



**AGIMEXPHARM PHARMACEUTICAL
JOINT STOCK COMPANY**

No. 27 Nguyen Thai Hoc Street, My Binh Ward,
Long Xuyen City, An Giang Province

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Website: www.agimexpharm.com

ANNUAL REPORT

YEAR 2024

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Appendix IV
ANNUAL REPORT

(Promulgated with the Circular No 96/2020/TT-BTC on November 16, 2020 of the Minister of Finance)

**AGIMEXPHARM PHARMACEUTICAL
JOINT STOCK COMPANY**

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

No: 03/BC-AGP

Long Xuyen City, February 26, 2025

ANNUAL REPORT

Year 2024

To: - The State Securities Commission
- The Stock Exchange

I. General information

1. General information

- Trading name : AGIMEXPHARM PHARMACEUTICAL JOINT STOCK COMPANY
- Business Registration Certificate No.: 1600699279
- Charter capital : VND 231,439,410,000
- Owner's capital : VND 231,439,410,000
- Address: No. 27 Nguyen Thai Hoc St., My Binh Ward, Long Xuyen City, An Giang Province
- Telephone : (0296) 3856 961 - (0296) 3856 964
- Fax : (0296) 3857 301
- Website : www.agimexpharm.com
- Securities code (if any): AGP
- Establishment and development process:

Year	Event
1981	An Giang Pharmaceutical Factory was established under Decision No. 52/QD.UB dated June 10, 1981, by the People's Committee of An Giang Province
1992	Was transformed into a state-owned enterprise under the full name "An Giang Pharmaceutical Union Enterprise," abbreviated as ANGI PHARMA
1996	According to Decision No. 82/QD.UB dated December 7, 1996 issued by the People's Committee of An Giang Province, An Giang Pharmaceutical Company was officially established based on the merger of An Giang Pharmaceutical and Medical Equipment Company into An Giang Pharmaceutical Factory
2003	Was transformed into a joint-stock company under Decision No. 2778/QĐ.UB dated December 29, 2003, issued by the People's Committee of An Giang Province
2004	Officially operated as a joint-stock company under the name An Giang Pharmaceutical Joint Stock Company, according to Business Registration Certificate No. 1600699279 issued by the Department of Planning and Investment of An Giang Province on June 3, 2004, with a charter capital of VND 6,776,900,000.
2007	Issued an additional 1,522,310 shares to increase charter capital to VND 22,000,000,000
2008	Officially formed a joint venture with strategic shareholder, Imexpharm Pharmaceutical Joint Stock Company and renamed as Agimexpharm Pharmaceutical Joint Stock Company

Year	Event
2012	Issued shares to pay dividends, increasing charter capital to VND 26,399,600,000.
2014	Issued shares to the public, increasing charter capital to VND 39,599,400,000.
2015	In June 2015: Issued shares to increase share capital from equity, raising the charter capital to VND 43,558,800,000 In September 2015: Completed registration for stock trading on the Hanoi Stock Exchange
2017	Issued shares to the public, increasing charter capital to VND 74,049,960,000
2018	Issued shares to pay dividends (increased share capital from owner's equity), increasing charter capital to VND 96,263,830,000
2019	Completed the issuance to increase charter capital to VND 128,351,770,000 (USD 5.5 million), becoming a large-scale public company with an additional capital mobilization of VND 32 billion, equivalent to 33.33%
2022	Issued shares to the public, increasing charter capital to VND 179,692,470,000
2023	Issued shares to pay 2022 dividends and issued shares under an employee stock option program, increasing charter capital to VND 206,644,530,000
2024	Completed the distribution of a 12% dividend for 2023 in shares, increasing charter capital to VND 231,439,410,000

- Other events: None

2. Business lines and locations of the business

- *Business lines*: Producing and trading chemical pharmaceuticals and herbal medicines, health supplements, cosmetics and medical equipment.

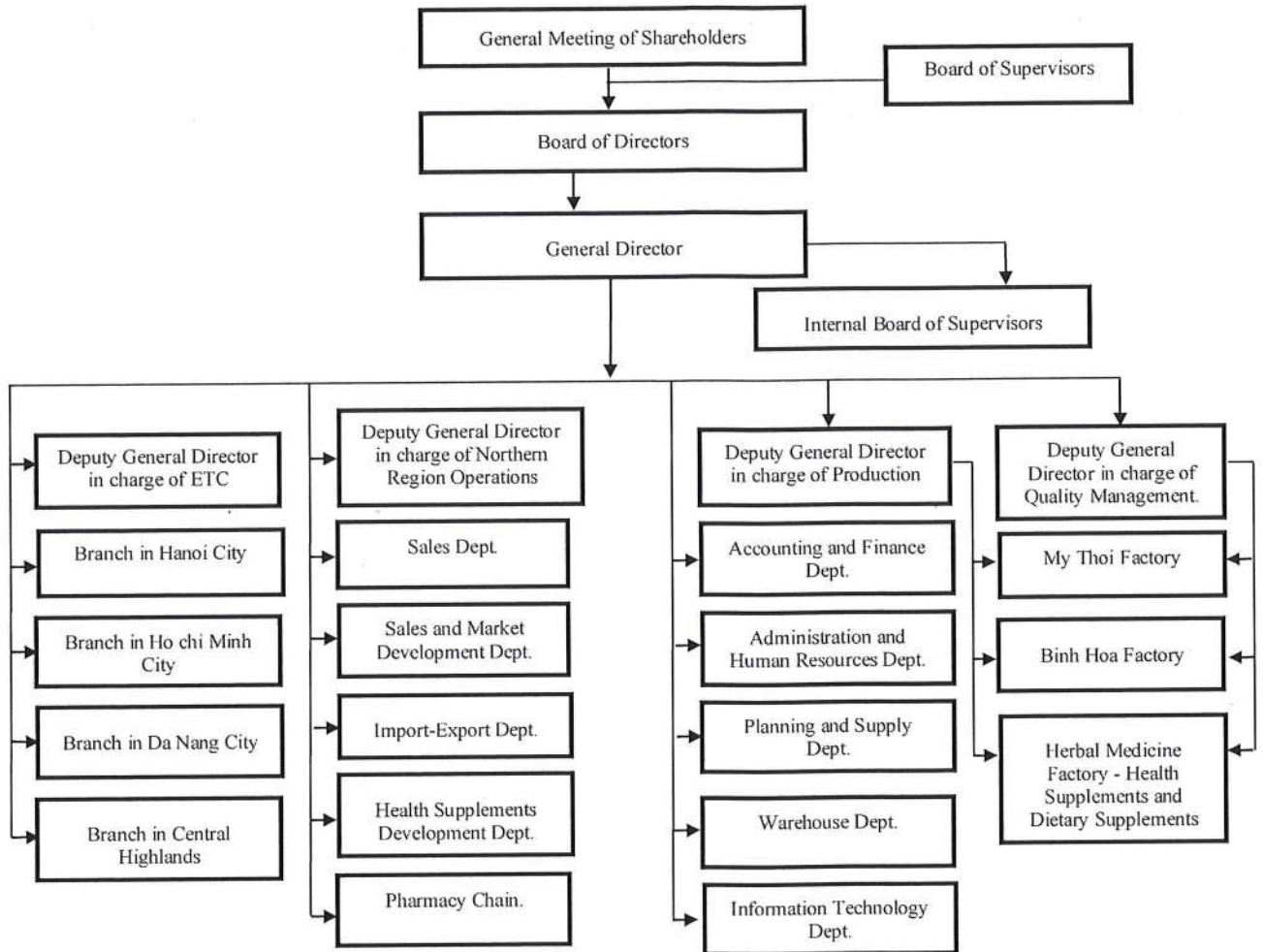
- *Locations of the business*: Nationwide. In addition to the headquarters in Long Xuyen City, An Giang Province, the company also has 02 plant complexes and 04 branches:

Unit Name	Address
Head Office	No. 27 Nguyen Thai Hoc St., My Binh Ward, Long Xuyen City, An Giang Province
Branch of Agimexpharm Pharmaceutical JSC - Agimexpharm Pharmaceutical Factory	No. 66 Vu Trong Phung Street, My Thoi Ward, Long Xuyen City, An Giang Province
Branch of Agimexpharm Pharmaceutical JSC - Binh Hoa Factory	Lot C4, Binh Hoa Industrial Zone, Binh Hoa Commune, Chau Thanh District, An Giang Province
Branch in Ho Chi Minh City	No. 49-51-53, 3A Street, Binh Tri Dong B Ward, Binh Tan District, Ho Chi Minh City
Branch in Da Nang City	No. 42 Nguyen Sinh Sac Street, Hoa Minh Ward, Lien Chieu District, Da Nang
Branch in Central Highlands	No. 184/84 Giai Phong Street, Tan Loi Ward, Buon Ma Thuot City, Dak Lak Province
Branch in Hanoi City	Lot 36 BT2 – X2, Bac Linh Dam Residential Area, Hoang Liet Ward, Hoang Mai District, Hanoi City

3. Information about governance model, business organization and managerial apparatus

- *Governance model* (as stipulated in Article 137 of the Law on Enterprises): General Meeting of Shareholders, Board of Directors, Board of Supervisors, and General Director.

- Management structure:



- Subsidiaries, associated companies:

No.	Name of company	Address	Purpose of capital contribution	Capital contribution rate	Ownership rate
1	USA-AGP Pharma Pharmaceutical Company	No. 14314 Brookhurst Street, Garden Grove, California, USA, 92843	Building a factory to produce and trade bottled capsule and tablet products related to functional foods, herbal medicines, Ganoderma, Cordyceps...	43.24%	50%

4. Development orientations

- Main objectives of the Company: sustainable development, ensuring income for employees, providing benefits to shareholders and promoting public health.

- Development strategies in medium and long term:

- Growth rate: $\geq 10\%$ per year;
- Develop products and optimize production lines over the next 10 years;
- Expand and strengthen distribution network both domestically and internationally;
- Ensure efficient use of financial resources.
- Continuously recruiting and training high quality employees to meet growth demands.

- Sustainable development objectives:

- Provide quality products;
- Ensure that shareholders receive return on investment safely and sustainably;
- Collaborate with customers and partners on the principle of mutual benefits;
- Provide employees with a safe working environment and stable living conditions;
- Strictly comply with environmental protection requirements in production, with a priority on implementing energy-saving measures.

5. Risks

Risks probably affecting the production and business operations or the realization of the Company's objectives and solutions:

- *Economic risks:*

- Economic growth rate: Update macroeconomic factors to promptly implement measures that bring the best benefits to the company and shareholders.
- Inflation: Board of Management regularly (1) identifies and evaluates actual costs incurred; (2) plans appropriate expenses for each cycle; (3) adjusts product prices according to the actual situation to maintain effective profit margins and implements timely solutions to mitigate inflation risks.
- Interest rates: Regularly monitor fluctuations in lending interest rates, adjust capital structure and financial strategies to promptly mitigate interest rate risks; take advantage of government policies to utilize low-cost capital for business expansion and enhance the company's competitive position.
- Exchange rates: Forecast price fluctuations, proactively import and stock raw materials.

- *Industry specific risks:*

- Raw material risks: Select reputable suppliers with stable quality, optimize raw material management plan aligned with the production process.
- Quality risks: Human resources are thoroughly trained in professional ethics and expertise; training programs are organized for employees on both general and specialized aspects of GPs standards.
- Sales risks: Develop reasonable product distribution and turnover strategies; implement promotional policies and offer deals for slow-moving products.
- Competitive risks: Develop multi-channel distribution, diversify the customer base, and ensure sales output while reducing sales and management costs.

- *Environmental risks:* Develop the business alongside responsibility towards the community and environment.

- *Legal risks:* Regularly update and strictly comply with regulations in the pharmaceutical industry, as well as accounting, financial, tax, and bidding policies.

- *Corporate governance risks:* Build and refine governance processes and regulations with a focus on specialization, enhancing the roles of Board of Directors and Board of Management to minimize risks and maximize shareholders' benefits.

- *Other risks (natural disasters, epidemics, fires, workplace accidents, etc.):* Ensure compliance with safety regulations, fire prevention measures, and purchase comprehensive insurance for both personnel and assets, etc.

II. Operations in the year

1. Situation of production and business operations

Detailed report in Section III. Reports and assessments of the Board of Management.

2. Organization and Human resources

2.1. List of the Board of Management

No.	Members	Position	Number of shares owned (as of December 31, 2024)	Ownership/ Charter capital ratio
1	Mr. Nguyen Van Kha	General Director - Vice Chairman of the Board of Directors	3,069,223	13.26%
2	Ms. Pham Thi Bich Thuy	Chairwoman of the Board of Directors - Deputy General Director	405,254	1.75%
3	Mr. Huynh Hoang Ha	Deputy General Director - Member of the Board of Directors	171,000	0.74%
4	Mr. Vu Minh Tuan	Deputy General Director	103,000	0.45%
5	Mr. Lam Tri Hien	Deputy General Director	125,420	0.54%
6	Ms. Tran Nguyen Minh Hien	Chief Accountant	63,708	0.28%

- *Changes in the Board of Management:* None

- *Summary of the Board of Management's Backgrounds:*

1. Mr. Nguyen Van Kha: General Director and Vice Chairman of the Board of Directors

Date of birth: May 16, 1953

Professional qualification: Pharmacist

Experience:

- 1973 – 1979: Studied at Saigon University of Pharmacy
- 1980 – 1981: Worked at the Faculty of Pharmacy, Ho Chi Minh City University of Medicine and Pharmacy
- 1982 – 1994: Worked at An Giang Pharmaceutical Factory
- 1995 – 2001: Director of Lam Son Pharmaceutical Co., Ltd., Ho Chi Minh City
- 2002 – 2004: Member of the Board of Directors, 3/2 Pharmaceutical Company, HCM City
- 2005 – 2007: Deputy Director and Member of the BoDs, Agimexpharm Pharmaceutical JSC
- 2007 – 2012: Chairman of the BoDs and Deputy Director, Agimexpharm Pharmaceutical JSC
- 2013 – July 29, 2020: Chairman of the BoDs and General Director, Agimexpharm Pharmaceutical JSC
- July 30, 2020 – Now: General Director and Vice Chairman of the BoDs, Agimexpharm Pharmaceutical JSC

Current positions at AGIMEXPHARM: General Director and Vice Chairman of the BoDs

Positions currently held at other organizations: None

Number of shares held as of December 31, 2024:

- Personal ownership: 3,069,223 shares (representing 13.26% of charter capital)
- Representative ownership: 0 shares (representing 0% of charter capital)

2. Ms. Pham Thi Bich Thuy: Chairwoman of the BoDs and Deputy General Director

Date of Birth: January 31, 1969

Professional qualification: Specialist 1-Pharmacist

Experience:

- 1989 – 1994: Studied at Ho Chi Minh City University of Medicine and Pharmacy

- 1995 – 1997: Inspector of the Compounding Team, An Giang Pharmaceutical Company
- 1997 – 2001: Deputy Head of the Compounding Team, An Giang Pharmaceutical Company
- 2001 – 2004: Deputy Manager, An Giang Pharmaceutical Company
- 2004 – 2006: Member of the BoDs and Manager of the Pharmaceutical Workshop, An Giang Pharmaceutical JSC
- 2006 – 2008: Member of the BoDs and Deputy Director, An Giang Pharmaceutical JSC
- 2008 – 2012: Studied Specialist 1-Pharmacist at Ho Chi Minh City University of Medicine and Pharmacy
- 2008 – July 29, 2020: Member of the BoDs and Deputy General Director, Agimexpharm Pharmaceutical JSC
- July 30, 2020 – Now: Chairwoman of the BoDs and Deputy General Director, Agimexpharm Pharmaceutical JSC

Current Positions at AGIMEXPHARM: Chairwoman of the BoDs and Deputy General Director

Positions currently held at other organizations: None

Number of shares held as of December 31, 2024:

- Personal ownership: 405,254 shares (representing 1,75% of charter capital)
- Representative ownership: 0 shares (representing 0% of charter capital).

