	(*)
Alfresa Codupha Healthcare Vietnam Co., Ltd.	4,188,769,922	(*)	4,384,074,178	(*)
<b>TOTAL</b>	<b>901,876,341,629</b>		<b>987,874,650,144</b>	

(i) The fair values of these investments were determined by reference to the closing prices (either at the end of the reporting period or the most recent transaction date) of the shares listed on Ho Chi Minh City Stock Exchange or Hanoi Stock Exchange or Unlisted Public Company Market (UPCom).

(\*) The Corporation and its subsidiaries were unable to determine the fair value of these investments for disclosure purpose in the consolidated financial statements because market prices of these shares are not available. The fair values of these financial investments may differ from their carrying amounts.

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## 13. LONG-TERM INVESTMENTS (continued)

### 13.1 Investments in associates (continued)

	% ownership	Beginning balance	Share of profit/(loss) during the year	Dividends received	Other	Ending balance
Currency: VND						
Imexpharm Corporation (i)	22.04%	481,234,715,585	14,209,812,141	-	-	495,444,527,726
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	30.00%	124,222,288,290	139,613,328	(74,364,836,225)	(21,633,883,775)	28,363,181,618
Danapha Pharmaceutical Joint Stock Company	26.45%	202,300,485,426	4,405,404,463	-	-	206,705,889,889
Central Pharmaceutical Joint Stock Company No.25	28.43%	44,113,745,307	81,956,190	-	-	44,195,701,497
Central Pharmaceutical Joint Stock Company No.3	22.08%	114,542,763,511	5,268,030,618	(14,238,261,000)	-	105,572,533,129
Vietnam Medical Products Import - Export Joint Stock Company	41.15%	17,076,577,847	329,160,000	-	-	17,405,737,847
Davina Pharmaceutical Joint Stock Company	25.00%	-	-	-	-	-
Alfresa Codupha Healthcare Vietnam Co., Ltd.	19.97%	4,384,074,178	(195,304,256)	-	-	4,188,769,922
<b>TOTAL</b>		<b>987,874,650,144</b>	<b>24,238,672,485</b>	<b>(88,603,097,225)</b>	<b>(21,633,883,775)</b>	<b>901,876,341,629</b>

(\*) In the period, the Corporation recognised a deduction in the cost of investment in Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company due to the receipt of dividends declared from accumulated profit arising before the date that Corporation was transformed to a joint stock company. In addition, as at the date of these consolidated financial statements, the Corporation is co-ordinating with Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company to complete dissolution procedures and to close the operations of this associate in accordance with the prevailing regulations.

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## 3. LONG-TERM INVESTMENTS (continued)

