

**DANAPHA PHARMACEUTICAL  
JOINT STOCK COMPANY**

**AUDITED FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2024



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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**CONTENTS**

	<b>Page(s)</b>
THE GENERAL DIRECTOR'S REPORT	1 - 2
INDEPENDENT AUDITOR'S REPORT	3 - 4
AUDITED FINANCIAL STATEMENTS	
Balance sheet	5 - 6
Income statement	7
Cash-flow statement	8 - 9
Notes to the financial statements	10 - 46



## DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

### THE GENERAL DIRECTOR'S REPORT

The General Director of Danapha Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company") hereby presents its report and the accompanying audited financial statements of the Company for the financial year ended 31 December 2024.

Members of the Board of Directors, the Supervisory Committee and the General Director during the year and on the date of this report include:

#### Board of Directors

<u>Full name</u>	<u>Position</u>	
Mr. Bojinov Stefan Georgiev	Chairman	
Mr. Nguyen Quoc Thang	Member	Dismissed on 29 March 2024
Mr. Dobrev Sasho Hristov	Member	
Mr. Dinh Xuan Han	Member	Dismissed on 29 March 2024
Mr. Le Van Son	Member	Dismissed on 29 March 2024
Mr. Le Thang Binh	Member	
Ms. Pham Huong Giang	Member	Dismissed on 29 March 2024
Mr. Do Minh Hieu	Member	Appointed on 29 March 2024
Ms. Nguyen Thuy Dung	Member	Appointed on 29 March 2024
Mr. Pham Thai Lang	Member	Appointed on 29 March 2024
Ms. Nguyen Thanh Thao	Member	Appointed on 29 March 2024
Ms. Nguyen Thi Thuy	Member	Appointed on 29 March 2024

#### Supervisory Committee

<u>Full name</u>	<u>Position</u>	
Mr. Ngo Xuan Tung	Head	
Mr. Nguyen Van Khai	Member	Dismissed on 05 July 2024
Ms. Nguyen Thi Yen Nhi	Member	
Ms. Luu Quynh Mai	Member	Appointed on 05 July 2024

#### The General Director

<u>Full name</u>	<u>Position</u>
Mr. Le Thang Binh	The General Director

#### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and on the date of this report is Mr. Le Thang Binh, General Director.

#### RESPONSIBILITY OF GENERAL DIRECTOR

The Company's General Director is responsible for preparing the financial statements of each period which give a true and fair view of the financial position of the Company and the results of its operations and its cash flows. In preparing these financial statements, The General Director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any departures that need to be disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement the internal control system effectively for a fair preparation and presentation of the financial statements so as to mitigate error or fraud.



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**THE GENERAL DIRECTOR'S REPORT (CONTINUED)**

The General Director is responsible for ensuring proper that accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and ensure that the financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements. The General Director is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Director confirms that the Company has complied with the above requirements in preparing these financial statements.

**AUDITOR**

The accompanying financial statements were audited by ECOVIS AFA VIETNAM Auditing – Appraisal and Consulting Company Limited (Head office: No. 142 Xo Viet Nghe Tinh Street, Hoa Cuong Nam Ward, Hai Chau District, Danang City, Vietnam; Telephone: (84) 0236.363.3333; Fax: (84) 0236.363.3338; Website: [www.ecovis.com/vietnam/audit](http://www.ecovis.com/vietnam/audit)).

**STATEMENT BY THE GENERAL DIRECTOR**

In the General Director's opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and the results of its operations and its cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements.



*ly*  
**Le Thang Binh**  
**General Director**

*ly*  
Danang City, 25 February 2025





No.: 21/2025/BCKT-E.AFA

## **INDEPENDENT AUDITOR'S REPORT**

**To: Shareholders**  
**Board of Directors and The General Director**  
**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

### **Report on the financial statements**

We have audited the accompanying financial statements of Danapha Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company") prepared on 25 February 2025 as set out from page 5 to page 46, which comprise the balance sheet as at 31 December 2024, and the income statement, and cash-flow statement for the financial year then ended, and the notes to the financial statements.

### ***The General Director's Responsibility***

The general director is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, and Vietnamese Corporate Accounting System and relevant legislation as to the preparation and presentation of financial statements and for such internal control as the general director determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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 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 entity's preparation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the general director, as well as evaluating the overall presentation of the financial statements.

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



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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

*Opinion*

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its financial performance and its cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting and relevant legislation as to the preparation and presentation of financial statements.



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**Tran Thi Nhu Phuong**  
**Audit Director**  
Audit Practice Registration Certificate  
2293-2023-240-1

Authorized person

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**Kim Van Viet**  
**Auditor**  
Audit Practice Registration Certificate  
1486-2023-240-1

**ECOVIS AFA VIETNAM Auditing – Appraisal and Consulting Company Limited**  
*Danang City, 25 February 2025*



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**Form B 01 - DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)

**BALANCE SHEET**

As at 31 December 2024

Unit: VND

<b>ASSETS</b>	<b>Code</b>	<b>Notes</b>	<b>As at 31 Dec. 2024</b>	<b>As at 01 Jan. 2024</b>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>567,183,521,744</b>	<b>551,460,049,984</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>74,551,503,101</b>	<b>59,453,049,234</b>
1. Cash	111		6,421,503,101	39,453,049,234
2. Cash equivalents	112		68,130,000,000	20,000,000,000
<b>II. Current financial investments</b>	<b>120</b>		-	-
<b>III. Current account receivables</b>	<b>130</b>		<b>370,586,037,274</b>	<b>359,224,802,923</b>
1. Trade receivables	131	4.2	285,800,283,743	291,346,101,220
2. Advances to suppliers	132	4.3	85,313,525,015	64,682,179,473
3. Other current receivables	136	4.4	8,710,229,512	9,672,401,547
4. Provision for doubtful debts	137	4.5	(9,238,000,996)	(6,475,879,317)
<b>IV. Inventories</b>	<b>140</b>	<b>4.6</b>	<b>82,431,552,930</b>	<b>91,234,698,430</b>
1. Inventories	141		85,178,338,807	94,072,601,332
2. Provision for decline in value of inventories	149		(2,746,785,877)	(2,837,902,902)
<b>V. Other current assets</b>	<b>150</b>		<b>39,614,428,439</b>	<b>41,547,499,397</b>
1. Current prepayments	151	4.7	4,096,158,216	1,322,416,367
2. Value added tax deductible	152		35,518,270,223	39,308,342,505
3. Tax and other receivables from the state budget	153	4.14	-	916,740,525
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>1,028,947,132,194</b>	<b>743,154,942,055</b>
<b>I. Non-current account receivables</b>	<b>210</b>		-	<b>4,450,902,000</b>
1. Other non-current receivables	216	4.4	-	4,450,902,000
2. Provision for doubtful non-current receivables	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>109,735,148,960</b>	<b>124,048,028,391</b>
1. Tangible fixed assets	221	4.9	73,558,173,316	86,940,501,635
Cost	222		372,656,925,020	369,626,070,252
Accumulated depreciation	223		(299,098,751,704)	(282,685,568,617)
2. Intangible fixed assets	227	4.10	36,176,975,644	37,107,526,756
Cost	228		48,689,386,013	48,689,386,013
Accumulated amortisation	229		(12,512,410,369)	(11,581,859,257)
<b>III. Investment property</b>	<b>230</b>		-	-
<b>IV. Non-current assets in progress</b>	<b>240</b>		<b>895,865,756,597</b>	<b>593,441,322,362</b>
1. Non-current work in progress	241		-	-
2. Construction in progress	242	4.11	895,865,756,597	593,441,322,362
<b>V. Non-current financial investments</b>	<b>250</b>	<b>4.8</b>	<b>6,800,000,000</b>	<b>6,800,000,000</b>
1. Investments in associates, joint-ventures	252		8,820,000,000	8,820,000,000
2. Investment in other entities	253		6,800,000,000	6,800,000,000
3. Provision for non-current investments	254		(8,820,000,000)	(8,820,000,000)
<b>VI. Other non-current assets</b>	<b>260</b>		<b>16,546,226,637</b>	<b>14,414,689,302</b>
1. Non-current prepayments	261	4.7	16,546,226,637	14,414,689,302
2. Other non-current assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>1,596,130,653,938</b>	<b>1,294,614,992,039</b>

The accompanying notes are an integral part of these separate financial statements



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**Form B 01 - DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)

**BALANCE SHEET (CONTINUED)**

As at 31 December 2024

Unit: VND

RESOURCES	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
<b>C. LIABILITIES</b>	<b>300</b>		<b>831,060,707,262</b>	<b>584,386,504,656</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>400,253,160,464</b>	<b>379,141,504,656</b>
1. Trade payables	311	4.12	134,809,304,654	181,386,882,764
2. Advances from customers	312	4.13	2,139,512,912	538,869,460
3. Taxes and amounts payable to the state budget	313	4.14	21,566,854,993	1,244,534,023
4. Payables to employees	314	4.15	35,159,921,599	24,036,809,871
5. Accrued expenses	315	4.16	23,215,125,298	21,199,913,372
6. Other current payables	319	4.17	18,585,851,377	173,639,038
7. Current loans and obligations under finance leases	320	4.18	163,379,303,653	149,645,108,304
8. Bonus and welfare fund	322		1,397,285,978	915,747,824
<b>II. Non-current liabilities</b>	<b>330</b>		<b>430,807,546,798</b>	<b>205,245,000,000</b>
1. Other non-current payables	331	4.12	104,477,372,808	-
2. Non-current loans and obligations under finance leases	338	4.17	326,330,173,990	205,245,000,000
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>765,069,946,676</b>	<b>710,228,487,383</b>
<b>I. Equity</b>	<b>410</b>	<b>4.19</b>	<b>764,927,393,156</b>	<b>710,085,933,863</b>
1. Owner's contributed capital	411		209,380,000,000	209,380,000,000
Ordinary shares carrying voting rights	411a		209,380,000,000	209,380,000,000
Preference shares	411b		-	-
2. Share premiums	412		181,169,607,584	181,169,607,584
3. Investment and development fund	418		304,136,126,279	242,728,087,074
4. Retained earnings	421		70,241,659,293	76,808,239,205
Beginning accumulated retained earnings	421a		243,600,000	243,600,000
Ending accumulated retained earnings	421b		69,998,059,293	76,564,639,205
<b>II. Other capital and funds</b>	<b>430</b>		<b>142,553,520</b>	<b>142,553,520</b>
1. Subsidised funds	431		142,553,520	142,553,520
2. Subsidised funds for fixed asset acquisition	432		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>1,596,130,653,938</b>	<b>1,294,614,992,039</b>



*Le Thang Binh*  
**Le Thang Binh**  
 General Director  
 Danang City, 25 February 2025

*Tran Tien Dung*  
**Tran Tien Dung**  
 Chief Accountant

*Le Thi Van Anh*  
**Le Thi Van Anh**  
 Preparer

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**Form B 02 - DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)

**INCOME STATEMENT**

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue	01	5.1	572,176,320,601	598,506,929,650
2. Deductions	02	5.2	7,444,299,378	22,369,006,233
3. Net revenue	10		564,732,021,223	576,137,923,417
4. Cost of sales	11	5.3	271,515,486,512	314,333,944,705
5. Gross profit	20		293,216,534,711	261,803,978,712
6. Financial income	21	5.4	5,986,642,061	9,377,823,344
7. Financial expense	22	5.5	13,892,755,212	16,062,099,401
<i>Of which, interest expense</i>	23		7,679,163,253	5,300,638,763
8. Selling expense	25	5.6	87,113,394,546	81,752,419,537
9. General and administration expense	26	5.7	100,116,500,507	78,186,918,824
10. Operating profit/(loss)	30		98,080,526,507	95,180,364,294
11. Other income	31	5.8	250,095,556	25,051,283
12. Other expense	32	5.9	5,002,594,597	160,715,798
13. Net other income/(loss)	40		(4,752,499,041)	(135,664,515)
14. Accounting profit/(loss) before tax	50		93,328,027,466	95,044,699,779
15. Current corporate income tax expense	51	5.11	23,329,968,173	18,480,060,574
16. Deferred corporate income tax expense	52		-	-
17. Net profit/(loss) after tax	60		69,998,059,293	76,564,639,205
18. Basic earnings per share	70	4.19	3,343	3,633
19. Diluted earnings per share	71	4.19	3,343	3,633