3. Mr. Huynh Hoang Ha – Deputy General Director

Date of Birth: January 8, 1986

Professional qualification: Specialist 1-Pharmacist

Experience:

- 2004 – 2009: Studied at Can Tho University of Medicine and Pharmacy
- 2009 – 2010: Worked at Agimexpharm Pharmaceutical JSC
- 2010 – 2011: Team Leader of the Compounding Team at Agimexpharm Pharmaceutical JSC
- 2011 – 2016: Team Leader of Packaging Team 1 at Agimexpharm Pharmaceutical JSC
- 2016 – 2017: Deputy Manager of the Oil and Water Workshop at Agimexpharm Pharmaceutical JSC. In 2017, graduated with a degree in Business Administration from Ho Chi Minh City Open University.
- 2017 – 2018: Acting General Director of the Herbal Medicine Production Factory at Agimexpharm Pharmaceutical JSC.
- 2018 – 2019: Acting General Director of the Herbal Medicine Production Factory and Director of R&D Dept. at Agimexpharm Pharmaceutical JSC. In 2019, graduated as a Specialist 1-Pharmacist from Can Tho University of Medicine and Pharmacy.
- 2019 – 2020: Manager of the Tablets-Powder Production Workshop and Director of R&D Dept. at Agimexpharm Pharmaceutical JSC
- January 2021 – Now: Deputy General Director in charge of Production at Agimexpharm Pharmaceutical JSC
- April 2023 – Present: Member of the BoDs and Deputy General Director in charge of Production at Agimexpharm Pharmaceutical JSC

Current Positions at AGIMEXPHARM: Member of the BoDs and Deputy General Director

Positions currently held at other organizations: None

Number of shares held as of December 31, 2024:

- Personal ownership: 171,000 shares (representing 0.74% of charter capital)
- Representative ownership: 0 shares (representing 0% of charter capital).

4. Mr. Vu Minh Tuan – Deputy General Director

Date of Birth: July 26, 1967

Professional qualification: Pharmacist, Master of Hospital Management

Experience:

- May 1994 – 2003: Branch Manager of MeKong Pharmaceutical JSC - MEKOPHARMA in Hanoi
- 2003 – October 2019: Branch Manager of 3/2 Pharmaceutical JSC - F.T.PHARMA in Hanoi
- October 2019 – Now: Deputy General Director of Agimexpharm Pharmaceutical JSC

Current positions at AGIMEXPHARM: Deputy General Director

Positions currently held at other organizations: None

Number of shares held as of December 31, 2024:

- Personal ownership: 103,000 shares (representing 0.45% of charter capital)
- Representative ownership: 0 shares (representing 0% of charter capital).

5. Mr. Lam Tri Hien – Deputy General Director

Date of Birth: February 6, 1981

Professional qualification: Pharmacist

Experience:

- July 2003 – March 2014: Worked at Domesco Medical Import-Export JSC, Dong Thap
- April 2014 – April 2016: Worked at Agimexpharm Pharmaceutical JSC – HCM City Branch
- May 2016 – February 21, 2019: Deputy Director of Agimexpharm Pharmaceutical JSC – Ho Chi Minh City Branch, in charge of the ETC system
- February 22, 2019 – Now: Deputy General Director in charge of ETC at Agimexpharm Pharmaceutical JSC

Current Positions at AGIMEXPHARM: Deputy General Director

Positions currently held at other organizations: None

Number of shares held as of December 31, 2024:

- Personal ownership: 125,420 shares (representing 0.54% of charter capital)
- Representative ownership: 0 shares (representing 0% of charter capital)

6. Ms. Tran Nguyen Minh Hien – Chief Accountant

Date of Birth: April 15, 1982

Professional qualification: Bachelor of Accounting

Experience:

- 1999 – 2004: Studied at An Giang University
- 2004 – 2008: Worked at Committee for Population and Family Planning of An Giang Province
- 2008 – 2011: Accountant at Agimexpharm Pharmaceutical JSC
- 2011 – April 14, 2020: Deputy Head of Accounting Department at Agimexpharm Pharmaceutical JSC
- April 15, 2020 – Now: Chief Accountant at Agimexpharm Pharmaceutical JSC

Current Positions at AGIMEXPHARM: Chief Accountant

Positions currently held at other organizations: None

Number of shares held as of December 31, 2024:

- Personal ownership: 63,708 shares (representing 0.28% of charter capital)

- Representative ownership: 0 shares (representing 0% of charter capital)

2.2. Number of employees

At the end of the fiscal year ending December 31, 2024, the Company had 490 employees working, detailed as follows:

No.	Classification	Quantity	Percentage
A	By Qualification	490	100.00%
1	University and Postgraduate Degree	227	46.33%
2	College Degree	160	32.65%
3	Intermediate Level Degree	79	16.12%
4	Unskilled labor	24	4.90%
B	By Employment Contract Type	490	100.00%
1	Indefinite-term employment contract	370	75.51%
2	Fixed-term employment contract	120	24.49%
C	By Gender	490	100.00%
1	Male	253	51.63%
2	Female	237	48.37%

2.3. Brief information and changes on the employee's policies

- Fully implement all regimes and policies (social insurance, health insurance, unemployment insurance, etc.) for employees in accordance with labor contracts and labor laws;
- Ensure job security and stable living conditions for employees;
- Recruit additional medical sales representatives and collaborate with local agents in specific areas;
- Appoint and rotate personnel based on their qualifications, ethics, and professional expertise;
- Create opportunities for staff at different levels and positions to receive appropriate training;
- Reasonable reward policies;
- Head of department proposes the consideration of rewards, salary increases or decreases each quarter.

3. Investment activities, project implementation

3.1. Investment into to the joint venture company USA-AGP Pharma, LLC

- The Company only invests in USA-AGP Phamra, LLC headquartered at No. 14314 Brookhurst Street, Graden Grove City, California, 92843. Principal business activities of this joint venture are to package and trade bottled capsules and tablets of dietary supplements, pharmaceutical products, reishi, cordyceps. According to the Business Cooperation Contract No. 01/HDHTKD dated 18 March 2019, the voting rate is 50% equivalent to the ownership rate. As of the balance sheet date, the Company's capital contribution rate at this joint venture is 43,24%. The remaining charter capital investment is expected to be completed by 2025-2026.

- *Operational status:* The manufacturing factory has been completed in accordance with the objectives specified in the Foreign Investment Registration Certificate. The Company has completed all necessary procedures and was granted a sales license on February 15, 2023. Official business operations commenced in 2024, but no revenue has been generated yet.

- *Transactions with the joint venture:* During the year, the Company recorded sales transactions with USA-AGP Pharma, LLC, amounting to VND 201,871,420.

3.2. Investment in factories, offices, and production machinery and equipment

- In 2024, new asset investments totaled VND 195 billion, allocated to the construction of the Betalactam Plant, maintenance and upgrades of existing assets, infrastructure expansion, the addition of 3 solar energy systems, production machinery, and testing equipment. This represents the highest investment level to date, raising the total value of fixed assets to VND 562 billion, increasing by 53%. Additionally, ongoing projects and equipment under construction amount to VND 47 billion, including the expanded Herbal Medicine Plant, the Liquid Pharmaceutical Plant (for infusions, injections, and eye drops), and the Canteen and Parking facility for the Binh Hoa Industrial Park manufacturing complex.

- Continuous investment is a crucial step, reflecting the strategic vision of the Board of Management to be ready to meet the growing demands of the market and lay the foundation for future growth. The Betalactam Antibiotic Plant with an area of 7,776m², was completed after 14 months of construction and successfully passed the evaluation process. It is now capable of developing new product lines.

4. Financial situation

4.1. Financial situation

Unit: Billion VND

Indicators	Year 2023	Year 2024	% change
Total asset	897.8	1,094.3	21.89%
Net revenue	725.1	793.3	9.41%
Operating profit	53.9	60.6	12.43%
Other profits	0.3	-0.1	-133.33%
Profit before tax	54.2	60.5	11.62%
Profit after tax	43.6	48.9	12.16%
Payout ratio	12%	15%	25.00%

4.2. Major financial indicators

Indicators	Unit	Year 2023	Year 2024
1. Liquidity indicators			
+ Current ratio	Times	1.1	1.1
Short-term assets/ Short-term liabilities			
+ Quick ratio	Times	0.5	0.5
Short-term assets - Inventory/ Short-term liabilities			
2. Capital structure indicators			
+ Liabilities/ Total assets ratio	%	60.5	63.5
+ Liabilities/ Owner's equity ratio	%	153.1	173.7
3. Operational efficiency indicators			
+ Inventory turnover	Times	1.81	1.87
Cost of sales/ Average inventory			
+ Total assets turnover	Times	0.85	0.80
Net revenue/ Average total assets			
4. Profitability indicators			
+ Net profit margin (Net profit/Net revenue)	%	6.00	6.20
+ Return on equity (Net profit/Equity)	%	12.30	12.20
+ Return on assets (Net profit/Total assets)	%	5.00	4.00
+ Operating profit margin (Operating profit/Net revenue)	%	7.00	8.00

5. Shareholders structure, change in the owner's equity

5.1. Shares

- Total shares outstanding:	23,143,941
• Common shares freely transferred:	23,143,941
• Shares with restricted transferability:	0
- Type of shares outstanding:	common shares
- Par value of shares:	VND 10,000

5.2. Shareholders structure

(As of December 31, 2024)

No.	Type of shareholders	Number of shareholders	Number of shares	Value (VND)	Ownership percentage (%)
I	Domestic shareholders	771	23,138,392	231,383,920,000	99.98%
1	State shareholders				
2	Organization shareholders	7	8,720,775	87,207,750,000	37.68%
3	Individual shareholders	764	14,417,617	144,176,170,000	62.30%
II	Foreign shareholders	3	5,549	55,490,000	0.02%
1	Individual	3	5,549	55,490,000	0.02%
2	Organization				
	Total	774	23,143,941	231,439,410,000	100.00%

5.3. Change in the owner's equity

No.	Date	Capital before increase (VND)	Capital after increase (VND)	Notes
1	12/2007	6,776,900,000	22,000,000,000	Private placement to strategic shareholders, existing shareholders, and employees
2	10/2012	22,000,000,000	26,399,000,000	Issuance of bonus shares to existing shareholders
3	11/2014	26,399,000,000	39,599,400,000	Issuance of shares to existing shareholders
4	06/2015	39,599,400,000	43,558,800,000	Issuance of shares to increase share capital from owner's equity
5	03/2017	43,558,800,000	74,049,960,000	Issuance of shares to existing shareholders
6	05/2018	74,049,960,000	96,263,830,000	Issuance of shares to pay 2017 dividends
7	06/2019	96,263,830,000	128,351,770,000	Issuance of shares to existing shareholders
8	03/2022	128,351,770,000	179,692,470,000	Issuance of shares to existing shareholders
9	07/2023	179,692,470,000	206,644,530,000	Issuance of shares to pay 2022 dividends and issuance under the employee stock option program
10	05/2024	206,644,530,000	231,439,410,000	Issuance of shares to pay 2023 dividends

5.4. Transaction of treasury stocks

- Number of treasury stocks: 0
- Transaction of treasury stocks: None

5.5. Other securities

None

6. Environment-Social-Governance (ESG) Report of the Company

6.1. The impact on the environment

- Always protect the environment, aiming to become an environmentally friendly enterprise.
- Encourage employees to actively use public transportation, reduce reliance on transportation for short distances.
- All employees strive to transform their awareness of environmental protection into conscious actions in their respective production roles:
 - Reduce electricity and fuel consumption in offices and factories.
 - Plant and care for trees in and around the company premises and factories.
 - Comply with legal regulations through periodic reports, such as Environmental Monitoring Reports (quarterly) and Hazardous Waste Management Reports.

6.2. Management of raw materials

- The total amount of raw materials used for the manufacture and packaging of the products as well as services of the organization during the year:
 - The total amount of raw materials used during the year includes 1,224 tons of excipients and 1,502 tons of packaging.
 - Raw materials are used according to the specified standards and stored properly while also striving to minimize waste.
- The percentage of materials recycled to produce products and services of the organization: Recycled materials are not used in the production of the company's products due to the specific nature of the pharmaceutical industry, which has very stringent safety and hygiene requirements.

6.3. Energy consumption

- The operational process is tightly controlled to prevent energy waste.
- Use energy efficiently and economically:
 - The company has implemented energy-saving solutions combined with a green production strategy, with a newly installed solar power system of 1,317 kW in the year, bringing the total company capacity to 2,465 kW. This has resulted in a reduction of VND 7 billion per year in electricity costs while also lowering carbon emissions and contributing to environmental protection;
 - Replace fluorescent lights with LED lighting;
 - Utilize a clean, modern technology production line that consumes less energy;
 - Turn off electrical equipment when not in use or when leaving a room.

6.4. Water consumption

- Install water meters to monitor and record monthly water use;
- Remind employees to use water for its intended purposes and raise awareness about saving throughout the company;
- Produce scientifically, increase machine productivity and reduce water consumption per unit of product;
- Optimize cleaning processes for equipment and the factory;
- Improve the water supply system that meets standards and effectively reuse water resources.

6.5. Compliance with the law on environmental protection

The Company strictly complies with environmental protection laws and has not received any violation records in 2024.

6.6. Policies related to employees

a) Number of employees, average wages of workers

Indicators	Year 2023	Year 2024
Average number of employees (person)	456	475
Average salary (VND/person/month)	9,000,000	9,300,000

b) Labor policies to ensure health, safety and welfare of workers

- Continuously improve the working environment and maintain stable salary, bonus and welfare policies.

- Provide opportunities for employees to participate in conferences, seminars, and specialized training courses to enhance their confidence and knowledge; organize cultural, sports activities and gatherings to enhance connection and solidarity.

- Always ensure that the workplace meets standards regarding space, ventilation, heat, humidity, noise, etc.

- Regularly inspect and maintain machinery, equipment, workshops and warehouses.

- Ensure no occupational accidents, equipment malfunctions or fires occur.

- Annually invest in safety, labor protection and fire prevention.

- Equip employees with adequate personal protective gear and safety tools.

- Focus on human resource management reforms, avoiding outdated practices and keeping up with modern advancements; develop and implement recruitment procedures, promotion and reward policies.

- Organize periodic health check-ups for staff according to department.

c) Employee training

- Continuous training and development: communication and customer care skills for the sales team, product knowledge for medical representatives, GMP-WHO standards for factories; general and specialized training on GPs standards; regular training for employees. In 2024, over 30 specialized training courses were attended.

- Training programs on corporate governance that members of the Board of Directors, the Board of Supervisors, the Board of Management, other managers and the Company Secretary have attended: Workshop on "Enhancing Efficiency in Public Company Governance through Internal Regulations", Training on the CIMS system and disclosure obligations in the securities market, Corporate governance workshops and the Annual Business Conference.

- Collaborated with training institutions to organize skill training classes for employees, regularly improving professional competencies:

- Specialized training on drug registration and pharmaceutical raw materials;
- Bioequivalence training;
- Guidance on cosmetic regulations in cosmetic product dossiers;
- Business invoice and production cost management;
- Occupational safety and fire prevention training;
- Guidance on the use, inspection, and calibration of analytical and technical scales;
- Impurity control in pharmaceutical testing;
- Quantification techniques using liquid chromatography in health supplement testing.