### 13.2 Investments in other entities

Currency: VND

	Ending balance				Beginning balance			
	Equity interest	Cost	Provision	Fair value	Equity interest	Cost	Provision	Fair value
Sanofi Vietnam Joint Stock Company	15.00%	173,000,000,000	-	(*)	15.00%	173,000,000,000	-	(*)
Mekophar Chemical Pharmaceutical Joint Stock Company (i)	18.40%	200,503,651,417	(60,657,948,217)	139,845,703,200	18.40%	200,503,651,417	(65,854,916,917)	134,648,734,500
OPC Pharmaceutical Joint Stock Company (i)	13.41%	139,411,862,876	-	203,058,568,900	13.41%	139,411,862,876	-	214,649,650,000
Pharbaco - Central Pharmaceutical Joint Stock Company No.1 (i)	5.18%	69,305,080,876	(22,925,895,176)	46,379,185,700	5.18%	69,305,080,876	(28,796,678,176)	40,508,402,700
Vidipha Central Pharmaceutical Joint Stock Company (i)	14.36%	75,628,326,988	-	109,949,354,200	14.36%	75,628,326,988	-	117,575,899,000
Vimedimex Medicine and Pharmacy Joint Stock Company (i)	10.23%	46,022,915,860	(19,481,721,460)	26,541,194,400	10.23%	46,022,915,860	(19,955,671,360)	26,067,244,500
National Phytopharma Joint Stock Company No.2 (i)	9.90%	37,739,465,978	-	(*)	9.90%	37,739,465,978	-	(*)
Central Pharmaceutical Joint Stock Company No.2 (i)	6.78%	11,861,708,288	(4,535,798,288)	7,325,910,000	6.78%	11,861,708,288	(4,807,128,288)	7,054,580,000
Mediplantex Central Pharmaceutical Joint Stock Company (i)	11.50%	29,455,746,106	-	37,828,750,000	11.50%	29,455,746,106	-	37,115,000,000
Pharmaceutical Packaging Joint Stock Company (i)	15.00%	11,370,153,435	-	(*)	15.00%	11,370,153,435	-	(*)
Medipharco Pharmaceutical Joint Stock Company (i)	9.10%	9,231,455,589	-	10,177,515,000	9.10%	9,231,455,589	(750,193,089)	8,481,262,500
Vietnam Pharmaceutical Chemical Joint Stock Company	7.76%	5,107,203,820	-	(*)	7.76%	5,107,203,820	-	(*)
Yen Bai Pharmaceutical Joint Stock Company	5.73%	3,466,940,866	-	(*)	5.73%	3,466,940,866	-	(*)
CPC1 Hanoi Pharmaceutical Joint Stock Company (i)	10.75%	27,776,985,675	-	421,333,228,000	10.75%	27,776,985,675	-	365,333,242,000
Ha Tinh Pharmaceutical Joint Stock Company (i)	0.65%	971,029,662	-	2,445,712,500	0.65%	971,029,662	-	1,996,500,000
Tuyen Quang Pharmaceutical and Trading Services Joint Stock Company	0.81%	670,269,026	-	(*)	0.81%	670,269,026	-	(*)
Indochina Urban Development Joint Stock Company	2.53%	6,017,000,000	-	(*)	2.53%	6,017,000,000	-	(*)
Kingdom Indochina Joint Stock Company	2.44%	22,983,000,000	-	(*)	2.44%	22,983,000,000	-	(*)
TV. Pharm Pharmaceutical Joint Stock Company	0.10%	300,659,375	-	(*)	0.10%	300,659,375	-	(*)
<b>TOTAL</b>		<b>870,823,455,837</b>	<b>(107,601,363,141)</b>			<b>870,823,455,837</b>	<b>(120,164,587,830)</b>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**13. LONG-TERM INVESTMENTS** (continued)

**13.2 Investments in other entities** (continued)

(i) The fair values of these investments were determined by reference to the closing prices (either at the end of the reporting period or the most recent transaction date) of the shares listed on Ho Chi Minh City Stock Exchange or Hanoi Stock Exchange or Unlisted Public Company Market (UPCom).

(\*) The Corporation and its subsidiaries have not been able to determine the fair value of these investments for disclosure purposes in the consolidated financial statements because market prices of these shares are not available. The fair values of these financial investments may differ from their carrying amounts.

**14. PREPAID EXPENSES**

	Currency: VND	
	Ending balance	Beginning balance
<b>Short-term</b>		
Office rental costs	1,567,521,831	1,090,909,101
Others short-term prepaid expenses	1,400,750,768	1,861,246,309
<b>TOTAL</b>	<b>2,968,272,599</b>	<b>2,952,155,410</b>
<b>Long-term</b>		
Prepaid land rental	24,678,675,287	24,933,986,855
Tools and supplies	2,020,228,855	1,690,891,004
Others long-term prepaid expenses	3,885,954,253	4,085,605,170
<b>TOTAL</b>	<b>30,584,858,395</b>	<b>30,710,483,029</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

## 15. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

### 15.1 Short-term trade payables

	Ending balance		Beginning balance	
	Currency: VND		Currency: VND	
	Amount	Payable amount	Amount	Payable amount
Trade payables to other parties				
- Hisamitsu Vietnam Pharmaceutical Co., Ltd	264,415,682,161	264,415,682,161	228,034,625,325	228,034,625,325
- Hyphens Pharma Pte. Ltd.	107,226,591,164	107,226,591,164	142,810,055,819	142,810,055,819
- Other suppliers	1,217,877,542,644	1,217,877,542,644	1,177,016,720,169	1,177,016,720,169
Trade payables to related parties (Note 29)	12,514,939,178	12,514,939,178	8,019,810,193	8,019,810,193
<b>TOTAL</b>	<b>1,602,034,755,147</b>	<b>1,602,034,755,147</b>	<b>1,555,881,211,506</b>	<b>1,555,881,211,506</b>

