

## BALANCE SHEET

At as 31 December 2024

Unit : VND

ITEMS	Codes	Notes	Ending balance	Beginning balance
<b>A – CURRENT ASSETS</b>	<b>100</b>		<b>567.183.521.744</b>	<b>551.460.049.984</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.01</b>	<b>74.551.503.101</b>	<b>59.453.049.234</b>
1. Cash	111		6.421.503.101	39.453.049.234
2. Cash equivalents	112	V.02a	68.130.000.000	20.000.000.000
<b>II. Short-term financial investments</b>	<b>120</b>			
1. Trading securities	121			
2. Provision for decrease in value of trading securities	122			
3. Investments held to maturity	123			
<b>III. Current accounts receivable</b>	<b>130</b>		<b>370.586.037.274</b>	<b>359.224.802.923</b>
1. Short-term trade receivables	131	V.03	285.800.283.743	291.346.101.220
2. Short-term advance to suppliers	132		85.313.525.015	64.682.179.473
3. Short-term Inter-company receivables	133			
4. Receivables according to the progress of construction contracts	134			
5. Short-term loan receivables	135			
6. Other short-term receivables	136	V.04a	8.710.229.512	9.672.401.547
7. Provision for doubtful short-term debts	137		(9.238.000.996)	(6.475.879.317)
8. Shortage of assets awaiting resolution	139			
<b>IV. Inventories</b>	<b>140</b>		<b>82.431.552.930</b>	<b>91.234.698.430</b>
1. Inventories	141	V.06	85.178.338.807	94.072.601.332
2. Provision for obsolete inventories (*)	149		(2.746.785.877)	(2.837.902.902)
<b>V. Other current assets</b>	<b>150</b>		<b>39.614.428.439</b>	<b>41.547.499.397</b>
1. Short-term prepaid expenses	151	V.10a	4.096.158.216	1.322.416.367
2. VAT deductibles	152	V.13b	35.518.270.223	39.308.342.505
3. Tax and other receivables from State	153			916.740.525
4. Buying-selling government's bonds transaction	154			
5. Other current assets	155			
<b>B – NON-CURRENT ASSETS</b>	<b>200</b>		<b>1.028.947.132.194</b>	<b>743.154.942.055</b>
<b>I. Long-term receivables</b>	<b>210</b>			<b>4.450.902.000</b>
1. Long-term trade receivables	211			
2. Long-term advance to suppliers	212			
3. Paid-in capital in wholly owned subsidiaries	213			
4. Long-term inter-company receivables	214			
5. Long-term loan receivables	215			
6. Other long-term receivables	216	V.04b		4.450.902.000
7. Provision for doubtful long-term receivables (*)	219			
<b>II. Fixed assets</b>	<b>220</b>		<b>109.735.148.960</b>	<b>124.048.028.391</b>
<b>1. Tangible assets</b>	<b>221</b>	<b>V.08</b>	<b>73.558.173.316</b>	<b>86.940.501.635</b>
- Cost	222		372.656.925.020	369.626.070.252
- Accumulated depreciation	223		(299.098.751.704)	(282.685.568.617)
<b>2. Finance leases</b>	<b>224</b>			
- Cost	225			
- Accumulated depreciation	226			
<b>3. Intangible fixed assets</b>	<b>227</b>	<b>V.09</b>	<b>36.176.975.644</b>	<b>37.107.526.756</b>
- Cost	228		48.689.386.013	48.689.386.013
- Accumulated amortization	229		(12.512.410.369)	(11.581.859.257)



ITEMS	Codes	Notes	Ending balance	Beginning balance
<b>III. Investment properties</b>	<b>230</b>			
- Cost	231			
- Accumulated depreciation	232			
<b>IV. Long-term assets in progress</b>	<b>240</b>	<b>V.07</b>	<b>895.865.756.597</b>	<b>593.441.322.362</b>
1. Cost of long-term work in progress	241			
2. Construction in progress	242		895.865.756.597	593.441.322.362
<b>V. Long-term financial investments</b>	<b>250</b>		<b>6.800.000.000</b>	<b>6.800.000.000</b>
1. Investments in subsidiaries	251			
2. Investments in joint ventures and associates	252		8.820.000.000	8.820.000.000
3. Equity investments in other entities	253	V.02b	6.800.000.000	6.800.000.000
4. Provision for long-term investments	254		(8.820.000.000)	(8.820.000.000)
5. Investments held to maturity	255			
<b>VI. Other long-term assets</b>	<b>260</b>		<b>16.546.226.637</b>	<b>14.414.689.302</b>
1. Long-term prepaid expenses	261	V.10b	16.546.226.637	14.414.689.302
2. Deferred tax assets	262			
3. Long-term equipment, supplies and spare parts	263			
4. Other long-term assets	268			
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>1.596.130.653.938</b>	<b>1.294.614.992.039</b>
<b>C. LIABILITIES</b>	<b>300</b>		<b>829.121.724.887</b>	<b>584.386.504.656</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>398.314.178.089</b>	<b>379.141.504.656</b>
1. Short-term trade payables	311	V.12a	134.809.304.654	181.386.882.764
2. Short-term advance from customers	312		2.139.512.912	538.869.460
3. Tax and statutory obligations	313	V.13a	19.627.872.618	1.244.534.023
4. Payables to employees	314		35.159.921.599	24.036.809.871
5. Short-term accruals	315	V.14	23.215.125.298	21.199.913.372
6. Short-term inter-company payables	316			
7. Payables according to the progress of construction contracts	317			
8. Short-term unrealized revenue	318			
9. Other short-term payables	319	V.15	18.585.851.377	173.639.038
10. Short-term loans and finance lease liabilities	320	V.11a	163.379.303.653	149.645.108.304
11. Preventive for short-term payables	321			
12. Bonus and welfare funds	322		1.397.285.978	915.747.824
13. Price stabilization fund	323			
14. Buying-selling government's bonds transaction	324			
<b>II. Non-current liabilities</b>	<b>330</b>		<b>430.807.546.798</b>	<b>205.245.000.000</b>
1. Long-term trade payables	331	V.12b	104.477.372.808	
2. Long-term advance from customers	332			
3. Long-term accruals	333			
4. Inter-company payables on working capital	334			
5. Long-term inter-company payables	335			
6. Long-term unrealized revenue	336			
7. Other long-term liabilities	337			
8. Long-term loans and finance lease liabilities	338	V.11b	326.330.173.990	205.245.000.000
9. Convertible bonds	339			
10. Preference shares	340			
11. Deferred tax liabilities	341			
12. Preventive for long-term payables	342			
13. Development of science and technology fund	343			



