

Vietnam Pharmaceutical Corporation - JSC

Consolidated financial statements

For the fourth quarter and the year ended 31 December 2024

Vietnam Pharmaceutical Corporation - JSC

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CONSOLIDATED BALANCE SHEET
as at 31 December 2024

THE CORPORATION

Vietnam Pharmaceutical Corporation - JSC ("the Corporation") was transformed from a state owned one-member limited liability company to a joint stock company from 8 December 2016 in pursuant to the Enterprise Registration Certificate for joint stock company No. 0100109385 issued by Hanoi Department of Planning and Investment, with the 6th amendment dated 4 July 2023 as the latest.

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

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

<i>Registered Office</i>	<i>Address</i>
Head Office	12 Ngo Tat To street, Van Mieu ward, Dong Da district, Ha Noi
Center for Research and Development of Pharmaceutical Science and Technology (*)	160 Ton Duc Thang street, Dong Da district, Ha Noi
Representative office of Vietnam Pharmaceutical Corporation in Ho Chi Minh City	126A Tran Quoc Thao street, district 3, Ho Chi Minh City
Center for Cosmetic and Pharmaceutical Trade Service (**)	12 Ngo Tat To street, Van Mieu ward, Dong Da district, Ha Noi

(*) On 3 July 2024, the Corporation's Board of Directors issued Decision No. 060/QĐ-TCTD to cease the operations of the Center for Research and Development of Pharmaceutical Science and Technology.

On 18 December 2024, the Ministry of Health issued Decision No. 3804/QĐ-BYT regarding the revocation of the Certificate of Eligibility for pharmaceutical business of Vietnam Pharmaceutical Corporation – JSC at the business location: Center for Research and Development of Pharmaceutical Science and Technology with the business scope of "Bioequivalence testing services for drugs; testing services of drugs, raw materials for drugs."

(**) On 25 June 2024, the Corporation's Board of Directors issued Decision No. 057/QĐ-TCTD to cease the operations of the Center for Cosmetic and Pharmaceutical Trade Service.

On 26 November 2024, the Business Registration Office - Hanoi Department of Planning and Investment issued Notification No. 1467058/24 regarding the termination of operations of the branch/business location of Center for Cosmetic and Pharmaceutical Trade Service – Vinapharm.

BOARD OF DIRECTORS

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

Mr. Dinh Xuan Han	Chairman	
Mr. Tran Duc Hung	Vice Chairman	
Ms. Han Thi Khanh Vinh	Member	
Mr. Tran Van Hai	Member	
Mr. Do Manh Cuong	Independent member	Appointed on 23 April 2024
Ms. Nguyen Hong Nhung	Member	Resigned on 23 April 2024
Ms. Pham Thi Xuan Huong	Member	Resigned on 23 April 2024

CONSOLIDATED BALANCE SHEET
as at 31 December 2024**BOARD OF SUPERVISION**

In accordance with the Resolution of Annual General Meeting of Shareholders on 23 April 2024, the Shareholders' Meeting of the Corporation approved the change in the operating model, whereby the Board of Supervision is abolished and members of the Board of Supervision of Vietnam Pharmaceutical Corporation – JSC are dismissed, and established Audit Committee under the Board of Directors. Members of the Board of Supervision during the year and until the date of change in the operating model are as follows:

Mr. Nguyen Van Khai	Head	Resigned on 23 April 2024
Ms. Ngo Thi Bich Thao	Member	Resigned on 23 April 2024
Ms. Hoang Dieu Linh	Member	Resigned on 23 April 2024
Ms. Kieu Thi Minh Hong	Member	Resigned on 23 April 2024

AUDIT COMMITTEE

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

Mr. Do Manh Cuong	Head	Appointed on 25 June 2024
Mr. Tran Duc Hung	Member	Appointed on 25 June 2024

INTERNAL AUDIT

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

Ms. Nguyen Thuy Dung	Head	Appointed on 1 January 2024
Ms. Nguyen Thi Thuy	Deputy Head	
Mr. Phi Ngoc Tu	Member	

MANAGEMENT

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

Ms. Han Thi Khanh Vinh	General Director
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LEGAL REPRESENTATIVE

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

CONSOLIDATED BALANCE SHEET
as at 31 December 2024

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		4,235,228,341,072	4,079,938,916,306
110	I. Cash and cash equivalents	4	289,222,857,044	104,326,275,471
111	1. Cash		38,372,857,044	104,326,275,471
112	2. Cash equivalents		250,850,000,000	-
120	II. Short-term investments		755,670,000,000	923,250,000,000
121	1. Held-for-trading securities		50,000,000	50,000,000
123	2. Held-to-maturity investments	5	755,620,000,000	923,200,000,000
130	III. Short-term receivables		1,647,538,976,485	1,777,793,178,422
131	1. Short-term trade receivables	6.1	1,586,940,107,183	1,630,044,132,614
132	2. Advances from customers	6.2	31,594,615,967	79,705,856,532
136	3. Other short-term receivables	7	70,058,158,745	98,024,330,200
137	4. Provision for doubtful short-term receivables	6.3	(41,053,905,410)	(29,981,140,924)
140	IV. Inventories	9	1,503,321,479,164	1,243,512,949,996
141	1. Inventories		1,531,975,390,972	1,298,843,270,167
149	2. Provision for obsolete inventories		(28,653,911,808)	(55,330,320,171)
150	V. Other current assets		39,475,028,379	31,056,512,417
151	1. Short-term prepaid expenses	14	2,931,122,857	4,062,106,436
152	2. Value-added tax deductible		34,106,724,260	25,199,128,016
153	3. Tax and other receivables from the State	16	2,437,181,262	1,795,277,965
200	B. NON-CURRENT ASSETS		2,092,829,301,538	1,997,719,856,284
210	I. Long-term receivables		650,000,000	1,679,363,153
216	1. Other long-term receivables		650,000,000	1,679,363,153
220	II. Fixed assets		281,174,501,833	301,185,969,376
221	1. Tangible fixed assets	10	174,474,438,246	191,517,889,557
222	Cost		520,315,895,110	531,716,246,559
223	Accumulated depreciation		(345,841,456,864)	(340,198,357,002)
227	2. Intangible fixed assets	11	106,700,063,587	109,668,079,819
228	Cost		129,612,040,585	129,525,067,295
229	Accumulated amortisation		(22,911,976,998)	(19,856,987,476)
230	III. Investment properties	12	35,759,475,749	48,454,214,452
231	1. Cost		45,821,328,558	54,127,793,109
232	2. Accumulated depreciation		(10,061,852,809)	(5,673,578,657)
240	IV. Long-term assets in progress		800,200,000	309,000,001
242	1. Construction in progress		800,200,000	309,000,001
250	IV. Long-term investments	13	1,739,097,795,556	1,611,921,272,659
252	1. Investments in associates	13.1	988,438,927,549	864,584,333,252
253	2. Investments in other entities	13.2	870,823,455,837	870,823,455,837
254	3. Provision for diminution in value of long-term investments	13.2	(120,164,587,830)	(123,486,516,430)
260	V. Other long-term assets		35,347,328,400	34,170,036,643
261	1. Long-term prepaid expenses	14	30,731,515,582	30,290,870,690
262	2. Deferred tax assets	28.3	4,615,812,818	3,879,165,953
270	TOTAL ASSETS		6,328,057,642,610	6,077,658,772,590

