

HAI DUONG PHARMACEUTICAL MEDICAL MATERIALS JSC

COMBINED FINANCIAL STATEMENTS

for fiscal year ended 31/12/2024

(Audited)



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REPORT OF THE BOARD OF GENERAL DIRECTOR

The Board of General Directors of Hai Duong Pharmaceutical Medical Material JSC (the “Company”) presents its report and the Company’s Combined Financial statements for fiscal year ended 31/12/2024.

Company

Hai Duong Pharmaceutical Medical Material JSC.

Business Registration Certificate No.

0800011018, registered for the first time on 04/04/2023, registered for the 21st on 22/02/2017
Issued by the Department of Planning and Investment of Hai Duong city.

Head office

No.102 Chi Lang Street, Nguyen Trai Ward, Hai Duong City, Hai Duong Province .

Board of management

The Board of Management in the fiscal year and to the reporting date are:

Mr. Nguyen Trung Viet	Chairman
Mrs. Nguyen Thi Tu Anh	Member
Mr. Tran Phuc Duong	Member

Board of General Director

The Board of General Directors in the fiscal year and to the reporting date are:

Mrs. Nguyen Thi Tu Anh	General Director
Mr. Dang Van Viet	Quality Director
Mr. Pham Van Nam	Business Director
Mr. Chu Van Long	Chief Accountant

Board of Supervision

The members of the Board of Supervision in the fiscal year and to the reporting date are:

Mrs. Pham Thi Thuy	Head of Committee
Mrs. Nguyen Thi Huong Lan	Member
Mr. Tran Kim Cuong	Member

Legal representative

Mr. Nguyen Trung Viet	Chairman
Mrs. Nguyen Thi Tu Anh	General Director

Auditors

Vietnam Auditing and Valuation Company Limited (AVA).

Responsibilities of The Board of General Director for Combined Financial statements

The Board of General Directors is responsible for the Combined Financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of its operation results and cash flows for the period. In preparing those Combined Financial statements, the Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Company and to ensure that the accounting records comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, the Board of General Directors, confirm that Combined Financial statements at as 31/12/2024 prepared by us, give at true and fair view of the financial position, its operation result for the accounting period ended at the same day accordance with the Vietnamese Accounting System and comply with relevant statutory requirements.

Furthermore, the Board of Directors commits that the Company does not violate the obligation to disclose information in accordance with Circular No. 96/2020/TT-BTC dated November 16, 2020, of the Ministry of Finance guiding the disclosure of information on the Securities Market, and Circular No. 68/2024/TT-BTC dated September 18, 2024

Hai Duong, 05 March 2025

On behalf of the Board of General Directors

General Director



Nguyen Thi Tu Anh



No.: 187 /BCKT-TC/AVA.NV7

AUDITOR'S REPORT

**To: Shareholders, the Board of Management and Board of General Director
Hai Duong Pharmaceutical Medical Material JSC**

We have reviewed the accompanying interim Combined Financial statements of Hai Duong Pharmaceutical Medical Material JSC, prepared on 05/03/2025, as set out on pages 06 to 32, including Statement of financial position as at 31/12/2024, Statement of comprehensive income, Statement of cash flows and Notes to separate financial statements.

Board of General Director's Responsibility

The Board of General Director of Hai Duong Pharmaceutical Medical Material JSC is responsible for the preparation of accompanying interim Combined Financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of financial statements and for such internal control as management determines is necessary to enable the accompanying interim Combined Financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on the results of the audit. We conducted the audit in accordance with Vietnamese auditing standards. These standards require us to comply with ethical standards and regulations, to plan and perform the audit to obtain reasonable assurance about whether the Company's financial statements are free of material misstatement.

The audit work involves performing procedures to collect audit evidence regarding the figures and disclosures in the financial statements. The audit procedures selected are based on the auditor's judgment, including assessing the risk of material misstatement in the financial statements due to fraud or error. In performing this risk assessment, the auditor has considered the Company's internal controls related to the preparation and fair presentation of the financial statements in order to design appropriate audit procedures for the specific circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. The audit work also includes evaluating the appropriateness of the accounting policies applied and the reasonableness of the estimates made by the Board of Directors, as well as assessing the overall presentation of the financial statements

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

Auditor's Conclusion

Based on the results of our review, we found no problems that we believe that the accompanying interim Combined Financial statements does not give a true and fair view, in all material respects, of the financial position of Hai Duong Pharmaceutical Medical Material JSC as at 31/12/2024, and of the results of its operations and its cash flows for fiscal year ended 31/12/2024, in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of accompanying interim financial statements.

Other issues

The combined financial statements of Hai Duong Pharmaceutical Medical Material JSC for the fiscal year ended December 31, 2023, have been audited by the auditor and another auditing firm. The auditor issued an unqualified opinion on the combined financial statements on March 6, 2024.