ITEMS	Codes	Notes	Ending balance	Beginning balance
<b>D. OWNERS' EQUITY</b>	<b>400</b>		<b>767.008.929.051</b>	<b>710.228.487.383</b>
<b>I. Capital</b>	<b>410</b>	<b>V.16</b>	<b>766.866.375.531</b>	<b>710.085.933.863</b>
1. Owner's contributed capital	411		209.380.000.000	209.380.000.000
- Ordinary shares with voting rights	411a		209.380.000.000	209.380.000.000
- Preference shares	411b			
2. Share premium	412		181.169.607.584	181.169.607.584
3. Conversion options on bond	413			
4. Other owners' capital	414			
5. Treasury share (*)	415			
6. Asset revaluation reserve	416			
7. Foreign exchange differences	417			
8. Investment and development fund	418	V.16b	304.136.126.279	242.728.087.074
9. Business arrangements support fund	419			
10. Other funds belonging to owner's equity	420			
11. Undistributed profit after tax	421		72.180.641.668	76.808.239.205
- Undistributed profit after tax of previous period	421a		243.600.000	243.600.000
- Undistributed profit after tax of current period	421b		71.937.041.668	76.564.639.205
12. Capital expenditure fund	422			
<b>II. Other funds</b>	<b>430</b>		<b>142.553.520</b>	<b>142.553.520</b>
1. Subsidised fund	431		142.553.520	142.553.520
2. Fund for use in welfare fixed assets	432			
<b>TOTAL RESOURCES (430 = 300+ 400)</b>	<b>440</b>		<b>1.596.130.653.938</b>	<b>1.294.614.992.039</b>

Preparer  
(Signature, full name)



Le Thi Van Anh

Chief Accountant  
(Signature, full name)



Tran Tien Dung

Da Nang, 20th January 2025  
General Director  
(Signature, full name, stamp)



PhD. Le Thang Binh



## CASH FLOW STATEMENT

(By indirect method)

At as 31 December 2024

Unit : VND

ITEMS	Codes	Notes	Current year	Previous year
<b>I. Cash flows from operating activities</b>				
<i>1. Net profit/(loss) before tax</i>	01		93.328.027.466	95.854.026.939
<i>2. Adjustments for</i>				
- Depreciation and amortization	02		18.271.254.795	20.617.067.224
- Provisions	03		6.996.843.371	3.615.408.722
- Unrealised foreign exchange (gain) losses	04		(226.497.196)	6.203.626.257
- (Profit) losses from investing activities	05		(633.944.555)	(7.061.417.516)
- Interest expense	06		7.679.163.253	5.300.638.763
<i>3. Operating income (loss) before changes in working capital</i>	08		125.414.847.134	124.529.350.389
- (Increase)/decrease in receivables	09		(4.989.312.456)	(178.167.847.764)
- (Increase)/decrease in inventories	10		7.419.409.156	1.365.816.648
- Increase/(decrease) in payables (exclusive of interest payable and enterprise income tax payable)	11		53.381.469.102	44.097.380.117
- (Increase)/decrease prepaid expenses	12		(4.905.279.184)	1.904.594.838
- (Increase)/decrease trading securities	13			
- (Interest)/decrease paid	14		(7.903.685.648)	(6.190.466.639)
- Enterprise income tax paid	15		(3.317.896.190)	(19.324.348.875)
- Other cash inflows from operating activities	16			
- Other cash outflows from operating activities	17		(5.899.445.907)	(88.882.400.000)
<i>Net cash inflows (outflows) from operating activities</i>	20		159.200.106.007	(31.874.403.706)
<b>II. Cash flows from investing activities</b>				
Purchased and construction of fixed assets and other long-term assets	21		(264.870.858.901)	(217.842.294.678)
Proceeds from disposals of fixed assets and other long-term assets	22		20.909.091	
Loans to other entities and payments for purchase of debt instruments of other entities	23			(70.000.000.000)
Collections from borrowers and proceeds from sale of debt instruments of other entities	24			204.351.152.325
Payments for investment in other entities	25			
Proceeds from sale of investments in other entities	26			
Interest, distributed dividends and profit received	27		359.031.135	9.982.171.518
<i>Net cash inflows (outflows) from investing activities</i>	30		(264.490.918.675)	(73.508.970.835)
<b>III. Cash flows from financing activities</b>				
Capital contribution and issuance of share	31			
Capital redemption	32			
Borrowings received	33		500.886.563.564	274.403.680.944
Borrowings repaid	34		(366.067.194.225)	(177.098.185.118)
Profit, dividends paid	36		(14.656.600.000)	(14.655.950.645)
<i>Net cash inflows (outflows) from financing activities</i>	40		120.162.769.339	82.649.545.181
<b>Net cash inflows (outflows) (50 = 20 + 30 + 40)</b>	50		14.871.956.671	(22.733.829.360)