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2024

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		2,907,242,115,885	2,947,076,384,616
310	I. Current liabilities		2,875,765,774,176	2,885,741,810,464
311	1. Short-term trade payables	15.1	1,555,863,546,231	1,612,714,150,516
312	2. Advances to suppliers	15.2	23,645,608,474	36,185,896,078
313	3. Statutory obligations	16	9,739,760,952	14,910,959,603
314	4. Payables to employees		26,468,062,595	26,051,170,476
315	5. Short-term accrued expenses	17	9,779,694,315	8,072,477,815
318	6. Short-term unearned revenues		2,291,234,046	2,833,299,954
319	7. Other short-term payables	18	22,238,781,478	38,835,340,150
320	8. Short-term loans	20	1,207,514,630,352	1,136,785,114,278
322	9. Bonus and welfare fund	19	18,224,455,733	9,353,401,594
330	II. Non-current liabilities		31,476,341,709	61,334,574,152
331	1. Long-term trade payables	15.1	-	30,000,000,000
336	2. Long-term unearned revenues		198,575,861	248,219,692
337	3. Other long-term payables		1,082,000,000	492,000,000
338	4. Long-term loans	20	30,195,765,848	30,594,354,460
400	D. OWNERS' EQUITY		3,420,815,526,725	3,130,582,387,974
410	I. Capital	21	3,420,815,526,725	3,130,582,387,974
411	1. Issued share capital		2,370,000,000,000	2,370,000,000,000
	- Shares with voting rights		2,370,000,000,000	2,370,000,000,000
414	2. Other owners' capital		57,739,257,171	57,739,257,171
416	3. Asset revaluation reserve		(388,400,444,386)	(388,400,444,386)
417	4. Foreign exchange differences reserve		1,282,738,644	(5,896,797,638)
418	5. Investment and development fund		416,297,582,809	349,450,358,079
420	6. Other funds belonging to owners' equity		982,723,327	982,699,119
421	7. Undistributed earnings		732,276,108,342	546,786,554,260
421a	- Undistributed earnings by the end of prior year		308,522,751,746	207,306,931,232
421b	- Undistributed earnings of the current year		423,753,356,596	339,479,623,028
429	8. Non-controlling interests		230,637,560,818	199,920,761,369
440	TOTAL LIABILITIES AND OWNERS' EQUITY		6,328,057,642,610	6,077,658,772,590



Nguyen Thi Hang
Preparer



Lu Thi Khanh Tran
Chief Accountant



Han Thi Khanh Vinh
General Director

 January 2025

CONSOLIDATED INCOME STATEMENT
for the fourth quarter and the year ended 31 December 2024

Currency: VND

Code	ITEMS	Notes	Quarter IV/2024	Quarter IV/2023	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	23.1	1,579,789,213,993	1,771,393,443,025	5,530,117,458,948	5,609,381,373,967
02	2. Deductions	23.1	1,718,666,535	5,867,381,077	8,316,013,802	26,161,956,751
10	3. Net revenue from sale of goods and rendering of services	23.1	1,578,070,547,458	1,765,526,061,948	5,521,801,445,146	5,583,219,417,216
	Cost of goods sold and services rendered	24	1,401,861,832,264	1,604,879,596,638	4,908,397,749,546	4,985,381,240,726
11	4.					
20	5. Gross profit from sale of goods and rendering of services		176,208,715,194	160,646,465,310	613,403,695,600	597,838,176,490
21	6. Finance income	23.2	39,059,020,459	77,971,769,423	258,917,855,164	283,935,508,426
22	7. Finance expenses	25	38,605,191,450	55,925,137,230	99,118,425,325	151,669,291,975
23	<i>In which: Interest expenses</i>		14,270,703,466	1,638,178,932	53,533,208,376	73,591,520,970
24	8. Share of profit of associates	13.1	22,439,202,393	28,290,185,153	159,376,444,440	104,041,438,698
25	9. Selling expenses	26	82,483,580,489	68,628,423,481	273,656,031,919	263,496,627,110
26	10. General and administrative expenses	26	47,800,534,131	51,297,929,872	154,660,698,870	143,360,342,746
30	11. Operating profit		68,817,631,976	91,056,929,303	504,262,839,090	427,288,861,783
31	12. Other income		1,777,396,295	2,158,007,499	32,022,563,968	1,067,601,572
32	13. Other expenses		1,835,927,325	410,546,326	2,534,301,231	3,326,520,296
40	14. Other profit/(loss)		(58,531,030)	1,747,461,173	29,488,262,737	(2,258,918,724)

CONSOLIDATED INCOME STATEMENT

for the fourth quarter and the year ended 31 December 2024

Currency: VND

Code	ITEMS	Notes	Quarter IV/2024	Quarter IV/2023	Current year	Previous year
50	15. Accounting profit before tax		68,759,100,946	92,804,390,476	533,751,101,827	425,029,943,059
51	16. Current corporate income tax expenses	28.1	14,145,705,700	13,772,874,498	43,176,690,873	38,638,244,383
52	17. Deferred tax income	28.3	-	(3,879,165,953)	3,879,165,953	(3,879,165,953)
60	18. Net profit after tax		54,613,395,246	82,910,681,931	486,695,245,001	390,270,864,629
61	19. Net profit after tax attributable to shareholders of the parent		44,126,802,644	70,689,595,796	433,163,294,258	345,999,863,813
62	20. Net profit after tax attributable to non-controlling interests		10,486,592,602	12,221,086,135	53,531,950,743	44,271,000,816
70	21. Basic earnings per share	30			1,760	1,391
71	22. Diluted earnings per share	30			1,760	1,391



Nguyen Thi Hang
Preparer



Lu Thi Khanh Tran
Chief Accountant




Han Thi Khanh Vinh
General Director

 January 2025

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2024

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		533,751,101,827	425,029,943,059
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties, amortisation of intangible fixed assets and amortisation of land use rights	10,11,12	30,554,954,636	29,920,055,326
03	Provisions		(17,565,754,633)	72,066,376,137
04	Foreign exchange losses arisen from revaluation of monetary accounts denominated in foreign currencies		1,002,907,565	9,807,634,407
05	Profits from investing activities		(394,809,591,539)	(335,829,415,132)
06	Interest expenses	25	53,533,208,376	73,591,520,970
08	Operating profit before changes in working capital		206,466,826,232	274,586,114,767
09	Increase in receivables		105,467,791,881	51,327,979,197
10	Decrease in inventories		(234,440,446,649)	(95,522,080,847)
11	Decrease in payables		(95,388,269,580)	(222,539,895,392)
12	Decrease in prepaid expenses		(330,907,582)	(1,234,148,544)
14	Interest paid		(54,293,979,989)	(73,224,113,550)
15	Corporate income tax paid	16	(46,460,967,827)	(32,326,519,807)
17	Other cash outflows from operating activities		(16,351,232,784)	(11,842,537,811)
20	Net cash flows (used in)/from operating activities		(135,331,186,298)	(110,775,201,987)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets		(8,183,768,143)	(8,743,563,355)
22	Proceeds from disposals of fixed assets and other long-term assets		23,704,343,391	895,085,768
23	Loans to other entities and payments for purchase of debt instruments of other entities		(1,039,670,000,000)	(690,000,000,000)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		1,207,250,000,000	401,300,000,000
25	Payments for investment in other entities		-	(8,073,000,000)
26	Proceeds from sale of investments in other entities		-	44,699,404,000
27	Interest, dividends received, profits shared		252,996,496,639	264,196,414,703
30	Net cash flows from investing activities		436,097,071,887	4,274,341,116

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2024

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		3,518,513,336,598	3,332,591,676,691
34	Repayment of borrowings		(3,448,182,409,136)	(3,189,366,027,011)
36	Dividends paid, profit distributed to equity holders of the parent and non-controlling interests		(185,840,109,719)	(15,238,931,000)
40	Net cash flows from/(used in) financing activities		(115,509,182,257)	127,986,718,680
50	Net decrease in cash and cash equivalents for the year		185,256,703,332	21,485,857,809
60	Cash and cash equivalents at the beginning of the year		104,326,275,471	83,454,372,400
61	Impact of exchange rate fluctuation		(360,121,759)	(613,954,738)
70	Cash and cash equivalents at the end of the year	4	289,222,857,044	104,326,275,471



Nguyen Thi Hang
Preparer



Lu Thi Khanh Tran
Chief Accountant



Han Thi Khanh Vinh
General Director

 January 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2024 and for the year then ended

1. CORPORATE INFORMATION

Vietnam Pharmaceutical Corporation - JSC ("the Corporation") was transformed from a state owned one-member limited liability company to a joint stock company from 8 December 2016 in pursuant to the Enterprise Registration Certificate for joint stock company No. 0100109385 issued by Hanoi Department of Planning and Investment, with the 6th amendment dated 4 July 2023 as the latest.