*Le Thang Binh*  
**Le Thang Binh**  
 General Director  
 Danang City, 25 February 2025

*Tran Tien Dung*  
**Tran Tien Dung**  
 Chief Accountant

*Le Thi Van Anh*  
**Le Thi Van Anh**  
 Preparer



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**Form B 03 - DN**(Issued under the Circular No. 200/2014/TT-BTC  
dated 22 December 2014 by Ministry of Finance)**CASH FLOW STATEMENT****(Indirect method)**

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>1. Net profit /(loss) before taxes</b>	<b>01</b>		<b>93,328,027,466</b>	<b>95,044,699,779</b>
<b>2. Adjustment for:</b>				
Depreciation and amortisation	02		18,271,254,795	20,617,067,224
Provisions	03		2,671,004,654	4,424,735,882
Foreign exchange gains/losses from revaluation of foreign currency monetary items	04		6,098,947,659	10,725,542,653
Gains/losses from investment	05		(633,944,555)	(7,061,417,516)
Interest expense	06		7,679,163,253	5,300,638,763
Other adjustments	07		-	(54,684,742)
<b>3. Operating profit /(loss) before adjustments to working capital</b>	<b>08</b>		<b>127,414,453,272</b>	<b>128,996,582,043</b>
Increase or decrease in accounts receivable	09		10,223,043,443	(123,431,050,852)
Increase or decrease in inventories	10		8,894,262,525	(4,107,875,352)
Increase or decrease in accounts payable (excluding interest expense and CIT payable)	11		23,705,244,167	3,379,283,045
Increase or decrease prepaid expenses	12		(4,865,279,184)	1,904,594,838
Interest paid	14		(7,826,886,611)	(5,174,787,723)
Corporate income tax paid	15		(3,317,896,190)	(19,529,044,282)
Other cash outflows from operating activities	17		(18,461,846)	(88,882,400)
<b>Net cash from operating activities</b>	<b>20</b>		<b>154,208,479,577</b>	<b>(18,051,180,683)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(260,609,109,626)	(213,865,552,646)
2. Proceeds from disposals of fix assets and other long-term assets	22		20,909,091	-
3. Loans to other entities and payments for purchase of debt instruments of other entities	23		-	(75,000,000,000)
4. Repayments from borrowers and proceeds from sales of debts instruments of other entities	24		-	204,351,152,325
5. Interest and dividends received	27		359,031,135	9,982,170,818
<b>Net cash from investing activities</b>	<b>30</b>		<b>(260,229,169,400)</b>	<b>(74,532,229,503)</b>



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

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**Form B 03 - DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)


**CASH FLOW STATEMENT (CONTINUED)**  
**(Indirect method)**

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33	6.1	492,272,063,564	261,188,680,944
2. Repayment of borrowings	34	6.2	(356,702,694,225)	(176,685,685,118)
3. Dividends paid	36		(14,656,600,000)	(14,653,415,000)
<b>Net cash from financing activities</b>	<b>40</b>		<b>120,912,769,339</b>	<b>69,849,580,826</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>50</b>		<b>14,892,079,516</b>	<b>(22,733,829,360)</b>
Cash and cash equivalents at beginning of year	60		59,453,049,234	81,759,284,102
Impact of exchange rate fluctuation	61		206,374,351	427,594,492
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>70</b>		<b>74,551,503,101</b>	<b>59,453,049,234</b>



  
**Le Thang Binh**  
General Director  
Danang City, 25 February 2025

  
**Tran Tien Dung**  
Chief Accountant

  
**Le Thi Van Anh**  
Preparer



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**Form B 09 – DN**

(Issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance)

**NOTES TO THE FINANCIAL STATEMENTS**

**1. CORPORATE INFORMATION**

**1.1. Structure of ownership**

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

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

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

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

The number of employees as at 31 December 2024 was 453 (31 December 2023: 404).

**1.2. Business field**

Manufacturing and trading pharmaceutical, chemical, and medicinal materials.

**1.3. Operating industry and principal activities**

Under the Business Registration Certificate, the Company’s business activities comprise:

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

**1.4. Normal operating cycle**

The Company’s normal operating cycle is carried out for a time period of 12 months.

**1.5. The Company’s structure**

As at 31 December 2024, the Company’s associates were as follows:

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

<u>Name</u>	<u>Address</u>	<u>Voting rights</u>	<u>Per cent capital</u>	<u>Per cent interest</u>
<b>Associates:</b>				
Davina Pharmaceutical Joint Stock Company	253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City.	49%	49%	49%

The Company's dependent units as at 31 December 2024 were as follows:

<u>Name</u>	<u>Address</u>
Branch of Danapha Pharmaceutical Joint Stock Company in Hanoi	No. 9, Lane 87 Nguyen Van Troi, Phuong Liet Ward, Thanh Xuan District, Hanoi City.
Danapha Pharmaceutical Joint Stock Company – Vinh Phuc Branch	No. 43, Lot S6, Ha Tien pagoda Urban Area, Lien Bao Ward, Vinh Yen City, Vinh Phuc Province.
Branch of Danapha Pharmaceutical Joint Stock Company in Thanh Hoa	Lot 141, LK3, MBQH121/UB-CN, Dong Ve Ward, Thanh Hoa City, Thanh Hoa Province.
Branch of Danapha Pharmaceutical Joint Stock Company in Khanh Hoa	Lot 27-28, Street No. 8, Le Hong Phong New Urban Area - Venesia, Phuoc Hai Ward, Nha Trang City, Khanh Hoa Province.
Branch of Danapha Pharmaceutical Joint Stock Company in Ho Chi Minh	15th Floor, Room 1508, Vincom Center Building, No. 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City.
Branch of Danapha Pharmaceutical Joint Stock Company in Can Tho	A3-22 Street No. 10, Nam Long Residential Area, Zone 2, Hung Thanh Ward, Cai Rang District, Can Tho City.

**1.6. Statement of Comparability of Information in Financial statements**

The comparative figures are those of the audited financial statements for the year ended 31 December 2023.

**2. BASIS OF PREPARATION****2.1. Accounting standards, accounting system**

The accompanying consolidated financial statements, expressed in Vietnamese Dong ("VND"), are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam.

The accompanying separate financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

**2.2. Forms of accounting records**

The form of accounting records applied in the Company is the General Journal.

**2.3. Financial year**

The Company's financial year is from 01 January to 31 December.



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

**2.4. Reporting and functional currency**

The Company maintains its accounting records in VND.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**3.1. Foreign currencies**

Transactions in foreign currencies are recorded, on initial recognition, in the reporting currency, by applying to the foreign currency amount the spot exchange rate between the reporting currency and the foreign currency at the date of the transaction. The exchange differences arising on the settlement of monetary items are recognised in profit or loss in the year in which they arise. At the end of the reporting year, monetary items excluding advances to suppliers, prepaid expenses, and unearned revenues, which are denominated in foreign currency, are reported using the closing rate and resultant exchange differences resulting from the reporting after offset are recognised in profit or loss in the year in which they arise.

**3.2. Use of estimates**

The preparation of the separate financial statements requires the General Director to make estimates and assumptions that impact the carrying value of certain assets and liabilities, contingent assets and liabilities reported in the notes as well as revenues and expenses for the financial year ended 31 December 2024. Although these estimates are based on the General Director's best knowledge of all relevant information available at the date when the separate financial statements are prepared, this does not prevent actual figures differing from estimates.

**3.3. Cash and cash equivalents**

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

**3.4. Financial investments**

***Held to maturity investments***

Held to maturity investments comprise term deposits, preference bonds, shares - which include an obligation for the issuer to repurchase them at a point in time in the future - held to maturity loans to earn periodical profits and other held to maturity investments.

If there is any certain evidence that part or all the investments are irrecoverable, impairment losses are recognised as a finance expense in the current year.

***Equity investments in other entities***

***Investments in associates***

Investments are classified as investments in associates when the Company directly or indirectly holds from 20% to under 50% of the voting shares of the investee without any other agreement.

Investments in associates are accounted for under the equity method. Under the equity method, on initial recognition the investment in an associate is recognised at cost. In case of investments of non-monetary assets, the cost of investments is recognised at the fair values of the assets as incurred.

Dividends for the period after the acquisition date are recognised as finance income when the shareholder's right to receive payment is established.



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

*Other investments*

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

Other investments are accounted for under the cost method which comprise purchase prices plus (+) acquisition related costs (if any). In case of investments of non-monetary assets, the cost of investments is recognised at the fair values of the assets as incurred.

***Recognition principles of provision for investment impairment loss***

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

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

**3.5. Account receivables**

***Recognition method***

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

***Provision for doubtful debts***

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

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

**3.6. Inventories**

***Inventory measurement***

Inventories are measured at the lower of cost and net realisable value.

The costs of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads.

The costs of purchase comprise the purchase price, non-reimbursable taxes and duties, and transport, handling and other costs directly attributable to the purchase. Trade discounts and sales rebates on substandard and obsolete goods purchased are deducted from the costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

***Method of accounting for inventories***

Inventories are measured using the weighted average method and are recorded under the perpetual inventory method.



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

***Provision for decline in value of inventories***

As of the date of preparing the financial statements, provision is recognised for obsolete, slow-moving and defective inventory items and an excess of the cost of inventories over their net realisable value.

The difference between the required balance and the existing balance of the provision for a decline in value of inventories is included in cost of sales in the consolidated income statement.

Inventories are written down to net realizable value on an item-by-item basis. For services being rendered, provision is made in respect of each service for which a separate selling price will be charged.

**3.7. Tangible fixed asset**

Tangible fixed assets are measured at cost less accumulated depreciation.

***Tangible fixed asset recognition***

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

***Depreciation and amortisation***

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

The estimated useful lives are as follows:

	<b><u>Year 2024</u></b>
▪ Buildings, structures	5 – 25 years
▪ Machinery and equipment	3 – 10 years
▪ Motor vehicles	6 years

**3.8. Intangible fixed assets**

Intangible fixed assets are measured at cost less accumulated amortisation.

***Intangible fixed asset recognition***

The cost of an intangible fixed asset comprises the total amount of expense incurred by the Company to acquire an asset at the time the asset is put into operation for its intended use.

***Accounting principles for intangible fixed assets***

***Land use rights***

Land use rights are stated at their costs less accumulated amortisation..

Indefinite land use rights are not amortised.





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

**3.9. Leases**

***Leases classification***

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**3.10. Construction in progress**

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

**3.11. Prepayments**

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

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

- Prepaid land, infrastructure and fixed asset rentals are amortised over the period of lease;
- Other prepaid expenses: Based on the nature and volume of each expense, the company selects appropriate methods and criteria for allocation during the period when the expected economic benefits are generated.

**3.12. Liabilities**

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

Liabilities are also classified according to the maturity date, the remaining term from the date of the consolidated financial statements, original currency, and each creditor.

Liabilities are recognised at no less than the payment obligation.

**3.13. Borrowing costs**

***Capitalisation of borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets until the assets are put into use or sale.

Investment income earned on temporary investment of borrowings is deducted from the cost of the respective assets.

All other borrowing costs are recognised as an expense in the consolidated income statement when incurred.

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

**3.14. Accrued expenses**

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

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

**3.15. Owners' equity**

***The owners' contributed equity***

The owners' contributed equity is recognised when contributed.

***Share premiums***

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

***Treasury shares***

Treasury shares are recognised at purchased cost and presented in the balance sheet as a deduction from equity.

***Dividends***

Dividends are recognised as a liability at the date of declaring dividends.