### 15.2 Short-term advances from customers

	Currency: VND	
	Ending balance	Beginning balance
Advances from customers		
- A My Pharmaceutical Company Limited	2,629,725,784	2,072,402,180
- Other customers	22,908,425,588	20,537,878,429
Advances from related parties (Note 29)	-	-
<b>TOTAL</b>	<b>25,538,151,372</b>	<b>22,610,280,609</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 16. STATUTORY OBLIGATIONS

Currency: VND

	Beginning balance		Movement during the period			Ending balance	
	Amount receivables	Amount payables	Amount payables in the period	Amount deducted in the period	Amount paid in the period	Amount receivables	Amount payables
Domestic value added tax	(138,528,103)	324,596,144	75,887,332,402	(74,706,885,901)	(780,773,352)	(183,613,391)	769,354,581
Import value added tax	(860,208,119)	5,386,196	32,941,487,043	-	(32,177,057,534)	(90,392,414)	-
Import/export duties	(65,556,585)	3,137,587	3,261,612,166	-	(3,264,749,753)	(65,556,585)	-
Corporate income tax	(1,269,350,171)	33,472,204,752	8,769,979,183	-	(9,600,428,134)	(1,270,157,785)	32,642,563,415
Personal income tax	(90,506,868)	490,182,033	2,232,342,978	(54,412,371)	(2,728,977,402)	(358,592,399)	207,220,769
Land use tax	-	2,043,978,378	1,908,021,192	-	(1,074,792,544)	-	2,877,207,026
Other fees	(13,031,416)	15,936,931,711	86,803,364	959,351,086	(371,895,377)	(13,733,322)	16,611,892,690
<b>TOTAL</b>	<b>(2,437,181,262)</b>	<b>52,276,416,801</b>	<b>125,087,578,328</b>	<b>(73,801,947,186)</b>	<b>(49,998,674,096)</b>	<b>(1,982,045,896)</b>	<b>53,108,238,481</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended**17. SHORT-TERM ACCRUED EXPENSES**

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Accrued bonus	4,424,000,000	4,479,750,000
Interest expenses	1,356,438,138	952,684,597
Other accruals	4,987,610,769	5,037,205,055
<b>TOTAL</b>	<b>10,768,048,907</b>	<b>10,469,639,652</b>

**18. OTHER SHORT-TERM PAYABLES**

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Payables related to trust import goods	10,710,945,697	11,909,858,335
Deposits and collaterals	304,001,586	479,001,586
Dividend payables	284,694,276	360,688,965
Others	33,357,010,676	8,343,527,768
<b>TOTAL</b>	<b>44,656,652,235</b>	<b>21,093,076,654</b>

**19. BONUS AND WELFARE FUNDS**

Currency: VND

	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Beginning balance	15,147,021,633	9,353,401,594
Increase for the period (Note 21.1)	3,077,434,100	-
Utilisation during the period	(3,027,167,110)	(3,047,358,332)
<b>Ending balance</b>	<b>15,197,288,623</b>	<b>6,306,043,262</b>

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as at 31 March 2025 and for the three-month period then ended

## 20. LOANS

Currency: VND

	Beginning balance		Movement during the period		Ending balance	
	Balance	Payable amount	Increase	Decrease	Balance	Payable amount
<b>Short-term</b>						
Loans from bank	1,195,578,041,738	1,195,578,041,738	812,331,403,756	(781,059,298,325)	1,226,850,147,169	1,226,850,147,169
Loans from individuals	11,538,000,002	11,538,000,002	3,135,000,000	(1,200,000,000)	13,473,000,002	13,473,000,002
Current portion of long-term loans	398,588,612	398,588,612	-	(99,647,153)	298,941,459	298,941,459
<b>TOTAL</b>	<b>1,207,514,630,352</b>	<b>1,207,514,630,352</b>	<b>815,466,403,756</b>	<b>(782,358,945,478)</b>	<b>1,240,622,088,630</b>	<b>1,240,622,088,630</b>
<b>Long-term</b>						
Loans from banks	1,195,765,848	1,195,765,848	-	-	1,195,765,848	1,195,765,848
Loans from others	29,000,000,000	29,000,000,000	-	-	29,000,000,000	29,000,000,000
<b>TOTAL</b>	<b>30,195,765,848</b>	<b>30,195,765,848</b>	<b>-</b>	<b>-</b>	<b>30,195,765,848</b>	<b>30,195,765,848</b>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 21. OWNERS' EQUITY