The principal activities of the Corporation are:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

1. CORPORATE INFORMATION (continued)

The Corporation has a head office located at No.12 Ngo Tat To Street, Van Mieu Ward, Dong Da District, Hanoi, Vietnam and the following dependent units as follows:

<i>Registered office</i>	<i>Address</i>
Head Office	No.12 Ngo Tat To Street, Van Mieu Ward, Dong Da District, Ha Noi
Center for Research and Development of Pharmaceutical Science and Technology (*)	160 Ton Duc Thang Street, Dong Da District, Ha Noi
Representative office of Vietnam Pharmaceutical Corporation in Ho Chi Minh City	126A Tran Quoc Thao Street, District 3, Ho Chi Minh City
Center for Cosmetic and Pharmaceutical Trade Service (**)	12 Ngo Tat To Street, Van Mieu Ward, Dong Da District, Ha Noi

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On 26 November 2024, the Business Registration Office - Hanoi Department of Planning and Investment issued Notification No. 1467058/24 regarding the termination of operations of the branch/business location of Center for Cosmetic and Pharmaceutical Trade Service – Vinapharm.

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

The number of the Corporation and its subsidiaries' employees as at 31 December 2024 is 850 (as at 31 December 2023: 1,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

1. CORPORATE INFORMATION (continued)

Corporate structure

As at 31 December 2024, the Corporation has 4 subsidiaries (31 December 2023: 4). Details on these subsidiaries of the Corporation are as follows:

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

(*) The Corporation indirectly holds interest and voting rights in this entity through Codupha Central Pharmaceutical Joint Stock Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

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

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

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Corporation and its subsidiaries for the period ended 31 December 2024.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.5 *Basis of consolidation* (continued)

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

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

3.2 *Inventories*

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Inventories (continued)

Provision for obsolete inventories

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

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

3.3 Receivables

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

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Leased assets*

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

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

Where the Corporation and its subsidiaries are the lessee

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

Where the Corporation and its subsidiaries are the lessor

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

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

3.6 *Intangible fixed assets*

Intangible assets are stated at cost less accumulated amortisation.

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

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

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

Land use rights

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Depreciation and amortisation

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

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

Infinite land use rights are not amortised.

3.8 Investment properties

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

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

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

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

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

3.9 Borrowing costs

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Prepaid expenses

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

Prepaid land rental

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

3.11 Business combinations and goodwill

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

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

3.12 Investments

Investments in associates

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Investments (continued)

Investments in associates (continued)

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

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

Investments in other entities

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

Provision for diminution in investments

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

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

Held-to-maturity investments

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

3.14 *Payables and accruals*

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

3.15 *Foreign currency transactions*

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 *Foreign currency transactions* (continued)

Conversion of the financial statements of a foreign operation

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

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

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

3.16 *Appropriation of net profits*

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

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

Investment and development fund

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

Bonus and welfare fund

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

3.17 *Revenue recognition*

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

Sale of inventory properties

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

Sale of goods

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Revenue recognition (continued)

Rendering of services

Revenue is recognised when services are rendered and completed.

Rental income

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

Dividend income

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

Interest income

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

3.18 Taxation

Current income tax

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

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

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

Deferred tax

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Taxation (continued)

Deferred tax (continued)

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

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Earning per share

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

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

3.20 Segment reporting

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

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

3.21 Related parties

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

4. CASH AND CASH EQUIVALENTS

	<i>Ending balance</i>	<i>Currency: VND Beginning balance</i>
Cash on hand	1,307,185,230	3,199,700,091
Cash at banks	37,065,671,814	101,126,575,380
Cash equivalents	250,850,000,000	-
TOTAL	<u>289,222,857,044</u>	<u>104,326,275,471</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

5. HELD-TO-MATURITY INVESTMENTS

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

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>Currency: VND</i>
Short-term trade receivables	1,586,940,107,183	1,629,960,067,034
Trade receivables from related parties (Note 29)	-	84,065,580
TOTAL	<u>1,586,940,107,183</u>	<u>1,630,044,132,614</u>
<i>Provision for short-term trade receivables</i>	<i>(36,157,486,308)</i>	<i>(25,444,349,076)</i>

6.2 Short-term advances to suppliers

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>Currency: VND</i>
Advances to suppliers		
- Panpharma GmbH	-	24,544,063,311
- Nhat Anh Pharmaceutical Co., Ltd.	5,890,000,000	16,078,346,257
Other advances	<u>25,704,615,967</u>	<u>39,083,446,964</u>
TOTAL	<u>31,594,615,967</u>	<u>79,705,856,532</u>
<i>Provision for doubtful short-term advances to suppliers</i>	<i>(278,011,205)</i>	<i>(508,336,405)</i>

6.3 Provision for doubtful short-term receivables

	<i>Current year</i>	<i>Previous year</i>
		<i>Currency: VND</i>
Beginning balance	29,981,140,924	24,130,381,680
Add: Provision made during the year	18,575,002,793	23,776,818,801
Less: Reversal during the year	(7,450,746,307)	(17,926,059,557)
Less: Other decrease	<u>(51,492,000)</u>	<u>-</u>
Ending balance	<u>41,053,905,410</u>	<u>29,981,140,924</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

7. OTHER SHORT-TERM RECEIVABLES

	Currency: VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Balance</i>	<i>Provision</i>	<i>Balance</i>	<i>Provision</i>
Dividend receivables	6,936,127,000	-	2,630,106,000	-
Interest receivables	7,276,635,876	-	17,215,186,301	-
Advances to employees	4,602,854,367	-	3,597,272,552	-
Receivables for trust import activities	5,296,682,314	-	18,376,676,320	-
Receivables from sales allowance	29,164,537,400	-	44,032,651,938	-
Deposit, mortgages or collaterals	4,384,369,637	-	4,678,236,614	-
Others	12,396,952,151	(4,618,407,897)	7,494,200,475	(4,028,455,443)
TOTAL	70,058,158,745	(4,618,407,897)	98,024,330,200	(4,028,455,443)
<i>In which:</i>				
<i>Other short-term receivables</i>	<i>70,058,158,745</i>	<i>(4,618,407,897)</i>	<i>98,024,330,200</i>	<i>(4,028,455,443)</i>

8. BAD DEBTS

	Currency: VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>
Mi Nguyen Pharmaceutical Trading Co., Ltd	20,568,683,728	5,462,547,216	20,873,105,832	10,153,330,322
Hiep Bach Nien Pharmaceutical Joint Stock Company	5,183,291,111	2,746,779,324	8,909,397,760	8,909,397,760
Kim Chau Pharmaceutical Co., Ltd	4,086,849,776	-	4,086,849,776	-
Other overdue receivables	25,924,041,019	6,499,633,684	21,577,792,142	6,403,276,504
TOTAL	55,762,865,634	14,708,960,224	55,447,145,510	25,466,004,586

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

9. INVENTORIES

	<i>Ending balance</i>		<i>Currency: VND</i>	
			<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Goods in transit	117,684,774,764	-	175,762,105,927	-
Raw materials	12,711,938,105	(34,682,235)	12,609,291,044	(299,626,247)
Work-in-process	4,002,875,159	-	9,888,844,792	(6,776,270,902)
Finished goods	5,465,821,768	(17,777,736)	13,008,068,208	(36,580,974)
Merchandise	1,391,654,332,435	(28,601,451,837)	1,087,574,960,196	(48,217,842,048)
Consignment	455,648,741	-	-	-
TOTAL	1,531,975,390,972	(28,653,911,808)	1,298,843,270,167	(55,330,320,171)

Movements of provision for obsolete inventories:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	55,330,320,171	28,634,929,259
Add: Provision made during the year	14,609,474,833	41,681,586,074
Less: Reversal during the year	(39,977,557,352)	(2,055,493,328)
Less: Utilisation during the year	(1,308,325,844)	(12,930,701,834)
Ending balance	<u>28,653,911,808</u>	<u>55,330,320,171</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

