

**TIPHARCO PHARMACEUTICAL JOINT STOCK
COMPANY**

FINANCIAL REPORTS

FOR THE YEAR ENDED 31 DECEMBER 2024



TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

CONTENTS

---- oOo ----

	TABLE OF CONTENTS	PAGE
1.	BALANCE SHEET (Form B 01 - DN)	01 - 04
2.	INCOME STATEMENT (Form B 02 - DN)	05
3.	CASH FLOW STATEMENT (Form B 03 - DN)	06 - 07
4.	NOTES TO THE FINANCIAL STATEMENTS (Form B 09 - DN)	08-29



TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Form B 01 - DN

BALANCE SHEET

ASSETS	Code	Note	As at 31 December	
			2024 VND	2023 VND
CURRENT ASSETS	100		229.500.850.814	195.228.212.179
Cash	110	1	16.360.889.595	10.517.368.916
Cash	111		16.360.889.595	10.517.368.916
Cash equivalents	112		-	-
Short-term investments	120		-	-
Trading securities	121		-	-
Provision for diminution in value of trading securities	122		-	-
Investments held to maturity	123		-	-
Short-term receivables	130		108.504.362.863	53.610.518.731
Short-term trade accounts receivable	131	3	107.875.457.413	54.223.035.035
Short-term prepayments to suppliers	132	4	1.484.740.870	216.942.689
Short-term intercompany receivables	133		-	-
Construction contracts-in-progress receivables	134		-	-
Short-term lending	135		-	-
Other short-term receivables	136	5(a)	98.575.456	46.495.035
Provision for doubtful debts - short-term	137	6	(954.410.876)	(875.954.028)
Shortage of assets awaiting resolution	139		-	-
Inventories	140		104.450.741.473	130.626.634.099
Inventories	141	7	105.244.836.291	134.317.577.898
Provision for decline in value of inventories	149	7	(794.094.818)	(3.690.943.799)
Other current assets	150		184.856.883	473.690.433
Short-term prepaid expenses	151	8(a)	184.856.883	473.690.433
Value added tax to be reclaimed	152		-	-
Tax and other receivables from the State	153		-	-
Government bonds under repurchase agreement	154		-	-
Other current assets	155		-	-

TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Form B 01 - DN

BALANCE SHEET

ASSETS	Code	Note	As at 31 December	
			2024 VND	2023 VND
LONG-TERM ASSETS	200		107.328.943.801	111.181.114.891
Long-term receivable	210		305.895.000	252.030.000
Long-term trade accounts receivable	211		-	-
Long-term prepayments to suppliers	212		-	-
Capital provided to dependent units	213		-	-
Long-term intercompany receivables	214		-	-
Long-term lending	215		-	-
Other long-term receivables	216	5(b)	305.895.000	252.030.000
Provision for doubtful debts – long term	219	6	-	-
Fixed assets	220		97.526.831.759	87.323.422.367
Tangible fixed assets	221	9(a)	96.976.831.759	86.773.422.367
<i>Historical cost</i>	222		202.174.138.982	184.120.251.888
<i>Accumulated depreciation</i>	223		(105.197.307.223)	(97.346.829.521)
Finance lease fixed assets	224		-	-
<i>Historical cost</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
Intangible fixed assets	227	9(b)	550.000.000	550.000.000
<i>Historical cost</i>	228		550.000.000	550.000.000
<i>Accumulated amortisation</i>	229		-	-
Investment properties	230		-	-
<i>Historical cost</i>	231		-	-
<i>Accumulated depreciation</i>	232		-	-
Long-term asset in progress	240		-	9.454.190.875
Long-term work in progress	241		-	-
Construction in progress	242	10	-	9.454.190.875
Long-term investments	250		-	5.216.296.058
Investment in subsidiary	251	2	-	6.500.000.000
Investments in associates, joint ventures	252		-	-
Investments in other entities	253		-	-
Provision for long-term investment	254	2	-	(1.283.703.942)
Investments held to maturity	255		-	-
Other long-term assets	260		9.496.217.042	8.935.175.591
Long-term prepaid expenses	261	8(b)	8.897.014.237	7.734.494.359
Deferred income tax assets	262	28	599.202.805	1.200.681.232
Long-term substituted equipment, supplies and spare parts	263		-	-
Other long-term assets	268		-	-
TOTAL ASSETS	270		336.829.794.615	306.409.327.070

TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Form B 01 - DN

BALANCE SHEET

RESOURCES	Code	Note	As at 31 December	
			2024 VND	2023 VND
LIABILITIES	300		150.771.731.509	143.488.607.769
Short-term liabilities	310		150.044.223.176	142.761.099.436
Short-term trade accounts payable	311	11	18.976.823.385	24.417.001.068
Short-term advances from customers	312	12	5.448.623.515	6.062.328.650
Tax and other payables to the State	313	13	4.846.444.496	2.139.508.309
Payable to employees	314	14(a)	5.544.489.515	6.207.329.287
Short-term accrued expenses	315	14(b)	903.909.836	1.171.014.316
Short-term intercompany payables	316		-	-
Construction contracts-in-progress payables	317		-	-
Short-term unearned revenue	318		-	-
Other short-term payables	319	15	2.771.295.600	2.093.846.225
Short-term borrowings	320	16	111.292.692.176	100.410.126.928
Provision for short-term liabilities	321		-	-
Bonus and welfare fund	322		259.944.653	259.944.653
Price stabilisation funds	323		-	-
Government bonds under repurchase agreement	324		-	-
Long-term liabilities	330		727.508.333	727.508.333
Long-term trade accounts payable	331		-	-
Long-term advances from customers	332		-	-
Long-term accrued expenses	333		-	-
Intercompany payables on capital contribution	334		-	-
Long-term intercompany payables	335		-	-
Long-term unearned revenue	336		-	-
Other long-term payables	337		-	-
Long-term borrowings	338		-	-
Convertible bonds	339		-	-
Preference shares	340		-	-
Deferred income tax liabilities	341		-	-
Provision for long-term liabilities	342	17	727.508.333	727.508.333
Fund for science and technology development	343		-	-

TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Form B 01 - DN

BALANCE SHEET

RESOURCES	Code	Note	As at 31 December	
			2024 VND	2023 VND
OWNER'S EQUITY	400		186.058.063.106	162.920.719.301
Capital and reserves	410		186.058.063.106	162.920.719.301
Owner's capital	411	18	83.525.730.000	72.632.100.000
- Ordinary shares with voting rights	411a		83.525.730.000	72.632.100.000
- Preference shares	411b		-	-
Share premium	412	19	33.634.115.000	33.634.115.000
Share conversion options on convertible bonds	413		-	-
Owners' other capital	414		-	-
Treasury shares	415		-	-
Differences upon asset revaluation	416		-	-
Foreign exchange differences	417		-	-
Investment and development fund	418	19	19.313.275.717	19.313.275.717
Enterprise reorganisation assistance fund	419		-	-
Other funds	420		-	-
Undistributed earnings	421	19	49.584.942.389	37.341.228.584
- Undistributed post-tax profits of previous years	421a		26.447.598.584	6.451.301.715
- Post-tax profits of current year	421b		23.137.343.805	30.889.926.869
Capital expenditure fund	422		-	-
Budget sources and other funds	430		-	-
Budget sources	431		-	-
Funds that form fixed assets	432		-	-
TOTAL RESOURCES	440		336.829.794.615	306.409.327.070

Tien Giang, January 17, 2025

Prepared

Pham Thi Thu Lanh

Chief Accountant

Le Thi My Tien

General Director



Le Thanh Tung

INCOME STATEMENT

ITEMS	Code	Note	QUARTER 4		Year ended 31 December	
			2024 VND	2023 VND	2024 VND	2023 VND
Revenue from sales of goods	01		150.998.636.853	128.250.941.601	367.489.387.265	363.265.650.193
Less deductions	02		2.588.760.403	2.057.876.157	3.357.778.918	4.875.639.322
Net revenue from sales of goods	10	21	148.409.876.450	126.193.065.444	364.131.608.347	358.390.010.871
Cost of goods sold	11	22	117.895.141.412	101.548.664.105	286.241.372.254	279.722.940.615
Gross profit from sales of goods	20		30.514.735.038	24.644.401.339	77.890.236.093	78.667.070.256
Financial income	21	23	53.150.227	52.776.411	311.574.942	82.998.687
Financial expenses	22	24	1.943.673.695	2.394.096.124	6.030.167.712	8.193.234.275
- Including: Interest expense	23		1.821.045.637	1.684.192.754	6.828.882.726	6.526.056.351
Selling expenses	25	25	3.748.433.785	(897.379.626)	12.337.045.509	7.675.575.524
General and administration expenses	26	26	11.697.450.311	6.828.582.439	31.249.093.558	25.844.684.643
Net operating profit	30		13.178.327.474	16.371.878.813	28.585.504.256	37.036.574.501
Other income	31		146.702.313	63.734.154	473.512.806	761.839.187
Other expenses	32		7.150.000	118.389.972	31.460.909	121.150.278
Net other income	40	27	139.552.313	(54.655.818)	442.051.897	640.688.909
Accounting profit before tax	50		13.317.879.787	16.317.222.995	29.027.556.153	37.677.263.410
Corporate income tax ("CIT") - current	51	28	2.982.275.031	3.809.920.433	5.288.733.921	7.316.481.580
CIT - deferred	52	28	190.313.393	(373.050.339)	601.478.427	(529.145.039)
Net profit after tax	60		10.145.291.363	12.880.352.901	23.137.343.805	30.889.926.869
Basic earnings per share	70	19(a)	1.215	1.773	2.770	4.253
Diluted earnings per share	71	19(b)	1.215	1.773	2.770	4.253

Prepared

Pham Thi Thu Lanh

Chief Accountant

Le Thi My Tien

Tien Giang, January 17, 2025

General Director



Le Thanh Tung

CASH FLOW STATEMENT*(Indirect method)*

ITEMS	Code	Note	Year ended 31 December	
			2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit before tax	01		29.027.556.153	37.677.263.410
Adjustments for:				
Depreciation and amortisation	02	29	11.058.783.288	10.682.395.309
Provisions	03		(4.102.096.075)	1.295.576.094
Unrealised foreign exchange (gains)/losses	04		11.415.677	(13.887.058)
Profits from investing activities	05		(139.063.958)	(23.464.305)
Interest expense	06	24	6.828.882.726	6.526.056.351
Other adjustments	07		-	-
Operating profit before changes in working capital	08		42.685.477.811	56.143.939.801
(Increase)/decrease in receivables	09		(55.026.165.980)	(38.741.489.766)
Increase in inventories	10		29.072.741.607	(3.195.812.129)
(Decrease)/increase in payables (Other than loan interests, income tax)	11		3.332.594.686	(5.870.379.762)
(Increase)/decrease in prepaid expenses	12		(873.686.328)	(1.078.844.831)
(Increase)/decrease in securities held for trading	13		-	-
Interest paid	14		(6.828.882.726)	(6.526.056.351)
CIT paid	15	13	(3.692.221.345)	(7.560.590.306)
Other receipts from operating activities	16		-	129.834.668
Other payments on operating activities	17		-	(489.834.668)
Net cash (outflows)/inflows from operating activities	20		8.669.857.725	(7.189.233.344)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of fixed assets and other long-term assets	21		(20.330.263.950)	(16.514.778.127)
Proceeds from disposals of fixed assets and other long-term assets	22		123.971.050	-
Loans granted, purchases of debt instruments of other entities	23		-	-
Collection of loans, proceeds from sales of debt instruments of other entities	24		-	-
Investments in other entities	25		-	(1.500.000.000)
Proceeds from divestment in other entities	26		6.500.000.000	-
Interest received	27		15.092.908	23.464.305
Net cash outflows for investing activities	30		(13.691.199.992)	(17.991.313.822)

CASH FLOW STATEMENT*(Indirect method)*

ITEMS	Code	Note	Year ended 31 December	
			2024 VND	2023 VND
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from capital contribution	31		-	-
Payments for share returns and repurchases	32		-	-
Proceeds from borrowings	33	16	254.530.427.431	270.273.845.156
Repayments of borrowings	34	16	(243.647.862.183)	(247.812.333.288)
Finance lease principal repayments	35		-	-
Dividends paid	36		(6.286.625)	(3.010.793.212)
Net cash inflows/(outflows) from financing activities	40		10.876.278.623	19.450.718.656
Net (decrease)/increase in cash	50		5.854.936.356	(5.729.828.510)
Cash at beginning of period	60	1	10.517.368.916	16.233.310.368
Effect of foreign exchange differences	61		(11.415.677)	13.887.058
Cash at end of period	70	1	16.360.889.595	10.517.368.916

Prepared

Pham Thi Thu Lanh

Chief Accountant

Le Thi My Tien



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

I. BUSINESS HIGHLIGHTS

1. Establishment

Tipharco Pharmaceutical Joint Stock Company (referred to as "the Company") is a joint-stock company operating under the Enterprise Registration Certificate No. 1200100557, initially registered on February 28, 2006, issued by the Department of Planning and Investment of Tien Giang Province. The 22st amended Enterprise Registration Certificate was issued on July 16, 2024.