ITEMS	Codes	Notes	Current year	Previous year
Cash and cash equivalents at the beginning of the year	60		59.453.049.234	81.759.284.102
Impact of exchange rate fluctuation	61		226.497.196	427.594.492
Cash and cash equivalents at end of the year (70 = 50 + 60 + 61)	70		74.551.503.101	59.453.049.234

Da Nang, 20th January 2025

**Preparer**  
(Signature, full name)

**Chief Accountant**  
(Signature, full name)

**General Director**  
(Signature, full name, stamp)

Le Thi Van Anh

Tran Tien Dung



PhD. Le Thang Binh



INCOME STATEMENT  
Quarter 4/2024

Unit: VND

ITEMS	Codes	Notes	Quarter 4		Cumulative from the beginning of the year to the end of this quarter	
			Current year	Previous year	Current year	Previous year
1. Revenue from sale of goods and rendering of services	01	VI.01	154.264.198.870	163.695.980.800	572.176.320.601	598.506.929.650
2. Deductions	02	VI.02	6.911.900.232	20.675.911.921	7.444.299.378	22.369.006.233
3. Net revenue from sale of goods and rendering of services (10 = 01 - 02)	10		147.352.298.638	143.020.068.879	564.732.021.223	576.137.923.417
4. Cost of goods sold and services rendered	11	VI.03	70.248.930.317	85.956.210.403	271.515.486.512	314.333.944.705
5. Gross profit from sale of goods and rendering of services (20 = 10 - 11)	20		77.103.368.321	57.063.858.476	293.216.534.711	261.803.978.712
6. Income from financial activities	21	VI.04	6.968.091.952	1.374.741.315	13.777.887.898	9.377.823.344
7. Expenses from financial activities	22	VI.05	6.380.184.358	8.108.496.485	21.684.001.049	16.062.099.401
- In which : Interest expenses	23		1.662.967.413	1.896.875.507	7.679.163.253	5.300.638.763
8. Selling expenses	25	VI.08	24.480.801.554	23.908.710.242	87.113.394.546	81.752.419.537
9. Administration expenses	26	VI.09	33.114.302.032	25.704.019.405	100.116.500.507	78.186.918.824
10. Operating profit (loss) (30 = 20 + (21 - 22) - (24 + 25))	30		20.096.172.329	717.373.659	98.080.526.507	95.180.364.294
11. Other income	31	VI.06	6.450.426	15.419.523	250.095.556	25.051.283
12. Other expenses	32	VI.07	4.473.649.790	833.909	5.002.594.597	160.715.798
13. Other profit (40 = 31 - 32)	40		(4.467.199.364)	14.585.614	(4.752.499.041)	(135.664.515)
14. Accounting profit (loss) before tax (50 = 30 + 40)	50		15.628.972.965	731.959.273	93.328.027.466	95.044.699.779
15. Current enterprise income tax expense	51		3.400.119.949	(509.830.879)	21.390.985.798	18.480.060.574
16. Deferred income tax (expenses) credit	52					
17. Net profit (loss) after tax (60 = 50 - 51 - 52)	60		12.228.853.016	1.241.790.152	71.937.041.668	76.564.639.205
19. Diluted earnings per share	71					

Preparer  
(Signature, full name)



Le Thi Van Anh

Chief Accountant  
(Signature, full name)



Tran Tien Dung

Da Nang, 20th January 2025  
General Director  
(Signature, full name, stamp)



PhD. Le Thang Binh



## NOTES TO THE FINANCIAL STATEMENTS

At as 31 December 2024

### I. CORPORATE INFORMATION

#### 1. Structure of ownership Joint Stock Company

Danapha Pharmaceutical Joint Stock Company (hereinafter referred to as “the Company”) has been incorporated in accordance with the Business Registration Certificate No. 0400102091 dated 20 December 2006 granted by Danang City’s Department of Planning and Investment and other amended certificates thereafter with the latest one dated 9 March 2023.

The charter capital as stipulated in the Business Registration Certificate is VND 209,380,000,000.

On 14 December 2021, the Company was formally licensed to trade securities on Hanoi Securities Trading Centre under Decision No. 703/QĐ-SGDHN dated 14 December 2021. On 12 December 2021, the Company was formally listed to trade securities on Hanoi City Securities Trading Centre according to the Notification No. 3654/TB-SGDHN dated 15 December 2021.

The Company’s registered head office is at 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam.

The number of employees as at 31 December 2023 was 404 (31 December 2022: 378).

The company has branches at the following locations:

Hanoi Branch: No. 9, Alley 87 Nguyen Van Troi, Phuong Liet Ward, Thanh Xuan District, Hanoi City.

Ho Chi Minh City Branch: 15th Floor, Room 1508, Vincom Center Building, 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City.

Thanh Hoa Branch: Lot 141, LK3, MBQH 121/UB-CN, Dong Ve Ward, Thanh Hoa City, Thanh Hoa Province, Vietnam.

Khanh Hoa Branch: Lots 27-28, Street No. 8, Le Hong Phong New Urban Area - Venesia, Phuoc Hai Ward, Nha Trang City, Khanh Hoa.

Vinh Phuc Branch: No. 43, Chua Ha Tien Urban Area, Lien Bao Ward, Vinh Yen City, Vinh Phuc.

Can Tho Branch: A3/22, Street No. 10, Nam Long Residential Area, Hung Thinh Ward, Cai Rang District, Can Tho City.