10. TANGIBLE FIXED ASSETS

	<i>Currency: VND</i>					
	Buildings and structures	Machineries and equipments	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	319,327,035,107	131,568,708,224	71,591,318,314	8,890,764,081	338,420,833	531,716,246,559
- New purchase	51,221,422	4,168,284,489	3,364,055,906	577,133,599	-	8,160,695,416
- Transfer to investment properties	(4,300,281,598)	-	-	-	-	(4,300,281,598)
- Foreign exchange differences arising from conversion of financial statements to VND	801,891,490	610,071,590	239,207,337	-	38,253,864	1,689,424,281
- Disposal	-	(16,473,478,031)	(3,115,345,127)	(316,688,007)	-	(19,905,511,165)
- Other increases/decreases	-	-	-	-	2,955,321,617	2,955,321,617
Ending balance	<u>315,879,866,421</u>	<u>119,873,586,272</u>	<u>72,079,236,430</u>	<u>9,151,209,673</u>	<u>3,331,996,314</u>	<u>520,315,895,110</u>
<i>In which:</i>						
Fully depreciated	87,842,736,485	44,801,866,708	30,626,521,568	6,436,082,230	376,674,698	170,083,881,689
Accumulated depreciation:						
Beginning balance	180,273,113,870	101,471,348,345	50,474,652,635	7,640,821,319	338,420,833	340,198,357,002
- Depreciation for the year	10,523,817,758	9,344,309,516	4,536,606,565	589,810,364	600,915,395	25,595,459,598
- Transfer to investment properties	(3,988,511,182)	-	-	-	-	(3,988,511,182)
- Foreign exchange differences arising from conversion of financial statements to VND	801,891,490	610,071,590	239,207,337	-	38,253,864	1,689,424,281
- Disposal	-	(15,999,004,249)	(2,988,176,182)	(314,505,128)	-	(19,301,685,559)
- Other increases/decreases	-	113,175,208	(8,798,958)	(104,376,250)	1,648,412,724	1,648,412,724
Ending balance	<u>187,610,311,936</u>	<u>95,539,900,410</u>	<u>52,253,491,397</u>	<u>7,811,750,305</u>	<u>2,626,002,816</u>	<u>345,841,456,864</u>
Giá trị còn lại:						
Beginning balance	<u>139,053,921,237</u>	<u>30,097,359,879</u>	<u>21,116,665,679</u>	<u>1,249,942,762</u>	<u>-</u>	<u>191,517,889,557</u>
Ending balance	<u>128,269,554,485</u>	<u>24,333,685,862</u>	<u>19,825,745,033</u>	<u>1,339,459,368</u>	<u>705,993,498</u>	<u>174,474,438,246</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

11. INTANGIBLE FIXED ASSETS

	<i>Currency: VND</i>		
	<i>Land use rights</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
Beginning balance	123,425,272,276	6,099,795,019	129,525,067,295
- Foreign exchange differences arising from conversion of financial statements to VND	<u>64,398,553</u>	<u>22,574,737</u>	<u>86,973,290</u>
Ending balance	<u>123,489,670,829</u>	<u>6,122,369,756</u>	<u>129,612,040,585</u>
<i>In which:</i>			
<i>Fully amortised</i>	563,897,536	3,059,386,187	3,623,283,723
Accumulated amortisation:			
Beginning balance	15,536,857,505	4,320,129,971	19,856,987,476
- Amortisation for the year	2,539,673,028	428,343,204	2,968,016,232
- Foreign exchange differences arising from conversion of financial statements to VND	<u>64,398,553</u>	<u>22,574,737</u>	<u>86,973,290</u>
Ending balance	<u>18,140,929,086</u>	<u>4,771,047,912</u>	<u>22,911,976,998</u>
Net carrying amount:			
Beginning balance	<u>107,888,414,771</u>	<u>1,779,665,048</u>	<u>109,668,079,819</u>
Ending balance	<u>105,348,741,743</u>	<u>1,351,321,844</u>	<u>106,700,063,587</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

12. INVESTMENT PROPERTIES

	<i>Currency: VND</i>	
	<i>Buildings and structures</i>	
Cost:		
Beginning balance		54,127,793,109
- Transfer from tangible assets		4,300,281,598
- Disposal		<u>(12,606,746,149)</u>
Ending balance		<u>45,821,328,558</u>
<i>In which: Fully depreciated</i>		-
Accumulated depreciation:		
Beginning balance		5,673,578,657
- Depreciation for the year		970,232,537
- Transfer from tangible assets		3,988,511,182
- Disposal		<u>(570,469,567)</u>
Ending balance		<u>10,061,852,809</u>
Net carrying amount:		
Beginning balance		<u>48,454,214,452</u>
Ending balance		<u>35,759,475,749</u>

The Corporation's investment properties as at 31 December 2024 consist of office spaces at the Commercial Office, which are held under operating lease.

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

13. LONG-TERM INVESTMENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in associates (Note 13.1)	988,438,927,549	864,584,333,252
Investments in other entities (Note 13.2)	870,823,455,837	870,823,455,837
Provision for long-term investments	<u>(120,164,587,830)</u>	<u>(123,486,516,430)</u>
TOTAL	<u>1,739,097,795,556</u>	<u>1,611,921,272,659</u>

Movements of provision for long-term investments:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	123,486,516,430	96,896,992,283
Add: Provision made during the year	19,251,811,850	40,750,650,416
Less: Reversal during the year	<u>(22,573,740,450)</u>	<u>(14,161,126,269)</u>
Ending balance	<u>120,164,587,830</u>	<u>123,486,516,430</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

13. LONG-TERM INVESTMENTS (continued)

13.1 Investments in associates

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

13. LONG-TERM INVESTMENTS (continued)

13.1 Investments in associates (continued)

	Currency: VND			
	<u>Ending balance</u>		<u>Beginning balance</u>	
	<i>Carrying value under equity method</i>	<i>Fair value</i>	<i>Carrying value under equity method</i>	<i>Fair value</i>
Imexpharm Pharmaceutical Joint Stock Company (i)	481,234,715,585	1,595,602,624,000	459,503,736,535	873,414,976,000
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	124,229,122,857	(*)	48,567,338,369	(*)
Danapha Pharmaceutical Joint Stock Company (i)	202,813,346,264	171,683,177,000	187,794,919,443	160,606,843,000
Central Pharmaceutical Joint Stock Company No.25 (i)	44,113,745,307	38,556,000,000	43,240,763,085	51,408,000,000
Central Pharmaceutical Joint Stock Company No.3 (i)	114,542,763,512	276,696,872,100	103,415,062,624	310,868,698,500
Vietnam Medical Products Import - Export Joint Stock Company	17,121,159,846	(*)	17,015,079,807	(*)
Davina Pharmaceutical Joint Stock Company	-	(*)	-	(*)
Alfresa Codupha Healthcare Vietnam Co., Ltd.	4,384,074,178	(*)	5,047,433,389	(*)
TOTAL	<u>988,438,927,549</u>		<u>864,584,333,252</u>	

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

13. LONG-TERM INVESTMENTS (continued)

13.1 *Investments in associates* (continued)

		<i>Currency: VND</i>			
	%	<i>Beginning</i>	<i>Share of</i>	<i>Dividends</i>	<i>Ending balance</i>
	<i>ownership</i>	<i>balance</i>	<i>profit/(loss)</i>	<i>received</i>	
			<i>during the year</i>		
Imexpharm Pharmaceutical Joint Stock Company	22.04%	459,503,736,535	37,162,339,050	(15,431,360,000)	481,234,715,585
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	30.00%	48,567,338,369	75,661,784,489	-	124,229,122,857
Danapha Pharmaceutical Joint Stock Company	26.45%	187,794,919,443	18,895,143,721	(3,876,716,900)	202,813,346,264
Central Pharmaceutical Joint Stock Company No.25	28.43%	43,240,763,085	872,982,222	-	44,113,745,307
Central Pharmaceutical Joint Stock Company No.3	22.08%	103,415,062,624	25,365,961,887	(14,238,261,000)	114,542,763,512
Vietnam Medical Products Import - Export Joint Stock Company	41.15%	17,015,079,807	1,591,080,039	(1,485,000,000)	17,121,159,846
Davina Pharmaceutical Joint Stock Company	25.00%	-	-	-	-
Alfresa Codupha Healthcare Vietnam Co., Ltd.	19.97%	5,047,433,389	(663,359,211)	-	4,384,074,178
TOTAL		864,584,333,252	158,885,932,198	(35,031,337,900)	988,438,927,549