Structure of ownership: Joint Stock Company.

English name: TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Short name: TIPHARCO

Stock code: DTG (HNX)

Head office: Lot 08, 09 Tan My Chanh Industrial and Handicraft Cluster, Ward 9, My Tho City, Tien Giang Province, Vietnam.

2. Business sector

Pharmaceutical production.

3. Principal activities

Manufacturing of pharmaceuticals, chemicals, and medicinal materials

Details:

- Manufacturing of pharmaceuticals.
- Manufacturing of chemicals and medicinal materials.
- Manufacturing of plant products for medicinal purposes.

4. The normal business cycle of the Company is within 12 months.

5. Operations in the fiscal year affecting the financial statements: Not applicable.

6. Total employees to December 31, 2024: 265 employees. (Total employees to December 31, 2023: 250 employees)

II. ACCOUNTING PERIOD AND REPORTING CURRENCY

1. Fiscal year

The fiscal year is begun on January 01 and ended December 31 annually.

2. Reporting currency

Vietnam Dong (VND) is used as a currency unit for accounting records.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024***Unit: VND***III. ADOPTION OF ACCOUNTING STANDARDS AND POLICIES****1. Applicable Accounting System:**

The Company applies Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC dated March 21, 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

2. Disclosure of compliance with Vietnamese Accounting Standards and the Vietnamese Accounting System:

The Board of General Directors ensures compliance with the requirements of Vietnamese Accounting Standards and Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC dated March 21, 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC as well as circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

IV. APPLICABLE ACCOUNTING POLICIES**1. Bases for preparing financial statements**

Financial statements are prepared on the basis of accrual accounting (except for information related to cash flows).

2. Transactions in foreign currencies

Transactions arising in foreign currencies are converted at the exchange rate at the date of the transaction. The balance of monetary items denominated in foreign currencies at the end of the accounting period are converted at the exchange rate on that date.

Exchange rate differences arising during the period from transactions in foreign currencies are recorded in financial income or financial expenses. Exchange rate differences due to revaluation of monetary items denominated in foreign currencies at the end of the fiscal year after clearing the increase and decrease difference are recorded in financial income or financial expenses.

3. Principles for recording cash and cash equivalents

The money includes cash, demand and term bank deposits, money in transit and monetary gold.

Cash equivalents are short-term investments with a redemption period or maturity of no more than 3 months from the date of purchase, easily convertible into a specified amount of cash and do not have much risk in conversion into money.

4. Principles for recording trade receivables and other

Receivables are presented at book value less provisions for doubtful debts.

The classification of receivables is carried out according to the following principles:

- **Receivables from customers** reflect commercial receivables arising from purchase-sale transactions between the Company and the buyer who is an independent unit of the Company, including amounts Receivable proceeds from sale.
- **Other receivables** reflect non-commercial receivables, not related to purchase and sale transactions

Provision for bad debts is made for each bad debt based on the overdue age of the debts or the expected level of loss that may occur, specifically as follows:

- For overdue receivables: the enterprise estimates the impaired value that is inherently difficult to recover and makes provisions according to current regulations.
- For receivables that are not overdue but are unlikely to be recovered: base on the expected level of loss to set up provisions.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024***Unit: VND***5. Principles for recording inventories**

Inventories are recorded at the lower of cost and net realizable value.

The original cost of inventory is determined as follows:

- **Raw materials and goods:** includes purchasing costs and other directly related costs incurred to bring inventory to its current location and condition.

- **Finished products:** includes raw material costs, direct labor and related manufacturing overhead costs that are further allocated based on normal operating levels/land use rights costs, direct costs and related general costs incurred during the investment and construction process of real estate products.

- **Cost of production and works in progress:** only includes the cost of main raw materials (or other appropriate cost elements).

Method of calculating inventories' value: According to specific price.

Method of accounting for the inventories: Perpetual method.

Method for setting up provisions for devaluation of inventory: Provision for devaluation of inventory is established for each inventory item whose original price is greater than its net realizable value. Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to consume them.

Increases and decreases in the balances of provision for devaluation of inventory that need to be appropriated at the end of the fiscal year are recorded in cost of goods sold.

6. Principles for recording fixed assets**6.1 Principles for recording tangible fixed assets:**

Tangible fixed assets are stated at original cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred beyond their originally assessed standard of performance are capitalised as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

Determination of original costs of tangible fixed assets:

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalisation price of the construction project, other relevant fees plus (+) registration fee (if any).

Fixed assets which are buildings, structures attached to land use right, the value of land use right is computed separately and recorded as intangible fixed assets.

6.2 Principles for recording intangible fixed assets:

Intangible fixed assets are stated at cost less accumulated amortization. The original cost of an intangible fixed asset comprises all costs of owning the asset to the date it is put into operation as expected.

Principles for recording intangible fixed assets:

Land use rights

Land use rights are all actual expenses the Company has paid that are directly related to used land, including: money spent to have land use rights, costs for compensation and site clearance, site leveling, registration fees, etc. When land use rights are purchased along with houses and architectural objects on the land, the value of land use rights is determined separately and recorded as intangible fixed assets.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

6.3 Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

The estimated useful life for assets is as follows:

<i>Buildings and structures</i>	<i>6 - 50 years</i>
<i>Machinery and equipment</i>	<i>2 - 15 years</i>
<i>Transportation and facilities</i>	<i>5 - 25 years</i>

Land use rights which are granted for an indefinite term are carried at cost and not amortised.