6.7. Report on responsibility for local community

- Awarded scholarships and gifts to students and policy households in Chau Thanh district.

- Contributed to the community by providing medicine with creativity, enhancing product quality, increasing labor productivity, optimizing costs, and creating the best medicines to meet societal needs. Distributed medicine to the poor in districts such as Cho Moi, An Phu, Tan Chau, Thoai Son, Tinh Bien, Kien Giang, Ta Keo province, Cambodia.

- Annually local social activities include:

- The charity fund "Empowering students to go to school" for poor students in Binh Hoa Industrial Zone
- Support for Agent Orange - Dioxin victims in An Giang province
- Support for gratitude funds, Spring Tree and Tet for the poor
- Donating insurance cards to the poor

6.8. Report on green capital market activities under the guidance of the SSC

None

III. Reports and assessments of the Board of Management

1. Assessment of operating results

1.1. Revenue and Profit

- Revenue: VND 793.3 billion, rising by 9.4% compared to 2023, exceeding the target by 3%.
- Profit before tax: VND 60.5 billion, rising by 11.6%, exceeding the target by 4.3%.
- Profit after tax: VND 48.9 billion, rising by 12.1%, exceeding the target by 4.7%.

Unit: Million VND

Indicator/Year	2020	2021	2022	2023	2024	5-Year Average
Revenue	494,978	521,798	687,047	725,130	793,261	11.6%
Profit before tax	36,298	41,378	53,239	54,196	60,481	11.6%
Profit after tax	28,870	33,226	42,910	43,613	48,890	11.9%

The results above reflect the sustainable effectiveness of the company's business strategy, market expansion, and strict adherence to financial regulations.

1.2. Production and Distribution

a) **Production:** The production output for the past year is as follows:

Unit: Million VND

Product	Unit	2020	2021	2022	2023	2024	+/-% 2023
Powder Sachets	Sachet	19.38	21.35	34.38	33.29	32.23	-3.2%
Suspension Sachets	Sachet	0.35	11.81	17.52	16.21	14.98	-7.6%
Capsules	Capsule	115.83	132.95	166.40	198.92	235.32	18.3%
Tablets	Tablet	601.16	690.07	827.72	923.78	1,051.48	13.8%
Liquid Medicine	Sachet/ Vial/ Bottle	14.32	2.14	4.13	3.70	6.37	72.2%
Granules	Bottle	0.51	0.35	0.50	0.49	0.41	-16.3%
Creams	Tube	0.84	0.73	0.74	1.05	1.30	23.8%
Total		752.39	859.42	1,051.39	1,177.44	1,342.09	14.0%

Agimexpharm has optimized production capacity at 4 factories, including: My Thoi Capsule-Granule-Powder; My Thoi Cream-Ointment-Liquid; Binh Hoa Non-Betalactam Capsule-Granule-Powder; Herbal medicine and Health supplement. As a result, the total production output reached 1.34 billion units, a 14% increase compared to the year 2023, along with the development of 30 new

products and new packaging formats. This achievement was made possible by:

- The application of automation and management software has helped improve productivity and minimize errors.
- The testing laboratory compliant with GLP.ISO 13485 standards, equipped with advanced technology and a highly skilled team, completed **21,000 samples** during the year, ensuring product quality complies with the strict pharmaceutical industry regulations.
- Strengthened quality assurance (QA): regular inspections and audits to ensure products are manufactured according to quality procedures.

b) Distribution:

- Agimexpharm has a **diverse product portfolio** with **597 finished product codes** currently supplied to customers, which strengthens the company’s competitiveness in the challenging pharmaceutical environment. The market share and growth rates of the product groups are as follows:

Group	% of 2024 Revenue	% of 2023 Revenue
Anti-inflammatory agents, Antibiotics, Antivirals, Antihistamines	32.4%	32.7%
Cardiovascular system, Antidiabetic	21.2%	21.2%
Alimentary tract and Metabolism	14.3%	15.4%
Health supplements-Cosmetics-Medical devices; Vitamins-Minerals, Herbal medicines	9.5%	10.3%
Other groups (Analgesics, Skeletal Muscle Relaxants, Nervous system, Genitourinary system...)	22.6%	20.4%

- The ETC channel played a key role and grew compared to the year 2023, accounting for **51%** of total revenue. The OTC channel declined at branch levels due to intense competition between traditional pharmacies and new chain systems. Meanwhile, the manufacturing facilities attracted more contract manufacturing partners, contributing to revenue and serving as an effective branding tool, reinforcing the company’s reputation and product quality.

- Nationwide distribution: **An Giang Province** played a key role in maintaining stability (accounting for 34% of revenue, increasing by 7%). The key market of **Ho Chi Minh City and neighboring provinces** (accounting for 41% of revenue, increasing by 13%), while **Da Nang and the Central region** (accounting for 22%, increasing by 11%). Revenue from the **Northern region** serves as a foundation for future growth.

- In addition to the domestic market, Agimexpharm is actively expanding into international markets. In 2024, the company made significant progress by maintaining exports to Cambodia and Myanmar, while also targeting new markets such as South Korea, Yemen, Somalia and Afghanistan.

- To ensure the timely and accurate distribution of its products, Agimexpharm’s logistics and warehousing system operates with **31 personnel**, managing **5 warehouses** with a total area of **7,589m²**. The fleet includes **7 trucks** (ranging from 500 kg to 8 tons), which transported **9,694 tons** of raw materials and packaging and **4,150 tons** of finished products in 2024.

2. Financial situation

- **The rising cost of raw materials** remains a significant challenge, accounting for a substantial portion of product costs and being influenced by various factors such as transportation expenses, exchange rates, supply chain disruptions, and stringent regulations. Over the year, the company spent **VND 480 billion** on raw materials and packaging, including direct imports of **30 types** of materials with a total value of **VND 84 billion** (increased 1.75 times). Optimizing raw material costs, combined with efforts to diversify supply sources, helps Agimexpharm improve its competitiveness and proactively respond to future challenges related to raw material costs.

- **Capital** is another significant challenge when expanding scale and investing in strategic projects. From the shareholders' contributed capital of **VND 231 billion**, assets have now grown to **VND 1,094 billion**. The equity turnover ratio reached **2.1 times**, and the return on equity (ROE) was **13%**, affirming profitability and long-term growth potential. As a result, the company has opportunities to access funding from banks for buying raw materials and implementing investment projects.

- Effective cash flow management ensures liquidity. Cash flow from operating activities reached **VND 60.8 billion**, an increase compared to 2023, thanks to enhanced cost control, sales, and debt collection. Cash flow from financing activities reached **VND 130 billion**, supported by bank funding. The Company's cash flow statement is presented in the following table:

Unit: Million VND

Cash flow	2020	2021	2022	2023	2024
Operating activities	(716)	14,999	25,500	50,250	60,755
Investment activities	(27,049)	(23,441)	(126,696)	(75,782)	(205,384)
Financing activities	22,237	17,752	85,889	45,234	129,988
Total	(5,527)	9,310	(15,307)	19,702	(14,641)

3. Development plans in future

- Maintain a revenue growth rate of 10% or more, aiming to reach VND 1,000 billion within the next 3 years.
- Expand into new markets while strengthening current market.
- Continue implementing projects: Expansion of the Herbal Medicine Factory, Liquid Medicine Factory, Food Factory, Canteen and Parking Lot to meet coverage requirements at Binh Hoa Industrial Park.
- Exploiting the capacity of completed factories.
- Tighten cash flow management.
- Develop human resources, enhance professional skills and leadership capabilities, encourage innovation, optimize work processes and increase productivity.

4. Assessment Report related to environmental and social responsibilities of the Company

- With a long-term vision, Agimexpharm has made sustainable investments in human resources, simultaneously fulfilling its social responsibilities and laying a solid foundation for long-term growth.
- By the end of 2024, the company had nearly **490 employees** working in a well-structured environment with comprehensive welfare policies. Employees are empowered to develop their capabilities, provided with career advancement opportunities, and receive competitive salaries and benefits. The total salary expenditure for the year 2024 reached **VND 52.5 billion, rising by 7%**. The recognition and rewards for outstanding individuals and teams serve as motivation for continued growth.
- For shareholders, Agimexpharm ensures the protection of interests and capital preservation by maintaining stable dividends and sustainable stock value. In 2024, the company distributed **dividends at 12%**. As of December 31, 2024, the stock price was **VND 38,900 per share**, reflecting stability and market confidence in the company's development strategy.
- In fulfilling its responsibilities to the State, Agimexpharm remains highly aware of its obligations beyond business growth. In 2024, the company fully complied with tax obligations, contributing **VND 14 billion** to the national budget.

- Awards and Certifications:

- Top 10 Asean Strong Brand

- Top 100 Vietnam's National Brand – Vietnam Gold Star Award 2024
- Vietnam High Quality Goods
- Vietnam Pharmaceutical Star Award
- 2023-2024 Cultural Enterprise
- Outstanding Enterprise for Employees
- GMP, GSP, GLP, GDP Certifications; ISO 13485:2016

IV. Assessments of the Board of Directors on the Company's operation

1. Assessments of the Board of Directors on the Company's operation

1.1. Performance evaluation

- 2024 continues to be a volatile year for the global economy. The Vietnamese pharmaceutical industry faced numerous challenges and difficulties, including supply chain disruptions, rising production costs, intense competition and exchange rate pressures....

- Faced with that common context, with the efforts and initiative of the Board of Directors and staff, Agimexpharm has implemented many solutions, taken advantage of opportunities, and overcome challenges to complete the targets set by the GMS.

- The company strictly complied with the policies and regulations of the State, actively contributed to environmental protection, and fulfilled its social responsibilities.

- Under the strategic direction of the BOD and in response to market difficulties, the Board of Management took decisive actions, proposed many flexible strategies, and implemented specific and creative solutions to complete the 2024 production and business plan.

1.2. Assessment of the implementation of the General meeting of Shareholders' Resolutions

CONTENT	IMPLEMENTATION RESULTS
1. The 2024 production and business targets	
Total revenue	VND 799.15 billion
Net revenue	VND 793.26 billion
Profit before tax	VND 60.48 billion
Profit after tax	VND 48.89 billion
2. Selection of independent auditing firm for the 2024 fiscal year	
Authorize the BOD to select 1 of 5 independent auditing firms	Choose A&C Auditing and Consulting Co., Ltd.
3. Profit distribution and dividend payment for 2023	
Dividend payment in shares at 12% of charter capital	The company issued 2,479,488 shares for the 2023 dividend
Bonus for the BOD and the Board of Supervisors for exceeding the profit plan by 1.27% of Profit After Tax	Bonus for the BOD and Board of Supervisors: VND 551,745,246
Allocation to the reward and welfare fund: 6.88% of Profit After Tax	Reward and welfare fund for 2023: VND 2,999,226,098
4. Addition of new business line	
	Added new business line: Warehousing and storage of goods
5. 2024 Salary and Bonus for the BOD, the Board of Supervisors, and the Board of Management	
	<i>Refer to item 1a, Section 1, part VII of the Notes to the Financial Statements – The Audited 2024 Financial Statements, which has been disclosed in accordance with regulations</i>

1.3. Key achievements

- Despite capital difficulties due to investment in the Betalactam Factory, 2024 revenue increased by 9%, and profit increased by 12% compared to the same period last year.

- Product quality remains the core value, so the company consistently emphasizes quality management to ensure consumer health and high treatment efficacy.
- The 2024 production output: 1.3 billion units, increased by 14% compared to 2023.
- Research and development and product registration are invested: In 2024, the Department of Drug Administration granted 54 new registration numbers and 269 renewal numbers.
- The Betalactam Factory project was completed with an area of 7,776 m². In early December 2024, the Department of Drug Administration confirmed its GMP compliance.
- In 2024, Agimexpharm achieved several achievements: “Vietnamese Drug Star Award – 2nd Edition”, Top 10 ASEAN Strong Brands, Top 100 Vietnam's National Brand – Vietnam Gold Star Award 2024, Vietnam High Quality Goods, Outstanding Enterprise for Employees, and Cultural Enterprise.
- The company developed policies for employee benefits, salary, bonus, and training programs to enhance professional skills and ensuring long-term employee loyalty.
- As a responsible manufacturer, Agimexpharm focuses on investing in health and safety standards for employees, minimizing environmental impact, and meeting waste treatment standards. The company also increased green coverage at operational sites, engaged in traditional community activities, and contributed to charity funds, scholarships and local government initiatives...

2. Assessment of Board of Directors on Board of Management s performance

- Supervision methods:

- Receiving reports and directly questioning the Board of Management during regular BOD meetings.
- Monitoring the fulfillment of key targets committed by the Board of Management in accordance with the resolutions of the GMS and the BOD.
- Regular discussions among members to reach consensus on solutions regarding investment, finance, business operations, project management and procedures. Overseeing and directing the company’s investment projects to ensure effective implementation. Ongoing supervision allows timely decision-making and strategic direction to resolve difficulties and inadequacies in business operations.
- Risk management: Assessing and governancing potential risks, including financial, human resources, legal, market and corporate governance risks.

- Supervision results:

- The Board of Management and management team have implemented the resolutions and decisions of the GMS and the BOD.
- Throughout operations, the General Director and members of the Board of Management have complied with the regulations of the Company’s Charter and Internal Governance Regulations.
- The General Director has fulfilled the role and responsibilities of a leader, directing and guiding critical company matters while efficiently coordinating the Board of Management’s activities.
- Especially in 2024, despite a complex operating environment, the General Director managed production and business activities flexibly, proposed many timely solutions, adapted to the fluctuating business environment and completed the task of bringing practical value to shareholders.

*** Conclusion:** *The BOD considers 2024 a successful year for the company, reinforcing faith among shareholders, partners, and the entire Agimexpharm team.*

3. Plans and orientations of the Board of Directors

3.1. Business Plan for 2025

Target	Actual 2024	Plan for 2025	Growth rate (%)
Net Revenue (VND billion)	793.3	868	9.4%
Profit Before Tax (VND billion)	60.5	68	12.4%
Profit Margin (Profit Before Tax/Revenue) (%)	7.6%	7.8%	

3.2. Corporate Governance Objectives

The Vietnamese pharmaceutical industry in 2025 presents numerous growth opportunities but also faces significant challenges. Leveraging advantages and opportunities while overcoming difficulties will be key to Agimexpharm's sustainable development in the future. The BOD has set the following main objectives:

- Ensure responsible governance and compliance with legal regulations, the Company's Charter and the BODs' operational regulations.
- Coordinate with the Board of Supervisors to fully understand the company's operations and provide valuable advice and recommendations to support the Board of Management.
- Strengthen supervision, evaluation and feedback on the Board of Management's activities regarding investments, finance, business operations, production, quality risk management, human resources, project management, etc. Solutions need to be developed to increase the company's capital.
- Organize BOD meetings to promptly address issues with the Board of Management, overcoming obstacles and creating favorable conditions for all company activities.
- Coordinate with the Board of Management in relationships with shareholders, investors, partners, employees and other stakeholders.