### 21.1 Increase and decrease in owners' equity

Currency: VND									
	Issued share capital	Other capital	Asset revaluation reserve	Foreign exchange differences reserve	Investment and development fund	Other funds belonging to owners' equity	Undistributed earnings	Non-controlling interests	Total
For the three-month period ended 31 March 2024									
Beginning balance	2,370,000,000,000	57,739,257,171	(388,400,444,386)	(5,896,797,638)	349,450,358,079	982,699,119	546,786,554,260	199,920,761,369	3,130,582,387,974
- Net profit for the year	-	-	-	-	-	-	80,658,200,649	13,762,462,460	94,420,663,109
- Appropriation for investment and development fund	-	-	-	-	16,242,426,370	-	(16,242,426,370)	-	-
- Other increases/decreases	-	-	-	4,020,407,965	-	-	119,166,589	2,018,507,491	6,158,082,045
Ending balance	2,370,000,000,000	57,739,257,171	(388,400,444,386)	(1,876,389,673)	365,692,784,449	982,699,119	611,321,495,128	215,701,731,320	3,231,161,133,128
For the three-month period ended 31 March 2025									
Beginning balance	2,370,000,000,000	57,597,010,408	(388,400,444,386)	(9,010,862)	416,297,582,809	982,723,327	792,862,397,827	260,605,679,757	3,509,935,938,880
- Net profit for the year	-	-	-	-	-	-	72,631,041,507	13,208,247,474	85,839,288,981
- Appropriation for bonus and welfare fund	-	-	-	-	-	-	(3,077,434,100)	-	(3,077,434,100)
- Other increases/decreases	-	-	21,633,883,775	9,010,862	-	-	(21,642,894,637)	-	-
Ending balance	2,370,000,000,000	57,597,010,408	(366,766,560,611)	-	416,297,582,809	982,723,327	840,773,110,597	273,813,927,231	3,592,697,793,761

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**21. OWNERS' EQUITY (continued)**

**21.2 Details of owners' shares capital**

	<i>Unit: Share</i>		
	<i>Ending balance</i>		
	<i>Total</i>	<i>Ordinary shares</i>	<i>Preferred shares</i>
	<i>Total</i>	<i>Ordinary shares</i>	<i>Preferred shares</i>
State capital (*)	154,050,000	154,050,000	-
Other shareholders	82,950,000	82,950,000	-
<b>TOTAL</b>	<b>237,000,000</b>	<b>237,000,000</b>	<b>-</b>

(\*) In accordance with Decision No. 471/TTg – DMDN dated 27 May 2023 of the Prime Minister, the right to represent the State capital ownership in Vietnam Pharmaceutical Corporation - JSC was transferred from the Ministry of Health to State Capital and Investment Corporation (SCIC).

**21.3 Capital transactions with owners and distribution of dividends, profits**

	<i>Currency: VND</i>	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
<b>Contributed capital</b>		
Beginning balance	2,370,000,000,000	2,370,000,000,000
Increase	-	-
Ending balance	<u>2,370,000,000,000</u>	<u>2,370,000,000,000</u>
<b>Dividends declared</b>	-	-
<b>Dividends paid</b>	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**21. OWNERS' EQUITY (continued)**

**21.4 Shares**

	<i>Quantity (Shares)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Authorised share capital</b>	<b>237,000,000</b>	<b>237,000,000</b>
<b>Issued shares</b>		
Ordinary shares	237,000,000	237,000,000
<b>Shares in circulation</b>		
Ordinary shares	237,000,000	237,000,000

The par value of share in circulation during the year is VND 10,000/share (31 December 2024: VND 10,000/share).