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

3. LONG-TERM INVESTMENTS (continued)

13.2 Investments in other entities

	Currency: VND							
	Ending balance				Beginning balance			
	% ownership	Cost	Provision	Fair value	% ownership	Cost	Provision	Fair value
Sanofi Vietnam Joint Stock Company	15.00%	173,000,000,000	-	(*)	15.00%	173,000,000,000	-	(*)
Mekophar Chemical Pharmaceutical Joint Stock Company (i)	18.40%	200,503,651,417	(65,854,916,917)	134,648,734,500	18.40%	200,503,651,417	(78,611,112,817)	121,892,538,600
OPC Pharmaceutical Joint Stock Company (i)	13.41%	139,411,862,876	-	214,649,650,000	13.41%	139,411,862,876	-	206,063,664,000
Pharbaco - Central Pharmaceutical Joint Stock Company No. 1 (i)	5.18%	69,305,080,876	(28,796,678,176)	40,508,402,700	5.18%	69,305,080,876	(17,642,190,476)	51,662,890,400
Vidipha Central Pharmaceutical Joint Stock Company (i)	14.36%	75,628,326,988	-	117,575,899,000	14.36%	75,628,326,988	-	103,276,134,000
Vimedimex Medicine and Pharmacy Joint Stock Company (i)	10.23%	46,022,915,860	(19,955,671,360)	26,067,244,500	10.23%	46,022,915,860	(19,165,754,860)	26,857,161,000
National Phytopharma Joint Stock Company	9.90%	37,739,465,978	-	(*)	9.90%	37,739,465,978	-	(*)
Central Pharmaceutical Joint Stock Company No. 2 (i)	6.78%	11,861,708,288	(4,807,128,288)	7,054,580,000	6.78%	11,861,708,288	(6,028,113,288)	5,833,595,000
Mediplantex Central Pharmaceutical Joint Stock Company (i)	11.50%	29,455,746,106	-	37,115,000,000	11.50%	29,455,746,106	-	38,542,500,000
Pharmaceutical Packaging Joint Stock Company (i)	15.00%	11,370,153,435	-	(*)	15.00%	11,370,153,435	-	(*)
Medipharco Pharmaceutical Joint Stock Company (i)	9.10%	9,231,455,589	(750,193,089)	8,481,262,500	9.10%	9,231,455,589	(2,039,344,989)	7,192,110,600
Vietnam Pharmaceutical Chemical Joint Stock Company	7.76%	5,107,203,820	-	(*)	7.76%	5,107,203,820	-	(*)
Yen Bai Pharmaceutical Joint Stock Company	5.73%	3,466,940,866	-	(*)	5.73%	3,466,940,866	-	(*)
CPC1 Hanoi Pharmaceutical Joint Stock Company (i)	10.75%	27,776,985,675	-	365,333,242,000	10.75%	27,776,985,675	-	362,399,909,400
Ha Tinh Pharmaceutical Joint Stock Company (i)	0.65%	971,029,662	-	1,996,500,000	0.65%	971,029,662	-	1,697,025,000
Tuyen Quang Pharmaceutical and Trading Services Joint Stock Company	0.81%	670,269,026	-	(*)	0.81%	670,269,026	-	(*)
Indochina Urban Development Joint Stock Company (ii)	2.53%	6,017,000,000	-	(*)	2.53%	6,017,000,000	-	(*)
Kingdom Indochina Joint Stock Company (ii)	2.44%	22,983,000,000	-	(*)	2.44%	22,983,000,000	-	(*)
TV. Pharm Pharmaceutical Joint Stock Company	0.10%	300,659,375	-	(*)	0.10%	300,659,375	-	(*)
TOTAL		870,823,455,837	(120,164,587,830)			870,823,455,837	(123,486,516,430)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

13. LONG-TERM INVESTMENTS (continued)

13.2 Investments in other entities (continued)

- (i) The fair values of these investments were determined by reference to the closing prices (either at the end of the reporting period or the most recent transaction date) of the shares listed on Ho Chi Minh City Stock Exchange or Hanoi Stock Exchange or Unlisted Public Company Market (UPCom).
- (ii) As at 31 December 2024, a subsidiary of the Corporation has pledged all shares in Indochina Urban Development Joint Stock Company and Kingdom Indochina Joint Stock Company as security for bank loans (Note 20).
- (*) The Corporation and its subsidiaries have not been able to determine the fair value of these investments for disclosure purposes in the consolidated financial statements because market prices of these shares are not available. The fair values of these financial investments may differ from their carrying amounts.

14. PREPAID EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Office rental costs	1,136,909,101	1,454,312,450
Tools and supplies	-	781,023,553
Fixed asset repair costs	84,216,774	-
Others short-term prepaid expenses	1,709,996,982	1,826,770,433
TOTAL	2,931,122,857	4,062,106,436
Long-term		
Prepaid land rental	24,933,986,855	25,955,233,124
Tools and supplies	3,448,196,476	1,885,538,556
Others long-term prepaid expenses	2,349,332,251	2,450,099,010
TOTAL	30,731,515,582	30,290,870,690

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

15. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

15.1 Short-term trade payables

	Ending balance		Currency: VND Beginning balance	
	Amount	Payable amount	Amount	Payable amount
Short-term				
Trade payables to other parties				
- Hisamitsu Vietnam Pharmaceutical Co., Ltd	228,010,291,120	228,010,291,120	289,484,276,110	289,484,276,110
- Hyphens Pharma Pte. Ltd.	142,810,055,819	142,810,055,819	106,912,001,978	106,912,001,978
- Other suppliers	1,185,000,481,292	1,185,000,481,292	1,215,028,157,115	1,215,028,157,115
Trade payables to related parties (Note 29)	42,718,000	42,718,000	1,289,715,313	1,289,715,313
TOTAL	1,555,863,546,231	1,555,863,546,231	1,612,714,150,516	1,612,714,150,516
Long-term				
Hisamitsu Vietnam Pharmaceutical Co., Ltd	-	-	30,000,000,000	30,000,000,000
TOTAL	-	-	30,000,000,000	30,000,000,000

15.2 Short-term advances from customers

	Ending balance	Currency: VND
		Beginning balance
Advances from customers		
- A My Pharmaceutical Company Limited	2,072,402,180	15,968,616,932
- Soc Trang province Project Management Office 1	-	3,479,000,000
- Other customers	21,573,206,294	15,643,559,146
Advances from related parties (Note 29)	-	1,094,720,000
TOTAL	23,645,608,474	36,185,896,078

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

16. STATUTORY OBLIGATIONS

	<i>Beginning balance</i>		<i>Movement during the year</i>			<i>Currency: VND Ending balance</i>	
	<i>Amount receivables</i>	<i>Amount payables</i>	<i>Amount payables in the year</i>	<i>Amount deducted in the year</i>	<i>Amount paid in the year</i>	<i>Amount receivables</i>	<i>Amount payables</i>
	Domestic value added tax	(138,528,103)	1,127,806,436	323,745,369,960	(302,048,713,143)	(22,500,457,519)	(138,804,439)
Import value added tax	(288,199,758)	-	161,259,684,179	(10,876,905,121)	(150,949,401,223)	(860,208,119)	5,386,196
Import/export duties	(65,556,531)	3,137,587	7,013,015,003	-	(7,013,015,003)	(65,556,585)	3,137,587
Corporate income tax	(1,269,350,171)	10,366,319,885	43,157,131,490	-	(46,460,967,827)	(1,269,350,171)	7,062,483,548
Personal income tax	(12,656,896)	865,427,385	9,505,233,797	(101,019,203)	(9,857,331,676)	(90,528,626)	490,182,033
Land use tax	-	2,382,107,394	15,666,537,576	-	(16,857,591,273)	-	1,191,053,697
Other fees	(20,986,506)	166,160,916	970,132,088	-	(473,057,183)	(12,733,322)	663,235,821
TOTAL	(1,795,277,965)	14,910,959,603	561,317,104,093	(313,026,637,467)	(254,111,821,704)	(2,437,181,262)	9,739,760,952

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

17. SHORT-TERM ACCRUED EXPENSES

	<i>Ending balance</i>	<i>Currency: VND Beginning balance</i>
Accrued bonus	4,479,750,000	2,973,062,500
Goods storage fees	-	2,233,732,121
Interest expenses	952,684,597	1,713,456,210
Other accruals	4,347,259,718	1,152,226,984
TOTAL	9,779,694,315	8,072,477,815