7. Principles for recording construction in progress

Construction in progress costs reflect costs (including interest costs) directly related, in accordance with the Company's accounting policies, to assets under construction, machinery and equipment being installed to serve production, lease and management purposes as well as costs related to ongoing repairs of fixed assets. These assets are recorded at cost and are not depreciated.

These costs are capitalised as an additional cost of asset when the works have been completed. After the works have been finalized, the asset will be handed over and put into use.

8. Principles for recording prepaid expenses

Prepaid expenses at the Company include actual expenses that have been incurred but are related to business results of many accounting periods. Method of allocating prepaid expenses: The calculating and allocating of prepaid expenses to business operating expenses of each period are according to the straight-line method.

The company's prepaid expenses include the following expenses:

Tools and supplies: Tools and supplies already put into use are allocated to expenses according to the straight-line method with an allocation period of no more than 36 months.

Prepaid land rental: Prepaid land rent represents the land rental paid for the land the Company is using. Prepaid land rental is allocated to expenses according to the straight-line method corresponding to the rental period 40 years.

9. Operating lease assets

A lease is classified as an operating lease if the majority of the risks and rewards incidental to ownership of the asset belong to the lessor. Operating lease costs are reflected in expenses using the straight-line method throughout the lease term, regardless of the rental payment method.

10. Principle of recording payables

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

The classification of payables as payables to sellers, payable expenses, internal payables and other payables is done according to the following principles:

- Trade payables reflect trade payables arising from purchases of goods, services, assets and the seller is an independent unit of the Company, including payables upon import through the trustee.
- Other payables reflect non-commercial payables, not related to transactions of buying, selling or providing with goods and services.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

11. Principle of recording borrowings and financial lease liabilities

The value of borrowings recorded is the total amount borrowed from banks, organizations, financial companies and other entities (excluding loans by bond issuance or preferred stock issuance with provisions that require the issuer to repurchase at a certain time in the future).

Finance lease liabilities are recognized at the total amount payable, measured at the present value of the minimum lease payments or the fair value of the leased asset.

Borrowings and financial lease liabilities are tracked in detail by each loan object, debtor, each borrowing contract and each type of borrowing asset.

12. Principle of recording accrued expenses

Accrued expenses reflect amounts payable for goods and services received from the seller or provided to the buyer but not yet paid due to lack of invoices or insufficient records, accounting documents and amounts payable to employees in terms of vacation wages, production and business expenses that must be deducted in advance.

13. Principle of recording provision for payables

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and settlement of the obligation is likely to result in the economic benefits and value of the obligation can be estimated reliably.

If the effect of time is material, provisions will be determined by discounting future payments to settle debt obligations at a pre-tax discount rate that reflects current assessments on market in terms of the time value of money and the specific risks of that debt. The increase in provisions due to the passage of time is recognized as a financial expense.

The Company's payable provisions include:

Severance allowance provision: The Company must pay severance allowance to employees who work regularly at the Company for 12 months or more for the period of time not participating in unemployment insurance when they terminate the labor contract. Severance allowance provision is made at a level equal to 1/2 month's salary plus salary allowance (if any) of the average of the six most recent months up to the time of preparing the Financial Statements for 1 year of employment. Increases and decreases in severance allowance provision balance that need to be appropriated at the end of the fiscal year are recorded in corporate management expenses.

14. Principles for recording owner's Equity

Principles for recording owner's Paid-in Capital

Owner's contributed capital is recorded according to the actual amount of capital contributed by shareholders and is reflected at the par value of the shares.

Share premium: Share premium is recorded according to the difference between the issue price and par value of shares, the difference between the re-issue price and book value of treasury shares.

Principles for recording undistributed earnings

Profit after corporate income tax is distributed to shareholders after setting up funds according to the Charter of the Company as well as the provisions of law and approved by the General Meeting of Shareholders.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024***Unit: VND***15. Principles and methods of recording revenue and other income****15.1 Revenue from goods sold**

Sales revenue is recognized when the following five (5) conditions are simultaneously met: 1. The enterprise has transferred most of the risks and benefits associated with ownership of the product or goods to the buyer; 2. The enterprise no longer holds the right to manage the goods as the owner of the goods or the right to control the goods; 3. Revenue is measured with relative certainty. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist and the buyer is not entitled to return the products and goods (except in cases where customers have the right to return goods in the form of exchange for other goods or services); 4. The enterprise receives or will receive economic benefits from the sales transaction; 5. Costs related to sales transactions can be identified.

15.2 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as deduction of revenue of that year.

Sales deductions for sales of products, goods or rendering of services which are sold in the year but are incurred after the separate balance sheet date but before the issuance of the separate financial statements are recorded as deduction of revenue of the year.

16. Principles and method of recording cost of goods sold

Cost of goods sold is the cost of products, goods, services; expenses related to trading the investment properties, cost of production of construction products (for construction enterprises) sold during the period and other expenses recorded in the cost of goods sold or recorded a decrease in the cost of goods sold in reporting period. The cost of goods sold is recorded at the date the transaction incurs or likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on conformity principles. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent principle.

17. Principles and method of recording financial expenses

Financial expenses include: Costs or losses related to financial investment activities, lending and borrowing costs, joint venture and associate capital contribution costs, short-term securities transfer losses, transaction costs for selling securities; Provisions for financial investment devaluation, losses incurred from foreign currency sales, exchange rate losses, and other financial expenses.

Financial expenses are recorded in details by their content and determined reliably when there are sufficient evidences on these expenses.

18. Principles of accounting for sales costs

Selling expenses represent expenses incurred in the process of selling products and goods.

19. Principles of accounting for business management costs

General and administration expenses represent expenses incurred for administrative purposes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

20. Principles and methods of recording current taxes and deferred taxes

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

Current income tax is a tax calculated based on taxable income. Taxable income differs from accounting profit due to adjustment of temporary differences between tax and accounting, non-deductible expenses as well as adjustment of non-taxable income and transferred losses.

Deferred income tax is the corporate income tax that will be payable or refunded due to the temporary difference between the book value of assets and liabilities for the purpose of preparing financial statements and tax basis. income. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized only when it is probable that taxable profits will be available in the future against which these deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or the entire deferred tax asset is used. Previously unrecognized deferred corporate income tax assets are reassessed at the balance sheet date and are recognized when it is certainty that sufficient taxable profit will be available against which the income tax assets can be utilized.