**22. OFF BALANCE SHEET ITEMS**

	<i>Ending balance</i>	<i>Beginning balance</i>
1. Foreign Currency:		
- US Dollar (USD)	13,734	14,627
- Euro (EUR)	1,226	1,320
- Baht Thailand (THB)	60,918	62,602
- Kip Laos (LAK)	992,952	990,664
- Hungarian Forint (FT)	20,000	20,000
- Russian Ruble (RUB)	662,000	662,000
2. Import goods held in trust for third parties	43,265,896,730	77,976,162,747

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**23. REVENUE**

**23.1 Revenue from sale of goods and rendering of services**

	Currency: VND	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
<b>Gross revenue</b>	<b>1,243,928,856,148</b>	<b>1,195,975,363,086</b>
<i>In which:</i>		
Sale of goods and merchandises	1,220,179,541,823	1,159,981,315,701
Rendering of services	23,749,314,325	17,337,573,123
Sale of investment properties	-	18,656,474,262
<b>Less</b>	<b>1,011,354,244</b>	<b>1,135,882,298</b>
Sales returns	895,246,205	625,107,467
Sales discount	-	1,049,523
Sale allowances	116,108,039	306,836,754
Other	-	202,888,554
<b>Net revenue</b>	<b><u>1,242,917,501,904</u></b>	<b><u>1,194,839,480,788</u></b>
<i>In which:</i>		
Sales to others	1,242,721,284,770	1,194,171,894,542
Sales to related parties (Note 29)	196,217,134	667,586,246

**23.2 Finance income**

	Currency: VND	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Deposit and bond interest income	12,409,006,642	12,591,303,072
Dividend income	5,307,310,500	6,829,767,000
Foreign exchange gains	11,479,973,123	5,477,560,801
Payment discount	2,109,820,110	3,492,367,526
Interest income on credit sale	429,223,245	959,711,651
Others	2,904,352,319	3,244,908
<b>TOTAL</b>	<b><u>34,639,685,939</u></b>	<b><u>29,353,954,958</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

## 24. COST OF GOODS SOLD AND SERVICES RENDERED

	Currency: VND	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Cost of finished goods and merchandises sold	1,102,576,766,609	1,026,471,571,251
Cost of services rendered	1,302,494,526	-
Cost of investment properties sold	-	12,036,276,582
Provision for obsolete inventories	575,094,787	2,058,499,890
<b>TOTAL</b>	<b>1,104,454,355,922</b>	<b>1,040,566,347,723</b>

## 25. FINANCE EXPENSES

	Currency: VND	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Interest expenses	14,938,190,149	14,033,736,399
Foreign exchange losses	10,538,162,207	8,909,697,486
Reversal of financial investments	(12,563,224,689)	(1,037,561,550)
Others	-	177,519,877
<b>TOTAL</b>	<b>12,913,127,667</b>	<b>22,083,392,212</b>

## 26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	Currency: VND	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
<b>Selling expenses incurred during the period</b>		
Labour costs	31,631,164,577	32,041,660,056
Raw material costs	1,750,400,830	2,775,538,151
Expenses for external services	9,463,400,111	11,048,544,923
Depreciation and amortisation of fixed assets	4,964,516,334	4,826,242,286
Others	12,597,322,731	11,387,404,871
<b>TOTAL</b>	<b>60,406,804,583</b>	<b>62,079,390,287</b>
<b>General and administrative expenses incurred during the period</b>		
Labour costs	9,615,538,687	8,060,687,428
Office equipment	910,291,202	996,694,056
Depreciation and amortisation of fixed assets	1,526,413,803	1,202,626,656
Taxes and fees	2,768,232,803	1,878,163,144
Expenses for external services	4,193,865,706	9,663,218,590
Provision for doubtful debts	(310,836,703)	752,475,014
Others	9,476,010,506	10,718,704,978
<b>TOTAL</b>	<b>28,179,516,004</b>	<b>33,272,569,866</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**27. PRODUCTION AND OPERATING COSTS**