18. OTHER SHORT-TERM PAYABLES

	<i>Ending balance</i>	<i>Currency: VND Beginning balance</i>
Payables related to trust import goods	13,075,934,108	23,430,311,263
Deposits and collaterals	479,001,586	1,037,156,772
Dividend payables	360,688,965	282,943,476
Others	8,323,156,819	14,084,928,639
TOTAL	22,238,781,478	38,835,340,150

19. BONUS AND WELFARE FUNDS

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Beginning balance	9,353,401,594	10,453,038,491
Increase for the year (Note 21.1)	25,224,073,332	10,742,900,914
Other decrease	(1,786,409)	-
Utilisation during the year	(16,351,232,784)	(11,842,537,811)
Ending balance	18,224,455,733	9,353,401,594

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

20. LOANS

	<i>Currency: VND</i>					
	<i>Beginning balance</i>		<i>Movement during the year</i>		<i>Ending balance</i>	
	<i>Balance</i>	<i>Payable amount</i>	<i>Increase</i>	<i>Decrease</i>	<i>Balance</i>	<i>Payable amount</i>
Short-term						
Loans from bank	1,111,809,999,664	1,111,809,999,664	3,512,863,336,598	(3,429,095,294,524)	1,195,578,041,738	1,195,578,041,738
Loans from individuals	19,909,000,002	19,909,000,002	5,650,000,000	(14,021,000,000)	11,538,000,002	11,538,000,002
Current portion of long-term loans	5,066,114,612	5,066,114,612	398,588,612	(5,066,114,612)	398,588,612	398,588,612
TOTAL	1,136,785,114,278	1,136,785,114,278	3,518,911,925,210	(3,448,182,409,136)	1,207,514,630,352	1,207,514,630,352
Long-term						
Loans from banks	1,594,354,460	1,594,354,460	-	(398,588,612)	1,195,765,848	1,195,765,848
Loans from others	29,000,000,000	29,000,000,000	-	-	29,000,000,000	29,000,000,000
TOTAL	30,594,354,460	30,594,354,460	-	(398,588,612)	30,195,765,848	30,195,765,848

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

21. OWNERS' EQUITY**21.1 Increase and decrease in owners' equity**

	Currency: VND								
	Issued share capital	Other capital	Asset revaluation reserve	Foreign exchange differences reserve	Investment and development fund	Other funds belonging to owners' equity	Undistributed earnings	Non-controlling interests	Total
Previous year									
Beginning balance	2,370,000,000,000	57,739,257,171	(433,099,848,386)	(5,257,508,885)	333,037,718,899	982,699,119	270,174,626,925	171,945,491,361	2,765,522,436,204
- Net profit for the year	-	-	-	-	-	-	345,999,863,813	44,271,000,816	390,270,864,629
- Cash dividends	-	-	-	-	-	-	-	(13,443,195,000)	(13,443,195,000)
- Appropriation for investment and development fund	-	-	-	-	16,412,639,180	-	(16,412,639,180)	-	-
- Appropriation for bonus and welfare fund	-	-	-	-	-	-	(1,604,996,400)	(839,435,098)	(2,444,431,498)
- Provisiona appropriation for bonus and welfare fund from the profit of 2023	-	-	-	-	-	-	(6,520,240,785)	(1,463,561,964)	(7,983,802,749)
- Remuneration to management	-	-	-	-	-	-	(205,810,880)	(108,855,787)	(314,666,667)
- Adjustment to asset revaluation reserve due to receipt of pre-equitisation dividends from associates	-	-	44,699,404,000	-	-	-	(44,699,404,000)	-	-
- Other increases/decreases	-	-	-	(639,288,753)	-	-	55,154,767	(440,682,959)	(1,024,816,945)
Ending balance	2,370,000,000,000	57,739,257,171	(388,400,444,386)	(5,896,797,638)	349,450,358,079	982,699,119	546,786,554,260	199,920,761,369	3,130,582,387,974
Current year									
Beginning balance	2,370,000,000,000	57,739,257,171	(388,400,444,386)	(5,896,797,638)	349,450,358,079	982,699,119	546,786,554,260	199,920,761,369	3,130,582,387,974
- Net profit for the year	-	-	-	-	-	-	433,163,294,258	53,531,950,743	486,695,245,001
- Cash dividends (*)	-	-	-	-	-	-	(165,900,000,000)	(20,017,855,208)	(185,917,855,208)
- Appropriation for investment and development fund (**)	-	-	-	-	67,333,390,287	-	(67,333,390,287)	-	-
- Appropriation for bonus and welfare fund (*)	-	-	-	-	-	-	(9,913,744,123)	(5,232,895,109)	(15,146,639,232)
- Provisiona appropriation for bonus and welfare fund from the profit of 2024 (*)	-	-	-	-	-	-	(7,714,304,100)	(2,363,130,000)	(10,077,434,100)
- Other increases/decreases	-	-	-	7,179,536,282	(486,165,557)	24,208	3,187,698,334	4,798,729,023	14,679,822,290
Ending balance	2,370,000,000,000	57,739,257,171	(388,400,444,386)	1,282,738,644	416,297,582,809	982,723,327	732,276,108,342	230,637,560,818	3,420,815,526,725

(*) The Corporation and its subsidiaries declared dividends and reserve appropriation from undistributed earnings in 2023 and made provisional appropriation to bonus and welfare fund from undistributed earning in 2024 in accordance with the Resolution of the General Meeting of Shareholders of the Corporation and its subsidiaries.

(**) The Corporation, its subsidiaries and associated appropriated undistributed earnings in 2023 to investment and development funds in accordance with the Resolution of the General Meeting of Shareholders of the Corporation, its subsidiaries and associated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

21. OWNERS' EQUITY (continued)

21.2 Details of owners' shares capital

	Ending balance			Beginning balance		
	Total	Ordinary shares	Preferred shares	Total	Ordinary shares	Preferred shares
	State capital (*)	154,050,000	154,050,000	-	154,050,000	154,050,000
Other shareholders	82,950,000	82,950,000	-	82,950,000	82,950,000	-
TOTAL	237,000,000	237,000,000	-	237,000,000	237,000,000	-

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

21.3 Capital transactions with owners and distribution of dividends, profits

	Currency: VND	
	Current year	Previous year
Contributed capital		
Beginning balance	2,370,000,000,000	2,370,000,000,000
Increase	-	-
Ending balance	<u>2,370,000,000,000</u>	<u>2,370,000,000,000</u>
Dividends declared		
Cash dividends for 2023	165,900,000,000	
Dividends paid		
Dividends for 2018	7,800,000	
Dividends for 2019	11,160,000	
Dividends for 2020	28,403,000	1,710,000
Dividends for 2021	24,360,000	
Dividends for 2023	165,900,000,000	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

21. OWNERS' EQUITY (continued)

21.4 Shares

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

The par value of share in circulation during the year is VND 10,000/share (31 December 2023: VND 10,000/share).

22. OFF BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
1. Foreign Currency:		
- US Dollar (USD)	14,872	363,048
- Euro (EUR)	1,320	25,430
- Baht Thailand (THB)	62,602	61,158
- Kip Laos (LAK)	990,664	150,798,392
- Hungarian Forint (FT)	20,000	20,000
- Russian Ruble (RUB)	662,000	662,000
2. Import goods held in trust for third parties	77,976,162,747	1,533,462,787

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

23. REVENUE

23.1 Revenue from sale of goods and rendering of services

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Gross revenue	5,530,117,458,948	5,609,381,373,967
<i>In which:</i>		
Sale of goods and merchandises	5,432,292,372,519	5,542,753,512,905
Rendering of services	79,168,612,167	66,627,861,062
Sale of investment properties	18,656,474,262	-
Less	8,316,013,802	26,161,956,751
Sales returns	5,708,190,014	22,340,979,638
Sales discount	812,084,413	1,183,952,302
Sale allowances	1,795,739,375	2,637,024,811
Net revenue	<u>5,521,801,445,146</u>	<u>5,583,219,417,216</u>

23.2 Finance income

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Deposit and bond interest income	49,660,741,014	60,549,947,937
Dividend income	162,671,888,300	170,687,122,300
Foreign exchange gains	28,876,305,812	23,407,447,858
Payment discount	14,204,376,837	11,431,208,624
Interest income on credit sale	3,500,767,640	17,113,382,604
Others	3,775,561	746,399,103
TOTAL	<u>258,917,855,164</u>	<u>283,935,508,426</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

24. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Cost of finished goods and merchandises sold	4,901,043,561,029	4,934,328,340,298
Cost of services rendered	20,685,994,454	11,426,807,682
Cost of investment properties sold	12,036,276,582	-
(Reversal)/provision for obsolete inventories	<u>(25,368,082,519)</u>	<u>39,626,092,746</u>
TOTAL	<u>4,908,397,749,546</u>	<u>4,985,381,240,726</u>

25. FINANCE EXPENSES

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Interest expenses	53,533,208,376	73,591,520,970
Foreign exchange losses	48,907,145,549	51,488,246,858
(Reversal)/provision of financial investments	<u>(3,321,928,600)</u>	<u>26,589,524,147</u>
TOTAL	<u>99,118,425,325</u>	<u>151,669,291,975</u>

26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Selling expenses Incurred during the year		
Labour costs	139,883,356,135	135,753,133,511
Raw material costs	8,014,016,313	10,200,249,810
Expenses for external services	47,524,213,752	47,482,245,547
Depreciation and amortisation of fixed assets	20,175,184,369	19,222,891,851
Others	<u>58,059,261,350</u>	<u>50,838,106,391</u>
TOTAL	<u>273,656,031,919</u>	<u>263,496,627,110</u>
General and administrative expenses incurred during the year		
Labour costs	34,982,437,209	34,837,520,359
Office equipment	3,880,929,891	1,584,058,061
Depreciation and amortisation of fixed assets	4,802,496,102	5,004,335,310
Taxes and fees	11,541,658,755	11,765,507,690
Expenses for external services	31,148,540,718	37,478,759,681
Provision for doubtful debts	11,124,256,486	5,850,759,244
Others	<u>57,180,379,709</u>	<u>46,839,402,401</u>
TOTAL	<u>154,660,698,870</u>	<u>143,360,342,746</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

27. PRODUCTION AND OPERATING COSTS

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Costs of merchandises sold	4,855,460,403,715	4,881,175,950,605
Raw materials expenses	44,742,134,281	46,798,966,935
Labour costs	185,281,590,919	180,931,535,230
Depreciation and amortisation of fixed assets	30,554,954,636	29,920,055,326
Expenses for external services	85,800,563,909	127,450,928,206
Others	121,446,616,802	125,996,352,039
TOTAL	<u>5,323,286,264,262</u>	<u>5,392,273,788,341</u>

28. CORPORATE INCOME TAX

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

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

28.1 CIT expenses

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Current CIT expenses	39,054,081,348	38,204,199,996
Adjustment for under accrual of CIT from prior years	4,122,609,525	434,044,387
Deferred tax income	3,879,165,953	(3,879,165,953)
TOTAL	<u>47,055,856,826</u>	<u>34,759,078,430</u>

28.2 Current tax

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

28. CORPORATE INCOME TAX (continued)

28.2 Current tax (continued)

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

	<i>Current year</i>	<i>Currency: VND Previous year</i>
Accounting profit before tax	533,751,101,827	425,029,943,059
<i>Adjustments to increase:</i>		
Expenses without adequate supporting documents	3,501,139,074	3,176,988,561
Allowance for non-executive members of the Board of Directors and Supervisory Board	1,256,845,456	840,000,000
Provision for obsolete inventories	6,465,276,588	5,276,633,320
Effects of the elimination of intra-group transactions for consolidation purpose	4,772,787,911	-
Others	3,316,423,749	174,036,996
<i>Các khoản điều chỉnh giảm</i>		
Dividend income	(162,671,888,300)	(170,687,122,300)
Reversal for obsolete inventories	(34,280,782,227)	-
Others	(3,642,685,526)	(11,609,317)
Effects of the elimination of intra-group transactions for consolidation purpose	(160,039,803,652)	(97,885,316,169)
Last year's loss carried forward	(3,555,112,852)	-
Estimated current taxable income	<u>188,873,302,048</u>	<u>165,913,554,150</u>
<i>In which:</i>		
<i>Income subject to tax rate of 20%</i>	<i>195,270,406,741</i>	<i>171,625,170,212</i>
<i>Tax losses</i>	<i><u>(6,397,104,693)</u></i>	<i><u>(5,711,616,062)</u></i>
Estimated current CIT expenses	<u>39,054,081,348</u>	<u>34,325,034,043</u>
Adjustment for under accrual of tax from prior years	4,122,609,525	434,044,387
Current CIT expenses	<u>43,176,690,873</u>	<u>34,759,078,430</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

28. CORPORATE INCOME TAX (continued)

28.3 Unrecognised deferred tax assets

Tax losses carried forward

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

Originating year	Can be utilized up to	Tax loss amount	Utilized up to 31 December 2024	Forfeited	Currency: VND
					Unutilized at 31 December 2024
2020	2025	(29,191,275,856)	3,471,840,298	-	(25,719,435,558)
2022	2027	(88,028,387,898)	-	-	(88,028,387,898)
2023	2028	(5,624,742,054)	-	-	(5,624,742,054)
2024	2029	(6,397,104,693)	-	-	(6,397,104,693)
TOTAL		(129,241,510,501)	3,471,840,298	-	(125,769,670,203)

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

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

29. TRANSACTIONS WITH RELATED PARTIES

The list of related parties of the Corporation as at 31 December 2024 is presented in Appendix 1 of Management Report No. 386/TCTD-HĐQT which was publicised on 29 July 2024.

The list of related parties over which the Corporation and its subsidiaries has control/significant influence and other related parties that have significant transactions with the Corporation and its subsidiaries during the year includes:

No.	Related parties	Relationship
1	State Capital Investment Corporation	Shareholder
2	Imexpharm Pharmaceutical Joint Stock Company	Associate
3	Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	Associate
4	Danapha Pharmaceutical Joint Stock Company	Associate
5	Central Pharmaceutical Joint Stock Company No.25	Associate
6	Central Pharmaceutical Products Joint Stock Company No. 3 ("Foripharm")	Associate
7	Vietnam Medical Products Import - Export Joint Stock Company	Associate
8	Davina Pharmaceutical Joint Stock Company (formerly Danapha – Nanosome Pharmaceutical Joint Stock Company)	Associate
9	Vietnam Alfresa Codupha Medical Company Limited	Associate
10	Sanofi Vietnam Joint Stock Company	Entity with a mutual member of Board of Directors
11	Mekophar Chemical – Pharmaceutical Joint Stock Company	Entity with a mutual member of Board of Directors from 01/01/2024 to 25/4/2024
12	OPC Pharmaceutical Joint Stock Company	Entity with a mutual member of Board of Directors

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related party	Transactions	Currency: VND	
		Current year	Previous year
Danapha Pharmaceutical Joint Stock Company	Dividend received	3,876,716,900	3,876,716,900
	Revenue from trademark royalties	196,826,169	55,914,776
	Revenue from medical testing services	2,205,002,096	-
	Mua hàng hóa	-	93,622,842
Imexpharm Pharmaceutical Joint Stock Company	Dividend received	15,431,360,000	14,696,534,000
	Mua hàng hóa	3,033,988,980	437,932,286
	Revenue from medical testing services	546,857,143	-
Vietnam Medical Products Import Export Joint Stock Company	Dividend received	1,485,000,000	1,485,000,000
	Storage fee	-	12,573,290
	Revenue from sale of goods	122,028,137	1,545,964,382
Central Pharmaceutical Products Joint Stock Company No. 3	Dividend received	14,238,261,000	15,187,480,000
	Purchase of goods	3,232,680	389,683,517
	Revenue from trademark royalties	28,179,317	7,610,356
Sanofi Vietnam Joint Stock Company	Dividend received	118,500,000,000	129,000,000,000
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	Dividend received	-	44,699,404,000
Mekophar Chemical – Pharmaceutical Joint Stock Company	Dividend received	2,328,717,500	4,657,435,000
OPC Pharmaceutical Joint Stock Company	Dividend received	12,878,979,000	12,878,979,000
	Purchase of goods	9,250,972,772	31,764,137
	Revenue from sale of goods and services	110,751,500	-
	Revenue from trademark royalties	43,313,000	23,854,000
	Late payment interest	-	245,000