V. Corporate governance

1. Board of Directors

1.1. Members and structure of the Board of Directors

No.	Board of Directors' members	Position	The date becoming/ceasing to be the member of the Board of Directors		Number of shares owned (As of December 31, 2024) (shares)	Ownership percentage (%)
			Date of appointment	Date of dismissal		
1	Ms. Pham Thi Bich Thuy	Chairwoman of the Board of Directors	April 8, 2023		405,254	1.75%
2	Mr. Nguyen Van Kha	Vice Chairman of the Board of Directors	April 8, 2023		3,069,223	13.26%
3	Ms. Tran Thi Dao	Non-executive member of the Board of Directors	April 8, 2023		7,304,216 <i>(Representative of Imexpharm Pharmaceutical JSC's capital contribution)</i>	31.56%
4	Mr. Nguyen Quoc Dinh	Non-executive member of the Board of Directors	April 8, 2023			
5	Mr. Pham Uyen Nguyen	Non-executive member of the Board of Directors	April 8, 2023		3,468,591	14.99%
6	Mr. Huynh Hoang Ha	Member of the Board of Directors	April 8, 2023		171,000	0.74%

- Board of Directors' Backgrounds:

1. Ms. Pham Thi Bich Thuy – Chairwoman of the BoDs and Deputy General Director

Detailed background in Section 2, Part II: Operations in the year

2. Mr. Nguyen Van Kha – Vice Chairman of the BoDs and General Director

Detailed background in Section 2, Part II: Operations in the year

3. Ms. Tran Thi Dao – Non-executive member of the Board of Directors

Date of Birth: May 1, 1952

Professional qualification: Pharmacist

Experience:

- 1967 - 1974: Deputy Head of the Pharmacy Workshop, Secretary of the Health Department's Youth Union, Region VIII
- 1974 - 1977: Cultural Supplementary Education in Ho Chi Minh City
- 1977 - 1980: Studied in-service training at Ho Chi Minh City University of Pharmacy
- 1980 - 1983: Deputy Head of Pharmaceutical Affairs Department - Department of Health of Dong Thap Province
- 1983 - 1984: Studied Russian at Ho Chi Minh City School of Public Health Management
- 1984 - 1998: Director of Dong Thap Pharmaceutical Company
- 1999 - 2000: Director of Central No. 7 Pharmaceutical Company
- 2001 - 2004: Director of Imexpharm Pharmaceutical Joint Stock Company
- 2005 - Present: General Director of Imexpharm Pharmaceutical Joint Stock Company
- March 2018 – Now: Member of the BoDs of Agimexpharm Pharmaceutical JSC

Current position at AGIMEXPHARM: Non-executive members of the Board of Directors

Current positions in other organizations:

- Vice Chairwoman of the BoDs and General Director of Imexpharm Pharmaceutical JSC
- Member of the BoDs of S. Pharm Pharmaceutical Joint Stock Company
- Member of the BoDs of Dapharco Pharmaceutical Joint Stock Company
- Vice Chairwoman of the Vietnam Pharmaceutical Enterprises Association

Shares held as of December 31, 2024:

- Personal ownership: 0 shares (0% of charter capital)
- Representative ownership on behalf of IMEXPHARM: 7,304,216 shares (31.56% of charter capital)

4. Mr. Nguyễn Quốc Định – Non-executive member of the Board of Directors

Date of Birth: June 20, 1962

Professional qualification: Finance - Accounting

Experience:

- 1979 - 1984: Studied Finance and Accounting at Ho Chi Minh City - Campus 2
- 1985 - 1991: Official at the Department of Finance of Dong Thap Province
- 1992 - 1995: Deputy Head of the Finance Department at the Department of Finance of Dong Thap Province
- 1995 - 1999: Head of Department I of the State Capital and Asset Management Committee at Dong Thap Province Enterprises
- 1999 - 2000: Deputy Director of Central No.7 Pharmaceutical Company
- 2001 - 2004: Deputy Director of Imexpharm Pharmaceutical Joint Stock Company

- 2005 - Now: Chairman of the BoDs and Deputy General Director of Imexpharm Pharmaceutical Joint Stock Company
- 2018 – Now: Member of the BoDs of Agimexpharm Pharmaceutical JSC

Current position at AGIMEXPHARM: Non-executive members of the Board of Directors

Current positions in other organizations: Chairman of the BoDs and Deputy General Director of Imexpharm Pharmaceutical JSC

Shares held as of December 31, 2024:

- Personal ownership: 0 shares (0% of charter capital)
- Representative ownership on behalf of IMEXPHARM: 7,304,216 shares (31.56% of charter capital)

5. Mr. Phạm Uyên Nguyên – Non-executive member of the Board of Directors

Date of Birth: June 8, 1968

Professional qualification: Master of Business Administration

Experience:

- 1988 - 1991: Intern Reporter at Tuoi Tre Newspaper in Ho Chi Minh City
- 1991 - 1994: Research Officer at the Ho Chi Minh City Institute of Economics
- 1994 - 1997: Studied abroad in Singapore for an MBA in Finance and Banking
- 1997 - 2000: Deputy Head of the Appraisal Department at Ho Chi Minh City Urban Development Investment Fund
- 2000 - 2003: Director of Bao Viet Securities Company, Ho Chi Minh City Branch
- 2003 - 2007: Executive Director and Head of Representative Office of Vina Capital Investment Management Ltd.
- 2007 - 2012: General Director of Vietnam Mutual Fund Management Company
- 2012 - Now: Member of the BoDs of Agimexpharm Pharmaceutical JSC

Current position at AGIMEXPHARM: Non-executive member of the Board of Directors

Current positions in other organizations:

- Member of the BoDs of Phuong Nam Cultural Joint Stock Company
- Member of the BoDs of 21st Century Joint Stock Company

Shares held as of December 31, 2024:

- Personal ownership: 3,468,591 shares (14.99% of charter capital)
- Representative ownership: 0 shares (0% of charter capital)

6. Mr. Huynh Hoang Ha – Member of the Board of Directors and Deputy General Director

Detailed background in Section 2, Part II: Operations in the year

- *The committees of the Board of Directors:* None

1.2. Activities of the Board of Directors

- In 2024, the Board of Directors held 4 regular meetings, with all members participating fully and contributing their opinions on matters within the Board's authority, in the interest of shareholders and the sustainable development of the company. These meetings also included the participation of the Head of the Board of Supervisors.

No.	Board of Directors' member	Number of meetings attended by Board of Directors	Attendance rate
1	Mr. Nguyen Van Kha	4/4	100%

No.	Board of Directors' member	Number of meetings attended by Board of Directors	Attendance rate
2	Ms. Pham Thi Bich Thuy	4/4	100%
3	Ms. Tran Thi Dao	4/4	100%
4	Mr. Nguyen Quoc Dinh	4/4	100%
5	Mr. Pham Uyen Nguyen	4/4	100%
6	Mr. Huynh Hoang Ha	4/4	100%

- Activities of the Board of Directors independent members: None

2. Board of Supervisors

2.1. Members and structure of the Board of Supervisors

No.	Members of Board of Supervisors	Position	The date becoming/ceasing to be the member of the Board of Supervisors	Number of shares owned (As of December 31, 2024)	Ownership percentage (%)
1	Ms. Tran Thi Thanh Hang	Head of the Board of Supervisors	April 8, 2023	33,093	0.14%
2	Ms. Nguyen Hong Ngoc	Member of the Board of Supervisors	April 8, 2023	0	0.00%
3	Ms. Pham Hai Yen	Member of the Board of Supervisors	April 8, 2023	7,056	0.03%

- Members of the Board of Supervisors' Backgrounds:

1. Ms. Tran Thi Thanh Hang – Head of the Board of Supervisors

Date of Birth: November 3, 1977

Professional qualification: Master of Economics

Experience:

- 1995 - 2000: Studied at Maritime University
- 2001 - 2003: Master's degree in Maritime Economics, Maritime University
- 2000 - 2007: Lecturer in Maritime Economics at Ho Chi Minh City University of Transport
- 2004 - Now: Part-time Lecturer in Stock Market at the Faculty of Business Administration, Ho Chi Minh City University of Technology
- 2004 - 2006: Director of Phat Phat Joint Stock Company, Ho Chi Minh City
- 2007 - 2010: Director of Hong Ngan Joint Stock Company, Ho Chi Minh City
- 2009 - 2013: Bachelor of Laws, Ho Chi Minh City University of Law
- 2010 - Now: CEO of Doanh Chu Investment & Training JSC, Ho Chi Minh City
- 2007 - 2010: Member of the Board of Supervisors, Agimexpharm Pharmaceutical JSC
- 2010 - Now: Head of the Board of Supervisors, Agimexpharm Pharmaceutical JSC

Current positions at AGIMEXPHARM: Head of the Board of Supervisors

Current positions at other organizations:

- CEO of Doanh Chu Investment & Training JSC
- Head of the Board of Supervisors, Do Thanh Technology JSC

Shares held as of December 31, 2024:

- Personal ownership: 33,093 shares (representing 0.14% of charter capital)

- Representative ownership: 0 shares (representing 0% of charter capital)

2. Ms. Nguyen Hong Ngoc – Member of the Board of Supervisors

Date of Birth: August 29, 1986

Professional qualification: Bachelor of Finance

Experience:

- 2008 - 2015: Accountant at Imexpharm Pharmaceutical Joint Stock Company
- 2015 - 2017: Head of Sales Cost Control at Imexpharm Pharmaceutical Joint Stock Company
- 2017 - Now: Deputy Head of the Accounting Dept. at Imexpharm Pharmaceutical JSC
- 2018 - Now: Member of the Board of Supervisors, Agimexpharm Pharmaceutical JSC

Current positions at AGIMEXPHARM: Member of the Board of Supervisors

Current positions at other organizations: Deputy Head of the Accounting Dept. at Imexpharm Pharmaceutical JSC

Shares held as of December 31, 2024:

- Personal ownership: 0 shares (representing 0% of charter capital)
- Representative ownership: 0 shares (representing 0% of charter capital)

3. Ms. Pham Hai Yen – Member of the Board of Supervisors

Date of Birth: March 15, 1992

Professional qualification: Master of International Economics

Experience:

- 2010 - 2014: Studied International Economics at Foreign Trade University, Ho Chi Minh City
- 2016 - 2018: Master's degree in International Economics, Foreign Trade University, Ho Chi Minh City
- 2015 - 2018: Auditor at KPMG Vietnam Co., Ltd.
- 2018 - Now: Corporate Governance Officer, Agimexpharm Pharmaceutical JSC
- April 2023 - Now: Corporate Governance Officer and Member of the Board of Supervisors, Agimexpharm Pharmaceutical JSC

Current positions at AGIMEXPHARM: Corporate Governance Officer and Member of the Board of Supervisors

Current positions at other organizations: None

Shares held as of December 31, 2024:

- Personal ownership: 7,056 shares (representing 0.03% of charter capital)
- Representative ownership: 0 shares (representing 0% of charter capital)

2.2. Activities of the Board of Supervisors

- Meetings of the Board of Supervisors during the year:

No.	Members of Board of Supervisors	Number of meetings attended	Attendance rate	Voting rate
1	Ms. Tran Thi Thanh Hang	2/2	100%	100%
2	Ms. Nguyen Hong Ngoc	2/2	100%	100%
3	Ms. Pham Hai Yen	2/2	100%	100%

- Supervising Board of Directors, Board of Management and shareholders by Board of Supervisors:

- Board of Directors and Board of Management always comply with the Company’s Charter, Governance Regulations and resolutions of the Annual General Meeting of Shareholders. They fully meet the information disclosure requirements as mandated by law. They collaborate with the Board of Supervisors to inspect and supervise production and business operations in accordance with the Enterprise Law, Company’s Charter and the resolutions of the Annual General Meeting of Shareholders. Supervising results indicate that no violations have been detected.
- Board of Supervisors agrees with the entire content of the Board of Directors' performance evaluation as outlined in the Board of Directors' summary report on the results of production and business operations for 2024 and the plan for 2025.
- Board of Management consistently follows the directives and manages the implementation of production and business activities, plant construction investments, organizational structure, human resource development, etc., to meet the requirements of the target programs and strategic directions set by Board of Directors.

- The coordination among the Board of Supervisors, the Board of Management, Board of Directors and other managers: In 2024, Board of Supervisors continued to supervise the activities of Board of Directors, Board of Management, and other managers in accordance with the Company’s Charter. The Board of Supervisors strictly complied with the Operating Regulations of the Board and assigned tasks to its members in some areas as follows:

- Supervising Board of Directors and Board of Management in managing and operating the Company and supervising the implementation of the planned tasks approved by General Meeting of Shareholders.
- Participating in periodic meetings of the Board of Directors.
- Reviewing the Company’s quarterly and annual financial statements, examining the impacts in accounting, and verifying the accuracy of the financial statements.
- Supervising the mobilization, use, and management of the Company’s capital.

3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors

3.1. Salary, rewards, remuneration and benefits

Full name	Position	Total income
Ms. Pham Thi Bich Thuy	Chairwoman of the Board of Directors – Deputy General Director	474,003,750
Mr. Nguyen Van Kha	Vice Chairman of the Board of Directors – General Director	830,000,000
Mr. Huynh Hoang Ha	Member of the Board of Directors - Deputy General Director	431,360,250
Ms. Tran Thi Dao	Member of the Board of Directors	150,000,000
Mr. Nguyen Quoc Dinh	Member of the Board of Directors	150,000,000
Mr. Pham Uyen Nguyen	Member of the Board of Directors	150,000,000
Mr. Lam Tri Hien	Deputy General Director	169,540,680
Mr. Vu Minh Tuan	Deputy General Director	210,522,774
Ms. Tran Thi Thanh Hang	Head of the Board of Supervisors	146,000,000
Ms. Pham Hai Yen	Member of the Board of Supervisors	106,732,468
Ms. Nguyen Hong Ngoc	Member of the Board of Supervisors	40,000,000
Cộng		2,858,159,922

3.2. Share transactions by internal shareholders

No.	Transaction executor	Relationship with internal persons	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Number of shares	Percentage	Number of shares	Percentage	
1	Ms. Pham Thi Bich Thuy	Chairwoman of the Board of Directors - Deputy General Director	361,834	1.75%	405,254	1.75%	Received 2023 dividends in shares
2	Mr. Nguyen Van Kha	General Director - Vice Chairman of the Board of Directors	3,130,125	15.15%	3,069,223	13.26%	Transfer to potential key personnel to encourage their commitment and contribution to the long-term development of the company
3	Mr. Pham Uyen Nguyen	Member of the Board of Directors	2,985,457	14.45%	3,468,591	14.99%	Add to the investment portfolio
4	Mr. Huynh Hoang Ha	Deputy General Director - Member of the Board of Directors	134,000	0.65%	171,000	0.74%	Add to the investment portfolio
4.1	Ms. Le Thi Thu Truc	Affiliated person of Mr. Huynh Hoang Ha - Wife	2,000	0.01%	2,240	0.01%	Received 2023 dividends in shares
4.2	Mr. Huynh Hoang Sang	Affiliated person of Mr. Huynh Hoang Ha - Older brother	1,640	0.01%	1,836	0.01%	Received 2023 dividends in shares
5	Ms. Tran Thi Thanh Hang	Head of Board of Supervisors	29,548	0.14%	33,093	0.14%	Received 2023 dividends in shares
6	Ms. Pham Hai Yen	Member of the Board of Supervisors	6,300	0.03%	7,056	0.03%	Received 2023 dividends in shares
6.1	Mr. Tu Minh Tri	Affiliated person of Ms. Pham Hai Yen - Husband	18,686	0.09%	20,928	0.09%	Received 2023 dividends in shares
7	Mr. Vu Minh Tuan	Deputy General Director	91,966	0.45%	103,000	0.45%	Received 2023 dividends in shares
8	Mr. Lam Tri Hien	Deputy General Director	111,983	0.54%	125,420	0.54%	Received 2023 dividends in shares
9	Ms. Le Minh Ngoc	Authorized person to disclose information	5,200	0.03%	5,824	0.03%	Received 2023 dividends in shares
9.1	Mr. Le Van Mac	Affiliated person of Ms. Le Minh Ngoc - Father	106,296	0.51%	73,546	0.32%	Financial balance
9.2	Ms. Lam Hoang Anh	Affiliated person of Ms. Le Minh Ngoc - Mother	71,141	0.34%	79,677	0.34%	Received 2023 dividends in shares
9.3	Mr. Nguyen Thai Cuong	Affiliated person of Ms. Le Minh Ngoc - Husband	52,258	0.25%	58,528	0.25%	Received 2023 dividends in shares
10	Ms. Tran Nguyen Minh Hien	Chief Accountant	43,490	0.21%	63,708	0.28%	Add to the investment portfolio