VIETNAM AUDITING AND
VALUATION COMPANY LIMITED



Do Thi Duyen
Vice General Director
Registration certificate
3642-2021-126-1
Ha Noi, 05 March 2025



Tran Manh Duc
Auditor
Registration certificate
4884-2024-126-1

Form No. B 01 - DN

COMBINED BALANCE SHEET

As at 31/12/2024

Unit: VND

ITEMS	Code	Note	31/12/2024	01/01/2024
A. CURRENT ASSETS	100		341,148,607,589	266,604,877,103
I. Cash and cash equivalents	110	V.1	31,419,168,182	25,418,100,057
1. Cash	111		31,419,168,182	25,418,100,057
II. Short-term accounts receivable	130		180,755,628,545	135,831,193,325
1. Short-term trade receivables	131	V.2	118,236,171,594	100,303,524,265
2. Short-term advances to suppliers	132	V.3	59,671,572,390	28,971,847,019
3. Other receivables	136	V.4	6,519,269,624	6,555,822,041
4. Provisions for short-term bad debts (*)	137	V.5	(3,671,385,063)	-
III. Inventories	140	V.6	127,909,053,084	104,353,518,072
1. Inventories	141		127,909,053,084	104,353,518,072
IV. Other current assets	150		1,064,757,778	1,002,065,649
1. Short-term prepaid expenses	151	V.7	624,164,224	764,114,654
2. VAT deductible	152		440,593,554	237,950,995
B. NON - CURRENT ASSETS	200		305,237,748,766	312,380,892,842
I. Fixed assets	220		277,938,572,145	294,215,719,104
1. Tangible fixed assets	221	V.8	259,687,221,789	275,964,368,748
- Cost	222		481,416,768,768	470,820,088,025
- Accumulated depreciation (*)	223		(221,729,546,979)	(194,855,719,277)
2. Intangible fixed assets	227	V.9	18,251,350,356	18,251,350,356
- Cost	228		25,557,287,846	25,557,287,846
- Accumulated depreciation (*)	229		(7,305,937,490)	(7,305,937,490)
II. Long-term assets in progress	240	V.10	24,432,507,459	10,635,029,498
1. Construction in progress	242		24,432,507,459	10,635,029,498
III. Other long-term assets	260		2,866,669,162	7,530,144,240
1. Long-term prepaid expenses	261	V.7	2,866,669,162	7,530,144,240
TOTAL ASSETS(270=100+200)			646,386,356,355	578,985,769,945

Form No. B 01 - DN

COMBINED BALANCE SHEET

As at 31/12/2024
(Continuous)

Unit: VND

ITEMS	Code	Note	31/12/2024	01/01/2024
C. LIABILITIES	300		192,127,190,710	158,850,659,496
I. Current liabilities	310		186,108,895,749	156,619,610,736
1. Short-term Trade payables	311	V.11	63,913,046,095	47,347,613,820
2. Short-term Advances from customers	312	V.12	27,011,433,156	11,778,900,004
3. Tax payables and statutory obligations	313	V.13	7,152,037,955	2,550,168,386
4. Payables to employees	314		4,869,401,998	1,111,462,920
5. Short-term Accrued expenses	315	V.14	428,162,066	474,547,567
6. Short-term Unearned revenue	318	V.15	3,201,934,270	836,867,098
7. Short-term other payables	319	V.16	7,182,181,347	5,000,401,347
8. Short-term loans and debts	320	V.17	65,925,328,072	80,569,098,470
9. Bonus and welfare fund	322		6,425,370,790	6,950,551,124
II. Long-term liabilities	330		6,018,294,961	2,231,048,760
1. Long-term loans and debts	338	V.17	6,002,713,990	2,205,871,533
2. Science and Technology Development Fund	343		15,580,971	25,177,227
D. OWNER'S EQUITY	400		454,259,165,645	420,135,110,449
I. Equity	410	V.18	454,259,165,645	420,135,110,449
1. Contributed capital	411		279,473,170,000	203,996,300,000
- Ordinary shares with voting rights	411a		279,473,170,000	203,996,300,000
2. Investment and development fund	418		124,594,214,888	174,594,214,888
3. Undistributed earnings	421		50,191,780,757	41,544,595,561
- Undistributed profit after tax of previous period	421a		9,870,172,861	10,268,002,632
- Undistributed profit after tax of current period	421b		40,321,607,896	31,276,592,929
TOTAL RESOURCES(440=300+400)			646,386,356,355	578,985,769,945

Hai Duong, 05 March 2025

Prepared by



Tran Quoc Tuan

Chief Accountant



Chu Van Long

General Director



Nguyen Thi Tu Anh

Form No. B 02 - DN

COMBINED INCOME STATEMENT

Year 2024

Unit: VND

ITEMS	Code	Note	Year 2024	Year 2023
1. Revenue from sale of goods and rendering of services	01	VI.1	668,056,188,242	616,251,015,860
2. Deductible items	02	VI.2	3,054,479,448	1,508,279,922
3. Net revenue from sale of goods and rendering of services (10=01-02)	10		665,001,708,794	614,742,735,938
4. Cost of sales	11	VI.3	454,770,265,987	426,688,430,719
5. Gross profit from sale of goods and rendering of services (20=10-11)	20		210,231,442,807	188,054,305,219
6. Revenue from financial activities	21	VI.4	633,188,787	426,708,493
7. Finance costs	22	VI.5	6,255,488,148	8,539,743,135
<i>In which: Interest expenses</i>	23		3,218,208,599	5,492,844,385
8. Selling expenses	25	VI.6	74,149,536,551	68,644,819,855
9. General Administrative expenses	26	VI.6	81,814,791,647	72,660,901,541
10. Net profit from operating activities {30=20+(21-22)-(25+26)}	30		48,644,815,248	38,635,549,181
11. Other income	31	VI.7	2,152,468,731	892,870,536
12. Other expense	32	VI.8	8,775,306	36,500,000
13. Other profit (loss) (40=31-32)	40		2,143,693,425	856,370,536
14. Total profit before tax (50=30+40)	50		50,788,508,673	39,491,919,717
15. Current corporate income tax expenses	51	VI.10	10,179,727,977	7,977,849,788
16. Profit after tax (60=50-51-52)	60		40,608,780,696	31,514,069,929
17. Earnings per Share	70	VI.11	1,453	1,128
18. Diluted earnings per Share	71	VI.11	1,453	1,128