#### 2. Operating industry and principal activities

- Manufacture of pharmaceuticals, medicinal chemical and botanical product;
- Real estate activities with own or leased property;
- Retail sale of pharmaceutical and medical goods, cosmetic and toilet articles in specialized stores. Details: Retail sale of pharmaceutical and medical goods, cosmetics, and personal hygiene products;
- Manufacture of soap and detergents, cleaning and polishing preparations;
- Manufacture of other food products n.e.c. Details: Production of food and beverages;
- Wholesale of other household products. Details: Wholesale of medicines;
- Wholesale of food. Details: Wholesale of dietary supplements;
- Wholesale of other specialized goods not classified elsewhere. Details: Wholesale of pharmaceuticals, medicinal plants, packaging;
- Retail sales via mail and order houses or via Internet. Details: Retail of dietary supplements;
- Retail of food in specialized stores. Details: Retail of dietary supplements;
- Other professional, scientific, and technological activities not classified elsewhere. Details: Research and transfer of product formulas.
- Manufacture of medical, dental, orthopedic, and rehabilitation equipment and instruments.
- Basic training
- Intermediate training
- College-level training

#### 3. Business field

Manufacturing and trading pharmaceutical, chemical, and medicinal materials.

#### 4. Total number of employees and workers.

The number of employees as at 31 Dec 2024 was 453 person.

### II. ACCOUNTING PERIOD, ACCOUNTING CURRENCY APPLIED

#### 1. Accounting period:

- Fiscal year starts on 01/01 and ends on 31/12 each year.

#### 2. Accounting currency applied

- The standard currency unit used is Vietnamese Dong (VND).

### III. ACCOUNTING STANDARD AND POLICY APPLIED

#### 1. Accounting policy applied

The Company has been applying the Vietnamese accounting system, issued following Decision No. 200/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance and related supplementary, revised documents.

#### 2. Statement of compliance with Vietnamese accounting standards

- The Company has performed accounting work according to the Vietnam Accounting Standards, Enterprise Accounting Regime Vietnam issued under Circular No. 200/2014/TT-BTC of December 22, 2014 and the circular guiding the implementation of accounting standards by the Ministry of Finance in the preparation and presentation of financial statements. The financial statements have been presented a true and fair view of the financial position, results and cash flows of the business of the Company



#### IV. ACCOUNTING POLICIES APPLIED

##### 1. Basis of Preparation of Financial Statements:

- The financial statements are prepared based on the historical cost principle.
- The company's branches operate under the bookkeeping reporting system.

##### 2. Cash and cash equivalents

- Cash and cash equivalents comprise cash in hand, cash at bank, cash in transit and current investments for a period not exceeding 3 months or highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

##### 3. Inventories

Inventories are stated at the lower of cost and net realizable value

Cost of inventories is calculated follows:

- Materials: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition.
- Cost of work in progress: only includes the cost of main materials and other expenses.

Net realizable value is the estimated selling price minus the estimated costs of completing the products and the estimated costs needed for their consumption.

Cost of inventories method: the weighted average method and is recorded by the perpetual inventory count method.

Provision method for obsolete inventories: Provision for obsolete inventories is set up when cost is higher than net realizable value at the end of the accounting period. Increase or decrease in balance of the provision for obsolete inventories that need to be made at the end of the fiscal year is recognized in cost of goods sold.

##### 4. Account receivables

###### - Recognition method:

Account receivables are stated at the carrying amounts of trade receivables and other receivables less provisions for doubtful debts.

###### - Provision for doubtful debts:

As of the date of preparing the financial statements, provision for doubtful debt is recognised for past-due accounts receivable and for accounts receivable where circumstances indicate that they might not be recoverable when due at the level as guided in prevailing regulations. The determination of the overdue period of a doubtful receivable to be provisioned is based on the principal repayment period according to the original sale contract, excluding the debt extension between the parties.

The difference between the required balance and the existing balance of provision for doubtful debts is recorded as a general and administrative expense in the income statement.

##### 5. Tangible fixed asset

- Tangible fixed assets are measured at cost less accumulated depreciation. Tangible fixed assets are initially recognised at their cost. The cost of purchased tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to their present location and working condition for their intended use. Accessories added to fixed assets when purchased are recognised separately at their fair value and deducted from the historical cost of the respective tangible fixed assets.

- When fixed assets are sold or disposed of, the original cost and accumulated depreciation are removed, and any profit or loss arising from the disposal is recognized as income or expense in the period

- The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives.

The estimated useful lives are as follows:

	<u>Year</u>
+ Buildings, structures	10 - 50
+ Machinery and equipment	06 - 15
+ Motor vehicles	06 - 10
+ Office equipment	03 - 08

##### 6. Intangible fixed assets:

###### 6.1. Intangible fixed assets of the company are software:

- Intangible fixed assets of the company are software. The historical cost of software includes all costs directly attributable to making software available for use. Accounting software is depreciated by straight – line method from 01 to 05 years.

###### 6.2. Land Use Rights:

- "Long-term land use rights" refer to the total costs incurred by the company to acquire the right to use the land in order to generate economic benefits. The cost of long-term land use rights is not subject to depreciation as prescribed by law.

##### 7. Construction in progress:

- Construction in progress reflects the related direct costs (including interest expense capitalized) until the asset is in the process of building. machinery and equipment are installed to serve for the purpose of manufacturing, leasing and management, as well as costs related to the repair of fixed assets are performing. These assets are recorded at cost and are not amortized.

##### 8. Borrowing costs:

- Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets until the assets are put into use or sale. Investment income earned on temporary investment of borrowings is deducted from the cost of the respective assets. All other borrowing costs are recognised as an expense in the consolidated income statement when incurred.