***Retained earnings***

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

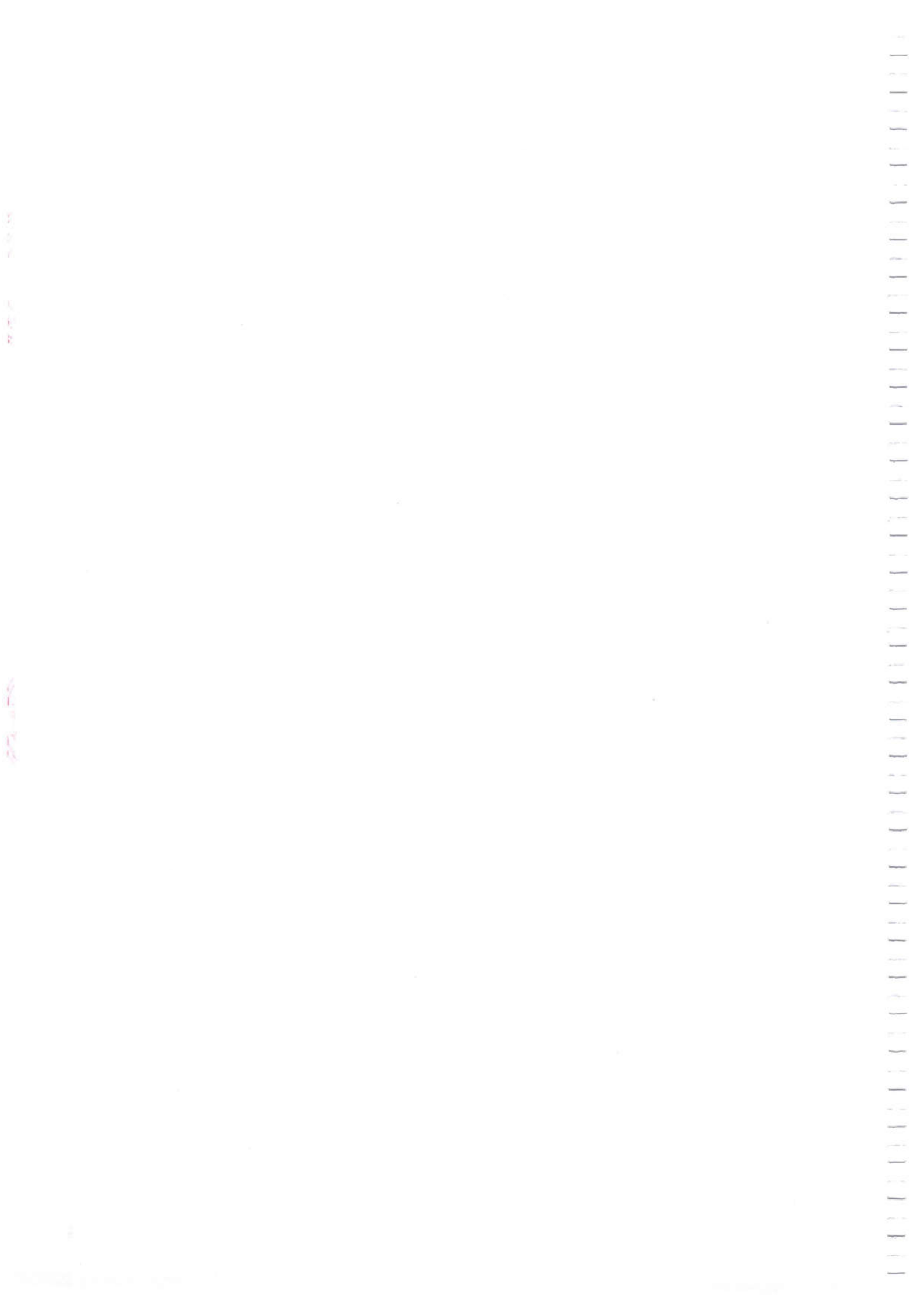
**3.16. Revenue and other income**

***Revenue from selling goods***

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

***Revenue involving the rendering of services***

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



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

***Interest income***

Interest income is recognised on an accrual basis by reference to the principal outstanding and at the interest rate applicable.

***Disposal and sale of investments***

Revenue from selling current and non-current investments is recognised in the income statement when the Company has transferred the majority of risks and benefits associated with the ownership to the buyer. The majority of risks and benefits associated with the ownership are transferred to the buyer when the transaction is completed (for listed securities) or when completing the asset sale contract (for unlisted securities).

***Disposal and sale of fixed assets***

Income from disposal and sale of fixed assets is the excess of the proceeds from the disposal and sale of the fixed assets over the carrying amount of the fixed assets disposal expenses.

**3.17. Deductions**

Deductions include trade discounts, allowances and sale returns.

Deductions arising in the reporting year from consumption of products, goods and services are recognised as decreases in revenue in that year; Deductions arising after the end of the reporting year but prior to issuing the financial statements for the reporting year are recognised as decreases in revenue of the reporting year; Deductions arising after the end of the reporting year and after issuing the financial statements for the reporting year are recognised as decreases in revenue of the next year.

**3.18. Cost of sales**

Cost of sales and services provided represents total costs of finished products, goods, services, which are sold in the year in accordance with the matching principle. Abnormal amounts of production costs of inventories are recognised immediately in cost of sales.

**3.19. Finance expense**

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

**3.20. Selling expense and general and administrative expense**

Selling expenses represent expenses incurred during the process of selling products, goods and rendering services, which include expenses relating to product exhibition, advertisement, sales commissions, storage, packaging and shipping etc.

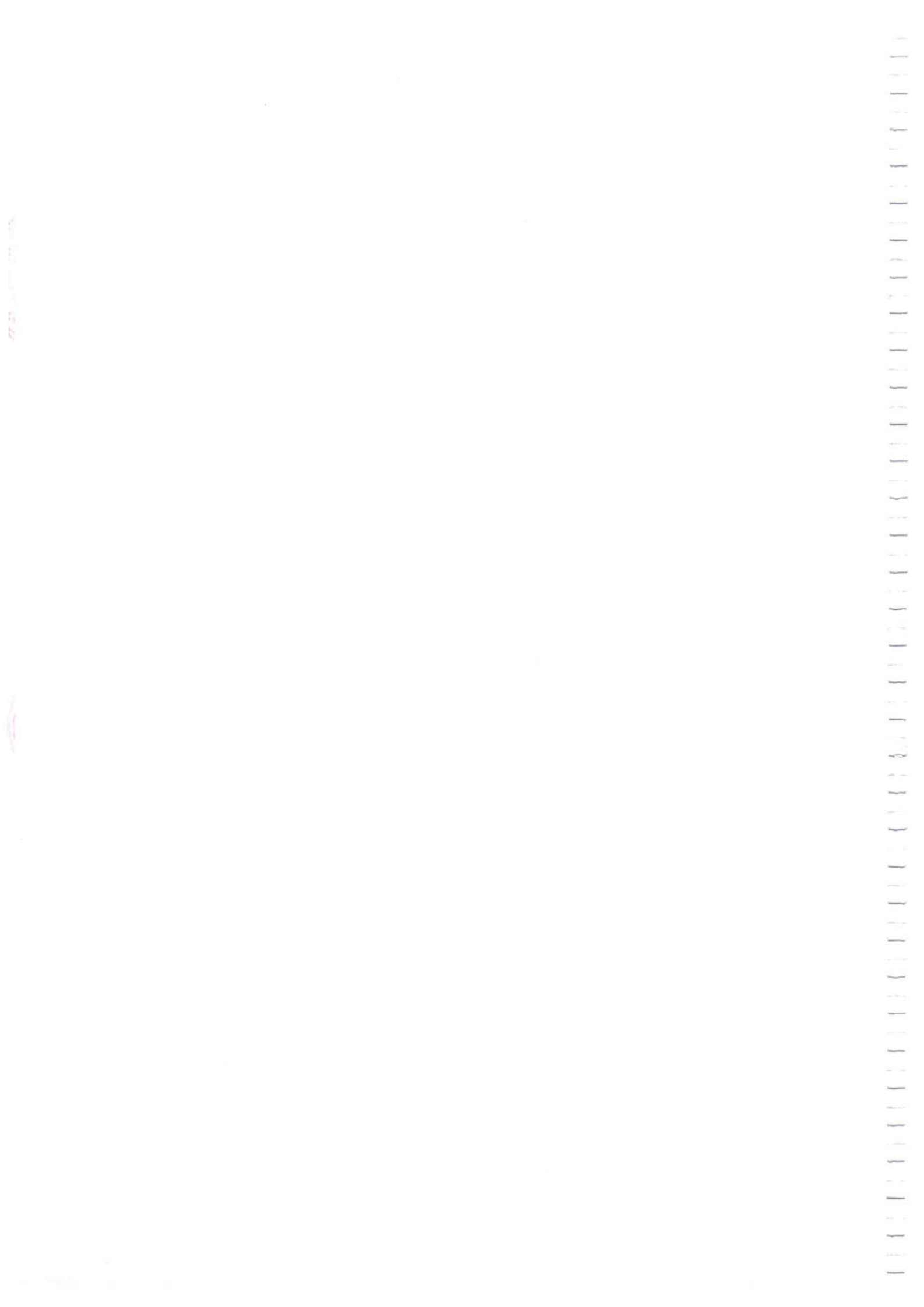
General and administrative expenses represent common expenses, which include payroll costs for office employees (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance; stationery expenses, material expenses, utility services (electricity expenses, water expenses, phone, fax, warranty expenses, etc.); sundry expenses.

**3.21. Taxation**

***Corporate income tax***

***Current corporate income tax expense***

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



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

***Value added tax***

The goods sold and services rendered by the Company are subject to value added tax at the following rates:

- Applying a tax rate of 5% for medicinal drugs;
- Other activities: are applicable in accordance with the prevailing regulations.

***Other taxes***

Other taxes are applicable in accordance with the prevailing tax laws in Vietnam.

The tax reports of the Company will be inspected by the Tax Department. Application of the laws and regulations on tax to different transactions can be interpreted by many ways; therefore, the tax amounts presented in the consolidated financial statements can be amended in accordance with the Tax Department's final assessment.

**3.22. Earnings per share**

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares bought back by the Company and held as treasury shares.

**3.23. Diluted earnings per share**

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year and total ordinary shares that would be issued on the conversion, excluding ordinary shares bought back by the Company and held as treasury shares.

**3.24. Segement reporting**

A segment is a distinguishable component of the Company that is engaged either in producing or providing related products or services (business segment), or in producing or providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Refer to section 7 in Notes to the financial Statements.

**3.25. Related parties**

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

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET****4.1. Cash and cash equivalents**

	Foreign currencies	As at 31 Dec. 2024 VND	Foreign currencies	As at 01 Jan. 2024 VND
Cash in hand		1,781,081,365		335,026,852
+ VND		1,734,173,340		290,349,888
+ USD	1,857.67 #	46,908,025	1,857.67 #	44,676,964
Cash at banks		4,640,421,736		39,118,022,382
+ VND		4,540,467,695		19,566,994,887
+ USD	600.71 #	15,162,125	5,512.90 #	132,753,977
+ EUR	3,245.89 #	84,791,916	736,274.81 #	19,418,273,518
Deposits with term less than 3 months (VND)		68,130,000,000		20,000,000,000
<b>Total</b>		<b>74,551,503,101</b>		<b>59,453,049,234</b>

**4.2. Current trade receivables**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Danhson - BG Ltd	139,271,250,466	148,832,173,125
Kim Do Pharmacy Co.,LTD	11,816,693,420	12,899,965,352
Danhson Group Co., Ltd	22,944,135,962	29,930,476,035
Dong Thap Mental Hospital	4,459,307,500	7,536,166,943
Nghe An Pharmaceutical and Medical Supplies JSC	2,247,412,340	2,703,677,166
Hung Yen Pharmaceutical JSC	568,327,157	2,052,297,310
Nam Dinh Mental Hospital	114,660,000	2,066,785,000
Others	104,378,496,898	85,324,560,289
<b>Total</b>	<b>285,800,283,743</b>	<b>291,346,101,220</b>
In which: Trade Receivables from related parties - Refer to Notes 8	139,271,250,466	148,832,173,125

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.3. Current advances to suppliers**

	<b>As at 31 Dec. 2024 VND</b>	<b>As at 01 Jan. 2024 VND</b>
Joy - Maitreya Int'l Ltd	16,186,543,200	16,186,543,200
Bao Nguyen Chau Group JSC	28,569,780,317	2,307,453,086
Branch Phuong Dong Trading and Construction Joint Stock Company in Da Nang	-	6,971,342,596
Others	40,557,201,498	39,216,840,591
<b>Total</b>	<b>85,313,525,015</b>	<b>64,682,179,473</b>

In which: Advances to related Parties - Refer  
to Notes 8

- 821,066,254

**4.4. Other receivables**

	<b>As at 31 Dec. 2024 VND</b>		<b>As at 01 Jan. 2024 VND</b>	
	Value	Provision	Value	Provision
Current				
Advance	7,805,811,731	-	9,022,096,243	-
Deposits	300,142,181	-	207,941,601	-
Accrued interest	277,675,562	-	23,671,233	-
Other receivables	326,600,038	-	418,692,470	-
<b>Total</b>	<b>8,710,229,512</b>	<b>-</b>	<b>9,672,401,547</b>	<b>-</b>
Non-Curent				
Deposits	-	-	4,450,902,000	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4,450,902,000</b>	<b>-</b>