Prepared by



Tran Quoc Tuan

Chief Accountant



Chu Van Long

Hai Duong, 05 March 2025

General Director



Nguyen Thi Tu Anh

Form No. B 03 - DN

COMBINED CASH FLOW STATEMENT
(Indirect method)
Year 2024

Unit: VND

ITEMS	Code	Note	Year 2024	Year 2023
I. Cash flows from operating activities				
1. Profit before tax	01		50,788,508,673	39,491,919,717
2. Adjustment for				
- Depreciation and amortisation	02		27,261,433,809	23,108,369,633
- Provisions	03		3,671,385,063	-
- Gain/loss from unrealized foreign exchange difference	04		(50,857,754)	2,058,882
- Gain/loss from investment activities	05		(128,994,168)	(31,000,434)
- Interest expense	06		3,218,208,599	5,492,844,385
3. Profit from operating activities before changes in working capital	08		84,759,684,222	68,064,192,183
- Increase/Decrease in receivables	09		(48,775,880,044)	(23,620,228,389)
- Increase/Decrease in inventories	10		(23,555,535,012)	6,809,281,845
- Increase/Decrease in payables (excluding interest payables/ enterprise income tax payables)	11		40,089,010,412	(31,871,696,087)
- Increase/Decrease in prepaid expenses	12		4,803,425,508	619,874,862
- Interest expenses paid	14		(3,218,208,599)	(5,492,844,385)
- Corporate Income taxes paid	15		(5,592,091,588)	(8,697,509,222)
- Other expenses on operating activities	17		(525,180,334)	(209,362,000)
Net cash flows from operating activities	20		47,985,224,565	5,601,708,807
II. Cash flows from investing activities				
1. Purchase of fixed assets and other long-term assets	21		(25,268,805,054)	(21,181,774,363)
2. Proceeds from disposals of fixed assets and other long-term assets	22		181,809,091	-
3. Interest, dividends and profit received	27		29,742,305	31,000,434
Net cash flows from investing activities	30		(25,057,253,658)	(21,150,773,929)

Form No. B 03 - DN

COMBINED CASH FLOW STATEMENT
(Indirect method)
Year 2024
(Continuous)

Unit: VND

ITEMS	Code	Note	Year 2024	Year 2023
III. Cash flows from financing activities				
1. Proceeds from short - term, long - term borrowings	33		152,833,226,632	187,606,060,837
2. Loan repayment	34		(163,680,154,573)	(180,002,508,010)
3. Dividends, profit paid to equity owners	36		(6,119,889,000)	(5,999,914,000)
Net cash flows from financing activities	40		(16,966,816,941)	1,603,638,827
Net decrease/increase in cash and cash equivalents	50		5,961,153,966	(13,945,426,295)
Cash and cash equivalents at beginning of the year	60		25,418,100,057	39,364,911,883
Impact of foreign exchange fluctuation	61		39,914,159	(1,385,531)
Cash and cash equivalents at end of the year	70		31,419,168,182	25,418,100,057

Prepared by



Tran Quoc Tuan

Chief Accountant



Chu Van Long

Hai Duong, 05 March 2025
General Director



Nguyen Thi Tu Anh

NOTES TO THE Combined FINANCIAL STATEMENTS
Year 2024

I. Background

1. Forms of Ownership

Hai Duong Pharmaceutical Medical Material JSC.

The company operates under Business Registration Certificate No. 0800011018, registered for the first time on 04/04/2023, registered for the 21st on 22/02/2017, Issued by the Department of Planning and Investment of Hai Duong city.

Head office: No.102 Chi Lang Street, Nguyen Trai Ward, Hai Duong City, Hai Duong Province .

The Company's charter capital: VND 279.473.170.000.

Total number of shares: 27.947.317 shares.

2. Business field

The company's business activities include the production, trade, and business of pharmaceuticals, chemicals, and medicinal herbs.

3. Business activities

According to the Business registration certificate, principal activities of the Company are:

- Production of pharmaceuticals, chemicals, and medicinal herbs. Details: Production of medicinal drugs, herbal medicine, chemicals, and essential oils;
- Production of medical, dental, orthopedic, and rehabilitation equipment and instruments. Details: Production of medical supplies;
- Production of other food not classified elsewhere. Details: Production of functional foods;
- Production of cosmetics;
- Wholesale of pharmaceuticals and medical instruments;
- Wholesale of other food. Details: Wholesale of functional foods;
- Wholesale of perfumes, cosmetic products, and hygiene preparations;
- Wholesale of other chemicals (excluding those used in agriculture). Details: Wholesale of chemicals used for the production of pharmaceuticals, cosmetics, functional foods, for testing, and for hospitals;
- Wholesale of medical machinery and equipment. Details: Wholesale of medical machinery, equipment, and medical supplies;
- Other specialized wholesale not classified elsewhere. Details: Wholesale of essential oils, medicinal herbs, eyeglasses;
- Retail of other new goods not classified elsewhere in specialized stores. Details: Retail of essential oils, medicinal herbs, medical machinery and equipment, chemicals used for the production of pharmaceuticals, cosmetics, functional foods, for testing, and chemicals used for hospitals;
- Retail of other food in specialized stores. Details: Retail of functional foods;
- Cultivation of medicinal herbs; Other livestock farming. Farming of geckos and snakes (as permitted by the government);
- Printing;
- Other professional, scientific, and technological activities not classified elsewhere. Details: Scientific and technical consulting services and technology transfer in the fields of medicine, pharmacy, cosmetics, and food; quality testing services for pharmaceuticals and functional foods;
- Road freight transport;
- Agency. Details: Agency for the purchase and sale of medicinal drugs, cosmetics, functional foods, medical instruments, medical equipment, eyeglasses, medicinal herbs, essential oils, chemicals;
- Real estate business, land use rights owned, used, or leased. Details: Renting houses for offices, business locations, stores, warehouses, housing, and parking lots;
- Hotels; Other personal service activities not classified elsewhere. Details: Beauty care services;