##### 9. Financial investments:

- Investments classified as other investments are investments other than investments in subsidiaries, investments in associates or investments on joint ventures.

- Provision for investment impairment loss is made when there is any certain evidence that there will be an impairment in the value of these investments at the reporting date.

- The difference between the required balance and the existing balance of provision for investment impairment loss is recognised as financial expenses in the income statement.



#### 10. Prepayments:

- Prepayments are classified as current and non-current based on their original term. Prepayments mainly comprise costs of tools and supplies and repair expenses, etc., which are amortised over the period for which they are paid or the period in which economic benefits are generated in relation to these expenses.

- The following expenses are recognised as prepayments and amortised to the consolidated income statement:

+ Prepaid land, infrastructure and fixed asset rentals are amortised over the period of lease;

+ Other prepaid expenses: Based on the nature and volume of each expense, the company selects appropriate methods and criteria for allocation during the period when the expected economic benefits are generated.

#### 11. Liabilities:

- Liabilities are classified into trade payables and other payables based on the following rules. Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; the remaining payables are classified as other payables.

#### 12. Accrued expenses:

- Accrued expenses represent expenses that will be paid in the future for goods or services received but not yet paid due to lack of invoices or accounting documents. These expenses are recognised as operating expenses of the reporting year.

- The company's accrued expenses include loan interest and sales commission expenses. Estimated loan interest expenses are calculated based on the outstanding loan balance and the interest rates specified in the credit agreements. Sales commission expenses are determined according to the sales policy applicable during each actual period.

#### 13. Severance Allowance and Unemployment Insurance:

- The company allocates unemployment insurance expenses and directly deducts them from employees in accordance with current regulations.

#### 14. Owners' equity:

- The owners' contributed equity is recognised when contributed.

- Share premiums are recognised as the difference between the issue price and the par value of shares, and the difference between the re-purchase price and the re-issue price of treasury shares.

- Retained earnings: Net profit after income tax can be distributed to shareholders after the distribution is approved the General annual meeting of shareholders and reserves are created in accordance with the Charter and legal regulations in Vietnam.

#### 15. Revenue and other income:

##### *Revenue from selling goods:*

+ Revenue from selling goods is measured at the fair value of the consideration received or receivable. In most cases, revenue is recognised when transferring the risks and rewards of ownership to the buyer.

##### *Revenue involving the rendering of services:*

- Revenue of a transaction involving the rendering of services is recognised when the outcome of this transaction can be estimated reliably. When a transaction involving the rendering of services is attributable to several periods, each period's revenue is recognised by reference to the stage of completion at the end of the reporting period.

##### *Principles and Methods for Recognizing Financial Income:*

- Financial income reflects revenue from interest, dividends, profit sharing, and other financial activities of the enterprise (such as investments in associates, other capital investments, foreign exchange gains, etc.). Revenue arising from interest, dividends, and profit sharing of the enterprise is recognized when the following two conditions are simultaneously met: 1. It is probable that economic benefits will be obtained from the transaction; 2. The revenue can be measured with reasonable certainty. - Interest is recognized on a time basis using the actual interest rate for each period. - Dividends and profit sharing are recognized when shareholders are entitled to receive dividends or when participants in the contribution are entitled to their share.

#### 16. Finance expense:

- Finance expenses represent all expenses incurred in the reporting year which mainly include borrowing costs and losses from exchange rates.

#### 17. Corporate income tax:

- Current corporate income tax expense

- Current corporate tax expense is determined on the basis of taxable income and the rate of corporate income tax (CIT) of the current year at 20%.

#### 18. Related parties:

- Related parties are individuals or entities that have the ability, directly or indirectly through one or more intermediaries, to control the Company or are controlled by, or are subject to common control with the Company. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close family members or associates of such individuals are also considered to be related parties.



V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

Unit of measurement: VND

01. Cash and cash equivalents:

	Foreign currencies	Ending balance	Foreign currencies	Beginning balance
- Cash in hand		1.781.081.365		335.026.852
+ VND		1.734.173.340		290.349.888
+ USD	1.857,67 #	46.908.025	1.857,67 #	44.676.964
- Cash at banks		4.640.421.736		39.118.022.382
+ VND		4.540.467.695		19.566.994.887
+ USD	600,71 #	15.162.125	5.512,90 #	132.753.977
+ EUR	3.245,89 #	84.791.916	736.274,81 #	19.418.273.518
- Deposits with term less than 3 months (VND)		-		-
<b>Totals</b>		<b>6.421.503.101</b>		<b>39.453.049.234</b>

02. Current financial investments

a. Held to maturity investments:

	Ending balance	Beginning balance
- Deposits with term (VNĐ)	68.130.000.000	20.000.000.000
<b>Totals</b>	<b>68.130.000.000</b>	<b>20.000.000.000</b>

b. Investment in other entities:

	Ending balance			Beginning balance		
	%	Cost	Provision	%	Cost	Provision
- Investments in subsidiaries						
- Investments in associates, jointly controlled entities						
+ Davina Pharmaceutical Joint Stock Company		8.820.000.000	8.820.000.000		8.820.000.000	8.820.000.000
- Other long-term investments						
+ Danang Pharmaceutical Medical Equipment Joint Stock Company (Dapharco)		6.800.000.000	-		6.800.000.000	-
<b>Totals</b>		<b>15.620.000.000</b>	<b>8.820.000.000</b>		<b>15.620.000.000</b>	<b>8.820.000.000</b>