No.	Transaction executor	Relationship with internal persons	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Number of shares	Percentage	Number of shares	Percentage	
10.1	Mr. Nguyen Ngoc Hoa Nghi	Affiliated person of Ms. Tran Nguyen Minh Hien – Husband	8,525	0.04%	9,548	0.04%	Received 2023 dividends in shares

3.3. Contracts or transactions with internal shareholders

No.	Name of organization/ individual	Relationship with the Company	NSH No.* date of issue, place of issue	Address	Time of transactions with the Company	Resolution of the General Meeting of Shareholders/ Board of Directors... approved	Content, quantity, total value of transaction
1	Imexpharm Pharmaceutical Joint Stock Company	Major shareholder	1400384433	No. 04, 30/4 Street, Ward 1, Cao Lanh City, Dong Thap Province	01/01/2024 – 31/12/2024	01/NQ-AGP.HDQT dated January 1, 2024	<ul style="list-style-type: none"> - Purchase of goods (before tax): VND 9,253,684,656 - Sale of goods (before tax): VND 21,212,746,535 - Dividends: <ul style="list-style-type: none"> + Received 2023 dividends: <ul style="list-style-type: none"> • 10% in cash: VND 71,880,000 • 10% in shares: 7,188 shares + Received 2023 bonus shares: 79,068 shares + Paid 2023 dividends: 12% in shares: 782,594 shares

4. Assessing the Implementation of regulations on corporate governance

- Identify corporate governance as a core factor to ensure growth and sustainable development
- Build a strong governance structure based on compliance with Vietnamese laws combined with the application of international practices
- Ensure fundamental rights and fair treatment to shareholders
- Disclose information promptly and accurately
- Ensure the company's strategic direction
- Effectively supervise corporate governance and the Board of Directors' responsibilities towards the company and shareholders
- Enhance governance knowledge for members of the Board of Directors and members of the Board of Management by assigning staff to participate in training organized by the State Securities Commission, relevant agencies, and corporate governance courses.

VI. Financial statements

1. Auditor's opinions

No. 4.0029/25/TC-AC

INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS
AGIMEXPHARM PHARMACEUTICAL JOINT STOCK COMPANY**

We have audited the accompanying Financial Statements of Agimexpharm Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company"), which were prepared on 12 February 2025 (from page 06 to page 42), including the Balance Sheet as of 31 December 2024, the Income Statement, the Cash Flow Statement for the fiscal year then ended and the Notes to the Financial Statements.

Responsibility of the Board of Directors

The Company's Board of Directors is responsible for the preparation, true and fair presentation of these Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of Financial Statements; and responsible for such internal control as the Company's Board of Directors determines necessary to enable the preparation and presentation of the Financial Statements to be free from material misstatement due to frauds or errors.

Responsibilities of Auditors

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

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

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

Opinion of the Auditors

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position as of 31 December 2024 of Agimexpharm Pharmaceutical Joint Stock Company, its financial performance and its cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of Financial Statements.

For and on behalf of

A&C Auditing and Consulting Co., Ltd.

Can Tho Branch

2. Audited financial statements

2.1. Balance sheet

ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		609.778.715.709	579.184.460.944
I. Cash and cash equivalents	110	V.1	13.948.008.363	28.593.912.944
1. Cash	111		13.948.008.363	28.593.912.944
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		6.097.651.256	6.097.651.256
1. Trading securities	121	V.2a	1.097.651.256	1.097.651.256
2. Provisions for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123	V.2b	5.000.000.000	5.000.000.000
III. Short-term receivables	130		258.783.146.773	239.341.930.244
1. Short-term trade receivables	131	V.3	179.484.989.939	170.380.121.071
2. Short-term prepayments to suppliers	132	V.4	11.395.809.469	12.600.930.362
3. Short-term inter-company receivables	133		-	-
4. Receivable according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5a	72.277.704.717	60.709.741.193
7. Allowance for short-term doubtful debts	137	V.6	(4.375.357.352)	(4.348.862.382)
8. Deficit assets for treatment	139		-	-
IV. Inventories	140		308.381.483.918	290.485.910.070
1. Inventories	141	V.7	308.381.483.918	290.485.910.070
2. Allowance for devaluation of inventories	149		-	-
V. Other current assets	150		22.568.425.399	14.665.056.430
1. Short-term prepaid expenses	151	V.8a	521.868.117	592.986.900
2. Deductible VAT	152		22.046.557.282	14.015.068.065
3. Taxes and other receivables from the State	153	V.15	-	57.001.465
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-
B- NON-CURRENT ASSETS	200		484.500.169.796	318.578.953.120
I. Long-term receivables	210		4.954.484.111	9.209.880.680
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216	V.5b	4.954.484.111	9.209.880.680
7. Allowance for long-term doubtful debts	219		-	-
II. Fixed assets	220		409.569.275.905	242.845.119.740
1. Tangible fixed assets	221	V.9	332.661.038.753	172.015.367.305
- Historical cost	222		467.835.369.452	285.731.543.646
- Accumulated depreciation	223		(135.174.330.699)	113.716.176.341
2. Financial leased assets	224	V.10	55.314.565.893	49.198.904.128
- Historical cost	225		72.153.583.937	59.289.684.585
- Accumulated depreciation	226		(16.839.018.044)	10.090.780.457
3. Intangible fixed assets	227	V.11	21.593.671.259	21.630.848.307
- Initial cost	228		23.918.228.698	23.918.228.698
- Accumulated amortization	229		(2.324.557.439)	(2.287.380.391)
III. Investment property	230		-	-
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in process	240		47.427.697.783	44.025.276.144
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.12	47.427.697.783	44.025.276.144
V. Long-term financial investments	250		17.130.750.000	17.130.750.000
1. Investments in subsidiaries	251		-	-

ITEMS	Code	Note	Ending balance	Beginning balance
2. Investments in joint ventures and associates	252	V.2c	17.130.750.000	17.130.750.000
3. Investments in other entities	253		-	-
4. Provisions for devaluation of long-term financial investments	254		-	-
5. Held-to-maturity investments	255		-	-
VI. Other non-current assets	260		5.417.961.997	5.367.926.556
1. Long-term prepaid expenses	261	V.8b	5.417.961.997	5.367.926.556
2. Deferred income tax assets	262		-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
TOTAL ASSETS	270		1.094.278.885.505	897.763.414.064
C - LIABILITIES	300		694.419.479.026	543.079.077.260
I. Current liabilities	310		575.850.059.614	525.293.552.412
1. Short-term trade payables	311	V.13	116.186.090.928	99.387.810.002
2. Short-term advances from customers	312	V.14	5.840.952.759	1.774.227.080
3. Taxes and other obligations to the State Budget	313	V.15	11.518.187.495	10.443.966.097
4. Payables to employees	314		-	-
5. Short-term accrued expenses	315	V.16	1.013.603.826	823.938.734
6. Short-term inter-company payables	316		-	-
7. Payables according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318	V.17	379.827.892	610.781.740
9. Other short-term payables	319	V.18	1.091.395.710	1.417.508.397
10. Short-term borrowings and financial leases	320	V.19a	422.757.402.847	393.089.608.885
11. Provisions for short-term payables	321		-	-
12. Bonus and welfare funds	322	V.20	17.062.598.157	17.745.711.477
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Non-current liabilities	330		118.569.419.412	17.785.524.848
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial leases	338	V.19b	118.569.419.412	17.785.524.848
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-
D - OWNER'S EQUITY	400		399.859.406.479	354.684.336.804
I. Owner's equity	410		399.859.406.479	354.684.336.804
1. Owner's capital	411	V.21a	231.439.410.000	206.644.530.000
- <i>Ordinary shares carrying voting rights</i>	<i>411a</i>		<i>231.439.410.000</i>	<i>206.644.530.000</i>
- <i>Preferred shares</i>	<i>411b</i>		-	-
2. Share premiums	412	V.21a	25.726.714.700	25.726.714.700
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415		-	-
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.21a	93.803.543.069	78.700.305.421
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421	V.21a	48.889.738.710	43.612.786.683
- <i>Retained earnings accumulated to the end of the previous period</i>	<i>421a</i>		-	<i>43.612.786.683</i>

ITEMS	Code	Note	Ending balance	Beginning balance
- Retained earnings of the current period	421b		48.889.738.710	-
12. Construction investment fund	422		-	-
II. Other sources and funds	430		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		1.094.278.885.505	897.763.414.064

2.2. Income statement

ITEMS	Code	Note	Current year	Previou year
1. Revenue from sales of goods and provisions of services	01	VI.1	799.149.067.144	728.406.444.724
2. Revenue deductions	02	VI.2	5.887.873.702	3.276.338.451
3. Net revenue	10		793.261.193.442	725.130.106.273
4. Cost of sales	11	VI.3	560.244.231.092	510.403.984.936
5. Gross profit	20		233.016.962.350	214.726.121.337
6. Financial income	21	VI.4	2.974.573.855	630.869.494
7. Financial expenses	22	VI.5	32.597.535.588	39.089.942.209
In which: Loan interest expenses	23		29.377.177.633	35.448.415.211
8. Selling expenses	25	VI.6	97.704.189.406	82.644.842.348
9. General and administration expenses	26	VI.7	45.094.611.404	39.692.723.111
10. Net operating profit	30		60.595.199.807	53.929.483.163
11. Other income	31	VI.8	182.542.399	266.270.942
12. Other expenses	32	VI.9	296.558.708	-
13. Other profit/(loss)	40		(114.016.309)	266.270.942
14. Total accounting profit before tax	50		60.481.183.498	54.195.754.105
15. Current income tax	51	V.15	11.591.444.788	10.582.967.422
16. Deferred income tax	52		-	-
17. Profit after tax	60		48.889.738.710	43.612.786.683
18. Earnings per share	70	VI.10a,b	1.940	1.771
19. Diluted earnings per share	71	VI.10a,b	1.940	1.771

2.3. Cash flow statement (Indirect method)

ITEMS	Code	Note	Current year	Previou year
I. Cash flows from operating activities				
1. Profit before tax	01		60.481.183.498	54.195.754.105
2. Adjustments				
- Depreciation/Amortization of fixed assets and investment properties	02	V.9, V.10, V.11	31.890.192.894	30.606.068.363
- Provisions and allowances	03	V.6	26.494.970	80.328.858
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04	VI.4	128.036.451	92.815.996
- Gain/(loss) from investing activities	05	VI.4, VI.9	(102.675.456)	(516.224.093)
- Interest expenses	06	VI.5	29.377.177.633	35.448.415.211
- Others	07		-	-
3. Operating profit before changes of working capital	08		121.800.409.990	119.907.158.440
- Increase/(decrease) of receivables	09		(19.287.845.531)	(9.050.839.027)
- Increase/(decrease) of inventories	10		(17.895.573.848)	(18.204.243.375)
- Increase/(decrease) of payables	11		20.368.410.594	9.443.213.463
- Increase/(decrease) of prepaid expenses	12		21.083.342	(2.600.067.367)
- Increase/(decrease) of trading securities	13		-	(138.461.623)

	ITEMS	Code	Note	Current year	Previou year
-	Interests paid	14	V.16, VI.5	(29.279.383.452)	(35.444.400.681)
-	Corporate income tax paid	15	V.15	(10.582.967.422)	(6.348.334.287)
-	Other cash inflows	16	V.20	2.460.000	-
-	Other cash outflows	17		(4.391.806.953)	(7.314.490.498)
	<i>Net cash flows from operating activities</i>	20		60.754.786.720	50.249.535.045
II. Cash flows from investing activities					
1.	Purchases and construction of fixed assets and other non-current assets	21	V.4, V.13, V.9, V.10, V.12	(223.273.767.719)	(98.035.182.514)
2.	Proceeds from disposals of fixed assets and other non-current assets	22	V.9, VI.9	17.522.594.093	21.678.282.317
3.	Cash outflow for lending, buying debt instruments of other entities	23		(7.000.000.000)	(5.000.000.000)
4.	Cash recovered from lending, selling debt instruments of other entities	24		7.000.000.000	5.000.000.000
5.	Investments in other entities	25		-	-
6.	Withdrawals of investments in other entities	26		-	138.461.623
7.	Interest earned, dividends and profits received	27	V.5a, VI.4	367.100.959	436.579.198
	<i>Net cash flows from investing activities</i>	30		(205.384.072.667)	(75.781.859.376)
III. Cash flows from financing activities					
1.	Proceeds from issuing stocks and capital contributions from owners	31		-	8.984.620.000
2.	Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3.	Proceeds from borrowings	33	V.19a,b	715.297.928.544	580.903.399.136
4.	Repayment for loan principal	34	V.19a	(565.524.106.584)	(517.203.591.031)
5.	Payments for financial leased assets	35	V.19a,b	(19.322.133.434)	(18.355.602.244)
6.	Dividends and profit paid to the owners	36	V.18, V.20, V.21a	(463.224.020)	(9.094.834.800)
	<i>Net cash flows from financing activities</i>	40		129.988.464.506	45.233.991.061
	Net cash flows during the year	50		(14.640.821.441)	19.701.666.730
	Beginning cash and cash equivalents	60	V.1	28.593.912.944	8.883.989.927
	Effects of fluctuations in foreign exchange rates	61		(5.083.140)	8.256.287
	Ending cash and cash equivalents	70	V.1	13.948.008.363	28.593.912.944

2.4. Notes to the financial statements

I. GENERAL INFORMATION

1. Ownership form

Agimexpharm Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company") is a joint stock company.

2. Operating field

The Company's operating fields are industrial production and trading.

3. Principal business activities

Principal business activities of the Company are to manufacture medicines, pharmaceutical chemicals and pharmaceutical materials; trade optical, medical, dental and hospital equipment; trade medicines, pharmaceutical products; trade nutritious food; produce and trade cosmetics; trade materials and ancillary materials, pharmaceutical chemicals for pharmaceutical production; trade vaccines and medical biological products; manufacture bottled water (the Company must comply with the Law on food safety and hygiene during operation

course); manufacture dietary supplements; manufacture, trade and process essential oil from herbs; manufacture and trade food, nutritious food and dietary supplements.

4. Normal operating cycle

Normal operating cycle of the Company is within 12 months.

5. Structure of the Company

Joint venture

The Company only invests in USA-AGP Phamra, LLC headquartered at No. 14314 Brookhurst Street, Graden Grove City, California, 92843. Principal business activities of this joint venture are to package and trade bottled capsules and tablets of dietary supplements, pharmaceutical products, reishi, cordyceps. As of the balance sheet date, the Company's capital contribution rate at this joint venture is 43,24%. This capital contribution rate has not been complete as specified. However, according to the Business Cooperation Contract No. 01/HDHTKD dated 18 March 2019, the voting rate is 50% equivalent to the ownership rate.

6. Statement of information comparability on the Financial Statements

The figures in the current year can be comparable with corresponding figures in the previous year.