- Distillation, rectification, and mixing of spirits; Production of wine; Production of beer and malt for brewing; Production of non-alcoholic beverages and mineral water;
- Construction of all types of houses; Construction of public works; Construction of other civil engineering works;
- Demolition; Site preparation; Electrical system installation;
- Installation of water supply and drainage systems, heating, and air conditioning; Installation of other construction systems; Construction completion; Other specialized construction activities. Details: Construction of pharmaceutical production factories;
- Wholesale of beverages. Details: Wholesale of beer, spirits, and soft drinks;
- Advertising; Market research and opinion polling; Preschool education;
- Organization of trade promotion and introduction activities.

4. The Company's normal business period

The Company's normal business period is 12 months.

5. Operations of the company in the fiscal year affecting the financial statements

During the accounting period, the Company's activities did not have any significant characteristics that affected the Combined financial statements. The Company's operations were normal throughout all periods of the year

6. Business structure

As of December 31, 2024, the majority of the Company's office and production facilities are located at 102 Chi Lăng Street, Nguyen Trai Ward, Hai Duong City, Hai Duong Province. In addition, the Company has 9 branches located both inside and outside the province:

- | | |
|----------------------|----------------------------|
| 1. Cam Giang Branch | 6. Central Region Branch |
| 2. Hanoi Branch | 7. Tu Ky Branch |
| 3. Thanh Mien Branch | 8. Ho Chi Minh City Branch |
| 4. Ninh Giang Branch | 9. Hai Duong 1 Branch |
| 5. Can Tho Branch | |

Total number of employees

As at 31/12/2024, the Company has 696 employees (as at 01/01/2024, has 706 employees).

7. Statement of ability to compare information on Financial Statements

The financial statements of the Company are prepared to ensure comparability.

II. Accounting period and accounting monetary unit

1. Accounting period

Annual accounting period commences from 1st January and ends on 31st December.

2. Accounting monetary unit

Monetary unit used in accounting is Viet Nam Dong (National symbol is “đ”; International symbol is “VND”).

III. Accounting standards and Accounting system

1. Accounting System

The company applies Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December, 2014 by Minister of Finance on guideline enterprise accounting and Circular No. 53/2016/TT-BTC dated 21 March, 2016 by Ministry of Finance amending and supplementing some articles of Circular No.

2. Announcement on compliance with Vietnamese standards and accounting system

The company applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and supplement documents as well as with current accounting system.

IV. Accounting policies

1. Recognition of cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

When arising transactions in foreign currencies, foreign currencies shall be converted into Vietnam dong under the principle: Debit transactions are applied with actual exchange rates; Credit transactions are applied with weighted When preparing financial statements, in accordance with the law, balances in foreign currencies are re-evaluated at actual buying exchange rates of the commercial banks.

The actual exchange rate applied when re-evaluating the cash in hand, cash in bank in foreign currency is actual buying exchange rates of the commercial banks with which the company regularly transacts.

2. Receivables

Receivable are monitored in detail by maturity receivable, objects to be recovered and the type of original currency receivables, and other factors under the management of the Company.

The identification of necessary provision for doubtful debts is based on the items that are classified as short-term, long-term receivables on Balance Sheet. Provision for doubtful debts is made for each one based on the age of overdue debts or the estimated losses that may occur.

3. Inventory

Principles of recognizing inventories

The Company's inventory consists of assets purchased for production or for sale during normal production and business periods

Inventory is measured at cost. If the net realizable value is lower than the cost, inventory is measured at the net realizable value. The cost of inventory includes purchase costs, processing costs, and other directly attributable costs incurred to bring the inventory to its current location and condition.

Method of calculating inventories

- Raw materials received in batches are assigned specific costs for each corresponding batch.
- Raw materials (including containers, boxes, etc.) not received in batches are valued using the monthly weighted average method.
- Finished products processed and exported are valued using the specific identification method (the sale price for each batch is based on the actual cost of that batch).
- Finished products produced for inventory and goods are valued using the weighted average method after each receipt.
- Costs of unfinished production are determined based on each incomplete production order at the end of the period, with values calculated for each batch put into production.

Method of accounting inventories

Inventory is recorded by perpetual.

Method of setting up provision for devaluation of inventories

Provisions for devaluation of inventories made at the end of the year are the excess of original cost of inventory over their net realizable value.

4. Fixed assets and depreciation of fixed assets

Fixed assets

Fixed assets (tangible and intangible) are stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and net book value.

Depreciation is provided on a straight-line basis. Depreciation period applicable under Circular 45/2013/TT-BTC

- | | |
|----------------------------------|--------------------|
| - Buildings | 08-26 years |
| - Machine, equipment | 05 - 10 years |
| - Transportation equipment | 05-08 years |
| - Office equipment and furniture | 03-05 years |
| - Land use rights | Without time limit |
| - Management software | 03 years |

Gain or loss on the liquidation fixed assets is recognized as income or expense in the statement of comprehensive income.