03. RECEIVABLE FROM CUSTOMER:

Short-term

	Ending balance	Beginning balance
- DANHSON-BG OOD	139.271.250.466	148.832.173.125
- Kim Do Pharmaceutical Company Limited	11.816.693.420	12.899.965.352
- DanhSon Group Company Limited	22.944.135.962	29.930.476.035
- Dong Thap Mental Hospital	4.459.307.500	7.536.166.943
- Nghe An Pharmaceutical - Medical Supplies Joint Stock Company	2.247.412.340	2.703.677.166
- Hung Yen Pharmaceutical Joint Stock Company	568.327.157	2.052.297.310
- Nam Dinh Mental Hospital	114.660.000	2.066.785.000
- Other receivables	104.378.496.898	85.324.560.289
<b>Totals</b>	<b>285.800.283.743</b>	<b>291.346.101.220</b>

04. Other receivables:

	Ending balance	Beginning balance
- Short-term	8.710.229.512	9.672.401.547
Advance to employees	7.805.811.731	9.022.096.243
Mortgage, guarantee deposit	300.142.181	207.941.601
Accrued interest		23.671.233
Other receivables	604.275.600	418.692.470
- Long-term		4.450.902.000
Mortgage, guarantee deposit		4.450.902.000
<b>Totals</b>	<b>8.710.229.512</b>	<b>14.123.303.547</b>



05. Assets pending resolution:

	Ending balance	Beginning balance
- Other assets	-	-
<b>Totals</b>	-	-

06. Inventories:

	Ending balance	Beginning balance
- Goods in transition	3.998.838.631	5.473.692.000
- Raw materials	52.065.526.505	45.549.027.002
- Tools and supplies	267.675.817	284.322.273
- Work in progress	6.806.789.849	7.050.362.663
- Finished products	22.015.482.983	35.715.197.394
- Goods	24.025.022	
<b>Totals</b>	<b>85.178.338.807</b>	<b>94.072.601.332</b>

07. Long-term asset in progress:

	Ending balance	Beginning balance
<i>a. Cost of long-term work in progress</i>		
<i>b. Construction in progress</i>		
- Pharmaceutical OSD Production Plant and High-tech Research and Development Center	863.658.650.305	589.133.766.557
- Nguyen Van Linh Office Building for Rent	30.861.339.071	2.961.788.584
- Other projects	1.345.767.221	1.345.767.221
<b>Totals</b>	<b>895.865.756.597</b>	<b>593.441.322.362</b>

08. Tangible fixed assets:

Khoản mục	Buildings, and structures	Machines, and equipment	Means of transportation	Office equipment	Totals
<b>HISTORICAL COST</b>					
Beginning balance	144.571.793.790	212.868.825.670	12.185.450.792	-	369.626.070.252
Purchase in year	-	2.174.856.909	1.823.518.455	-	3.998.375.364
Liquidate, disposal	-	756.364.596	211.156.000,00	-	967.520.596
Ending balance	144.571.793.790	214.287.317.983	13.797.813.247	-	372.656.925.020
<b>ACCUMULATED DEPRECIATION</b>					
Beginning balance	94.909.041.325	177.410.391.341	10.366.135.951	-	282.685.568.617
Depreciation in year	6.978.620.776	9.787.490.690	574.592.217	-	17.340.703.683
Liquidate, disposal	-	716.364.596	211.156.000	-	927.520.596
Ending balance	101.887.662.101	186.481.517.435	10.729.572.168	-	299.098.751.704
<b>NET BOOK VALUE</b>					
Beginning balance	49.662.752.465	35.458.434.329	1.819.314.841	-	86.940.501.635
Ending balance	42.684.131.689	27.805.800.548	3.068.241.079	-	73.558.173.316

09. Intangible fixed assets:

Khoản mục	Land use rights	Mastheads and publishing titles	Softwares	Other intangible assests	Totals
<b>HISTORICAL COST</b>					
Beginning balance	48.689.386.013	-	-	-	48.689.386.013
Ending balance	48.689.386.013	-	-	-	48.689.386.013
<b>ACCUMULATED DEPRECIATION</b>					
Beginning balance	11.581.859.257	-	-	-	11.581.859.257
Depreciation in year	930.551.112	-	-	-	930.551.112
Ending balance	12.512.410.369	-	-	-	12.512.410.369
<b>NET BOOK VALUE</b>					
Beginning balance	37.107.526.756	-	-	-	37.107.526.756
Ending balance	36.176.975.644	-	-	-	36.176.975.644



## 10. Prepaid expenses:

	Ending balance	Beginning balance
<b>a. Short-term prepaid expenses</b>	<b>4.096.158.216</b>	<b>1.322.416.367</b>
- Prepaid expenses on operating leases of fixed assets	113.524.000	
- Tools and instruments are used	1.002.588.505	
- Insurance costs	71.521.229	
- Other service expenses	2.908.524.482	1.322.416.367
<b>b. Long-term prepaid expenses</b>	<b>16.546.226.637</b>	<b>14.414.689.302</b>
- Land rental fee	12.317.141.760	12.757.039.680
- Repair cost		
- Other service expenses	4.229.084.877	1.657.649.622
<b>Cộng</b>	<b>20.642.384.853</b>	<b>14.414.689.302</b>