7. Headcount

As of the balance sheet date, the Company's headcount is 490 (headcount at the beginning of the year: 478).

II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. Fiscal year

The fiscal year of the Company is from 01 January to 31 December annually.

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND) because the Company's transactions are primarily made in VND.

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

The Company applies the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 and other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Financial Statements.

2. Statement of the compliance with the Accounting Standards and System

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

2. Foreign currency transactions

Transactions in foreign currencies are converted at the actual exchange rates ruling as of the transaction dates. The ending balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

Foreign exchange differences arisen from foreign currency transactions during the year shall be included into financial income or financial expenses. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included into financial income or financial expenses.

The exchange rate used to convert foreign currency transactions is the actual exchange rate ruling as at the time of these transactions. The actual exchange rates applied to foreign currency transactions are as follows:

- For the foreign currency trading contract (including spot contract, forward contract, future contract, option contract, currency swap): the exchange rate stipulated in the contracts of trading foreign currency between the Company and the Bank.
- For receivables: the buying rate ruling as at the time of transaction of the commercial bank where the Company designates the customers to make payments.
- For payables: the selling rate ruling as at the time of transaction of the commercial bank where the Company supposes to make payments.
- For acquisition of assets or immediate payments in foreign currency (not included into payable accounts): the buying rate of the commercial bank where the Company makes payments.

The exchange rates used to re-evaluate the ending balances of monetary items in foreign currencies are determined according to the following principles:

- For foreign currency deposits: the buying rate of the bank where the Company opens its foreign currency account.
- For monetary items in foreign currencies classified as other assets: the buying rate of VietinBank – An Giang Branch where the Company frequently conducts transactions.
- For monetary items in foreign currencies classified as liabilities: the selling rate of VietinBank – An Giang Branch where the Company frequently conducts transactions.

3. Cash and cash equivalents

Cash include cash on hand and demand deposits.

4. Financial investments

Trading securities

Investments classified as trading securities are those held by the Company for the trading purpose with the aim of making profit.

Trading securities are recognized at original costs which include fair value of the payments made at the time of the transaction plus other costs attributable to transaction costs.

The time of recognizing trading securities is when the Company acquires the ownership, as follows:

- For listed securities: recognized at the time of order-matching (T+0).
- For unlisted securities: recognized at the time of acquiring official ownership as stipulated by law.

Interest, dividends, and profit incurred prior to the acquisition of trading securities are deduced into costs of these securities. Interest, dividends and profit incurred after the acquisition of such securities are recorded in the Company's financial income.

Provisions for devaluation of trading securities are made for each particular type of securities in the market of which the fair value is lower than original costs. The fair value of trading securities is determined as follows:

- For securities listed on the stock market: the closing price at the most recent trading date by the balance sheet date.
- For shares registered for trading on UPCOM and State-owned enterprises equitized by offering shares for sales to public: the average reference price in the 30 most preceding trading days prior to the balance sheet date, disclosed by Stock Exchange.
- For shares listed on the stock market or shares registered for trading on Upcom without transactions within 30 days prior to the date of provision, the shares which are delisted, canceled or suspended from trading: provision is made based on the losses of the investee at the rate equal to the difference between the actual capital invested by the owners and owner's equity as of the balance sheet date multiplying by the ownership rate over the total actual charter capital invested.

Increases/(decreases) in the provisions for devaluation of trading securities as at the balance sheet date are recorded into financial expenses.

Gain or loss from transfer of trading securities is recognized into financial income or financial expenses. The costs are determined in accordance with the mobile weighted average method.

Held-to-maturity investments

Investments are classified as held-to-maturity investments that the Company intends and is able to hold to maturity. Held-to-maturity investments include term deposits, bonds for the purpose of receiving periodical interest and other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Company's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the year while the investment value is derecognized.

Investments in joint venture

Joint venture

A joint venture is an entity which is established by a contractual arrangement whereby the Company and the involved parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the venturers.

Initially recognition

Investments in joint venture are initially recognized at costs, including the cost of purchase or capital contributions plus other directly attributable transaction cost. In case of investment in non-monetary assets, the costs of the investment are recognized at the fair value of non-monetary assets at the arising time.

Dividends and profits incurred prior to the purchase of investments are deducted into the investment costs. Dividends and profit incurred after the purchase of investments are recorded into the Company's financial statements.

Provisions for impairment of investments in joint venture

Provisions for impairment of investments in joint venture are made when the joint venture suffers from losses at the rate equal to the difference between the actual capital invested by investors in joint venture and the actual owner's equity multiplying (x) by the Company's rate of capital contribution over the total actual capital invested by investors in the subsidiary. If the subsidiary is consolidated into Consolidated Financial Statements, the basis for impairment provisions is the Consolidated Financial Statements..

Increases/(decreases) in the provisions for impairment of investments in joint venture as of the balance sheet date are recorded into financial expenses.

5. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Company and customers who are independent to the Company.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into general and administration expenses.

6. Inventories

Inventories are recognized at the lower of cost or net realizable value.

Cost of inventories is determined as follows:

- For materials and merchandises: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: Costs comprise costs of main materials only.

- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

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 make the sale.

Allowance for devaluation of inventories is recognized for each type of inventories when their costs are higher than their net realizable values. Increases/(decreases) in the obligatory allowance for inventories as of the balance sheet date are recorded into costs of sales.

7. Prepaid expenses

Prepaid expenses comprise actual expenses arising and relevant to financial performance in several accounting periods. Prepaid expenses of the Company mainly include :

Tools

Expenses of tools being put into use are allocated into expenses in accordance with the straight-line method for the maximum period of 03 years.

Expenses of fixed asset repairs

Expenses of fixed asset repairs arising once with high value are allocated into expenses in accordance with the straight-line method in 03 years.

8. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the year.

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

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	05 – 25
Machinery and equipment	02 – 15
Vehicles	05 – 10
Office equipment	03 – 10

9. Financial leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessee. Financial leased assets are determined by their historical costs less accumulated depreciation. Historical cost is the lower cost of the fair value of the leased asset at commencement of the lease term and the present value of the minimum lease payments. Discount rate used to calculate the present value of the minimum lease payments is the interest rate implicit in the lease or else mentioned in the lease. If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate at commencement of the lease term will be applied.

Financial leased assets are depreciated in accordance with the straight-line method over their estimated useful lives. If there is no reasonable certainty that the Company will obtain ownership at the end of the lease, the fixed asset shall be depreciated over the shorter of the lease term and the estimated useful life of the asset. The depreciation years of the financial leased assets are as follows:

<u>Fixed assets</u>	<u>Years</u>
Machinery and equipment	03 – 15

10. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Company to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

The Company's intangible fixed assets include:

Land use right

Land use right includes all the actual expenses paid by the Company directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc. The land use right is amortized in accordance with the straight-line method over the term specified on the land use right certificate. If the land use right is permanent, it is not amortized.

Computer software

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Company until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 10 years.

11. Construction-in-progress

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Company) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

12. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Company.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Balance Sheet on the basis of their remaining term as of the balance sheet date.

13. Owner's equity

Owner's capital

Owner's capital is recorded according to the actual amounts contributed by the shareholders.

Share premiums

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

14. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Company as well as legal regulations and after getting approval from the General Meeting of Shareholders.

The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders.

15. Recognition of sales and income

Revenue from sales of merchandises, finished goods

Revenue from sales of merchandises, finished goods shall be recognized when all of the following conditions are satisfied:

- The Company transfers most of risks and benefits incident to the ownership of products or goods to customers.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the products, goods sold.
- The amount of sales can be measured reliably. When the contracts stipulate that buyers have the right to return products, goods purchased under specific conditions, sales are recorded only when those specific conditions are no longer exist and buyers retains no right to return products, goods (except for the case that such returns are in exchange for other goods or services).
- The Company received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

Interest

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

Dividends and profit shared

Dividends and profit shared are recognized when the Company has the right to receive dividends or profit from the capital contribution. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity is followed up.

16. Revenue deductions

Revenue deductions include trade discounts, sales allowances, sales returns incurred in the same period of providing products, merchandises, in which revenues are derecognized.

In case of products, merchandises provided in the previous years but trade discounts, sales allowances, sales returns incurred in the current year, revenues are derecognized as follows:

- If sales allowances, trade discounts, sales returns incur prior to the release of the Financial Statements, revenues are derecognized on the Financial Statements of the current year.
- If sales allowances, trade discounts, sales returns incur after the release of the Financial Statements, revenues are derecognized on the Financial Statements of the following year.

17. Borrowing costs

Borrowing costs are interests and other costs that the Company directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the year, except for particular borrowings serving the purpose of obtaining a specific asset.

18. Expenses

Expenses are those that result in outflows of the Company's economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

19. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Company shall offset deferred tax assets and deferred tax liabilities if:

- The Company has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
 - Of the same subject to corporate income tax; or
 - The Company has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

20. Related parties

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

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

21. Segment reporting

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

Segment information is prepared and presented in compliance with the accounting policy in the preparation and presentation of the Financial Statements of the Company.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE BALANCE SHEET

1. Cash

	Ending balance	Beginning balance
Cash on hand	4.791.483.403	2.617.569.901
Demand deposits	9.156.524.960	25.976.343.043
Total	13.948.008.363	28.593.912.944

2. Financial investments

The financial investments of the Company include trading securities, held-to-maturity investments and investments in other entities. The Company's financial investments are as follows:

2a. Trading securities

	Ending balance			Beginning balance		
	Original amount	Fair values	Provisions	Original amount	Fair values	Provisions
<i>Shares</i>						
Imexpharm Corporation	1.052.350.306	7.432.392.000	-	1.052.350.306	3.189.466.600	-
Mekophar Chemical Pharmaceutical Joint-Stock Company	45.300.950	135.346.500	-	45.300.950	122.524.200	-
Total	1.097.651.256	7.567.738.500	-	1.097.651.256	3.311.990.800	-

2b. Held-to-maturity investments

	Ending balance		Beginning balance	
	Original amount	Carrying value	Original amount	Carrying value
<i>Short-term</i>				
12-month deposit at the interest rate of 5,3%/year ⁽ⁱ⁾	5.000.000.000	5.000.000.000	5.000.000.000	5.000.000.000
Total	5.000.000.000	5.000.000.000	5.000.000.000	5.000.000.000

⁽ⁱ⁾ This deposit has been mortgaged to secure the loans from VietinBank - An Giang Branch (see Note No. V.19a).

2c. Investments in other entities

	Ending balance		Beginning balance	
	Original amount	Provisions	Original amount	Provisions
<i>Investments in joint venture</i>				
USA-AGP Pharma, LLC ⁽ⁱ⁾	17.130.750.000	-	17.130.750.000	-
Total	17.130.750.000	-	17.130.750.000	-

⁽ⁱ⁾ According to the Investment Certificate No. 201900695, registered for the first time on 19 July 2019 and amended for the first time on 09 April 2022, granted by the Ministry of Planning and Investment, the Company invests an amount of VND 19.663.050.000 (USD 850.000 USD) into USA-AGP Pharma, LLC, equivalent to 50% of charter capital. As of the balance sheet date, the Company invested VND 17.130.750.000 (USD 735.000735.000 USD), equivalent to 43,24% of charter capital. The charter capital to be invested in USA-AGP Pharma, LLC is VND 2.532.300.000 (USD 115.000).

Fair value

Fair value of investments with listed price is measured at the listed price as of the balance sheet date. The Company has not measured the fair value of the investments without listed price because there is no available specific instruction on measurement of fair value.

Operation of the joint venture

USA-AGP Pharma, LLC is a factory that manufactures bottled capsules and tablets of functional foods, medicinal herbs, reishi, and cordyceps. USA-AGP Pharma, LLC was granted a sales license on 15 February 2023. This Company officially commenced business operations in 2024 but has not yet generated revenue.

Transactions with the joint venture

During the year, the Company has sold goods with sales amount of VND 201.871.420 to USA-AGP Pharma, LLC which is a joint venture (there was no transaction in the previous year).

3. Short-term trade receivables

	Ending balance	Beginning balance
<i>Receivables from related party</i>	<u>962.864.189</u>	<u>-</u>
Imexpharm Corporation	962.864.189	-
<i>Receivables from other customers</i>	<u>178.522.125.750</u>	<u>170.380.121.071</u>
Tue Nam Pharmaceutical Co., Ltd.	8.745.623.271	2.867.302.988
Trans-Asia Hospital Investment Joint-Stock Company	8.931.091.099	13.369.929.004
Pharmacy Pharmacy Joint Stock Company	8.009.590.959	8.148.899.848
Nagomed Co., Ltd.	6.601.107.705	12.936.429.946
Other customers	146.234.712.716	133.057.559.285
Total	<u>179.484.989.939</u>	<u>170.380.121.071</u>

Some trade receivables, of which the ending balance of carrying value is VND 64.000.000.000, have been mortgaged to secure the loans from VietinBank – An Giang Branch (see Note No. V.19a).

4. Short-term prepayments to suppliers

	Ending balance	Beginning balance
Khang Gia Design - Construction - Trading Company Limited	10.106.742.018	5.153.500.000
Long Giang Refrigeration Electrical Engineering Technology Company Limited	-	1.916.774.242
HTP Automatic Technology Company Limited	-	1.716.132.000
Ms. Nguyen Thi Kim Chi	-	1.500.000.000
Other suppliers	1.289.067.451	2.314.524.120
Total	<u>11.395.809.469</u>	<u>12.600.930.362</u>

	Ending balance	Beginning balance
<i>In which:</i>		
Short-term prepayments to suppliers for acquisition of fixed assets/construction	10.873.072.018	6.950.882.000

5. Other receivables

5a. Other short-term receivables

	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
Term deposit interest to be received	88.027.397	-	111.082.192	-
Advances	37.039.568.135	-	28.309.248.027	-
Short-term mortgages, deposits	32.297.027.947	-	28.156.109.040	-
Other short-term receivables	2.853.081.238	-	4.133.301.934	-
Total	<u>72.277.704.717</u>	<u>-</u>	<u>60.709.741.193</u>	<u>-</u>

5b. Other long-term receivables

This item reflects long-term mortgages and deposits.

6. Doubtful debts

	Ending balance		Beginning balance	
	Original amount	Recoverable amount	Original amount	Recoverable amount
Receivables from other organizations and individuals - <i>Trade receivables</i>	4.375.357.352	-	4.348.862.382	-
Total	4.375.357.352	-	4.348.862.382	-

Fluctuations in allowances for short-term doubtful debts are as follows:

	Current year	Previous year
Beginning balance	4.348.862.382	4.268.533.524
Additional extraction of allowance	26.494.970	80.328.858
Ending balance	4.375.357.352	4.348.862.382

7. Inventories

	Ending balance		Beginning balance	
	Original costs	Allowance	Original costs	Allowance
Materials and supplies	158.690.608.803	-	147.299.226.794	-
Work-in-process	23.778.998.017	-	31.392.481.769	-
Finished goods	124.631.128.058	-	110.402.333.359	-
Merchandise	1.280.749.040	-	1.391.868.148	-
Total	308.381.483.918	-	290.485.910.070	-

Some inventories, of which the ending balance of carrying value is VND 238.000.000.000, have been mortgaged to secure the loans from Banks (see Note No. V.19a).

8. Prepaid expenses**8a. Short-term prepaid expenses**

	Ending balance	Beginning balance
Expenses of tools	60.026.030	280.408.333
Other short-term prepaid expenses	461.842.087	312.578.567
Total	521.868.117	592.986.900

8b. Long-term prepaid expenses

	Ending balance	Beginning balance
Expenses of tools	2.958.322.313	3.429.390.051
Expenses of fixed asset repairs	895.328.687	380.394.641
Other long-term prepaid expenses	1.564.310.997	1.558.141.864
Total	5.417.961.997	5.367.926.556

9. Tangible fixed assets

Increases/(decreases) of tangible fixed assets are presented in the attached Appendix 01.