5. Principles for recognizing costs of unfinished construction

Costs of unfinished construction include expenses for construction and machinery that are not yet completed or installed. Depreciation is not applied to unfinished construction during the construction and installation process.

6. Prepaid expenses

Prepaid expenses only related to present fiscal year are recognised as short-term prepaid expenses and are recorded into operating costs.

Prepaid expenses incurred during the year but related to business operations of several years are recorded as long-term prepaid expenses and are amortized to the income statement in several years.

The calculation and allocation of long-term prepaid expenses to profit and loss account in the period should be based on nature of those expenses to select a reasonable method and allocated factors. Prepaid expenses are allocated partly into operating expenses on a straight-line basis.

The company's prepaid expenses include the following costs:

Tools and equipment: The value of tools and equipment that are put into use is allocated to expenses using the straight-line method, with an allocation period not exceeding 36 months.

Repair costs for fixed assets: One-time repair costs of significant value are allocated to expenses using the straight-line method over 36 months.

7. Payables

Payables are monitored in detail by maturity receivable, objects to be recovered and the type of original currency receivables, and other factors under the management of the Company.

When preparing financial statements, accountants base on remaining term of payables to classify them into short-term or long-term.

When there are evidences that a loss likely occurs, accountants need to immediately record a payable according to the precautionary principle.

Payables in foreign currencies need to be re-evaluated at the year end when preparing financial statements. Actual transacted exchange rate when re-evaluating payables in foreign currencies at the time of preparing financial statements is the published exchange rate of the commercial bank with which the Company often have transactions (selected by the Company when transacting with payable subjects).

8. Recognition of borrowings

Borrowings whose maturity time is over 12 months from the date of financial statements are presented as long-term borrowings and financial lease liabilities. Borrowings whose maturity time is within 12 months from the date of financial statements are presented as short-term borrowings and financial lease liabilities to prepare settlement

When preparing financial statements, borrowings' balances in foreign currencies are re-evaluated in actual transacted exchange rate at the time of preparing financial statements.

Differences of exchange rate arising from payments and re-evaluation at the year end are recorded into financial incomes or expenses.

9. Recognition and capitalization of borrowing costs

Borrowing costs are recognized into operating costs during the period, except for which directly attributable to the acquisition, construction or production of a qualifying asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in SAV No. 16 "Borrowing costs".

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that takes more than 12 months to put into use under certified purposes or for sale should be included (capitalized) in the cost of that asset, including interest on borrowings, amortization of discounts or premiums relating to issuing bonds and ancillary costs incurred in connection with the arrangement of borrowings.

For specific loans used for the construction of fixed assets and investment properties, interest on the loans is capitalized even if the construction period is less than 12 months.

10. Accrued expenses

Payables for goods and services that are already received from suppliers or already supplied to buyers in the reported period but not actually paid due to shortage of bills or accounting files and documents are recognized as operating expenses of the reported period.

Recognizing accrued expenses into operating expenses in the period needs to be performed according to the matching principle between revenues and expenses incurred in the period.

Accrued expenses shall be balanced with actual incurred expenses. The difference between accrued and actual expenses shall be reversed.

11. Provision for payables

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of year.

Only expenditures that relate to the original payables provision are set against it.

In case provision set for the previous period but not used up exceeds the one set for the current period, the difference is recorded as decrease in production and operation expenditures. The bigger difference of the payables Payables are recognized when the following conditions are satisfied:

- The Company has a current debt obligation (legal obligation or joint obligation) as a result of an event that
- The decline in economic benefits may occur leading to the requirement to pay debt obligations; and
- Provide a reliable estimate of the value of that debt obligation.

12. Principle of recognizing unearned revenue

Unearned revenue includes revenue received in advance such as: The amount of money that customers have paid in advance for one or more accounting periods of asset leasing; Interest received before lending or buying debt instruments; And other unearned revenues such as: The difference between the deferred or installment sale price as committed with the immediate payment price, the turnover corresponding to the value of goods or services or the amount to be deducted Discounted price for customers in traditional customer program.

Unearned revenue does not include:

- Advance payment from buyers whose enterprises have not provided products, goods and services;
- The revenue has not yet been collected from asset leasing activities, providing multi-period services.

Each accounting period, unrealized revenue is transferred into revenue in the period.

13. Principles for recognizing the science and technology development fund.

The science and technology development fund is accounted for as part of the enterprise's management expenses to determine the business results for the period. The allocation and use of the science and technology development fund must comply with legal regulations.

14. Owner's equity

Principles of recognizing owner's equity, share premium, convertible bonds and other owner's equity

Owner's equity is stated at actually contributed capital of owners.

Premium reserve is recorded by the difference (over/under) between the selling price and the par value of treasury stocks when stocks are firstly or additionally issued or reissued. Direct expenses related to the additional issuance of shares or reissuing treasury stock is recorded to reduce the surplus capital stock.

Recognition Undistributed profit

Profit after tax retained is the profit of business operations after deduction (-) regulated items due to applying a change in accounting retrospectively or to make a retrospective restatement to correct materiality in previous years. The profit is available for appropriation to investors after approval by Board of Management and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnamese regulatory requirements.

15. Revenue

Sale of goods

Revenue from sale of goods should be recognized when all the following conditions have been satisfied:

- The entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The entity retains neither continuing managerial involvement to the degree usually associated with ownership
- The amount of revenue can be measured reliably;
- It is probable that The economic benefits associated with the transaction will flow to the entity;
- The cost incurred or to be incurred in respect of the transaction can be measured reliable.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliable, revenue associate with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of reporting period. The outcome of a transaction can be estimated reliable when all the following conditions are satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliable.