## 11. Loans and finance lease liabilities

	Ending balance	Additions	Reductions	Beginning balance
<b>a. Short-term loans</b>	<b>163.379.303.653</b>	<b>370.436.889.574</b>	<b>356.702.694.225</b>	<b>149.645.108.304</b>
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Da Nang Branch	44.930.245.596	91.789.583.645	84.320.678.806	37.461.340.757
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Da Nang Branch	59.110.812.614	159.099.859.471	159.032.567.304	59.043.520.447
- Vietnam Technological and Commercial Joint Stock Bank - Da Nang Branch	4.176.823.200	43.071.394.245	92.034.818.145	53.140.247.100
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Hai Van Branch	21.356.755.539	42.671.385.509	21.314.629.970	-
- Vietnam Bank for Agriculture and Rural Development	29.997.666.704	29.997.666.704		
- Danang City Development Investment Fund	3.807.000.000	3.807.000.000		
<b>b. Long-term loans</b>	<b>326.330.173.990</b>	<b>130.449.673.990</b>	<b>9.364.500.000</b>	<b>205.245.000.000</b>
<i>Long-term foreign currency loan (EUR)</i>	<i>204.495.000.000</i>	<i>4.807.500.000</i>	<i>5.557.500.000</i>	<i>205.245.000.000</i>
- Danhson - BG Ltd (EUR)*	204.495.000.000	4.807.500.000	5.557.500.000	205.245.000.000
<i>Long term loan VND</i>	<i>121.835.173.990</i>	<i>125.642.173.990</i>	<i>3.807.000.000</i>	
- Shareholder - Nguyen Phuong Vy	59.141.308.000	59.141.308.000	-	
- Shareholder - Pham Huong Giang	11.299.999.990	11.299.999.990		
- Danang City Development Investment Fund	51.393.866.000	55.200.866.000	3.807.000.000	
<b>Totals</b>	<b>489.709.477.643</b>	<b>500.886.563.564</b>	<b>366.067.194.225</b>	<b>354.890.108.304</b>

\* Long-term loan from DANHSON-BG LTD under contract No. 01/2022/DNP-DS dated 01/05/2022 with a term of 5 years from 01/05/2022 to 01/05/2027 to purchase machinery and equipment for the project "Pharmaceutical factory with nanotechnology, biotechnology and nanotechnology research and development center - Phase 1" with a credit line of 7,500,000 EUR, interest rate of 3.5%. The company will pay the principal in a lump sum on 01/05/2027.

## 12. Trade payables

	Ending balance	Beginning balance
<b>a. Short-term trade payables</b>		
Danhson BG Ltd	54.463.717.100	70.876.596.440
Hanoi International Chemical Pharmaceutical Joint Stock Company	2.763.986.125	6.178.989.425
Tan Thanh Packaging Company Limited	4.688.669.335	3.918.194.098
Hung Thinh Production and Trading Company Limited	1.314.720.000	2.071.190.000
Phuong Phuc Pharmaceutical Chemical Company Limited	6.829.987.500	8.934.842.100
METECNO (Vietnam) Company Limited	16.528.524.840	16.181.529.488
Vinaconex 25 Joint Stock Company	4.168.219.500	9.223.323.500
Bach Khoa Refrigeration Electrical Engineering Company Limited	2.651.140.669	15.476.595.994
Other short-term payables	41.400.339.585	48.525.621.719
<b>Totals</b>	<b>134.809.304.654</b>	<b>181.386.882.764</b>



*b. Long-term trade payables*

Danhson BG Ltd

Totals

104.477.372.808

104.477.372.808

**13. Tax and statutory obligations:**

*a. Must pay*

	Beginning balance	Payable in the year	Paid in the year	Deducted amount	Ending balance
- Value added tax		22.203.070.871	41.730	22.203.029.141	-
- Value-Added Tax (VAT) on imported		10.426.905.841	10.426.905.841		-
- Special consumption tax					-
- Import and export tax		625.423.106	625.423.106		-
- Enterprise income tax	632.487.632	21.390.985.798	3.317.896.190		18.705.577.240
- Personal income tax	612.046.391	8.144.833.465	7.834.584.478		922.295.378
resources					-
- Land & housing tax, and rental charges	(916.740.525)	3.134.286.901	2.217.546.376		-
- Environment protection tax and other taxes		205.084.435	205.084.435		-
- Fee, charges and other obligations		1.000.000	1.000.000		-
<b>Totals</b>	<b>327.793.498</b>	<b>66.131.590.417</b>	<b>24.628.482.156</b>	<b>22.203.029.141</b>	<b>19.627.872.618</b>

*b. Receivables*

	Beginning balance	Receivables for the period	Receipts for the period	Amount deducted	Ending balance
- Deductible VAT	39.308.342.505	43.106.017.049	24.454.348.207	22.441.741.124	35.518.270.223
<b>Totals</b>	<b>39.308.342.505</b>	<b>43.106.017.049</b>	<b>24.454.348.207</b>	<b>22.441.741.124</b>	<b>35.518.270.223</b>

**14. Accrued expenses**

	Ending balance	Beginning balance
- Loan interest payable to Danhson BG Ltd (Loan interest for the High-Tech Project)		10.224.850.072
-GMP appraisal consultancy expense, drug registration and software copyright rental must be paid to Danhson BG Ltd.	5.608.300.500	
- Accrued selling expenses	16.780.864.603	10.135.468.345
- Other accruals	825.960.195	839.594.955
<b>Totals</b>	<b>23.215.125.298</b>	<b>21.199.913.372</b>

**15. Other payables**

	Ending balance	Beginning balance
- Loan interest payable to Danhson BG Ltd (Loan interest for the High-Tech Project)	17.551.786.491	-
- Trade Union fees	51.660.504	45.386.432
- Other short-term payables	982.404.382	128.252.606
<b>Totals</b>	<b>18.585.851.377</b>	<b>173.639.038</b>