Terms and conditions of transactions with related parties

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

Outstanding balances at 31 December 2024 are unsecured, interest free and will be settled in cash. For the year ended 31 December 2024, the Corporation and its subsidiaries have not made any provision for doubtful debts relating to amounts owed by related parties (as at 31 December 2023: nil). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

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

<i>Related party</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Currency: VND Beginning balance</i>
Short-term trade receivables (Note 6.1)			
OPC Pharmaceutical Joint Stock Company	Sales of goods	-	84,065,580
TOTAL		-	84,065,580
Short-term trade payables (Note 15.1)			
Vietnam Alfresa Codupha Medical Company Limited	Purchases of goods	-	986,099,722
Danapha Pharmaceutical Joint Stock Company	Purchases of goods	-	64,667,151
OPC Pharmaceutical Joint Stock Company	Purchases of goods	42,718,000	103,175,880
Central Pharmaceutical Products Joint Stock Company No. 3	Purchases of goods	-	135,772,560
TOTAL		42,718,000	1,289,715,313
Short-term advances from customers (Note 15.2)			
Danapha Pharmaceutical Joint Stock Company	Advance for medical testing services	-	759,560,000
Mekophar Chemical – Pharmaceutical Joint Stock Company	Advance for medical testing services	-	335,160,000
TOTAL		-	1,094,720,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

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

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Mr. Dinh Xuan Han	1,040,386,364	996,000,000
Mr. Tran Duc Hung	161,363,636	60,000,000
Ms. Han Thi Khanh Vinh	1,038,500,000	912,000,000
Mr. Do Manh Cuong	124,090,909	-
Mr. Tran Van Hai	120,000,000	60,000,000
Ms. Nguyen Hong Nhung	216,931,818	687,312,500
Ms. Pham Thi Xuan Huong	37,727,273	108,000,000
Mr. Le Van Son	-	90,000,000
Ms. Lu Thi Khanh Tran	<u>714,000,000</u>	<u>476,878,977</u>
TOTAL	<u>3,453,000,000</u>	<u>3,390,191,477</u>

Salary and operating expenses of the Board of Supervision:

	<i>Current year</i>	<i>Previous year</i>
Salary and operating expenses of the Board of Supervision	237,048,182	726,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

30. EARNINGS PER SHARE

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

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Profit after tax	433,163,294,258	345,999,863,813
Adjustment due to appropriation to bonus and welfare fund	<u>(16,093,335,299)</u>	<u>(16,351,504,220)</u>
Net profit after tax attributable to ordinary shareholders	<u>417,069,958,960</u>	<u>329,648,359,593</u>
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	<u>237,000,000</u>	<u>237,000,000</u>
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	<u>237,000,000</u>	<u>237,000,000</u>
Earnings per share		
- <i>Basic</i>	1,760	1,391
- <i>Diluted</i>	1,760	1,391

Net profit used to compute earnings per share for the year 2023 was restated following the actual appropriation to bonus and welfare fund from retained earnings allocated for the year ended 31 December 2023 in accordance with the Resolution of the Annual General Meetings of Shareholders of the Corporation and its subsidiaries.

Net profit used to compute earnings per share for the year ended 31 December 2024 was also adjusted for the amount of bonus and welfare fund that is expected to be appropriated from the profit for the year 2024 of the Corporation and its subsidiaries.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

31. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Corporation and its subsidiaries' risks and rates of return are affected predominantly by differences in the products and services produced. The operating businesses are organised and managed separately according to the nature of the products and services provided, including the following business segments:

- Real estate business segment;
- Pharmaceutical products and services segment

The following tables present revenue profit, expenditures and certain assets and liabilities information regarding the Corporation and its subsidiaries' business segment:

Currency: VND

	<i>Real estate business segment</i>	<i>Pharmaceutical products and services segment</i>	<i>Total</i>
Current year			
Revenue			
<i>Sales to external customers</i>	26,456,698,235	5,495,344,746,911	5,521,801,445,146
<i>Inter-segment sales</i>	-	-	-
Total revenue	26,456,698,235	5,495,344,746,911	5,521,801,445,146
Results			
<i>Segment net profit/(loss) before tax</i>	8,788,831,703	249,310,135,197	258,098,966,900
<i>Unallocated income, expenses (i)</i>			275,652,134,927
<i>Net profit before corporate income tax</i>			533,751,101,827
<i>Corporate income tax expense</i>			43,176,690,873
<i>Deferred corporate tax income</i>			3,879,165,953
Net profit			486,695,245,001
Other segment information			
<i>Capital expenditure</i>			-
<i>Tangible fixed assets</i>	-	8,160,695,416	8,160,695,416
<i>Intangible fixed assets</i>	-	-	-
<i>Depreciation and amortisation</i>	970,232,537	29,584,722,099	30,554,954,636
As at 31 December 2024			
Assets and liabilities			
<i>Segment assets</i>	35,818,875,749	3,489,419,538,567	3,525,238,414,316
<i>Unallocated assets (ii)</i>			2,802,819,228,294
Total assets			6,328,057,642,610
<i>Segment liabilities</i>	3,816,044,675	1,609,706,563,088	1,613,522,607,763
<i>Unallocated liabilities (iii)</i>			1,293,719,508,122
Total liabilities			2,907,242,115,885

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

31. SEGMENT INFORMATION (continued)

The following tables present revenue profit, expenditures and certain assets and liabilities information regarding the Corporation and its subsidiaries business segment (continued)

	<i>Currency: VND</i>		
	<i>Real estate business segment</i>	<i>Pharmaceutical products and services segment</i>	<i>Total</i>
Previous year			
Revenue			
<i>Sales to external customers</i>	6,640,821,573	5,576,578,595,643	5,583,219,417,216
<i>Inter-segment sales</i>	-	-	-
Total revenue	6,640,821,573	5,576,578,595,643	5,583,219,417,216
Results			
<i>Segment net profit/(loss) before tax</i>	1,698,729,700	258,292,113,383	259,990,843,083
<i>Unallocated income, expenses (i)</i>			165,039,099,976
<i>Net profit before corporate income tax</i>			425,029,943,059
<i>Corporate income tax expense</i>			38,638,244,383
<i>Deferred corporate tax income</i>			(3,879,165,953)
Net profit			390,270,864,629
Other segment information			
Capital expenditure			
<i>Tangible fixed assets</i>	73,834,981	9,363,715,071	9,437,550,052
<i>Intangible fixed assets</i>	-	743,416,000	743,416,000
Depreciation and amortisation	1,176,377,072	28,743,678,254	29,920,055,326
As at 31 December 2023			
Assets and liabilities			
<i>Segment assets</i>	48,454,966,107	3,365,981,800,099	3,414,436,766,206
<i>Unallocated assets (ii)</i>			2,663,222,006,384
Total assets			6,077,658,772,590
<i>Segment liabilities</i>	1,859,036,977	1,725,262,488,462	1,727,121,525,439
<i>Unallocated liabilities (iii)</i>			1,219,954,859,177
Total liabilities			2,947,076,384,616

- (i) Unallocated income, expenses include selling expenses, general and administrative expenses of the Corporation, finance income, profit from associates, finance expenses, other income and other expenses.
- (ii) Unallocated assets include cash and cash equivalents, dividend receivables, interest receivables, long-term investments and deferred tax assets.
- (iii) Unallocated liabilities mainly include statutory obligations, bonus and welfare funds and other payables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2024 and for the year then ended

32. COMMITMENTS AND CONTINGENCIES

Operating lease commitment as a lessee

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

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>Currency: VND</i>
Under 1 year	21,108,302,035	21,908,994,911
From 1 to 5 years	77,505,862,958	77,092,963,457
Over 5 years	293,960,872,176	297,692,604,875
TOTAL	<u>392,575,037,169</u>	<u>396,694,563,243</u>

Operating lease commitment as a lessor

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

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>Currency: VND</i>
Under 1 year	7,862,405,016	3,922,525,478
From 1 to 5 years	11,857,843,242	2,894,930,362
TOTAL	<u>19,720,248,258</u>	<u>6,817,455,840</u>

33. EVENTS AFTER THE BALANCE SHEET DATE

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



Nguyen Thi Hang
Preparer



Lu Thi Khanh Tran
Chief Accountant



Han Thi Khanh Vinh
General Director

 January 2025