The stage of the completion of the transaction may be determined by surveys of work completed methods.

Financial income

Revenue arising from the used by the others of entity assets yielding interest, royalties and dividends shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The amount of the revenue can be measured reliably.

Dividends shall be recognised when the shareholder's right to receive payment is established.

Common Stocks and Dividends paid by Stocks: No record earnings when the right to receive bonus shares or dividend shares is established, the number of bonus shares and dividend shares received disclosure in Financial Statements.

Other revenues

Recognition of other revenues beside the entity's business activities includes:

- Revenue from liquidation of fixed assets;
- Revenue from fines paid by customers for breaching contracts;
- Revenue from the third party's compensation for a loss of property (e.g. insurance compensation, compensation for relocating business office and other similar revenues);
- Collection of bad debts which have been written off;
- Revenue from payables which is not identified;
- Other revenues than those listed above.

16. Deductibles from revenue

Deductibles adjusted to revenues from sale of goods and rendering of services arising in the period include: Sale discounts, sale rebates and sale returns.

Trade discounts, discounted sales, sales generated bounces same period consumption of products, goods and services are adjusted periodically generated revenue;

In case that products, goods and services have already been consumed since the previous period, but until the subsequent period, sale discounts, sale rebates or sale returns incur, then the Company recognizes deductibles

- If products, goods and services have already been consumed since the previous period and need to be discounted, rebated, returned in the subsequent period but before the time of issuing financial statements, accountants recognize it as an event that needs to be adjusted arising after the date of Balance Sheet and deduct revenues of the period's financial statements (the previous period).
- In case that products, goods and services need to be discounted, rebated, returned after the time of issuing financial statements, the entity needs to deduct revenues of the arising period (the subsequent period).

17. Cost of goods sold

Reflecting the cost value of products, goods and services sold in the period.

The provision for devaluation of inventories is included in the cost of goods sold on the basis of the number of inventories and the difference between the net realizable value is less than the cost of inventories.

When selling products and goods with equipment and spare parts, the value of equipment and spare parts is recorded into cost of goods sold.

As for the value of inventory shrinkage and loss, accountants immediately count towards cost of goods sold (after deducting the compensation, if any).

As for the cost of direct materials consumed in excess of normal level, labour cost, fixed general operation unallocated to the value of products stocked, accountants immediately count them towards in cost of goods sold (after deducting the compensation, if any) even if the products and goods have not been determined to be

Import duties, special consumption taxes and environmental protection taxes have been included in the value of purchased goods, and when the goods are sold, those taxes are refunded, the decrease of the cost of goods sold is

As for costs of goods sold unrecognized as corporate income taxable expenses under the regulations of Tax law but with full of invoices and documents and accounted reasonably under Accounting system, the Company does not reduce accounting expenses but adjusts in the corporate income tax settlement to increase corporate income

18. Financial expenses

Reflecting financial expenses including expenses or losses related to financial investment activities, expenses of lending and borrowing equity, expenses of contributing in joint ventures, associates, losses of transferring short-term securities, expenses of selling securities transactions; Provision for devaluation of trading securities, provision for loss of investments in other entities, losses of selling foreign currencies, losses of exchange rate...

As for financial expenses unrecognized as corporate income taxable expenses under the regulations of Tax law but with full of invoices and documents and accounted reasonably under Accounting system, the Company does not reduce accounting expenses but adjusts in the corporate income tax settlement to increase corporate income

19. Selling expenses and administrative expenses

Expenses recognized as selling expenses include: Expenses actually arising in process of selling products, goods and rendering services including expenses for offering, introducing, advertising products, sale commissions, expenses for products' warranty, storage, packing, transporting, ...

Expenses recognized as administrative expenses include: Expenses for administrative labour (salaries, wages, allowances,...); social insurance, health insurance, union fund, unemployment insurance of administrative staffs; expenses of office commodities, working tools, depreciation of fixed assets used for administration; land rent, excise; provision for doubtful receivables; outside purchasing costs (electricity, water, telephone, fax, asset insurance, fire insurance...); other costs in cash (guest receptions, customer conferences...).

As for selling expenses and administrative expenses unrecognized as corporate income taxable expenses under the regulations of Tax law but with full of invoices and documents and accounted reasonably under Accounting system, the Company does not reduce accounting expenses but adjusts in the corporate income tax settlement to increase corporate income tax payable.

20. Principles and methods of recognizing current corporate income tax and differed corporate income tax

Current corporate income tax expense is the amount of corporate income tax payable counted on taxable income in the period and prevailing tax rate.

Current 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 by the balance sheet date.

21. Profit per share

Basic earnings per share are calculated by dividing the net profit or loss after tax attributable to the holders of common stock by the weighted average number of common shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss after tax attributable to the holders of common stock by the weighted average number of common shares outstanding during the period, plus the weighted average number of common shares that would be issued if all potential dilutive common shares were converted into common stock.

22. Other accounting principles and methods

22.1. Basis for consolidation of financial statements

The financial report is presented according to the historical cost convention.

22.2. Related parties

Enterprises and individuals that directly or indirectly through one or more intermediaries, have control on or are under control of the Company, or are under common control with the Company, including parent companies, subsidiaries and associates are related parties. Associates and individuals that directly or indirectly hold voting right of the Company and have a significant impact on the Company, key management personnel including Board of Directors and employees of the Company, closed family members of these individuals or these associates or companies associated with these individuals are also considered as related parties.

In considering each relationship of related parties, it is necessary to pay attention to the nature of the relationship, not only its legal form.