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.5. Doubtful debts**

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue trade receivables	33,526,637,842	24,288,636,846	34,680,484,953	28,204,605,636
<b>Total</b>	<b>33,526,637,842</b>	<b>24,288,636,846</b>	<b>34,680,484,953</b>	<b>28,204,605,636</b>

Overdue trade receivables and overdue amounts loaned are analysed by debtor as follows:

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Cost	Recoverable amount	Cost	Recoverable amount
State Pharmaceutical Company Limited - Quang Ngai Medical Supplies	109,122,583	-	109,122,583	-
Phuong Anh Pharmacy	79,843,635	-	79,843,635	-
INDICO Limited Company	635,109,977	190,532,993	758,431,162	227,529,349
Dong Thap Mental Hospital	1,051,614,400	736,130,080	2,636,040,120	1,845,228,084
Dong Thap Mental Hospital	2,239,071,100	1,119,535,550	2,136,911,523	1,068,455,762
Others	29,411,876,147	22,242,438,223	28,960,135,930	25,063,392,442
<b>Total</b>	<b>33,526,637,842</b>	<b>24,288,636,846</b>	<b>34,680,484,953</b>	<b>28,204,605,636</b>



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

**4.6. Inventories**

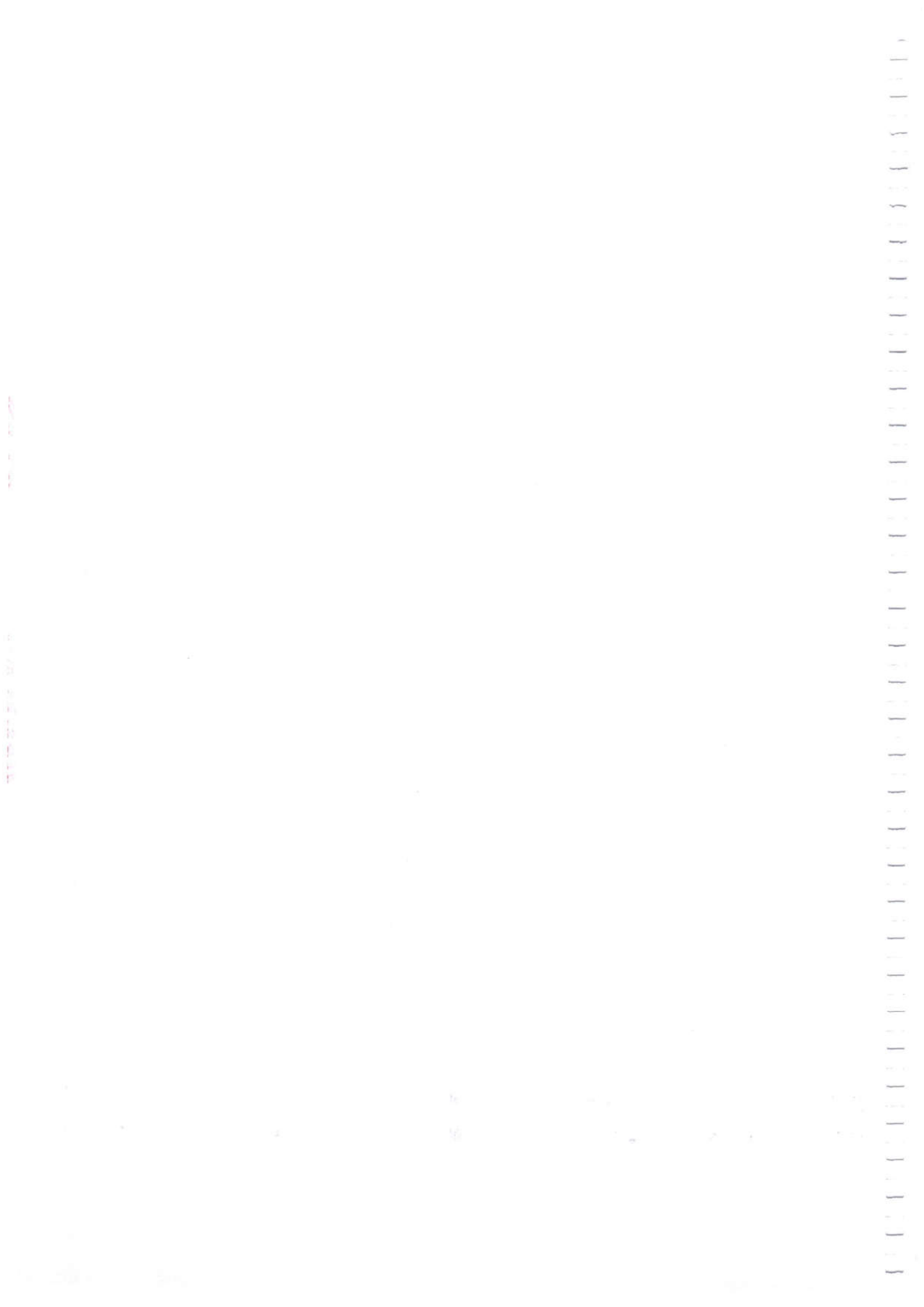
	As at 31 Dec. 2024		As at 01 Jan. 2024	
	VND		VND	
	Cost	Provision	Cost	Provision
Raw materials	56,064,365,136	1,534,096,863	51,022,719,002	2,541,380,570
Tools	267,675,817	-	284,322,273	-
Work in progress	6,806,789,849	-	7,050,362,663	-
Finished goods	22,015,482,983	1,212,689,014	35,715,197,394	296,522,332
Merchandise	24,025,022	-	-	-
<b>Total</b>	<b>85,178,338,807</b>	<b>2,746,785,877</b>	<b>94,072,601,332</b>	<b>2,837,902,902</b>

Slow moving and obsolescent inventories at the year-end amounted to VND 2,476,785,877.

Inventories pledged as security for liabilities at the year-end amounted to VND 20,000,000,000.

**4.7. Prepayments**

	As at	As at
	31 Dec. 2024	01 Jan. 2024
	VND	VND
Current:		
Office rental expenses	113,524,000	293,541,757
Tools waiting for allocation	975,000,795	340,695,576
Insurance expense	71,521,229	126,326,111
Others	2,936,112,192	561,852,923
<b>Total</b>	<b>4,096,158,216</b>	<b>1,322,416,367</b>
Non-current:		
Land rental in Tan Tao industrial park	12,277,151,040	12,757,039,680
Assets repairing expense	723,571,800	780,151,957
Others	3,545,503,797	877,497,665
<b>Total</b>	<b>16,546,226,637</b>	<b>14,414,689,302</b>





**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.8. Financial investments**

Other investments are detailed as follows:

	As at 31 Dec. 2024			As at 01 Jan. 2024		
	Cost	Provision	Fair value	Cost	Provision	Fair value
Investments in associates:						
Davina Pharmaceutical Joint Stock Company	8,820,000,000	8,820,000,000		8,820,000,000	8,820,000,000	
<b>Total</b>	<b>8,820,000,000</b>	<b>8,820,000,000</b>		<b>8,820,000,000</b>	<b>8,820,000,000</b>	
				<b>Current year</b>		<b>Previous year</b>

Performance of the associates during the year:

Davina Pharmaceutical Joint Stock Company

Business operations suffered losses

Business operations suffered losses

	As at 31 Dec. 2024			As at 01 Jan. 2024		
	Cost	Provision	Fair value	Cost	Provision	Fair value
Investments in other entities:						
Danang Pharmaceutical Medical Equipment JSC	6,800,000,000	-	8,578,369,800	6,800,000,000	-	8,908,307,100
<b>Total</b>	<b>6,800,000,000</b>	<b>-</b>	<b>8,578,369,800</b>	<b>6,800,000,000</b>	<b>-</b>	<b>8,908,307,100</b>

The company has determined the fair value of the investment in Danang Pharmaceutical Medical Equipment JSC based on the listed price on the stock exchange and the number of shares the company currently holds.



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.9. Tangible fixed assets**

Items	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Cost:</b>					
As at 01 Jan. 2024	144,571,793,790	212,912,462,034	12,075,814,428	66,000,000	369,626,070,252
Reclassify	-	(43,636,364)	109,636,364	(66,000,000)	-
Purchase	-	2,174,856,909	1,823,518,455	-	3,998,375,364
Disposal	-	(756,364,596)	(211,156,000)	-	(967,520,596)
<b>As at 31 Dec. 2024</b>	<b>144,571,793,790</b>	<b>214,287,317,983</b>	<b>13,797,813,247</b>	<b>-</b>	<b>372,656,925,020</b>
<b>Accumulated depreciation:</b>					
As at 01 Jan. 2024	94,909,041,325	177,410,391,341	10,344,135,943	22,000,008	282,685,568,617
Reclassify	-	-	22,000,008	(22,000,008)	-
Depreciation:	6,978,620,776	9,787,490,690	574,592,217	-	17,340,703,683
Disposal	-	(716,364,596)	(211,156,000)	-	(927,520,596)
<b>As at 31 Dec. 2024</b>	<b>101,887,662,101</b>	<b>186,481,517,435</b>	<b>10,729,572,168</b>	<b>-</b>	<b>299,098,751,704</b>
<b>Net book value:</b>					
As at 01 Jan. 2024	49,662,752,465	35,502,070,693	1,731,678,485	43,999,992	86,940,501,635
<b>As at 31 Dec. 2024</b>	<b>42,684,131,689</b>	<b>27,805,800,548</b>	<b>3,068,241,079</b>	<b>-</b>	<b>73,558,173,316</b>

The amount of year-end net book value of tangible fixed assets totalling VND 33,247,078,020 was pledged/mortgaged as loan security.

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 189,625,118,823.



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

**4.10. Intangible fixed assets**

<b>Items</b>	<b>Land use rights VND</b>	<b>Total VND</b>
Cost:		
As at 01 Jan. 2024	48,689,386,013	48,689,386,013
Purchase	-	-
<b>As at 31 Dec. 2024</b>	<b>48,689,386,013</b>	<b>48,689,386,013</b>
Accumulated depreciation:		
As at 01 Jan. 2024	11,581,859,257	11,581,859,257
Depreciation	930,551,112	930,551,112
<b>As at 31 Dec. 2024</b>	<b>12,512,410,369</b>	<b>12,512,410,369</b>
Net book value:		
As at 01 Jan. 2024	37,107,526,756	37,107,526,756
<b>As at 31 Dec. 2024</b>	<b>36,176,975,644</b>	<b>36,176,975,644</b>

The land use rights in Nam Long Residential Area, part of Nam Can Tho Urban Area, Hung Thanh Ward, Cai Rang District, Can Tho City, on land parcel number 1244, map sheet number 07, with an area of 114 m<sup>2</sup>, are certified by the Certificate of Land Use Right, Ownership of Residential House, and Attached Assets on Land number CG 823962 issued by the Department of Natural Resources and Environment of Can Tho City on 19 May 2017. The land is designated for residential purposes in urban areas, with a long-term duration of use. The land use rights are currently mortgaged to secure a short-term loan at Vietnam Technological and Commercial Joint Stock Bank - Da Nang Branch.

The land use rights at Lot A24, Nguyen Van Linh Extended Road, Nam Duong Ward, Hai Chau District, Da Nang City, on land parcel number 1, map sheet A24, with an area of 616.8 m<sup>2</sup>, are certified by the Certificate of Land Use Right, Ownership of Residential House, and Attached Assets on Land number BE 572297 issued by the People's Committee of Da Nang City on 21 July 2011. The land is designated for production and business purposes, with a duration of 50 years starting from 21 July 2011.

The land use rights in Nam Ngan Ward, Thanh Hoa City, Thanh Hoa Province, on land parcel number 282, map sheet number 49, with an area of 240 m<sup>2</sup>, are certified by the Certificate of Land Use Right, Ownership of Residential House, and Attached Assets on Land number CG 188553 issued by the Department of Natural Resources and Environment of Thanh Hoa Province on 14 February 2017. The land is designated for residential purposes in urban areas, with a long-term duration of use. The land use rights are currently mortgaged to secure a short-term loan at Vietnam Technological and Commercial Joint Stock Bank - Da Nang Branch.