Tax rates of deferred income tax assets and deferred income tax liabilities are determined at the tax rates expected to be applied in the year the asset is recovered or the liability is settled based on the effective tax rates at the end of the financial year. Deferred income tax is recorded in the income statement and recorded directly in equity only when the tax relates to items recorded directly in equity.

21. Segment reporting

A segment is a component which can be separated by the Company engaged in sales of goods ("business segment"), or sales of goods within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company's business segment or the Company's geographical segment.

22. Related parties

According to accounting standard No. 26 - Information about related parties at the company is as follows:

- (i) Enterprises that control, or are controlled directly or indirectly through one or more intermediaries, or are under joint control with the reporting enterprise (including parent companies, subsidiaries, subsidiaries of the same group);
- (iii) Individuals with direct or indirect voting rights in reporting enterprises that lead to significant influence over these enterprises, including close family members of these individuals. Close family members of an individual are those who can control or be controlled by that person when dealing with a business such as: Father, mother, spouses, children, siblings;
- (iv) Key management employees have the rights and responsibilities for planning, managing and controlling the activities of the reporting enterprise, including leaders and management staff of the company and close family members of these individuals;
- (v) Enterprises where the individuals mentioned in case (iii) or case (iv) of Section 1.3 of this article directly or indirectly hold an important part of the voting rights or through this, that person can have a significant impact on the business. This includes businesses that are owned by the directors or major shareholders of the reporting enterprise and businesses that share a key member of management with the reporting enterprise.

In considering each relationship between related parties, it is necessary to pay attention to the nature of the relationship, not just the legal form of those relationships.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

1 CASH

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Cash on hand	247.299.879	1.100.691.751
Demand deposits	16.113.589.716	9.416.677.165
	<u>16.360.889.595</u>	<u>10.517.368.916</u>

2 INVESTMENT IN SUBSIDIARY

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Tesla Pharmaceutical Joint Stock Company	-	6.500.000.000
Provision	-	(1.283.703.942)

3 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Pegasus Pharmaceutical Company Limited	27.704.660.490	-
HB Pharma Joint Stock Company	5.538.745.424	10.834.627.561
FPT Long Chau Pharma Joint Stock Company	5.483.021.600	-
Windi Pharmaceutical Company Limited	6.300.000.000	-
Onlpharma Pharmaceutical Company Limited	5.473.917.851	2.204.530.757
Others	57.375.112.048	41.183.876.717
	<u>107.875.457.413</u>	<u>54.223.035.035</u>

4 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Roshn Technology New Material (Zhengyang) Co., Ltd.	500.799.600	-
Ho Chi Minh City Drug Testing Institute	306.500.000	-
Saticus Science and Technology Company Limited	206.937.500	-
VN TND Technical Joint Stock Company	188.853.770	-
Others	281.650.000	216.942.689
	<u>1.484.740.870</u>	<u>216.942.689</u>

5 OTHER RECEIVABLES

(a) Short term

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Advances	15.000.000	28.409.035
Deposits	83.575.456	18.086.000
	<u>98.575.456</u>	<u>46.495.035</u>

(b) Long term

+ <i>Magnolia Investment Corporation (Note 32(b))</i>	305.145.000	251.280.000
+ <i>Others</i>	750.000	750.000
Deposits	<u>305.895.000</u>	<u>252.030.000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

6 PROVISION FOR DOUBTFUL DEBTS SHORT-TERM

	<i>Dec.31, 2024</i>		
	Cost	Recoverable amount	Provision
Chau Thanh District Medical Center - Kien Giang	188.648.841	96.979.421	91.669.421
District 10 Medical Center	171.191.755	-	171.191.755
Gia Rai Town Medical Center	169.922.922	104.429.097	65.493.825
Others	1.800.706.482	1.174.650.606	626.055.876
Receivables that were past due	<u>2.330.470.000</u>	<u>1.376.059.124</u>	<u>954.410.876</u>
	<i>Dec.31, 2023</i>		
	Cost	Recoverable amount	Provision
Ben Cat Town Medical Center	339.149.999	169.574.999	169.575.000
Hospital 30-4 Ho Chi Minh City	287.412.203	99.900.640	187.511.563
Binh Thanh District Hospital Ho Chi Minh City	275.354.100	137.677.050	137.677.050
Dak Glong District Medical Center	222.709.713	31.318.553	191.391.160
District 10 Medical Center	171.191.755	-	171.191.755
Others	61.535.000	42.927.500	18.607.500
Receivables that were past due	<u>1.357.352.770</u>	<u>481.398.742</u>	<u>875.954.028</u>

7 INVENTORIES

	<i>Dec.31, 2024</i>		<i>Dec.31, 2023</i>	
	Cost	Provision	Cost	Provision
Raw materials	36.511.980.260	(423.660.958)	65.657.717.431	(718.338.992)
Works in progress	2.880.022.521	-	863.802.559	-
Finished goods	65.427.813.210	(370.433.860)	65.954.619.610	(2.972.604.807)
Merchandise	425.020.300	-	1.841.438.298	-
	<u>105.244.836.291</u>	<u>(794.094.818)</u>	<u>134.317.577.898</u>	<u>(3.690.943.799)</u>

8 PREPAID EXPENSES

	<i>Dec.31, 2024</i>		<i>Dec.31, 2023</i>	
	Cost	Provision	Cost	Provision
a) Short-term prepaid expenses				
Fire insurance expenses			27.541.693	26.190.433
Software			112.922.690	-
Others			44.392.500	447.500.000
			<u>184.856.883</u>	<u>473.690.433</u>
b) Long-term prepaid expenses				
Land lease expense (*)			6.491.733.990	6.686.974.110
Renovation expense			1.465.767.210	441.668.808
Others			939.513.037	605.851.441
			<u>8.897.014.237</u>	<u>7.734.494.359</u>

(*) The balance represents prepaid land lease payments for plots 08 and 09, Tan My Chanh Industrial Cluster, My Tho City, Tien Giang Province. The lease term is 43 years, commencing on April 24, 2015, and expiring on April 2, 2058.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Unit: VND