V. Descriptive information in addition to items presented in the Balance sheet

		Unit: VND	
1. Cash		31/12/2024	01/01/2024
Cash on hand		2,584,400,686	10,799,055,780
Demand deposits		28,834,767,496	14,619,044,277
		<u>31,419,168,182</u>	<u>25,418,100,057</u>

2. Receivables		31/12/2024		01/01/2024	
Short-term					
Nam Sach District Health Center		7,382,561,150		5,418,561,818	
KARUNA PHARMA CO,LTD		6,520,562,745		2,369,396,748	
Hai Duong Provincial General Hospital		5,911,196,600		2,536,629,595	
Tu Ky District Health Center		4,355,255,977		4,125,665,085	
Thanh Ha District Health Center		3,272,031,580		742,220,098	
Central Pharmaceutical Joint Stock Company CPC1 - Nghe An Branch		2,726,205,469		1,631,422,453	
Binh Giang District Health Center		2,482,472,650		1,139,115,486	
Cam Giang District Health Center		2,414,932,106		128,550,200	
Kinh Mon Town Health Center		2,321,903,139		207,654,795	
Golden Health USA LLC (KH)		2,259,924,512		5,024,803,616	
Other customers		78,589,125,666		76,979,504,371	
		118,236,171,594		100,303,524,265	
3. Advances for suppliers					
		31/12/2024		01/01/2024	
Short-term					
IMA Pacific Company Limited		21,242,959,500		21,242,959,500	
Alexanderwerk Gmbh		4,082,243,787		4,082,243,787	
GEA Process Engineering (India) Pvt Ltd (Unit II, 100% EOU)		5,925,729,471		1,008,706,041	
Truking Watertown Pharmaceutical Equipment Co., Ltd		4,155,102,900		-	
Alphaco Construction Joint Stock Company		5,855,966,623		-	
Refrigeration Electrical Engineering Bach Khoa Co.Ltd		10,398,888,889		-	
Others		8,010,681,220		2,637,937,691	
		59,671,572,390		28,971,847,019	
4. Other receivables					
		31/12/2024		01/01/2024	
		Value	Provision	Value	Provision
Short-term					
Other parties					
Advances	499,614,849	-		529,296,961	-
Other deposit	68,450,775	-		76,524,580	-
Other	51,204,000	-		50,000,500	-
Related parties					
Mr. Nguyen Trung Viet	5,900,000,000	-		5,900,000,000	-
	6,519,269,624	-		6,555,822,041	-

5. Bad debt

	31/12/2024		01/01/2024	
	Original value	Recoverable amount	Original value	Recoverable amount
Total value of overdue accounts receivable				
Trang Minh Pharmaceutical Joint Stock Company	49,439,590	-	-	-
Linh Son Pharmaceutical Joint Stock Company - Nghe An	160,548,293	-	-	-
Thai Tien Pharmaceutical Joint Stock Company	339,120,218	-	-	-
Tri Đức Medical Equipment and Pharmaceutical One Member Limited Company	191,784,964	-	-	-
Nhat Quang Trading Pharmaceutical LLC (Viet Tri)	418,102,630	-	-	-
OPM Pharmaceutical One Member LLC	1,147,705,903	-	-	-
Hanoi Trade and Pharmaceutical Services Joint Stock Company	184,939,112	-	-	-
Tam Viet Pharmaceutical and Medical Equipment Joint Stock Company	186,592,364	-	-	-
T.H.I Joint Stock Company	74,588,048	-	-	-
Truong Xuan Pharmaceutical Joint Stock Company	78,056,427	-	-	-
Arenphar Investment and Trading Joint Stock Company	16,496,548	-	-	-
Biofocus Biotechnology Joint Stock Company	43,688,992	-	-	-
HAPHARMA Joint Stock Company	280,090,264	-	-	-
Dong Y Pharmaceutical Joint Stock Company (Nam Lang)	121,888,331	-	-	-
Tran Manh Tinh	378,343,379	-	-	-
	3,671,385,063	-	-	-

6. Inventories

	31/12/2024		01/01/2024	
	Original value	Provision	Original value	Provision
Raw material	54,200,285,889	-	43,389,626,677	-
Work in process	15,202,316,672	-	5,077,165,902	-
Finished goods	52,911,355,963	-	47,565,868,057	-
Merchandise (*)	5,595,094,560	-	8,320,857,436	-
	127,909,053,084	-	104,353,518,072	-

7. Prepaid expenses

	31/12/2024	01/01/2024
Short-term		
Instruments and tools	624,164,224	764,114,654
Total	624,164,224	764,114,654
Long-term		
Instruments and tools	2,866,669,162	4,337,834,122
Consulting costs for GMP WHO and GMP EU for Cam Thuong Factory	-	3,192,310,118
	2,866,669,162	7,530,144,240

8. Tangible fixed assets

Appendix No. 01

9. Intangible fixed assets

Items	Land use rights	Land lease rights	Software	Total
Original cost				
As at 01/01/2024	20,651,287,846	-	4,906,000,000	25,557,287,846
As at 31/12/2024	20,651,287,846	-	4,906,000,000	25,557,287,846
Accumulated depreciation				
As at 01/01/2024	2,399,937,490	-	4,906,000,000	7,305,937,490
As at 31/12/2024	2,399,937,490	-	4,906,000,000	7,305,937,490
Net carrying amount				
As at 01/01/2024	18,251,350,356	-	-	18,251,350,356
As at 31/12/2024	18,251,350,356	-	-	18,251,350,356

Cost of fully depreciated intangible fixed assets but still in use: 7,305,937,490