Some tangible fixed assets, of which the net book values are VND 276.338.360.365, have been mortgaged to secure the loans from Banks (see Notes No. V.19a and V.19b).

10. Financial leased assets

	Machinery and equipment
Historical costs	
Beginning balance	59.289.684.585
Increase during the year	17.344.062.988
Purchase of financial leased assets	(4.480.163.636)
Ending balance	72.153.583.937
Depreciation	
Beginning balance	10.090.780.457
Depreciation during the year	9.146.798.165
Purchase of financial leased assets	(2.398.560.578)
Ending balance	16.839.018.044
Net book values	
Beginning balance	49.198.904.128
Ending balance	55.314.565.893

11. Intangible fixed assets

	Land use right^(*)	Computer software	Total
Initial costs			
Beginning balance	22.114.149.854	1.804.078.844	23.918.228.698
Ending balance	22.114.149.854	1.804.078.844	23.918.228.698
<i>In which:</i>			
Assets fully amortized but still in use	-	1.804.078.844	1.804.078.844
Assets waiting for liquidation	-	-	-
Amortization			
Beginning balance	483.301.547	1.804.078.844	2.287.380.391
Amortization during the year	37.177.048	-	37.177.048
Ending balance	520.478.595	1.804.078.844	2.324.557.439
Net book values			
Beginning balance	21.630.848.307	-	21.630.848.307
Ending balance	21.593.671.259	-	21.593.671.259
<i>In which:</i>			
Assets temporarily not in use	-	-	-
Assets waiting for liquidation	-	-	-

(*) In which, the land use right of which the net book values are VND 18.185.606.937 has been mortgaged to secure the loans from Banks (see Note No. V.19a).

12. Construction-in-progress

	Beginning balance	Increase during the year	Inclusion into fixed assets during the year	Ending balance
Acquisition of fixed assets	-	9.800.000.000	-	9.800.000.000
Construction-in-progress	44.025.276.144	184.425.715.871	(190.823.294.232)	37.627.697.783
- <i>Betalactam Factory construction project</i>	30.872.103.181	135.082.739.231	(165.954.842.412)	-
- <i>Internal road of Betalactam Factory construction project</i>	-	5.030.534.816	(5.030.534.816)	-
- <i>Solar power system for Betalactam factory construction project</i>	-	5.292.505.047	(5.292.505.047)	-
- <i>Liquid Medicine Factory construction project</i>	1.057.037.037	15.687.197.572	-	16.744.234.609
- <i>Medine Material Factory Expansion construction project</i>	580.000.000	2.965.018.862	-	3.545.018.862
- <i>My Thoi Garage construction project</i>	-	7.589.000.000	(7.589.000.000)	-
- <i>Other constructions</i>	7.067.062.044	12.778.720.343	(6.956.411.957)	12.889.370.430
Total	44.025.276.144	194.225.715.871	(190.823.294.232)	47.427.697.783

The total borrowing costs capitalized into construction-in-progress in the current year is VND 6.728.934.795 (previous year VND 0).

13. Short-term trade payables

	Ending balance	Beginning balance
<i>Payables to related party</i>	<i>2.651.071.764</i>	<i>3.954.751.020</i>
Imexpharm Corporation	2.651.071.764	3.954.751.020
<i>Payables to other suppliers</i>	<i>113.535.019.164</i>	<i>95.433.058.982</i>
Branch of Glandcore Company Limited	13.660.348.610	17.557.193.825
Phuong Phuc Pharmaceutical Chemical Company Limited	22.197.386.999	13.535.626.487
Other suppliers	77.677.283.555	64.340.238.670
Total	116.186.090.928	99.387.810.002

	Ending balance	Beginning balance
<i>In which:</i>		
Short-term trade payables for acquisition of fixed assets/construction	1.429.549.769	994.416.569

The Company has no overdue trade payables.

14. Short-term advances from customers

	Ending balance	Beginning balance
Thien Dien Pharmaceutical Joint Stock Company	2.999.999.997	-
Ms Le Bich Ngoc	649.032.372	466.228.210

	Ending balance	Beginning balance
Ms Le Thi Hoan My	209.777.055	286.388.862
Ms Nguyen Thi Ngoc Phung	128.167.200	221.835.330
Other customers	1.853.976.135	718.732.436
Total	5.840.952.759	1.774.227.080

15. Taxes and other obligations to the State Budget

The fluctuations in tax and other obligations to the State Budget presented in the attached Appendix 02.

Value added tax (VAT)

The Company has to pay VAT in accordance with the deduction method. The tax rates applied are as follows:

- Medicines, pharmaceutical products of all kinds	5%
- Cosmetics and dietary supplements of all kinds	10%

From 01 January 2024 to 30 June 2024, the Company is entitled to the value-added tax rate of 8% for the category of goods and services, which are currently applied the tax rate of 10% as prescribed in Clause 1 and Clause 2, Article 1, Decree No. 94/2023/NĐ-CP dated 28 December 2023 of the Government.

From 01 July 2024 to 31 December 2024, Company is entitled to the value-added tax rate of 8% for the category of goods and services, which are currently applied the tax rate of 10% as prescribed in Clause 1 Clause 2, Article 1, Decree No. 72/2024/NĐ-CP dated 30 June 2024 of the Government.

Corporate income tax

The Company has to pay corporate income tax at the rate of 20% on taxable income (previous year: 20%).

In 2020, the Company put Binh Hoa Pharmaceutical Factory into operation, which located in areas with special socio-economic difficulties. Pursuant to the current Law on Corporate Income Tax, the project is entitled to tax incentives at the tax rate of 17% in 10 years for income from business activities in this area; and is exempted from tax in 2 years and reduced 50% of the tax payable in the following 4 years. The year 2024 was the third year that the project was reduced 50% of corporate income tax payable.

Estimated corporate income tax payable during the year is as follows:

	Current year	Previous year
Total accounting profit before tax	60.481.183.498	54.195.754.105
Increases/(decreases) of accounting profit to determine profit subject to corporate income tax:		
- Other increases	540.677.879	558.219.122
- Decreases	-	-
Income subject to tax	61.021.861.377	54.753.973.227
Income exempted from tax	(74.254.500)	(98.670.000)
Taxable income	60.947.606.877	54.655.303.227
Corporate income tax rate	20%	20%
Corporate income tax payable at common tax rate	12.189.521.375	10.931.060.646
Differences due to the application of rate other than common tax rate	(156.019.979)	(90.806.928)
Corporate income tax reduced	(442.056.608)	(257.286.296)
Corporate income tax to be paid	11.591.444.788	10.582.967.422

Determination of corporate income tax liability of the Company is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of

transactions can be interpreted differently. Hence, the tax amounts presented in the Financial Statements can be changed upon the inspection of tax authorities.

Land rental, property tax

Land rental is paid according to the notices of the tax department.

Other taxes, fees, legal fees and other duties

The Company has declared and paid these taxes in line with the prevailing regulations.

16. Short-term accrued expenses

	Ending balance	Beginning balance
Loan interest expenses	555.067.192	457.273.011
Commissions and sales promotions	458.536.634	366.665.723
Total	1.013.603.826	823.938.734

17. Short-term unearned revenues

This item reflects the proceeds from sales of financial leased assets.

18. Other short-term payables

	Ending balance	Beginning balance
Trade Union's expenditure	317.700.787	286.117.321
Dividends and profit payable	556.935.100	1.017.699.120
Other short-term payables	216.759.823	113.691.956
Total	1.091.395.710	1.417.508.397

The Company has no other overdue payables.

19. Borrowings and financial lease

19a. Short-term borrowings and financial lease

	Ending balance	Beginning balance
Short-term loans from banks	402.406.337.348	376.570.820.402
- <i>Loan from VietinBank – An Giang Branch</i> ⁽ⁱ⁾	200.715.054.767	203.451.193.992
- <i>Loan from PG Bank – An Giang Branch (formerly known as Petrolimex Group Commercial Joint Stock Bank - An Giang Branch)</i> ⁽ⁱⁱ⁾	12.825.860.108	73.439.165.543
- <i>Loan from Vietcombank – An Giang Branch</i> ⁽ⁱⁱⁱ⁾	99.734.098.071	49.991.268.027
- <i>Loan from Techcombank – An Giang Branch</i> ^(iv)	89.131.324.402	29.714.272.702
- <i>Loan from Hong Leong Bank Vietnam Limited</i>	-	19.974.920.138
Short-term loans from individuals ^(v)	400.000.000	400.000.000
Current portions of financial lease (see Note No. V.19b)	19.951.065.499	16.118.788.483
Total	422.757.402.847	393.089.608.885

The Company is solvent over short-term loans and financial lease.

⁽ⁱ⁾ The loan from VietinBank – An Giang Branch is to supplement the working capital for business operation at the interest rate applied to each loan acknowledgement. The term of each loan receipt is maximum 12 months. This loan is secured by mortgaging saving books, debt claims, inventories, buildings and structures, machinery and equipment, vehicles, office equipment and land use right of the Company (see Notes No. V.2b, V.3, V.7, V.9 and V.11).

- (ii) The loan from PG Bank – An Giang Branch is to supplement the working capital for business operation at the interest rate applied to each loan acknowledgement. The term of each loan receipt is maximum 12 months. This loan is secured by mortgaging land use right of the Company (see Note No. V.11).
- (iii) The loan from Vietcombank – An Giang Branch is to supplement the working capital for business operation at the interest rate applied to each loan acknowledgement. The term of each loan receipt is maximum 12 months. This loan is secured by mortgaging inventories, machinery and equipment and land use right of the Company (see Notes No. V.7, V.9 and V.11).
- (iv) The loan from Techcombank – An Giang Branch is to supplement the working capital for business operation at the interest rate applied to each loan acknowledgement. The term of each loan receipt is maximum 12 months. This loan is secured by mortgaging inventories of the Company and assets of the third party (see Notes No. V.7 and VII.1a).
- (vi) The unsecured loan from external individuals and the Company's employees is to supplement the working capital for business operation at the interest rate of 7,5%/year.

Details of increases/(decreases) of short-term borrowings and financial lease during the year are as follows:

	Beginning balance	Increase during the year	Transfer from long-term borrowings	Amount repaid during the year	Ending balance
Short-term loans from banks	376.570.820.402	586.359.623.530	-	(560.524.106.584)	402.406.337.348
Short-term loans from individuals	400.000.000	5.000.000.000	-	(5.000.000.000)	400.000.000
Current portions of financial lease	16.118.788.483	-	21.199.207.625	(17.366.930.609)	19.951.065.499
Total	393.089.608.885	591.359.623.530	21.199.207.625	(582.891.037.193)	422.757.402.847

19b. Long-term borrowings and financial lease

	Ending balance	Beginning balance
Long-term loans from banks	106.558.000.000	-
<i>Loan from VietinBank – An Giang Branch⁽ⁱ⁾</i>	<i>106.558.000.000</i>	-
Financial lease	12.011.419.412	17.785.524.848
<i>36-month financial lease from Chailease International Leasing Company Limited for business operation</i>	<i>8.178.994.176</i>	<i>9.283.115.994</i>
<i>36-month financial lease from Vietnam International Leasing Company Limited for business operation</i>	<i>3.832.425.236</i>	<i>8.502.408.854</i>
Total	118.569.419.412	17.785.524.848

The Company is solvent over long-term loans and financial lease.

- (i) The loan from VietinBank – An Giang Branch is to pay for investment costs of the Beta-lactam antibiotic factory project at the interest rate applied to each loan acknowledgement. The loan term is 9 years starting from the first loan disbursement date. The loan is repaid on a quarterly basis and the grace period for loan principal is 16 month. This loan is secured by mortgaging buildings and structures (see Note No. V.11).

Repayment schedule of long-term borrowings and financial lease is as follows:

	Total debts	1 year or less	More than 1 year to 5 years
Ending balance			
Financial lease	31.962.484.911	19.951.065.499	12.011.419.412
Total	31.962.484.911	19.951.065.499	12.011.419.412

	Total debts	1 year or less	More than 1 year to 5 years
Beginning balance			
Financial lease	33.904.313.331	16.118.788.483	17.785.524.848
Total	33.904.313.331	16.118.788.483	17.785.524.848

Total financial lease payable is as follows:

	1 year or less	More than 1 year to 5 years	Total
Ending balance			
Principal	19.951.065.499	12.011.419.412	31.962.484.911
Interest	1.971.743.794	724.872.305	2.696.616.099
Financial lease payable	21.922.809.293	12.736.291.717	34.659.101.010
Beginning balance			
Principal	16.118.788.483	17.785.524.848	33.904.313.331
Interest	2.509.505.124	1.176.741.549	3.686.246.673
Financial lease payable	18.628.293.607	18.962.266.397	37.590.560.004

Details of increases/(decreases) of long-term borrowings and financial lease are as follows:

	Beginning balance	Increase during the year	Amount repaid during the year	Transfer to short-term loans	Ending balance
Long-term loans from banks	-	106.558.000.000	-	-	106.558.000.000
Financial lease	17.785.524.848	17.380.305.014	(1.955.202.825)	(21.199.207.625)	12.011.419.412
Total	17.785.524.848	123.938.305.014	(1.955.202.825)	(21.199.207.625)	118.569.419.412

The Company has no overdue loans and financial lease.

20. Bonus and welfare funds

	Beginning balance	Increase due to appropriation for profit	Other increase (*)	Disbursement during the year	Ending balance
Bonus fund	16.808.426.395	2.999.226.098	2.460.000	(3.572.949.771)	16.237.162.722
Welfare fund	907.461.982	-	-	(84.594.893)	822.867.089
Bonus fund to Board of Management and Supervisory Board	29.823.100	551.745.246	-	(579.000.000)	2.568.346
Total	17.745.711.477	3.550.971.344	2.460.000	(4.236.544.664)	17.062.598.157

(*) Increase due to the transfer of fractional shares from dividends payment in form of shares to Bonus fund according to the Approval Document of the Company's General Director dated 22 May 2024.

21. Owner's equity

21a. Statement of changes in owner's equity

Information on the fluctuations in owner's equity is presented in the attached Appendix 03.

21b. Details of owner's capital

	<u>Ending balance</u>	<u>Beginning balance</u>
Imexpharm Corporation	73.042.160.000	65.216.220.000
Mr. Pham Uyen Nguyen	34.685.910.000	29.854.570.000
Mr. Nguyen Van Kha	30.692.230.000	31.427.250.000
Other shareholders	93.019.110.000	80.146.490.000
Total	<u>231.439.410.000</u>	<u>206.644.530.000</u>

During the year, the Company issued shares to distribute its dividends to current shareholders at the rate of 100:12 (i.e. a current shareholder holding 100 shares was eligible for receiving 12 additional shares) in line with the Resolution No. 01/NQ-AGP.ĐHĐCĐ dated 15 March 2024 of 2024 Annual General Meeting of Shareholders. Accordingly, the Company has recorded an increase in the item of "owner's capital" and a decrease in the item of "retained earnings" for an amount of VND 24.794.880.000. On 22 May 2024, the Company was granted the 18th amended Business Registration Certificate by Department of Planning and Investment of An Giang Province regarding the increase in charter capital up to VND 231.439.410.000.