	<i>Currency: VND</i>	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Costs of merchandises sold	1,088,508,672,974	1,026,585,051,845
Raw materials expenses	12,818,423,427	11,205,014,592
Labour costs	42,471,355,209	42,276,097,279
Depreciation and amortisation of fixed assets	7,355,158,397	7,338,764,514
Expenses for external services	15,050,981,339	22,407,739,105
Others	25,534,668,975	26,304,398,304
<b>TOTAL</b>	<b>1,191,739,260,321</b>	<b>1,136,117,065,639</b>

**28. CORPORATE INCOME TAX**

The statutory corporate income tax ("CIT") applicable to the Corporation and its subsidiaries is 20% of taxable income.

Tax returns of the Corporation and its subsidiaries will be subject to examination by the tax authorities. As the application of tax laws and regulations to different types of operations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

**28.1 CIT expenses**

	<i>Currency: VND</i>	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Current CIT expenses	9,729,330,269	11,609,186,420
<b>TOTAL</b>	<b>9,729,330,269</b>	<b>11,609,186,420</b>

**28.2 Current tax**

The current tax payable is based on taxable income for the current period. The taxable income of the Corporation and its subsidiaries for the period differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Corporation and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the consolidated balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

28. CORPORATE INCOME TAX (continued)

28.2 Current tax (continued)

The reconciliation between taxable income and the accounting profit before tax shown in the consolidated income statement is presented below:

	Currency: VND	
	For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
<b>Accounting profit before tax</b>	<b>95,568,619,250</b>	<b>106,029,849,529</b>
<i>Adjustments to increase:</i>		
Expenses without adequate supporting documents	237,337,563	79,539,180
Allowance for non-executive members of the Board of Directors and Supervisory Board	264,000,000	233,000,000
Provision for obsolete inventories	-	203,959,660
Others	360,045,421	1,121,586,711
<i>Các khoản điều chỉnh giảm</i>		
Dividend income	(5,307,310,500)	(6,829,767,000)
Reversal for long-term investments	(12,489,434,489)	(910,105,750)
Others	(146,100,589)	(3,489,322)
Effects of the elimination of intra-group transactions for consolidation purpose	(24,433,976,741)	(39,573,151,958)
Last year's loss carried forward	(5,406,528,574)	(2,305,488,948)
<b>Estimated current taxable income</b>	<b>48,646,651,341</b>	<b>58,045,932,102</b>
<i>In which:</i>		
Income subject to tax rate of 20%	48,646,651,341	58,045,932,102
<b>Estimated current CIT expenses</b>	<b>9,729,330,269</b>	<b>11,609,186,420</b>
Adjustment for under accrual of tax from prior years	-	-
<b>Current CIT expenses</b>	<b>9,729,330,269</b>	<b>11,609,186,420</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**28. CORPORATE INCOME TAX (continued)**

**28.3 Unrecognised deferred tax assets**

***Tax losses carried forward***

The Corporation and its subsidiaries are entitled to carry tax loss forward to offset against taxable income arising within five years subsequent to the year in which the loss was incurred. As at the consolidated balance sheet date, the Corporation and its subsidiaries have aggregated tax losses available for offset against future taxable income. Details are as follows:

*Currency: VND*

<i>Originating year</i>	<i>Can be utilized up to</i>	<i>Tax loss amount</i>	<i>Utilized up to 31 March 2025</i>	<i>Forfeited</i>	<i>Unutilized at 31 March 2025</i>
2020	2025	(29,191,275,856)	8,865,755,070	-	(20,325,520,786)
2022	2027	(88,028,387,898)	-	-	(88,028,387,898)
2023	2028	(3,779,186,948)	-	-	(3,779,186,948)
2024	2029	(5,489,771,247)	-	-	(5,489,771,247)
<b>TOTAL</b>		<b>(126,488,621,949)</b>	<b>8,865,755,070</b>	<b>-</b>	<b>(117,622,866,879)</b>

These are the estimated tax losses as per the corporate income tax declarations of the Corporation and its subsidiaries which have not been audited by the local tax authorities as of the date of these consolidated financial statements.