9 FIXED ASSETS**(a) Tangible fixed assets**

Items	Buildings & structures	Machinery & equipment	Transportation and transmission instruments	Total
Original cost				
Opening balance	48.071.518.736	93.141.902.846	42.906.830.306	184.120.251.888
New purchases	1.864.000.000	989.357.670	332.555.205	3.185.912.875
Transfers from construction in progress	2.668.205.837	3.165.107.955	12.242.966.013	18.076.279.805
Disposal, sale	-	(153.281.200)	(3.055.024.386)	(3.208.305.586)
Closing balance	52.603.724.573	97.143.087.271	52.427.327.138	202.174.138.982
Accumulated depreciation				
Opening balance	12.450.227.586	62.870.560.919	22.026.041.016	97.346.829.521
Charge for the year	1.294.229.314	7.037.785.917	2.726.768.057	11.058.783.288
Disposal, sale	-	(153.281.200)	(3.055.024.386)	(3.208.305.586)
Closing balance	13.744.456.900	69.755.065.636	21.697.784.687	105.197.307.223
Net book value				
Opening balance	35.621.291.150	30.271.341.927	20.880.789.290	86.773.422.367
Closing balance	38.859.267.673	27.388.021.635	30.729.542.451	96.976.831.759

As at 31 December 2024, tangible fixed assets with a carrying value of VND58.216.709.814 (as at 31 December 2023: VND63.799.580.498) were pledged as collaterals or mortgaged assets for the borrowings granted to the Company (Note 16).

The historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2024 was VND48.137.363.047 (as at 31 December 2023: VND33.511.976.233).

(b) Intangible fixed assets

As at 31 December 2024 and 31 December 2023, the balance of intangible fixed assets is the value of land use rights at Thu Khoa Huan Street, Ward 5, Go Cong Town, Tien Giang Province, which is indefinite and not amortised.

TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Unit: VND

10 CONSTRUCTION IN PROGRESS

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Factory upgrading	-	6.926.934.000
Machinery is being installed	-	2.527.256.875
	<u>-</u>	<u>9.454.190.875</u>

11 SHORT-TERM TRADE ACCOUNTS PAYABLE

	Dec.31, 2024		Dec.31, 2023	
	Value	Able-to-pay amount	Value	Able-to-pay amount
Phuc Dan International Pharmaceutical Trading Joint Stock Company	3.800.767.442	3.800.767.442	2.221.447.384	2.221.447.384
Multipack Company Limited	2.081.751.705	2.081.751.705	2.464.023.083	2.464.023.083
Others	13.094.304.238	13.094.304.238	19.731.530.601	19.731.530.601
	<u>18.976.823.385</u>	<u>18.976.823.385</u>	<u>24.417.001.068</u>	<u>24.417.001.068</u>

12 SHORT-TERM ADVANCES FROM CUSTOMERS

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Anpha Pharma Company Limited	1.434.219.458	2.976.585.108
Hiep Thuan Thanh Pharmaceutical Company Limited	624.063.856	877.156.859
Vian Pharmaceutical Joint Stock Company	569.624.235	253.531.887
Others	2.820.715.966	1.955.054.796
	<u>5.448.623.515</u>	<u>6.062.328.650</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Unit: VND

13 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

	As at 1.1.2024	Amount receivable/payable during the period	Amount actually collected/paid during the period	As at 31.12.2024
Phải nộp				
VAT output	653.778.851	1.965.411.089	(885.722.754)	1.733.467.186
VAT on importation	-	4.943.718.698	(4.943.718.698)	-
Personal income tax	99.967.003	1.553.740.640	(1.523.005.364)	130.702.279
CIT - current	1.385.762.455	5.288.733.921	(3.692.221.345)	2.982.275.031
Others	-	258.530.454	(258.530.454)	-
	<u>2.139.508.309</u>	<u>14.010.134.802</u>	<u>(11.303.198.615)</u>	<u>4.846.444.496</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Unit: VND

14 ACCRUED EXPENSES**(a) Payables To Employees**

At September 31, 2024, the balance represents the salary payable for September 2024.

(b) Short-Term Accrued Expenses	Dec.31, 2024	Dec.31, 2023
Accrued allowance for the Board of Directors	420.000.000	429.000.000
Outside services expenses	100.000.000	355.000.000
Others	383.909.836	387.014.316
	<u>903.909.836</u>	<u>1.171.014.316</u>

15 OTHER SHORT-TERM PAYABLES

	Dec.31, 2024	Dec.31, 2023
<i>Circa Pharmacy LLC</i>	1.200.000.000	-
<i>Nam Hung Pharmaceutical Service Trading Company</i>	400.000.000	-
<i>Hung Thinh International Trading Development Company Limited</i>	303.046.290	303.046.290
<i>Nguyen Duong Trading Pharmacy Co., Ltd</i>	250.000.000	250.000.000
<i>Anh Dung Pharmaceutical Company.Co Ltd</i>	200.000.000	-
<i>Onlpharma Pharmaceutical Company Limited</i>	100.000.000	100.000.000
<i>Other deposits</i>	223.583.222	1.343.583.222
Others	94.666.088	97.216.713
	<u>2.771.295.600</u>	<u>2.093.846.225</u>

TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Unit: VND

16 BORROWINGS

Short-term

	As at 1.1.2024	New drawdown	Repayments	As at 31.12.2024
Joint Stock Commercial Bank for Investment and Development of Vietnam (*)	99.999.126.928	254.530.427.431	(243.236.862.183)	111.292.692.176
Others	411.000.000	-	(411.000.000)	-
	<u>100.410.126.928</u>	<u>254.530.427.431</u>	<u>(243.647.862.183)</u>	<u>111.292.692.176</u>

(*) These are borrowings with a total facility limit of VND120,000,000,000, with term of from 5 months to 6.5 months, bearing interest at rates ranging from 5.6% per annum to 6.5% per annum and being secured by plant, building, machinery, transportation and transmission instrument (Note 9) to supplement working capital requirements for operating activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

17 PROVISIONS FOR LONG-TERM LIABILITIES

As at 31 December 2024 and 31 December 2023, the balance of provisions for long-term liabilities represents the provision for severance allowance.

18 OWNERS' CAPITAL**(a) Number of shares**

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
	Ordinary shares	Ordinary shares
Number of shares registered	8.352.573	7.263.210
Number of shares issued	8.352.573	7.263.210
Number of existing shares in circulation	<u>8.352.573</u>	<u>7.263.210</u>
Par value per share: VND10,000.		