The amount of year-end net book value of intangible fixed assets totalling VND 2,161,830,480 was pledged/mortgaged as loan security.

There are no intangible fixed assets fully depreciated but still in use at the end of the year.

WINDY

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.11. Construction in progress**

	<b>As at 31 Dec. 2024 VND</b>	<b>As at 01 Jan. 2024 VND</b>
OSD Pharmaceutical Manufacturing Factory and High Technology Research and Development Center	863,658,650,305	589,133,766,557
Office building for rent on Nguyen Van Linh	30,861,339,071	2,961,788,584
Other construction	1,345,767,221	1,345,767,221
<b>Total</b>	<b>895,865,756,597</b>	<b>593,441,322,362</b>

**4.12. Current trade payables**

	<b>As at 31 Dec. 2024 VND</b>		<b>As at 01 Jan. 2024 VND</b>	
	Value	Payable value	Value	Payable value
Current:				
Danhson - BG Ltd	54,463,717,100	54,463,717,100	70,876,596,440	70,876,596,440
METECNO Viet Nam Limited Company	16,528,524,840	16,528,524,840	16,181,529,488	16,181,529,488
Others	63,817,062,714	63,817,062,714	94,328,756,836	94,328,756,836
<b>Total</b>	<b>134,809,304,654</b>	<b>134,809,304,654</b>	<b>181,386,882,764</b>	<b>181,386,882,764</b>
Non-current				
Danhson - BG Ltd	104,477,372,808	104,477,372,808	-	-
<b>Total</b>	<b>104,477,372,808</b>	<b>104,477,372,808</b>	<b>-</b>	<b>-</b>
In which: Trade payables to related parties – Refer to Note 8	158,941,089,908	158,941,089,908	70,876,596,440	70,876,596,440

**4.13. Current advances from customers**

	<b>As at 31 Dec. 2024 VND</b>	<b>As at 01 Jan. 2024 VND</b>
Tu Hung Pharmaceutical Company Limited	1,738,800,000	-
Duc Hanh Supermarket Company Limited	200,000,000	200,000,000
International Corporate Agents Limited - HAXBY CORPORATION	106,802,773	106,802,773
Others	93,910,139	232,066,687
<b>Total</b>	<b>2,139,512,912</b>	<b>538,869,460</b>





**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.14. Tax and amounts receivable from/payable to the state budget**

	As at 31 Dec. 2024		Movement in the year		As at 01 Jan. 2024	
	VND		VND		VND	
	Receivables	Payable	Payable	Paid/ Deducted	Receivables	Payable
VAT on domestic goods	-	-	22,203,070,871	22,203,070,871	-	-
VAT on imported goods	-	-	10,426,905,841	10,426,905,841	-	-
Export, import tax	-	-	625,423,106	625,423,106	-	-
CIT	-	20,644,559,615	23,329,968,173	3,317,896,190	-	632,487,632
PIT	-	922,295,378	8,144,833,465	7,834,584,478	-	612,046,391
Land rentals	-	-	3,473,150,799	2,556,410,274	916,740,525	-
License tax	-	-	10,000,000	10,000,000	-	-
Other taxes	-	-	198,084,435	198,084,435	-	-
<b>Total</b>	<b>-</b>	<b>21,566,854,993</b>	<b>68,411,436,690</b>	<b>47,172,375,195</b>	<b>916,740,525</b>	<b>1,244,534,023</b>

**4.15. Payables to employees**

	As at 31 Dec. 2024	As at 01 Jan. 2024
	VND	VND
Salaries and bonuses payables to employees	35,159,921,599	24,036,809,871
<b>Total</b>	<b>35,159,921,599</b>	<b>24,036,809,871</b>

**4.16. Current accrued expenses**

	As at 31 Dec. 2024	As at 01 Jan. 2024
	VND	VND
Interest payable	223,099,670	10,224,850,072
Advance sales expenses	16,780,864,603	10,135,468,345
Consulting and appraisal costs	5,608,300,500	-
Others	602,860,525	839,594,955
<b>Total</b>	<b>23,215,125,298</b>	<b>21,199,913,372</b>
In which, Interest paid to related parties - Refer to Notes 8	5,608,300,500	9,854,027,044

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.17. Other current payables**

	<b>As at 31 Dec. 2024 VND</b>	<b>As at 01 Jan. 2024 VND</b>
Trade Union fees	51,660,504	45,386,432
Dividends payable	10,090,920	10,090,920
Interest payable	18,158,612,018	-
Others	365,487,935	118,161,686
<b>Total</b>	<b>18,585,851,377</b>	<b>173,639,038</b>
In which, Interest paid to related parties - Refer to Notes 8	18,158,612,018	-



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.18. Loans and finance lease liabilities**

	As at 31 Dec. 2024		Movement in the year		As at 01 Jan. 2024	
	VND		VND		VND	
	Value	Payable value	Increase	Decrease	Value	Payable value
<b>Current:</b>						
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Da Nang Branch (1)	44,930,245,596	44,930,245,596	91,789,583,645	84,320,678,806	37,461,340,757	37,461,340,757
Vietnam Joint Stock Commercial Bank for Industry and Trade - Da Nang Branch (2)	59,110,812,614	59,110,812,614	159,099,859,471	159,032,567,304	59,043,520,447	59,043,520,447
Vietnam Technological and Commercial Joint Stock Bank - Da Nang Branch (3)	4,176,823,200	4,176,823,200	43,071,394,245	92,034,818,145	53,140,247,100	53,140,247,100
Bank for Investment and Development of Vietnam-Da Nang Branch (4)	21,356,755,539	21,356,755,539	42,671,385,509	21,314,629,970	-	-
Vietnam Bank for Agriculture and Rural Development - Da Nang Branch (5)	29,997,666,704	29,997,666,704	29,997,666,704	-	-	-
<b>Current portion of non-current loans:</b>						
Danang Development and Investment Fund (9)	3,807,000,000	3,807,000,000	3,807,000,000	-	-	-
<b>Total</b>	<b>163,379,303,653</b>	<b>163,379,303,653</b>	<b>370,436,889,574</b>	<b>356,702,694,225</b>	<b>149,645,108,304</b>	<b>149,645,108,304</b>
<b>Non-current</b>						
Danhsan - BG Ltd (EUR) (6)	204,495,000,000	204,495,000,000	4,807,500,000	5,557,500,000	205,245,000,000	205,245,000,000
Ms. Pham Huong Giang (7)	11,299,999,990	11,299,999,990	11,299,999,990	-	-	-
Ms. Nguyen Phuong Vy (8)	59,141,308,000	59,141,308,000	59,141,308,000	-	-	-
Danang Development and Investment Fund (9)	51,393,866,000	51,393,866,000	55,200,866,000	3,807,000,000	-	-
<b>Total</b>	<b>326,330,173,990</b>	<b>326,330,173,990</b>	<b>130,449,673,990</b>	<b>9,364,500,000</b>	<b>205,245,000,000</b>	<b>205,245,000,000</b>
In which, long-term loan to related parties – Refer to Note 8	274,936,307,990	274,936,307,990	75,248,807,990	5,557,500,000	205,245,000,000	205,245,000,000

1. The first part of the text discusses the importance of maintaining accurate records of all transactions.

**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

- (1) Short-term loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Da Nang Branch under Credit Facility Contract No. 13/2024/CTD/VCB-KHDN dated 29 January 2024, to supplement working capital for production and business activities with a credit limit of VND 70,000,000,000. The loan is secured by assets being machinery and equipment owned by the Company and Land Use Rights at Song Hac New Urban Area Project - Thanh Hoa.
- (2) Short-term loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Da Nang Branch under Credit Facility Contract No. 13/2024/CTD/VCB-KHDN dated 29 January 2024, to supplement working capital for production and business activities with a credit limit of VND 70,000,000,000. The loan is secured by assets being machinery and equipment owned by the Company and Land Use Rights at Song Hac New Urban Area Project - Thanh Hoa.
- (3) Short-term loan from Vietnam Technological and Commercial Joint Stock Bank - Da Nang Branch under Credit Facility Contract No. DNG20171436/HĐTD dated 30 September 2017, and its appendices, to supplement working capital for the production and trading of pharmaceuticals with a credit limit of VND 110,000,000,000. The loan is secured by land use rights and land-attached assets in Can Tho with a remaining value of VND 2,450,150,000, inventory of Can Tho branch under Mortgage Contract No. DNG202013286338/HĐTC, and fixed assets under Mortgage Contract No. DNG202113291809/HĐTC.
- (4) Short-term loan from Bank for Investment and Development of Vietnam - Hai Van Branch under Credit Facility Contract No. 01/2024/256857/HĐTD dated 16 January 2024, to supplement working capital, guarantee, and open L/C with a credit limit of VND 25,000,000,000, with interest rates specified in each Debt Acknowledgment. The loan is secured by assets being machinery and equipment owned by the Company under Mortgage Contract No. 01/2024/256857/TC/HĐBĐ.
- (5) Short-term loan from Vietnam Bank for Agriculture and Rural Development - Da Nang Branch under Credit Facility Contract No. 2000-LAV-202400779 dated 20 September 2024, for the purpose of paying business expenses, guarantees, and opening L/C with a credit limit of VND 30,000,000,000, with interest rates specified in each Debt Acknowledgment. This loan is unsecured.
- (6) Long-term loan from DANHSON-BG LTD under Contract No. 01/2022/DNP-DS dated 01 May 2022, with a term of 5 years from 01 May 2022, to 01 May 2027, for the purpose of purchasing machinery and equipment for the Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center Project – Lot A22, Street No. 3, Da Nang High-Tech Park, Hoa Lien Commune, Hoa Vang District, Da Nang City, with a credit limit of EUR 7,500,000 and an interest rate of 3.5%. The Company will repay the principal in a lump sum on 01 May 2027.
- (7) Long-term loan from Ms. Pham Huong Giang under Contract dated 19 September 2024, with a maximum loan term of 10 years from the date of receipt of the loan, loan amount: VND 135,000,000,000. The purpose of the loan is to serve the Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center project, and to serve the Company's production and business operations. The loan interest rate is 6.3%/year for the first year. The principal will be repaid after 5 years from the loan date or repaid in multiple installments within the loan term as agreed.
- (8) Long-term loan from Ms. Nguyen Phuong Vy under Contract dated 19 September 2024, with a maximum loan term of 10 years from the date of receipt of the loan, loan amount: VND 120,000,000,000. The purpose of the loan is to serve the Pharmaceutical Manufacturing Plant, High-Tech Research and Development Center project, and to serve the Company's production and business operations. The loan interest rate is 6.3%/year for the first year. The principal will be repaid after 5 years from the loan date or repaid in multiple installments within the loan term as agreed.
- (9) Loan from the Danang Development and Investment Fund under Credit Contract No. 14/2024/HĐTD dated 29 May 2024, with a loan amount of VND 80,000,000,000 and a loan term of 96 months. The purpose of the loan is to pay for investment costs of the Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center project. The interest rate

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

is 6.5%/year. The loan is secured by future assets formed from the funded project, including 2 tablet production lines.

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.19. Owners' equity****4.19.1. Changes in owners' equity**

	Items of owners' equity					Total VND
	Owners' contributed capital VND	Capital surplus VND	Treasury shares VND	Investment and development fund VND	Retained earnings VND	
As at 01 Jan. 2023	211,270,000,000	181,547,607,584	(2,268,000,000)	209,071,278,659	49,557,008,415	649,177,894,658
Previous year's profits	-	-	-	-	76,564,639,205	76,564,639,205
Distributed Investment and development fund	-	-	-	33,656,808,415	(33,656,808,415)	-
Distributed bonus and welfare fund	-	-	-	-	(1,000,000,000)	(1,000,000,000)
Dividends distribution	-	-	-	-	(14,656,600,000)	(14,656,600,000)
Reduce previous year	(1,890,000,000)	(378,000,000)	2,268,000,000	-	-	-
As at 01 Jan. 2024	209,380,000,000	181,169,607,584	-	242,728,087,074	76,808,239,205	710,085,933,863
Current year's profits	-	-	-	-	69,998,059,293	69,998,059,293
Distributed Investment and development fund (*)	-	-	-	61,408,039,205	(61,408,039,205)	-
Distributed bonus and welfare fund (*)	-	-	-	-	(500,000,000)	(500,000,000)
Dividends distribution (*)	-	-	-	-	(14,656,600,000)	(14,656,600,000)
<b>As at 31 Dec. 2024</b>	<b>209,380,000,000</b>	<b>181,169,607,584</b>	<b>-</b>	<b>304,136,126,279</b>	<b>70,241,659,293</b>	<b>764,927,393,156</b>

(\*) The Company distributed 2023 profits according to the 2024 Annual General Meeting of Shareholders Resolution No. 01/2024/NQ-DHĐCĐ dated 29 March 2024, and Resolution No. 23/2024/NQ-HĐQT dated 23 August 2024.