Deferred tax assets have not been recognised in respect of the above tax losses due to the uncertainty of future taxable profit at this stage.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

## 29. TRANSACTIONS WITH RELATED PARTIES

The list of related parties over which the Corporation and its subsidiaries have control/significant influence and other related parties that have significant transactions with the Corporation and its subsidiaries during the period and as at 31 March 2025 includes:

<i>No.</i>	<i>Related parties</i>	<i>Relationship</i>
1	State Capital Investment Corporation	Shareholder
2	Imexpharm Corporation	Associate
3	Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	Associate
4	Danapha Pharmaceutical Joint Stock Company	Associate
5	No.25 Central Pharmaceutical Joint Stock Company	Associate
6	Central Pharmaceutical Products Joint Stock Company No. 3 ("Foripharma")	Associate
7	Vietnam Medical Products Import - Export Joint Stock Company	Associate
8	Davina Pharmaceutical Joint Stock Company (formerly Danapha – Nanosome Pharmaceutical Joint Stock Company)	Associate
9	OPC Pharmaceutical Joint Stock Company	Entity with a mutual member of Board of Directors
10	Mekophar Chemical – Pharmaceutical Joint Stock Company	Entity with a mutual member of Board of Directors and key management
11	Sanofi Vietnam Joint Stock Company	Entity with a mutual member of Board of Directors
12	Mr. Dinh Xuan Han	Chairman
13	Mr. Tran Duc Hung	Vice Chairman/Member of Audit committee from 25 June 2024
14	Ms. Han Thi Khanh Vinh	Member of BoD/General Director
15	Mr. Do Manh Cuong	Independent member BoD/Chair of Audit committee from 25 June 2024
16	Mr. Tran Van Hai	Member of BoD
17	Ms. Nguyen Thuy Dung	Head of Internal Audit
18	Ms. Nguyen Thi Thuy	Deputy Head of Internal Audit
19	Mr. Phi Ngoc Tu	Member of Internal Audit
20	Ms. Lu Thi Khanh Tran	Chief Accountant

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**29. TRANSACTIONS WITH RELATED PARTIES (continued)**

Significant transactions of the Corporation and its subsidiaries with related parties in current period and previous period were as follows:

		Currency: VND	
		For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
Related party	Transactions		
Danapha Pharmaceutical Joint Stock Company	Revenue from trademark royalties	105,407,191	-
	Revenue from medical testing services	-	508,571,429
Imexpharm Pharmaceutical Joint Stock Company	Dividend received	-	-
	Mua hàng hóa	3,314,416,377	-
Central Pharmaceutical Products Joint Stock Company No. 3	Dividend received	14,238,261,000	14,238,261,000
	Purchase of goods	-	-
	Revenue from trademark royalties	47,308,387	28,179,317
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	Dividend received	95,998,720,000	-
OPC Pharmaceutical Joint Stock Company	Dividend received	-	-
	Purchase of goods	3,733,789,061	1,879,641,805
	Revenue from sale of goods and services	-	87,522,500
	Revenue from trademark royalties	43,501,556	43,313,000

*Terms and conditions of transactions with related parties*

The sales to and purchases from related parties are made based on contractual agreement.

Outstanding balances at 31 March 2025 are unsecured, interest free and will be settled in cash. For the period ended 31 March 2025, the Corporation and its subsidiaries have not made any provision for doubtful debts relating to amounts owed by related parties (as at 31 December 2024: nil). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet dates were as follows:

			Currency: VND
Related party	Transactions	Ending balance	Beginning balance
<b>Other short - term receivables (Note 7)</b>			
Central Pharmaceutical Products Joint Stock Company No. 3	Dividend receivables	14,238,261,000	-
Sanofi-Synthelabo Vietnam Pharmaceutical Shareholding Company	Dividend receivables	95,998,720,000	-
<b>TOTAL</b>		<b>110,236,981,000</b>	<b>-</b>
<b>Short-term trade payables (Note 15.1)</b>			
Vietnam Alfresa Codupha Medical Company Limited	Purchases of goods	875,553,313	986,099,722
Imexpharm Pharmaceutical Joint Stock Company	Purchases of goods	3,480,137,195	-
Danapha Pharmaceutical Joint Stock Company	Purchases of goods	-	2,512,937
OPC Pharmaceutical Joint Stock Company	Purchases of goods	8,159,248,670	6,720,946,735
<b>TOTAL</b>		<b>12,514,939,178</b>	<b>7,709,559,394</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