21c. Shares

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	23.143.941	20.664.453
Number of shares sold to the public	23.143.941	20.664.453
- Common shares	23.143.941	20.664.453
- Preferred shares	-	-
Number of shares repurchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	23.143.941	20.664.453
- Common shares	23.143.941	20.664.453
- Preferred shares	-	-

Face value per outstanding share: VND 10.000.

21d. Profit distribution

During the year, the Company distributed profit of the year 2023 in line with the Resolution No. 01/NQ-AGP.ĐHĐCĐ dated 15 March 2024 of 2024 Annual General Meeting of Shareholders as follows:

	<u>VND</u>
• Dividend distribution in form of shares	: 24.797.340.000
• Appropriation for bonus fund	: 2.999.226.098
• Appropriation for bonus fund to the Board of Management and the Supervisory Board	: 551.745.246
• Appropriation for investment and development fund	: 15.264.475.339

During the year, the Company paid dividends as follows:

	<u>Current year</u>	<u>Previous year</u>
Dividends	460.764.020	9.094.834.800
Total	460.764.020	9.094.834.800

22. Off-Balance Sheet items

Foreign currencies

As of the balance sheet date, cash and cash equivalents includes USD 9.409,98 (beginning balance: USD 4.223,55).

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT

1. Revenue from sales of goods and provisions of services

1a. Gross revenue

	<u>Current year</u>	<u>Previous year</u>
Revenue from sales of merchandise	4.799.858.815	6.831.338.010
Revenue from sales of finished goods	794.349.208.329	721.575.106.714
Total	799.149.067.144	728.406.444.724

1b. Sales to related parties

Apart from sales of goods and service provisions to its joint venture as presented in Note No. V.2c. The Company only has sales of goods and service provisions to Imexpharm Corporation (the major shareholder of the Company) for an amount of VND 21.212.746.535 (previous year: VND 17.858.550.750).

2. Revenue deductions

	<u>Current year</u>	<u>Previous year</u>
Trade discounts	1.660.471.169	204.680.908
Sales returns	4.020.094.177	3.071.657.543
Sales allowances	207.308.356	-
Total	5.887.873.702	3.276.338.451

3. Costs of sales

	<u>Current year</u>	<u>Previous year</u>
Costs of merchandise sold	3.958.192.938	6.427.527.262
Costs of finished goods sold	556.286.038.154	503.976.457.674
Total	560.244.231.092	510.403.984.936

4. Financial income

	<u>Current year</u>	<u>Previous year</u>
Demand deposit interest	64.936.184	26.070.662
Term deposit interest	344.046.164	124.304.404
Interest on bonds, shares	-	161.431.507
Dividends and profit shared	74.254.500	98.670.000
Exchange gain arising	447.767.333	220.392.921
Other financial income	2.043.569.674	-
Total	2.974.573.855	630.869.494

5. Financial expenses

	Current year	Previous year
Loan interest expenses	29.377.177.633	35.448.415.211
Exchange loss arising	2.698.531.808	125.615.708
Cash discount given to customers	393.789.696	3.423.095.294
Exchange loss due to the revaluation of monetary items in foreign currencies	128.036.451	92.815.996
Total	32.597.535.588	39.089.942.209
6. Selling expenses		
	Current year	Previous year
Expenses for employees	15.706.782.325	14.901.050.028
Materials and packages	10.090.545	53.956.352
Tools, supplies	318.339.996	461.599.630
Depreciation/(amortization) of fixed assets	2.631.243.539	1.535.264.500
Expenses for external services	71.220.642.566	59.200.363.487
<i>Commission, discount, promotion, advertisement</i>	<i>63.319.655.341</i>	<i>52.554.960.523</i>
<i>Other external services</i>	<i>7.900.987.225</i>	<i>6.645.402.964</i>
Other expenses	7.817.090.435	6.492.608.351
Total	97.704.189.406	82.644.842.348
7. General and administration expenses		
	Current year	Previous year
Expenses for employees	24.053.812.301	20.064.360.911
Office stationery	3.358.235.398	2.464.313.976
Depreciation/(amortization) of fixed assets	1.604.682.158	1.786.777.809
Taxes, fees and legal fees	1.088.269.955	568.499.535
Allowance for doubtful debts	26.494.970	135.328.858
Expenses for external services	7.595.473.105	8.035.313.682
Other expenses	7.367.643.517	6.638.128.340
Total	45.094.611.404	39.692.723.111
8. Other income		
	Current year	Previous year
Proceeds from liquidation, disposal of fixed assets	-	131.818.182
Collection of fees for testing, storage	149.885.181	134.452.760
Other income	32.657.218	-
Total	182.542.399	266.270.942
9. Other expenses		
	Current year	Previous year
Loss of liquidation, disposal of fixed assets	241.370.708	-
Other expenses	55.188.000	-
Total	296.558.708	-

10. Earnings per share

10a. Basic/diluted earnings per share

	Current year	Previous year
Accounting profit after corporate income tax	48.889.738.710	43.612.786.683
Appropriation for bonus and welfare funds (*)	(3.363.614.023)	(2.999.226.098)
Appropriation for bonus for the Board of Management and the Supervisory Board (*)	(620.899.682)	(551.745.246)
Profit used to calculate basic/diluted earnings per share	44.905.225.005	40.061.815.339
The weighted average number of ordinary shares outstanding during the year	23.143.941	22.624.556
Basic/diluted earnings per share	1.940	1.771

(*) Bonus and welfare funds and bonus for the Board of Management, the Supervisory Board in the current year are temporarily appropriated at the rate as stipulated in the Resolution No. 01/NQ-AGP.ĐHĐCĐ dated 15 March 2024 of the 2024 Annual General Meeting of Shareholders.

The number of ordinary shares used to calculate basic/diluted earnings per share is determined as follows:

	Current year	Previous year
The weighted average number of ordinary shares outstanding during the year	20.664.453	17.969.247
Effects of ordinary shares issued during the year	2.479.488	4.655.309
Average ordinary shares outstanding during the year	23.143.941	22.624.556

10b. Other information

On 20 May 2024, the Company increased its charter capital from retained earnings. Basic/diluted earnings per share for the previous year have been adjusted to reflect this event. Additionally, the basic/diluted earnings per share of the previous year are recalculated due to appropriation for bonus and welfare funds, bonus for the Board of Management and the Supervisory Board when determining the profit for calculating basic/diluted earnings per share in accordance with the Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance. The application of new regulations causes an increase in basic/diluted earnings per share of the previous year from VND 2.119 to VND 1.771.

11. Operating costs by factors

	Current year	Previous year
Materials and supplies	476.384.845.840	456.787.789.087
Labor costs	77.756.435.592	68.621.811.556
Depreciation/(amortization) of fixed assets	31.890.192.894	30.606.068.363
Expenses for external services	92.691.192.917	79.296.311.617
Other expenses	16.612.194.807	15.279.464.090
Total	695.334.862.050	650.591.444.713

VII. OTHER DISCLOSURES

1. Transactions and balances with related parties

The Company's related parties include the key managers, their related individuals and other related parties.

1a. Transactions and balances with the key managers and their related individuals

The Company's key managers include the Board of Management and the Board of Directors. The key managers' related individuals are their close family members.

Transactions with the key managers and their related individuals

The Company has no sales of goods and service provisions to the key managers and their related individuals and only has following transactions with the key managers:

	<u>Current year</u>	<u>Previous year</u>
Collection of capital contribution	-	13.937.760.000
Dividend payment	(8.360.310.000)	(2.956.994.500)

Guarantee commitment

The Company's key managers used their savings books to secure the Company's loans from VietinBank - An Giang Branch (see Note No. V.19a).

Receivables from and payables to the key managers and their related individuals

The Company has no receivables from and payables to the key managers and their related individuals.

Remuneration of the key managers and the Supervisory Board

Full name	Position	Current year	Previous year
Ms. Pham Thi Bich Thuy	Chairwoman cum Deputy General Director	474.003.750	470.475.000
Mr. Nguyen Van Kha	Vice Chairman cum General Director	830.000.000	880.000.000
Mr. Huynh Hoang Ha	Member cum Deputy General Director	431.360.250	282.844.000
Ms. Tran Thi Dao	Member	150.000.000	222.000.000
Mr. Nguyen Quoc Dinh	Member	150.000.000	222.000.000
Mr. Pham Uyen Nguyen	Member	150.000.000	222.000.000
Mr. Lam Tri Hien	Deputy General Director	169.540.680	155.702.320
Mr. Vu Minh Tuan	Deputy General Director	210.522.774	194.462.774
Ms. Tran Thi Thanh Hang	Chief of the <i>Supervisory Board</i>	146.000.000	219.000.000
Ms. Pham Hai Yen	Member	106.732.468	153.247.447
Ms. Nguyen Hong Ngoc	Member	40.000.000	58.000.000
Ms. Le Thi Thuy Linh	Member (Resigned on 08 April 2023)	-	61.981.280
Total		2.858.159.922	3.141.712.821

1b. Transactions and balances with other related parties

Other related parties of the Company include:

Other related parties	Relationship
Imexpharm Corporation	The major shareholder holding 31,56% of charter capital
USA-AGP Pharma, LLC	Joint venture

Transactions with other related parties

Apart from transactions with the joint venture presented in Note No. V.2c and sales of goods and service provisions to other related parties presented in Note No. VI.1b, the Company only has following transactions with Imexpharm Corporation:

	<u>Current year</u>	<u>Previous year</u>
Purchase of goods	9.253.684.656	12.764.860.250
Storage fee	81.818.182	-
Dividend payment	-	(2.964.374.000)
Acquisition of tangible fixed assets	-	1.159.090.908
Collection of capital contribution in form of dividend payment in share	7.825.940.000	5.928.740.000

The prices of merchandises supplied to other related parties are market prices. The purchases of merchandises from other related parties are done at the agreed prices.

Receivables from and payables to other related parties

The receivables from and payables to other related parties are presented in Notes No. V.3 and V.13.

The receivables from other related parties are unsecured and will be paid in cash. There are no allowances for doubtful debts made for the receivables from other related parties.

2. Segment information

Segment information is presented based on business segments and geographical segments. Segment reporting is mainly done on the basis of business segments since the Company's business operations are organized and managed on the basis of the natures of its products.

2a. Information on business segment

Principal business activity of the Company is to trade finished medicines of all kinds. Additionally, other business activity of the Company is mainly sale of goods and materials. Sales from other business activity only account for a very small proportion of gross sales (0.6% of gross sales in 2024). Sales and costs of business activities are presented in Notes No. VI.1a and VI.3.

2b. Information on geographical segment

The Company's operations include exports and local sales.

Details of net external revenue in respect of geographical segment based on the location of customers are as follows:

	Current year	Previous year
Local areas	791.645.105.636	723.833.677.413
Overseas countries	1.616.087.806	1.296.428.860
Total	793.261.193.442	725.130.106.273

3. Subsequent events

There is no material subsequent event which is required adjustments or disclosures in the Financial Statements.

Appendix 01: Increases/(decreases) in tangible fixed assets

Historical costs	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
Beginning balance	165.200.032.695	103.767.302.941	13.932.021.124	2.832.186.886	285.731.543.646
Acquisition during the year	279.636.364	7.435.515.678	130.000.000	371.780.000	8.216.932.042
Completed constructions	178.574.377.228	11.109.235.186	1.139.681.818	-	190.823.294.232
Increase due to transfer from financial leased assets	-	2.081.603.058	-	-	2.081.603.058
Liquidation and disposal	(540.385.371)	(18.020.345.428)	(457.272.727)	-	(19.018.003.526)
Ending balance	343.513.660.916	106.373.311.435	14.744.430.215	3.203.966.886	467.835.369.452
<i>In which:</i>					
Assets fully depreciated but still in use	6.343.599.844	28.545.233.989	6.172.879.394	729.914.517	41.791.627.744
Assets waiting for liquidation	-	-	-	-	-
Depreciation					
Beginning balance	42.231.847.279	61.288.138.379	9.121.280.421	1.074.910.262	113.716.176.341
Depreciation during the year	10.234.698.804	10.677.355.975	1.451.008.480	343.154.422	22.706.217.681
Liquidation and disposal	(540.385.371)	(666.321.380)	(41.356.572)	-	(1.248.063.323)

Ending balance	51.926.160.712	71.299.172.974	10.530.932.329	1.418.064.684	135.174.330.699
Net book values					
Beginning balance	122.968.185.416	42.479.164.562	4.810.740.703	1.757.276.624	172.015.367.305
Ending balance	291.587.500.204	35.074.138.461	4.213.497.886	1.785.902.202	332.661.038.753
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-

Appendix 02: Fluctuations on tax and other obligations to the State Budget

	Beginning balance		Increase during the year		Ending balance	
	Payables	Receivables	Amount payable	Amount paid	Payables	Receivables
VAT on local sales	-	-	39.964.211	(39.964.211)	-	-
Corporate income tax	10.443.966.097	-	11.591.444.788	(10.582.967.422)	11.452.443.463	-
Personal income tax	-	57.001.465	2.580.989.980	(2.458.244.483)	65.744.032	-
Property tax	-	-	34.448.989	(34.448.989)	-	-
Land rental	-	-	986.820.968	(986.820.968)	-	-
Other taxes	-	-	78.666.664	(78.666.664)	-	-
Fees, legal fees, and other duties	-	-	15.000.000	(15.000.000)	-	-
Total	10.443.966.097	57.001.465	15.327.335.600	(14.196.112.737)	11.518.187.495	-

Appendix 03: Statement of fluctuations in owner's equity

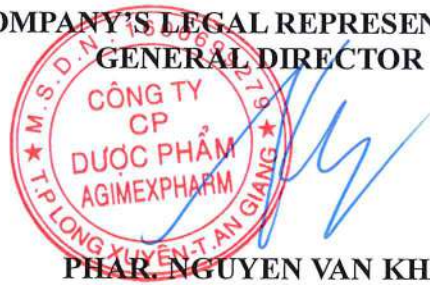
	Capital	Share premiums	Investment and development fund	Retained earnings	Total
Payment of dividends in form of shares in the previous year	17.967.440.000	-	-	(17.967.440.000)	-
Issuance of cash-collected shares in the previous year	8.984.620.000	-	-	-	8.984.620.000
Profit in the previous year	-	-	-	43.612.786.683	43.612.786.683
Appropriation for funds in the previous year	-	-	12.873.081.778	(15.956.402.095)	(3.083.320.317)
Dividend, profit distribution in the previous year	-	-	-	(8.986.430.500)	(8.986.430.500)
Disbursement in the previous year	-	-	(10.853.064)	-	(10.853.064)
Ending balance of the previous year	206.644.530.000	25.726.714.700	78.700.305.421	43.612.786.683	354.684.336.804

	Capital	Share premiums	Investment and development fund	Retained earnings	Total
Beginning balance of the current year	206.644.530.000	25.726.714.700	78.700.305.421	43.612.786.683	354.684.336.804
Payment of dividends in form of shares in the current year	24.794.880.000	-	-	(24.794.880.000)	-
Profit in the current year	-	-	-	48.889.738.710	48.889.738.710
Appropriation for funds in the current year	-	-	15.264.475.339	(18.815.446.683)	(3.550.971.344)
Disbursement in the current year	-	-	(161.237.691)	-	(161.237.691)
Transfer of fractional shares from dividends payment in form of shares to Bonus fund	-	-	-	(2.460.000)	(2.460.000)
Ending balance of the current year	231.439.410.000	25.726.714.700	93.803.543.069	48.889.738.710	399.859.406.479

Recipients:

- The State Securities Commission;
- The Stock Exchange;
- Archived: Secretary of the BODs.

COMPANY'S LEGAL REPRESENTATIVE
GENERAL DIRECTOR



PHAR. NGUYEN VAN KHA