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.19.2. Details of owners' equity**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Vietnam Pharmaceutical Corporation - JSC	55,381,670,000	55,381,670,000
DANHSON VN Limited Company	148,604,730,000	-
Mr. Nguyen Quoc Thang	-	102,663,440,000
Mr. Le Thang Binh	-	29,030,000,000
Other shareholders	5,393,600,000	22,304,890,000
<b>Total</b>	<b>209,380,000,000</b>	<b>209,380,000,000</b>

**4.19.3. Capital transactions with owners**

	Year 2024 VND	Year 2023 VND
Beginning balance	209,380,000,000	211,270,000,000
Capital contribution in the year	-	-
Capital redemption in the year	-	1,890,000,000
<b>Ending balance</b>	<b>209,380,000,000</b>	<b>209,380,000,000</b>

**4.19.4. Corporate funds**

	As at 31 Dec. 2024	As at 01 Jan. 2024
Number of shares registered for issue	20,938,000	20,938,000
Number of shares sold to public	20,938,000	20,938,000
- Ordinary shares	20,938,000	20,938,000
- Preference shares (Classified as owners' equity)	-	-
Number of shares repurchased (Treasury shares)	-	-
- Ordinary shares	-	-
- Preference shares (Classified as owners' equity)	-	-
Number of shares outstanding	20,938,000	20,938,000
- Ordinary shares	20,938,000	20,938,000
- Preference shares (Classified as owners' equity)	-	-

Par value per outstanding share: VND 10,000 per share



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

**4.19.5. Basic earnings per share**

	Year 2024 VND	Year 2023 VND
Net profit after tax	69,998,059,293	76,564,639,205
Adjusted for distribution to bonus and welfare fund	-	500,000,000
Profit after tax attributable to ordinary shareholders	69,998,059,293	76,064,639,205
Average Number of shares outstanding in year	20,938,000	20,938,000
<b>Basic earnings per share</b>	<b>3,343</b>	<b>3,633</b>

The Company's charter and the 2024 Annual General Meeting of Shareholders' resolutions do not specify the allocation ratio for the bonus and welfare fund. Accordingly, the profit after corporate income tax for calculating the basic earnings per share in 2024 is the entire after-tax profit of the Company's shareholders. These figures for 2024 may change when the Company decides on the fund allocation in the future.

The 2023 bonus and welfare fund allocation figures have been restated based on the 2024 Annual General Meeting of Shareholders Resolution No. 01/2024/NQ-ĐHĐCĐ dated 29 March 2024, regarding the 2023 profit distribution. Accordingly, the restated basic earnings per share for 2023 is VND 3,633 per share (the previously reported figure was VND 3,657 per share).

**4.19.6. Diluted earnings per share**

	Year 2024 VND	Year 2023 VND
Net profit after tax	69,998,059,293	76,564,639,205
Adjusted for distribution to bonus and welfare fund	-	500,000,000
Adjustments to increase/decrease profit after tax	-	-
Earnings for the purpose of calculating diluted earnings per share	69,998,059,293	76,064,639,205
Weighted average number of ordinary shares outstanding during the period	20,938,000	20,938,000
Number of common shares expected to be issued	-	-
Number of shares to calculate diluted earnings per share	20,938,000	20,938,000
<b>Diluted earnings per share</b>	<b>3,343</b>	<b>3,633</b>

The Company's charter and the 2024 Annual General Meeting of Shareholders' resolutions do not specify the allocation ratio for the bonus and welfare fund. Accordingly, the profit after corporate income tax for calculating the diluted earnings per share in 2024 is the entire after-tax profit of the Company's shareholders. These figures for 2024 may change when the Company decides on the fund allocation in the future.

The 2023 bonus and welfare fund allocation figures have been restated based on the 2024 Annual General Meeting of Shareholders Resolution No. 01/2024/NQ-ĐHĐCĐ dated 29 March 2024, regarding the 2023 profit distribution. Accordingly, the restated diluted earnings per share for 2023 is VND 3,633 per share (the previously reported figure was VND 3,657 per share).

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

**4.19.7.Dividends**

According to the 2024 Annual General Meeting of Shareholders Resolution No. 01/2024/NQ-ĐHĐCĐ dated 29 March 2024, the General Meeting of Shareholders approved the decision to pay cash dividends for 2023 at a dividend payout ratio of 7% of the charter capital (equivalent to VND 14,656,600,000). On 23 August 2024, the Board of Directors issued Resolution No. 23/2024/NQ-HĐQT regarding the payment of 2023 dividends, with the record date being 06 September 2024, and the dividend payment commencing from 24 September 2024.

**4.19.8.Corporate funds**

	<b>Development investment fund VND</b>
As at 01 Jan. 2024	242,728,087,074
Additions	61,408,039,205
Utilisations	-
<b>As at 31 Dec. 2024</b>	<b>304,136,126,279</b>

**4.19.9.Off balance sheet items**

	<b>As at 31 Dec. 2024</b>	<b>As at 01 Jan. 2024</b>
Foreign currencies:		
+ USD	2,458.38	7,370.57
+ EUR	3,245.89	736,274.81

**5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT**

**5.1. Revenue from selling goods and rendering services**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Sale of merchandise, finished goods	572,012,684,233	598,433,293,286
Rendering of services	163,636,368	73,636,364
<b>Total</b>	<b>572,176,320,601</b>	<b>598,506,929,650</b>
Of which revenue from selling goods and rendering services to related parties – Refer to Note 8	128,092,112,767	229,653,821,672

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

**5.2. Deductions**

	Year 2024 VND	Year 2023 VND
Allowances	6,797,347,262	20,330,627,042
Sales returns	642,210,687	2,019,988,937
Trade discounts	4,741,429	18,390,254
<b>Total</b>	<b>7,444,299,378</b>	<b>22,369,006,233</b>
Of which deduction to related parties – Refer to Note 8	-	20,872,552,116

**5.3. Cost of sales**

	Year 2024 VND	Year 2023 VND
Cost of merchandise sold and finished goods sold	267,280,764,820	313,610,063,599
Provision for decline in value of inventories/ Reversals of provision for decline in value of inventories	4,234,721,692	723,881,106
<b>Total</b>	<b>271,515,486,512</b>	<b>314,333,944,705</b>

**5.4. Finance income**

	Year 2024 VND	Year 2023 VND
Deposit and loan interest	613,035,464	6,511,522,016
Dividends/profits received	-	549,895,500
Gains from exchange differences in payment	5,373,606,597	2,316,405,828
<b>Total</b>	<b>5,986,642,061</b>	<b>9,377,823,344</b>

**5.5. Finance expense**

	Year 2024 VND	Year 2023 VND
Interest expense	7,679,163,253	5,300,638,763
Losses from exchange differences	6,213,591,959	10,761,460,638
<b>Total</b>	<b>13,892,755,212</b>	<b>16,062,099,401</b>



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

**5.6. Selling expense**

	Year 2024 VND	Year 2023 VND
Staff expenses	28,410,131,900	28,823,743,148
Material, package expense	217,872,627	123,472,603
Guarantee fee	537,999,476	672,970,684
Depreciation expense	811,076,676	938,958,276
Shipping and handling expenses	2,935,480,853	4,572,469,194
Advertising and marketing expenses	3,099,852,405	2,898,532,469
Service expense	50,039,912,353	42,838,131,225
Other expenses	1,061,068,256	884,141,938
<b>Total</b>	<b>87,113,394,546</b>	<b>81,752,419,537</b>

**5.7. General and administrative expense**

	Year 2024 VND	Year 2023 VND
Staff expenses	54,682,835,307	41,610,675,922
Raw materials, tools and instruments	7,213,701,215	3,762,084,103
Depreciation expense	6,950,184,856	7,643,691,866
Service expense	13,091,830,349	8,714,592,920
Provision expenses for bad debts	2,762,121,679	3,700,854,776
Other expenses	15,415,827,101	12,755,019,237
<b>Total</b>	<b>100,116,500,507</b>	<b>78,186,918,824</b>

**5.8. Other income**

	Year 2024 VND	Year 2023 VND
Income from disposal of fixed assets	20,909,091	-
Income from compensation	191,129,704	15,394,901
Others income	38,056,761	9,656,382
<b>Total</b>	<b>250,095,556</b>	<b>25,051,283</b>

**5.9. Other expense**

	Year 2024 VND	Year 2023 VND
Recovery of deposits for High-Tech projects	4,450,902,000	-
Penalties	319,023,396	25,763,139
Other expenses	232,669,201	134,952,659
<b>Total</b>	<b>5,002,594,597</b>	<b>160,715,798</b>

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

**5.10. Production and business costs by element**

	Year 2024 VND	Year 2023 VND
Material expense	220,228,012,905	273,963,650,067
Employee expense	102,885,651,445	94,001,454,194
Depreciation expense	18,271,254,795	20,617,067,224
Service expense	79,124,230,307	71,478,986,410
Other expenses	17,116,642,477	13,724,286,684
<b>Total</b>	<b>437,625,791,929</b>	<b>473,785,444,579</b>

**5.11. Current corporate income tax expense**

	Year 2024 VND	Year 2023 VND
Accounting profit before tax for the period	93,328,027,466	95,044,699,779
Add: Adjustments according to CIT law	23,155,805,075	3,488,500,391
- Interest on exchange rate differences due to revaluation at the end of the previous year's period	5,642,403,970	914,628,388
- Losses on exchange rate differences due to revaluation at the end of this year's period	4,641,081,586	-
- Remuneration The Board of Directors does not directly participate in management	1,018,418,283	1,030,139,104
- Expenses not deductible for tax purposes	11,853,901,236	1,543,732,899
Less: Adjustments according to CIT law	-	6,192,299,470
- Dividend received	-	549,895,500
- Interest on exchange rate differences due to revaluation at the end of this year's period	-	5,642,403,970
Total taxable income	116,483,832,541	92,340,900,700
Corporate income tax	20%	20%
<b>Current corporate income tax expense</b>	<b>23,329,968,173</b>	<b>18,480,060,574</b>

In which		
CIT expenses are calculated on annual taxable income current	23,296,766,508	18,468,180,140
Adjust previous years' corporate income tax expenses to this year's current income tax expenses	33,201,665	11,880,434

**6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CASH FLOW STATEMENT**

**6.1. Cash receipts from loans in the year**

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

	Year 2024 VND	Year 2023 VND
Cash receipts from loans under normal contracts	492,272,063,564	261,188,680,944
<b>Total</b>	<b>492,272,063,564</b>	<b>261,188,680,944</b>
<b>6.2. Cash repayments of principal amounts borrowed</b>		
	Year 2024 VND	Year 2023 VND
Cash repayment of principal amounts under normal contracts	356,702,694,225	176,685,685,118
<b>Total</b>	<b>356,702,694,225</b>	<b>176,685,685,118</b>

**7. SEGMENT REPORTING**

For management purposes, the Company divides its operations nationwide into key departments according to geographical regions as follows:

- Headquarters
- Sales Department
- Ho Chi Minh City Branch
- Ha Noi Branch
- Thanh Hoa Branch
- Khanh Hoa Branch
- Vinh Phuc Branch
- Can Tho Branch

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

For the financial year ended 31 December 2024:

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
Revenue	268,762,589,577	33,015,720,924	85,041,403,803	56,075,756,814	35,029,698,174	19,047,480,989	23,220,240,237	51,983,430,083	572,176,320,601
+ External	268,762,589,577	33,015,720,924	85,041,403,803	56,075,756,814	35,029,698,174	19,047,480,989	23,220,240,237	51,983,430,083	572,176,320,601
+ Inter-segment	-	-	-	-	-	-	-	-	-
Deductions	6,950,494,052	24,581,524	187,666,190	204,308,516	65,326,516	9,065,848	2,856,732	-	7,444,299,378
Net revenue	261,812,095,525	32,991,139,400	84,853,737,613	55,871,448,298	34,964,371,658	19,038,415,141	23,217,383,505	51,983,430,083	564,732,021,223
Cost of sales	150,856,011,957	14,563,155,166	36,967,853,385	20,672,347,823	11,829,968,958	6,428,004,093	8,458,302,900	21,739,842,230	271,515,486,512
Gross profit	110,956,083,568	18,427,984,234	47,885,884,228	35,199,100,475	23,134,402,700	12,610,411,048	14,759,080,605	30,243,587,853	293,216,534,711
<b>As at 31 Dec. 2024</b>									
Segment assets	203,669,242,110	11,517,925,138	29,973,824,329	17,919,115,483	11,790,933,136	9,591,792,662	9,733,737,208	23,506,231,937	317,702,802,003
Unallocated assets									1,278,427,851,935
<b>Total assets</b>									<b>1,596,130,653,938</b>
Segment liabilities	8,493,849,806	2,325,409,118	4,139,220,328	3,371,590,965	1,799,358,000	1,367,272,780	1,437,751,681	2,420,185,532	25,354,638,210
Unallocated liabilities									805,706,069,052
<b>Total liabilities</b>									<b>831,060,707,262</b>
<b>Year 2024</b>									
Cost of purchasing assets	260,609,109,626	-	-	-	-	-	-	-	260,609,109,626
Depreciation expense	15,260,253,147	-	2,624,469,996	152,754,792	-	-	125,656,860	108,120,000	18,271,254,795

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**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

For the financial year ended 31 December 2023:

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
Revenue	308,495,102,869	36,548,972,959	72,215,756,788	55,092,244,850	34,670,280,046	21,919,399,584	20,613,303,801	48,951,868,753	598,506,929,650
+ External	308,495,102,869	36,548,972,959	72,215,756,788	55,092,244,850	34,670,280,046	21,919,399,584	20,613,303,801	48,951,868,753	598,506,929,650
+ Inter-segment	-	-	-	-	-	-	-	-	-
Deductions	20,892,544,976	13,167,000	1,185,715,143	148,984,565	116,910,996	1,939,657	7,210,563	2,533,333	22,369,006,233
Net revenue	287,602,557,893	36,535,805,959	71,030,041,645	54,943,260,285	34,553,369,050	21,917,459,927	20,606,093,238	48,949,335,420	576,137,923,417
Cost of sales	167,233,293,880	20,622,942,709	39,809,024,004	26,277,323,253	13,818,779,555	9,461,563,120	8,909,759,410	28,201,258,774	314,333,944,705
Gross profit	120,369,264,013	15,912,863,250	31,221,017,641	28,665,937,032	20,734,589,495	12,455,896,807	11,696,333,828	20,748,076,646	261,803,978,712
<b>As at 01 Jan. 2024</b>									
Segment assets	234,593,497,505	13,337,718,025	25,434,525,190	16,741,885,634	10,812,417,779	7,692,455,865	8,509,019,299	23,955,746,013	341,077,265,310
Unallocated assets	-	-	-	-	-	-	-	-	953,537,726,729
<b>Total assets</b>									<b>1,294,614,992,039</b>
Segment liabilities	11,471,034,090	1,933,754,946	2,135,040,883	1,958,625,149	1,603,334,998	754,219,780	534,005,001	1,348,767,985	21,738,782,832
Unallocated liabilities	-	-	-	-	-	-	-	-	562,647,721,824
<b>Total liabilities</b>									<b>584,386,504,656</b>
<b>Year 2023</b>									
Cost of purchasing assets	213,865,552,646	-	-	-	-	-	-	-	213,865,552,646
Depreciation expense	17,520,424,630	-	2,667,290,469	195,575,265	-	-	125,656,860	108,120,000	20,617,067,224



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

**8. RELATED PARTIES**

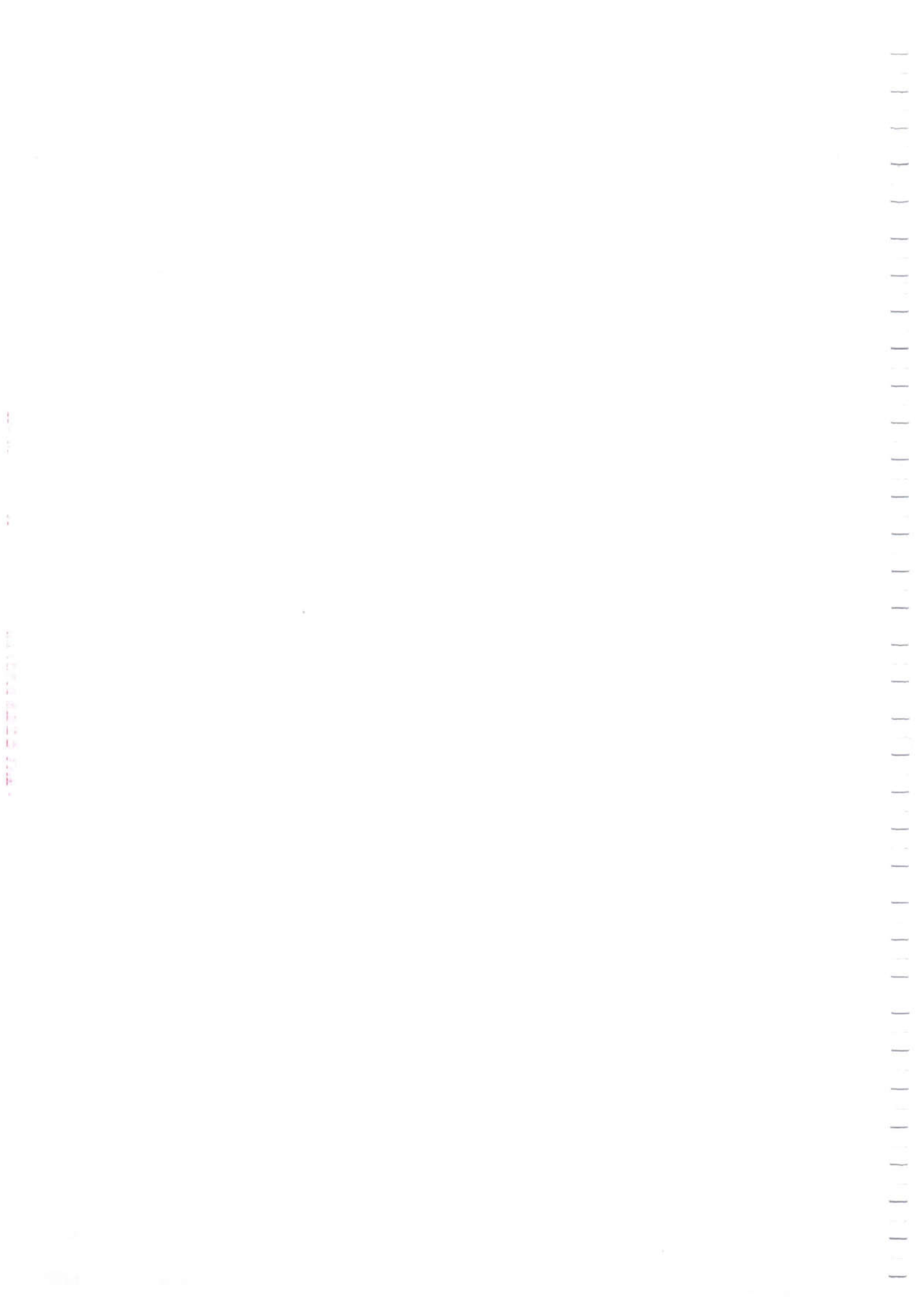
<u>List of related parties</u>	<u>Relationship</u>
1. Danhson VN Limited Company	Parent Company
2. Vietnam Pharmaceutical Corporation - JSC	Major shareholder
3. Danhson - BG Ltd	Same key management personnel
4. Ms. Nguyen Phuong Vy	Related person of the Parent Company
5. Ms. Pham Huong Giang	Related person of the Parent Company
6. Danson Group JSC	Same key management personnel (Not being related parties since 22 July 2023)
7. Danson Trading Pharmaceutical Co.,Ltd	Same key management personnel (Not being related parties since 5 March 2023)
8. Board of Directors and management	Key management personnel

At the end of the reporting year, the balances with related parties are as follows:

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
<b>Trade receivables</b>		
Danhson - BG Ltd	139,271,250,466	148,832,173,125
<b>Total - Refer to Note 4.2</b>	<b>139,271,250,466</b>	<b>148,832,173,125</b>

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
<b>Advances to suppliers</b>		
Vietnam Pharmaceutical Corporation - JSC	-	821,066,254
<b>Total - Refer to Note 4.3</b>	<b>-</b>	<b>821,066,254</b>

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
<b>Trade payables</b>		
Danhson - BG Ltd	158,941,089,908	70,876,596,440
<b>Total - Refer to Note 4.12</b>	<b>158,941,089,908</b>	<b>70,876,596,440</b>





**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
<b>Danhson - BG Ltd</b>		
Long-term loan - Refer to Note 4.18	204,495,000,000	205,245,000,000
Interest on loans payable - Refer to Note 4.17	17,551,786,491	9,854,027,044
Accrual expenses- Refer to Note 4.16	5,608,300,500	-
	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
<b>Ms. Pham Huong Giang</b>		
Long-term loan - Refer to Note 4.18	11,299,999,990	-
Interest on loans payable - Refer to Note 4.17	60,635,343	-
	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
<b>Ms. Nguyen Phuong Vy</b>		
Long-term loan - Refer to Note 4.18	59,141,308,000	-
Interest on loans payable - Refer to Note 4.17	546,190,184	-

During the reporting year, the Company has had related party transactions as follows:

	Year 2024 VND	Year 2023 VND
<b>Sale of goods</b>		
Danhson - BG Ltd	128,092,112,767	195,985,854,346
Danson Group JSC	-	33,667,967,326
<b>Total - Refer to Note 5.1</b>	<b>128,092,112,767</b>	<b>229,653,821,672</b>
	Year 2024 VND	Year 2023 VND
<b>Deductions</b>		
Danhson - BG Ltd	-	20,330,627,042
Danson Group JSC	-	541,925,074
<b>Total - Refer to Note 5.2</b>	<b>-</b>	<b>20,872,552,116</b>