*Transactions with other related parties*

Allowance and salary to members of the Board of Directors, Management and Chief Accountant during the year:

Name	Position	Currency: VND	
		Salary, remuneration	
		For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
Mr. Dinh Xuan Han	Chairman of BoD	270,000,000	238,500,000
Mr. Tran Duc Hung	Vice Chairman of BoD from 30 June 2023/ Member of Audit committee	45,000,000	30,000,000
Mrs. Han Thi Khanh Vinh	Member of BoD/ General Director	270,000,000	237,000,000
Mr. Do Manh Cuong	Independent member BoD from 23 April 2024/Chair of Audit committee from 25 June 2024	45,000,000	-
Mr. Tran Van Hai	Member of BoD	30,000,000	30,000,000
Mrs. Nguyen Hong Nhung	Member of BoD until 23 April 2024	-	172,500,000
Ms. Pham Thi Xuan Huong	Member of BoD until 23 April 2024	-	30,000,000
Ms. Lu Thi Khanh Tran	Chief Accountant	192,191,761	178,500,000
<b>TOTAL</b>		<b>852,191,761</b>	<b>916,500,000</b>

Salary and operating expenses of the Board of Supervision:

	For the three-month period ended 31 March 2025	For the three-month period ended 31 March 2024
Salary and operating expenses of the Board of Supervisor	-	186,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

**30. EARNINGS PER SHARE**

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

	Currency: VND	
	<i>For the three-month period ended 31 March 2025</i>	<i>For the three-month period ended 31 March 2024</i>
Profit after tax	72,631,041,507	80,658,200,649
Adjustment due to appropriation to bonus and welfare fund	(1,566,541,072)	(3,867,231,331)
<b>Net profit after tax attributable to ordinary shareholders</b>	<b>71,064,500,434</b>	<b>76,790,969,318</b>
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	237,000,000	237,000,000
<b>Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution</b>	<b>237,000,000</b>	<b>237,000,000</b>
<b>Earnings per share</b>		
- Basic	300	324
- Diluted	300	324

Net profit used to compute earnings per share for the period ended 31 March 2025 was also adjusted for the amount of bonus and welfare fund that is expected to be appropriated from the profit for the year 2025 of the Corporation and its subsidiaries.

There are no other common stock transactions or other potential common stock transactions occurring from the reporting date to the date of completion of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 March 2025 and for the three-month period then ended

### 31. COMMITMENTS AND CONTINGENCIES

#### *Operating lease commitment as a lessee*

The Corporation and its subsidiaries currently lease assets under operating lease arrangements. The future minimum lease commitments as at the balance sheet dates under these operating lease agreements are as follows:

	Currency: VND	
	Ending balance	Beginning balance
Under 1 year	21,842,561,773	22,346,811,252
From 1 to 5 years	80,014,677,427	78,574,346,942
Over 5 years	312,929,549,024	291,868,562,959
<b>TOTAL</b>	<b>414,786,788,224</b>	<b>392,789,721,153</b>

#### *Operating lease commitment as a lessor*

The Corporation and its subsidiaries currently let out assets under operating leases arrangements. The future minimum rental receivable as at the balance sheet dates under these operating lease agreements are as follows:

	Currency: VND	
	Ending balance	Beginning balance
Under 1 year	7,111,961,043	8,034,289,326
From 1 to 5 years	12,752,100,497	12,578,879,986
<b>TOTAL</b>	<b>19,864,061,540</b>	<b>20,613,169,312</b>

### 32. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance date that requires adjustment or disclosure in the consolidated financial statements of the Corporation and its subsidiaries.

  
 \_\_\_\_\_  
 Nguyen Thi Hang  
 Preparer

  
 \_\_\_\_\_  
 Lu Thi Khanh Tran  
 Chief Accountant

  
  
 \_\_\_\_\_  
 Han Thi Khanh Vinh  
 General Director

28<sup>th</sup> April 2025