(b) Details of owners' shareholdings

	<i>Dec.31, 2024</i>		<i>Dec.31, 2023</i>	
	Cổ phiếu phổ thông	%	Cổ phiếu phổ thông	%
Mr. Nguyen Ho Nam	2.076.325	24,86	1.805.500	24,86
Ms. Dang Thi Thu Hang	2.038.568	24,41	1.772.668	24,41
Bamboo Capital Joint Stock Company	1.754.957	21,01	1.526.050	21,01
Ms. Nguyen Phuong Hoa	941.296	11,27	818.519	11,27
Magnolia Investment Joint Stock Company	431.100	5,16	-	-
Others	1.110.327	13,29	1.340.473	18,45
	<u>8.352.573</u>	<u>100</u>	<u>7.263.210</u>	<u>100</u>

(c) Movement of share capital

	Number of shares	Ordinary shares
Opening balance	7.263.210	72.632.100.000
New shares issued	1.089.363	10.893.630.000
Closing balance	<u>8.352.573</u>	<u>83.525.730.000</u>

TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Form B 09 - DN

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Unit: VND

19 MOVEMENTS IN OWNERS' EQUITY

	Owner's capital	Share premium	Investment and development fund	Undistributed earnings	Budget sources	Total
As at 1 January 2023	63.159.280.000	33.634.115.000	19.313.275.717	19.082.085.715	360.000.000	135.548.756.432
Net profit for the period	-	-	-	30.889.926.869	-	30.889.926.869
Dividend payment in 2022	9.472.820.000	-	-	(12.630.784.000)	-	(3.157.964.000)
Budget sources received	-	-	-	-	129.834.668	129.834.668
Budget sources utilised	-	-	-	-	(129.834.668)	(129.834.668)
Refunding budget sources	-	-	-	-	(360.000.000)	(360.000.000)
As at 31 December 2023	<u>72.632.100.000</u>	<u>33.634.115.000</u>	<u>19.313.275.717</u>	<u>37.341.228.584</u>	-	<u>162.920.719.301</u>
Net profit for the period	-	-	-	23.137.343.805	-	23.137.343.805
Dividend payment in 2023	10.893.630.000	-	-	(10.893.630.000)	-	-
As at 31 December 2024	<u>83.525.730.000</u>	<u>33.634.115.000</u>	<u>19.313.275.717</u>	<u>49.584.942.389</u>	-	<u>186.058.063.106</u>

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Company and held as treasury shares:

	Dec.31, 2024	Dec.31, 2023
Net profit attributable to shareholders	23.137.343.805	30.889.926.869
Weighted average number of ordinary shares in issue (shares)	8.352.573	7.263.210
Basic earnings per share (VND)	<u>2.770</u>	<u>4.253</u>

(b) Diluted earnings per share

The Company did not have any ordinary shares potentially diluted during the year and up to the date of this financial statements. Therefore, the diluted earnings per share is equal to the basic earnings per share.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

20 OFF BALANCE SHEET**a) Foreign currencies**

As at 31 December 2024, included in cash were balances held in foreign currencies of USD285.28 (as at 31 December 2023: USD35,324.88).

b) Precious metals, gems

As of 31 December 2024, the Company holds 72 mace of 24K plain gold rings, valued at VND382.580.000.

21 NET REVENUE FROM SALES OF GOODS

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Revenue from sales of goods		
Revenue from sales of goods	<u>367.489.387.265</u>	<u>363.265.650.193</u>
Sales deductions		
Trade discounts	2.426.334.584	3.451.059.898
Sales returns	931.444.334	1.424.579.424
	<u>3.357.778.918</u>	<u>4.875.639.322</u>
Net revenue from sales of goods		
Net revenue from sales of goods	<u>364.131.608.347</u>	<u>358.390.010.871</u>

22 COST OF GOODS SOLD

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Cost of goods sold	289.138.221.235	277.176.934.348
Provision for decline in value of inventories	(2.896.848.981)	2.546.006.267
	<u>286.241.372.254</u>	<u>279.722.940.615</u>

23 FINANCIAL INCOME

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Interest on term deposits, loans	15.092.908	23.464.305
Realised foreign exchange gains	294.010.653	45.647.324
Net profit due to revaluation of foreign currency accounts at the end of the year	2.471.381	13.887.058
	<u>311.574.942</u>	<u>82.998.687</u>

24 FINANCIAL EXPENSES

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Interest expense	6.828.882.726	6.526.056.351
Realised foreign exchange losses	471.101.870	1.298.978.894
Payment discounts	-	186.575.474
Provision for diminution in value of investments	(1.283.703.942)	181.623.556
Net loss from foreign currency translation at year-end	13.887.058	-
	<u>6.030.167.712</u>	<u>8.193.234.275</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Unit: VND

25 SELLING EXPENSES

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Staff costs	8.340.239.641	4.957.787.652
Outside service expenses	1.689.760.538	1.065.593.334
Tax and other fees	26.259.708	144.577.559
Depreciation	205.457.544	205.457.544
Others	2.075.328.078	1.302.159.435
	<u>12.337.045.509</u>	<u>7.675.575.524</u>

26 GENERAL AND ADMINISTRATION EXPENSES

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Staff costs	15.170.314.797	15.281.505.121
Outside service expenses	12.090.288.481	4.851.845.748
Provision for doubtful debts	78.456.848	(1.006.197.062)
Depreciation	516.405.951	516.405.948
Others	3.393.627.481	6.201.124.888
	<u>31.249.093.558</u>	<u>25.844.684.643</u>

27 OTHER INCOME AND EXPENSES

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Other income		
Disposal or sale of fixed assets	123.971.050	-
Others	349.541.756	761.839.187
	<u>473.512.806</u>	<u>761.839.187</u>
Other expenses		
Others	31.460.909	121.150.278
	<u>31.460.909</u>	<u>121.150.278</u>
Other profits/(losses)	<u>442.051.897</u>	<u>640.688.909</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

28 CORPORATE INCOME TAX

The CIT on the Company's profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% is as follows:

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Accounting profit before tax	29.027.556.153	37.677.263.410
Tax calculated at a rate of 20%	5.805.511.231	7.535.452.682
Tax calculated at a rate of 10%	-	-
Effect of:		
Expenses not deductible for tax purposes	84.701.117	75.293.087
Taxes are reduced/exempt (*)	-	(1.239.831.975)
CIT charge (*)	<u>5.890.212.348</u>	<u>6.370.913.794</u>
Charged to income statement:		
CIT – current	5.288.733.921	7.316.481.580
CIT– deferred (**)	601.478.427	(529.145.039)
	<u>5.890.212.348</u>	<u>6.787.336.541</u>

(*) Pursuant to Decree No. 13/2019/ND-CP dated 1 February 2019 on Science and Technology Enterprises, the Company shall be entitled to CIT exemption for 4 years and 50% tax reduction for the next 9 years since 2017.