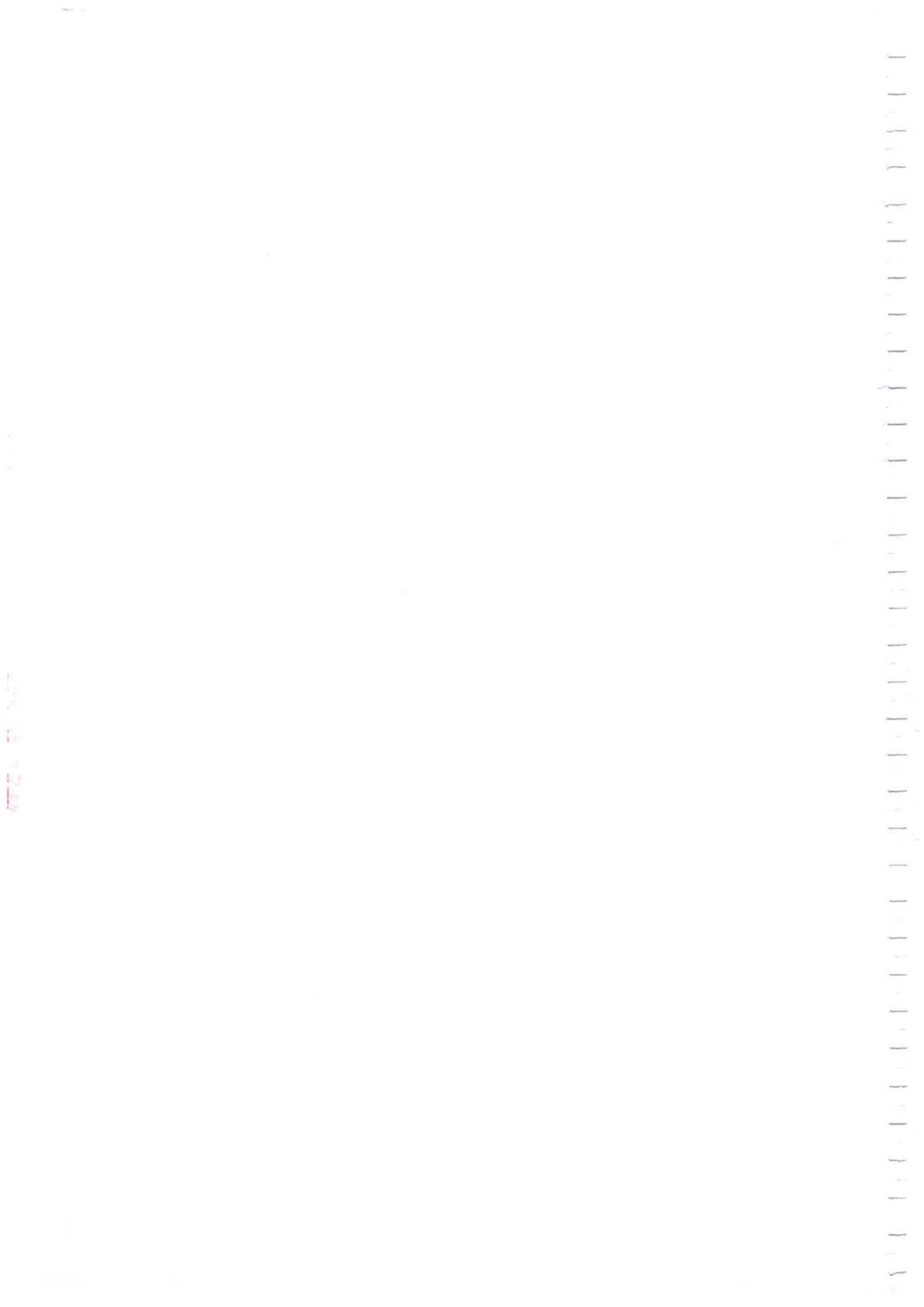


**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

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

	Year 2024 VND	Year 2023 VND
<b>Purchase of goods:</b>		
Vietnam Pharmaceutical Corporation - JSC	2,457,743,041	55,914,776
- Trademark usage fees	252,740,945	55,914,776
- Research Services	2,182,144,953	-
- Other Services	22,857,143	-
Danhson - BG Ltd	86,272,800,000	30,654,882,224
Danson Group JSC	-	4,487,154,621
<b>Total</b>	<b>88,730,543,041</b>	<b>35,197,951,621</b>
	Year 2024 VND	Year 2023 VND
<b>Ms. Pham Huong Giang</b>		
Loan- Refer to note 4.18	11,299,999,990	-
Interest expense	60,635,343	-
	Year 2024 VND	Year 2023 VND
<b>Ms. Nguyen Phuong Vy</b>		
Loan- Refer to note 4.18	59,141,308,000	-
Interest expense	546,190,184	-
	Year 2024 VND	Year 2023 VND
<b>Dividend payment</b>		
Vietnam Pharmaceutical Corporation - JSC	3,876,716,900	3,876,716,900
Danhson VN Limited Company	10,402,331,100	-
Mr. Nguyen Quoc Thang	-	7,186,440,800
Mr. Le Thang Binh	-	2,032,100,000
Ms. Pham Huong Giang	66,500	-
Ms. Nguyen Phuong Vy	66,500	-



**DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Tay Ward, Thanh Khe District, Da Nang City, Vietnam

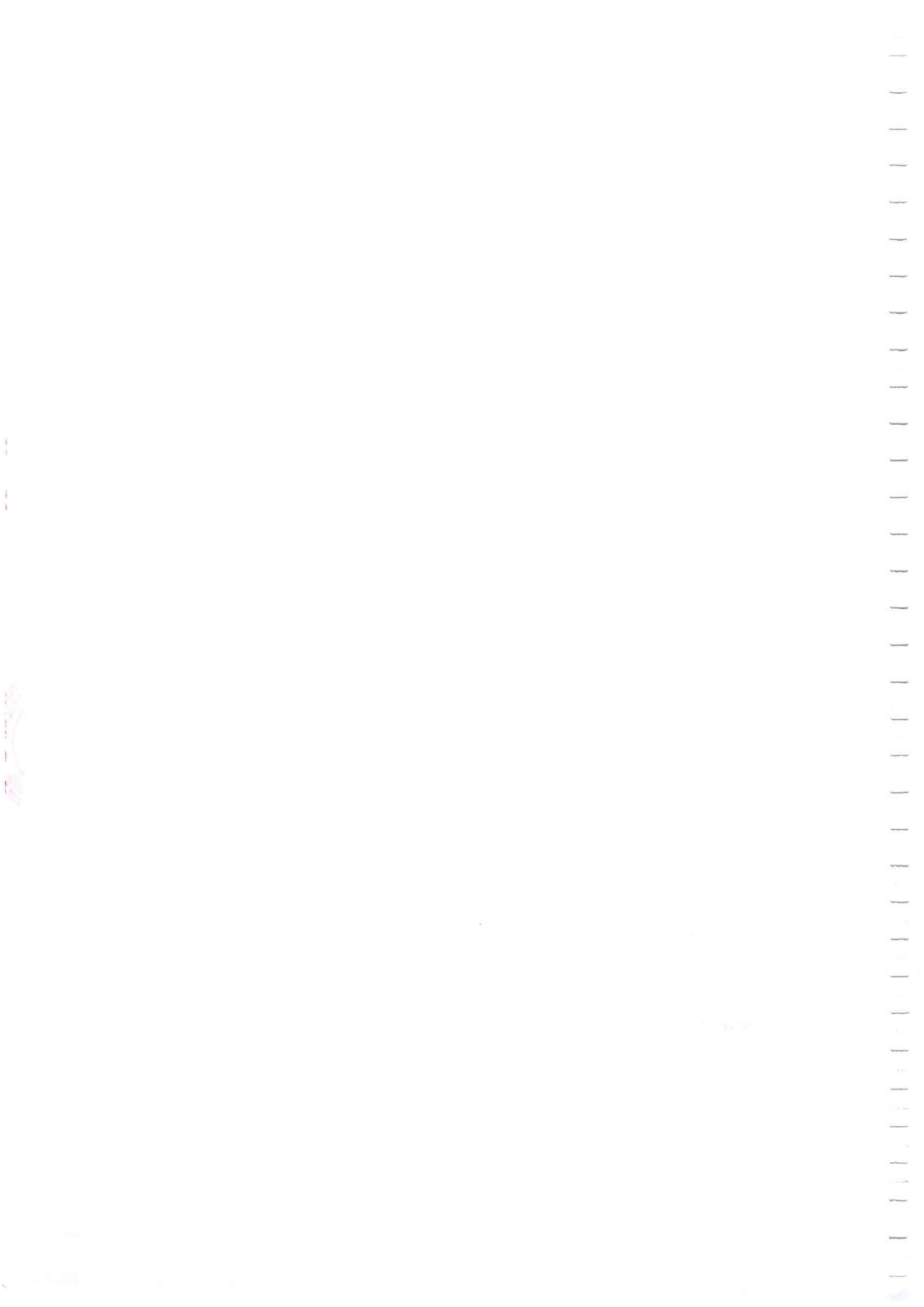
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Remunerations of the Board of Directors and Committee:

Name	Position		Year 2024 VND	Year 2023 VND
Mr. Bojinov Stefan Georgiev	Chairman of the BODs	(Appointed on 5 March 2023)	1,500,000,000	1,062,500,000
Mr. Nguyen Quoc Thang	Chairman of the BODs	(Resignation from position on 5 March 2023)	-	155,555,556
	Member of the BODs	(Dismissed on 29 March 2024)	53,333,332	131,512,817
Mr. Dobrev Sasho Hristov	Member of the BODs	(Appointed on 5 March 2023)	750,000,000	400,568,182
Mr. Dinh Xuan Han	Member of the BODs	(Dismissed on 29 March 2024)	53,333,332	159,999,996
Mr. Le Van Son	Member of the BODs	(Dismissed on 29 March 2024)	53,333,332	159,999,996
Mr. Le Thang Binh	Member of the BODs		923,076,924	480,706,295
Ms. Pham Huong Giang	Member of the BODs	(Dismissed on 29 March 2024)	53,333,332	159,999,996
Ms. Bui Thi Minh Thu	Member of the BODs	(Dismissed on 5 March 2023)	-	28,487,179
Mr. Pham Khac Ha	Member of the BODs	(Dismissed on 5 March 2023)	-	28,487,179
Mr. Do Minh Hieu	Member of the BODs	(Appointed on 29 March 2024)	119,957,435	-
Ms. Nguyen Thuy Dung	Member of the BODs	(Appointed on 29 March 2024)	106,666,664	-
Mr. Pham Thai Lang	Independent Member of the BODs	(Appointed on 29 March 2024)	106,666,664	-
Ms. Nguyen Thanh Thao	Independent Member of the BODs	(Appointed on 29 March 2024)	106,666,664	-
Ms. Nguyen Thi Thuy	Member of the BODs	(Appointed on 29 March 2024)	106,666,664	-
Mr. Ngo Xuan Tung	Head of Supervisory Committee	(Appointed on 22 July 2023)	210,030,067	92,699,699
Mr. Nguyen Hoang Giang	Head of Supervisory Committee	(Dismissed on 22 July 2023)	-	185,606,062
Mr. Nguyen Van Khai	Member of Supervisory Committee	(Dismissed on 05 July 2024)	47,878,790	80,000,004
Ms. Nguyen Thi Yen Nhi	Member of Supervisory Committee	(Appointed on 22 July 2023)	73,705,590	32,488,288
Mr. Giang Van Binh	Member of Supervisory Committee	(Dismissed on 22 July 2023)	-	44,545,457
Ms. Luu Quynh Mai	Member of Supervisory Committee	(Appointed on 05 July 2024)	32,121,214	-

Salaries, bonuses and other incomes of the Board of Directors, Management Board, and the General Director

Name	Position		Year 2024 VND	Year 2023 VND
Mr. Bojinov Stefan Georgiev	Chairman of the BODs	(Appointed on 5 March 2023)	271,200,000	246,300,000
Mr. Dobrev Sasho Hristov	Member of the BODs	(Appointed on 5 March 2023)	404,200,000	367,200,000
Mr. Le Thang Binh	General Director		2,072,084,492	1,491,850,636
Mr. Mai Dang Dau	Deputy General Director	(Dismissed on 12 May 2023)	-	240,309,090
Mr. Duong Chi Toan	Deputy General Director	(Dismissed on 12 May 2023)	-	251,309,090
Mr. Nguyen Kim Phuc	Deputy General Director	(Dismissed on 12 May 2023)	-	251,178,690



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

**9. COMMITMENT UNDER OPERATING LEASES**

The Company leases land under operating lease contracts, the land lease term is according to lease contracts, with rent recorded during the year:

	<b>Current year VND</b>	<b>Previous year VND</b>
Operating rental costs recorded during the year	3,394,665,647	3,389,870,149

As at 31 December 2024, the Company has outstanding commitments under non-cancellable operating leases that fall due as follows:

	<b>As at 31 Dec. 2024</b>	<b>As at 01 Jan. 2024</b>
Within one year	432,235,618	1,705,803,076
Later than one year but within five years	1,355,455,592	3,328,846,663
Later than five years	4,772,333,230	15,424,300,547
<b>Total</b>	<b>6,560,024,440</b>	<b>20,458,950,286</b>

The payments for lease activities mentioned above include:

Total rental and infrastructure usage fees at Hoa Khanh Industrial Park, Lien Chieu District, Da Nang City under Lease Agreement No. 51/HĐTLĐ with an amount of VND 28,238,658 per month. The lease agreement is signed for a term of 40 years from 1 November 2003 to 1 November 2043.

Total rental fees for land at 253 Dung Si Thanh Khe, Thanh Khe Tay Ward, Thanh Khe District according to the Decision to extend the lease period No. 2453/QĐ-UBND with an amount of 254,650,146 VND per month. The extension period is 4 years from 12 January 2021.

**10. EVENTS AFTER THE END OF THE REPORTING YEAR**

There were no significant events arising after the end of the reporting year to the date of the financial statements.



*Le Thang Binh*  
**Le Thang Binh**  
 General Director  
 Danang City, 25 February 2025

*Tran Tien Dung*  
**Tran Tien Dung**  
 Chief Accountant

*Le Thi Van Anh*  
**Le Thi Van Anh**  
 Preparer