**16. Capital**

*a. Reconciliation of changes in equity*

	Contributed legal capital VND	Share premium VND	Treasury shares VND	Investment and development funds VND	Retained earnings VND	Totals VND
<b>As at 01/01/2023</b>	<b>211.270.000.000</b>	<b>181.547.607.584</b>	<b>(2.268.000.000)</b>	<b>209.071.278.659</b>	<b>49.557.008.415</b>	<b>649.177.894.658</b>
Profit in last year					76.564.639.205	76.564.639.205
Distributed bonus and welfare fund					(1.000.000.000)	(1.000.000.000)
Distributed Investment and development fund				33.656.808.415	(33.656.808.415)	-
Dividends distribution					(14.656.600.000)	(14.656.600.000)
Buy back and cancel treasury shares	(1.890.000.000)	(378.000.000)	2.268.000.000			-
<b>At as 01/01/2024</b>	<b>209.380.000.000</b>	<b>181.169.607.584</b>	<b>-</b>	<b>242.728.087.074</b>	<b>76.808.239.205</b>	<b>710.085.933.863</b>
Profit in last year	-	-	-	-	71.937.041.668	71.937.041.668



Distributed bonus and welfare fund					(500.000.000)	(500.000.000)
Distributed Investment and development fund				61.408.039.205	(61.408.039.205)	-
Dividends distribution					(14.656.600.000)	(14.656.600.000)
Buy back and cancel treasury shares						-
<b>As at 31/12/2024</b>	<b>209.380.000.000</b>	<b>181.169.607.584</b>	<b>-</b>	<b>304.136.126.279</b>	<b>72.180.641.668</b>	<b>766.866.375.531</b>

*b. Corporate funds*

	Ending balance	Beginning balance
- Development Investment Fund	304.136.126.279	242.728.087.074

**VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN INCOME STATEMENT**

*Unit of measurement: VND*

**01. Revenue from sale of goods and of services**

	Current year	Previous year
Revenue from sales of finished goods	571.781.296.415	598.433.293.286
Revenue from goods sales	313.206.002	
Service revenue	81.818.184	73.636.364
<b>Totals</b>	<b>572.176.320.601</b>	<b>598.506.929.650</b>

**02. Deductions**

	Current year	Previous year
<i>Including:</i>		
- Trade discount	6.797.347.262	20.330.627.042
- Sales discount	642.210.687	2.019.988.937
- Sales returns	4.741.429	18.390.254
<b>Totals</b>	<b>7.444.299.378</b>	<b>22.369.006.233</b>

**03. Cost of goods sold**

	Current year	Previous year
- Cost of goods sold	2.271.338.700	846.197.620
- Cost of finished goods sold	268.008.441.146	312.763.865.979
- Provision for inventories	1.235.706.666	723.881.106
<b>Totals</b>	<b>271.515.486.512</b>	<b>314.333.944.705</b>

**04. Financial income**

	Current year	Previous year
- Interest income	613.035.464	6.511.522.016
- Distributed dividends and profit	-	549.895.500
- Realized foreign exchange gain	13.164.852.434	2.316.405.828
<b>Totals</b>	<b>13.777.887.898</b>	<b>9.377.823.344</b>

**05. Financial expenses**

	Current year	Previous year
- Interest loan	7.679.163.253	5.300.638.763
- Unrealized exchange loss	13.890.193.496	10.761.460.638
- Realized exchange loss	114.644.300	-
<b>Totals</b>	<b>21.684.001.049</b>	<b>16.062.099.401</b>

**06. Other income**

	Current year	Previous year
- Liquidation and sale of fixed assets	20.909.091	-
- Other incomes	229.186.465	25.051.283
<b>Totals</b>	<b>250.095.556</b>	<b>25.051.283</b>

**07. Other expensive**

	Current year	Previous year
- Administrative penalties	58.623.781	25.763.139
- Other expenses	4.943.970.816	134.952.659
<b>Totals</b>	<b>5.002.594.597</b>	<b>160.715.798</b>

**08. Selling expenses**

	Current year	Previous year
- Employee expenses	28.410.131.900	28.823.743.148
- Raw materials and packaging costs	579.368.100	118.733.390
- Tools and supplies expenses	464.619.822	4.739.213
- Depreciation expenses of fixed assets	811.076.676	938.958.276
- Warranty and bid guarantee expenses	513.606.078	672.970.684
- Transportation and loading/unloading expenses	2.142.233.107	4.762.016.436
- Advertising, trade fair introduction, and customer conference expenses	2.157.795.800	2.898.532.469
- Other monetary expenses	46.109.988.363	42.648.583.983
- Other expenses	5.924.574.700	884.141.938
<b>Totals</b>	<b>87.113.394.546</b>	<b>81.752.419.537</b>



09. Administration expenses

- Employee expenses
- Raw materials and packaging costs
- Tools and supplies expenses
- Depreciation expenses of fixed assets
- Taxes, Fees and Charges
- Provision cost
- External services cost
- Other Cash Expenses

Totals

	Current year	Previous year
	54.682.835.307	41.610.675.922
	6.939.844.556	3.762.084.103
	273.856.659	-
	6.950.184.856	7.643.691.866
	461.910.273	-
	-	3.700.854.776
	13.091.830.349	8.714.592.920
	17.716.038.507	12.755.019.237
	<b>100.116.500.507</b>	<b>78.186.918.824</b>

VII. RELATED PARTIES

List of related parties

1. Danhson VN Company Limited
2. Vietnam Pharmaceutical Corporation - JSC
3. Davina Pharmaceutical Jointstock Company
4. Danhson-BG Ood
5. Codupha Central Pharmaceutical Joint Stock Company
6. Board of Directors and management

Relationship

- Holding Company
- Investment company
- Affiliated Company
- Have the same Key management personnel
- Have the same Key management personnel
- Key management personnel



Le Thi Van Anh  
Preparer



Tran Tien Dung  
Chief Accountant



Le Thang Binh  
General Director

Da Nang, 20th January 2025