(**) The CIT charge for the year was based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

(***) Deferred income tax assets incurred during the year are mainly as below:

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Opening balance	1.200.681.232	671.536.193
Income statement charge	(601.478.427)	529.145.039
Closing balance	<u>599.202.805</u>	<u>1.200.681.232</u>

29 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represents all costs incurred during the period, excluding cost of merchandises for trading activities. Details are as follows:

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Raw materials	241.812.457.973	239.364.869.491
Staff costs	43.182.885.519	39.606.368.201
Depreciation	11.058.783.288	10.682.395.309
Outside service	23.358.410.729	14.206.139.872
Others	5.579.907.115	7.439.791.444
	<u>324.992.444.624</u>	<u>311.299.564.317</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

30 SEGMENT REPORTING*Segment reporting by business segments*

Pharmaceutical production and trading is the unique activity that generates revenue and profit for the Company. Therefore, the Board of Management determines that the Company operates in one business segment.

Segment reporting by geographic area

The Company operates mainly in the territory of Vietnam. Therefore, the Company does not manage segment reports on business results, fixed assets, other long-term assets or the amount of major non-cash expenses of the division by geographical area based on the customer's location.

31 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE CASH FLOW STATEMENT

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
(a) Amount of loan actually withdrawn during the period		
Proceeds from borrowings following normal borrowing contracts	254.530.427.431	270.273.845.156
(b) Amount of loan principal actually paid during the period		
Repayments for borrowings following normal borrowing contracts	243.647.862.183	247.812.333.288
(c) Prepayment to the suppliers for the purchase and construction of fixed assets		
Prepayment to the suppliers	291.071.270	-
(d) Non-cash transactions affect the statement of cash flows		
Pay dividends by issuing additional shares	10.893.630.000	9.472.820.000
Purchase of fixed assets that have not yet been settled	1.223.000.000	148.653.704

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

32 RELATED PARTY DISCLOSURES

Details of the key related parties and relationship are given as below:

Company name	Relationship
Tesla Pharmaceutical Joint Stock Company	Former subsidiary
AAA Insurance Joint Stock Corporation	Under common by key management
Tam Sinh Nghia Investment and Development Joint Stock Company	Under common by key management
Magnolia Investment Joint Stock Company	Under common by key management
Board of Directors, Board of Supervision and Board of Management	Key management
Ms. Tran Thi Kieu Tien	Member of Board of Directors

(a) Related party transactions

The primary transactions out with related parties incurred in the period are:

	Dec.31, 2024	Dec.31, 2023	
(i) Sales of goods			
Tesla Pharmaceutical Joint Stock Company	-	9.336.989.993	
Tam Sinh Nghia Investment and Development Joint Stock Company	136.220.908	-	
(ii) Purchases of goods and services			
AAA Insurance Joint Stock Corporation	344.238.826	314.285.251	
Magnolia Investment Joint Stock Company	1.963.776.000	1.606.346.969	
(iii) Investment in subsidiary			
Tesla Pharmaceutical Joint Stock Company	-	1.500.000.000	
(iv) Disposition of a subsidiary's shares			
Ms. Tran Thi Kieu Tien	3.300.000.000	-	
(v) Expenses for key management personnel			
	Dec.31, 2024	Dec.31, 2023	
Mr. Le Thanh Tung	Vice Chairman and General Director	1.311.616.772	601.268.086
Mr. Luu Hoai Nam	Former General Director, Member of the Board of Directors	42.000.000	1.280.378.857
Ms. Ly Thi Xuan Mai	Deputy General Director	1.184.914.960	838.812.453
Ms. Le Thi My Tien	Chief Accountant	414.137.077	435.755.151
Mr. Dang Viet Anh	Chairperson	57.500.000	36.000.000
Mr. Nguyen Ho Nam	Former Chairperson	-	45.000.000
Ms. Tran Thi Kieu Tien	Member of the Board of Directors	36.000.000	27.000.000
Ms. Dang Thi Thu Hang	Member of the Board of Directors	36.000.000	27.000.000
Mr. Thai Van Hung	Independent Member of the Board of Directors	36.000.000	27.000.000
Mr. Nguyen Quoc Khanh	Independent Member of the Board of Directors	28.500.000	-
Mr. Dong Hai Ha	Chief Supervisor	28.500.000	-
Ms. Tran Thi Bich Nhi	Deputy Supervisor	24.000.000	27.000.000
Mr. Le Van Son	Member of Board of Supervisors	9.500.000	-
Mr. Tran Hoang Quan	Former member of Board of Supervisors	-	144.346.154
Ms. Duong Thi Thuy Lieu	Former member of Board of Supervisors	-	70.700.000
	3.208.668.810	3.560.260.701	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Unit: VND

(b) Closing balance with related parties

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Short-term trade accounts receivable (Note 5(b))		
Magnolia Investment Joint Stock Company	<u>305.145.000</u>	<u>251.280.000</u>

33 COMMITMENTS

(a) Commitments under operating leases

The future minimum lease payments under non-cancellable operating leases were as follows:

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Within one year	2.001.566.700	1.906.254.000
Between one and five years	-	2.001.566.700
Total minimum payments	<u>2.001.566.700</u>	<u>3.907.820.700</u>

(b) Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements was as follows:

	<i>Dec.31, 2024</i>	<i>Dec.31, 2023</i>
Plant, machinery and equipment	319.444.830	3.420.486.000

Prepared

Pham Thi Thu Lanh

Chief Accountant

Le Thi My Tien

Tien Giang, January 17, 2025

General Director

Le Thanh Tung