10. Long-term assets in progress

Construction in progress	31/12/2024	01/01/2024
Consulting costs for EU GMP standards for Cam Thuong Factory Phase 2	5,921,925,093	4,379,453,300
Consulting + design costs and construction investment for Cephalosporin GMP EU production line - Project Phase 2	12,855,006,168	600,000,000
Value of land use rights L09-54, L09-53 in Can Tho	5,655,576,198	5,655,576,198
	24,432,507,459	10,635,029,498

11. Payables to suppliers

	Value and Realizable value	
	31/12/2024	01/01/2024
Short-term		
Van Xuân Pharmaceutical Trading Limited Liability Company	3,011,560,416	3,011,560,416
Hanoi International Chemical Pharmaceutical Joint Stock Company	3,087,099,550	2,262,203,250
Dac Ha Limited Liability Company	732,231,502	2,022,065,505
Thuan An Phat Pharmaceutical Joint Stock Company	3,882,712,100	1,610,720,922
Hung Phu Glass Joint Stock Company	1,610,031,600	1,445,850,000
Hoang Ngoc Medical Equipment and Pharmaceutical Joint Stock Company	3,552,853,700	1,427,078,125
Dong Au Trading and Manufacturing Limited Liability Company	2,723,748,331	1,371,194,437
Duc Thanh Packaging and Trading Limited Liability Company	2,211,927,198	1,199,184,480
SINOBRIGHT PHARMA CO., LIMITED	-	1,157,034,000
Hong Quang Glass Cooperative	445,448,465	1,125,388,697
CPC1 Central Pharmaceutical Joint Stock Company	2,778,300,000	-
Other	39,877,133,233	30,715,333,988
	63,913,046,095	47,347,613,820

12. Advances from customers

	31/12/2024	01/01/2024
Short-term		
Hà Minh Trading and Technology Limited Liability Company	3,682,738,650	389,063,650
Hoang Giang Pharmaceutical Joint Stock Company	4,944,077	-
Summer Jordan for Storage & General Trading	1,510,800,000	-
Al Safwa Scientific Bureau	-	1,626,559,233
IPP Pharmaceutical Trading Limited Liability Company	1,462,230,000	242,865,000
SOLPHARMA Limited Liability Company	942,400,983	-
DG Pharmaceutical and Medical Supplies Limited Liability Company	535,000,000	-
World Roche Joint Stock Company (Bayer World)	1,111,055,600	508,100,000
2B Trading and Service Limited Liability Company	526,757,246	712,988,629
Santa Vietnam Pharmaceutical Joint Stock Company	1,398,337,500	40,625,000
Summer Jordan for Storage & General Trading (duplicate)	1,510,800,000	-
Surecare for Pharmaceuticals & Medical Supplies	1,159,681,861	-
Other Customers	13,166,687,239	8,258,698,492
	27,011,433,156	11,778,900,004

13. Taxes and payables to the state budget

Payables

	31/12/2024	Payables	Already paid	01/01/2024
Value-added tax	-	44,491,875,128	44,492,313,788	438,660
Export, import duties	-	148,687,825	148,687,825	-
Business income tax	6,302,229,077	10,179,727,977	5,714,934,371	1,837,435,471
Personal income tax	849,808,878	2,642,266,500	2,504,751,877	712,294,255
Property tax and land rental	-	1,192,134,904	1,192,134,904	-
Other taxes	-	294,756,596	294,756,596	-
	7,152,037,955	58,949,448,930	54,347,579,361	2,550,168,386

In which: *Actual corporate income tax paid during the period* 5,592,091,588

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

14. Accrued expenses

	31/12/2024	01/01/2024
Short-term		
Remuneration for the Board of Directors, Supervisory Board, and Secretary	356,580,162	237,937,963
Others	71,581,904	236,609,604
	428,162,066	474,547,567

15. Unearned revenue

	31/12/2024	01/01/2024
Short-term		
Revenue received in advance for product registration services	2,876,270,633	575,276,189
Rentals, premises	325,663,637	261,590,909
	3,201,934,270	836,867,098

16. Other payables

	31/12/2024	01/01/2024
16.1. Short-term		
Other parties		
Other payables (Customers for contract manufacturing who have deposited for product registration both domestically and	7,182,181,347	5,000,401,347
<i>IPP Pharmaceutical Trading Company Limited</i>	4,621,673,047	1,780,000,000
<i>Green Vietnam Pharmaceutical Trading Company Limited</i>	495,000,000	95,000,000
<i>Alpha France Pharmaceutical Trading Joint Stock Company</i>	200,000,000	300,000,000
<i>Santa Vietnam Pharmaceutical Joint Stock Company</i>	250,000,000	300,000,000
<i>Other</i>	1,615,508,300	2,525,401,347
	7,182,181,347	5,000,401,347

17. Loans and debts

17.1. Short-term loans and debts

	Value and able to pay			
	31/12/2024	Increase	Decrease	01/01/2024
Banks	65,644,328,072	148,984,123,275	163,527,893,673	80,188,098,470
Hai Duong Industry and Trade Commercial Bank (i)	33,173,798,296	59,786,174,118	45,766,069,301	19,153,693,479
Vietnam International Commercial Bank - Hai Duong Branch (ii)	16,008,445,612	35,810,895,553	37,575,926,845	17,773,476,904
BIDV Bank Tran Hung Dao Branch (iii)	16,462,084,164	53,387,053,604	80,185,897,527	43,260,928,087
Organizations, individuals	281,000,000	-	100,000,000	381,000,000
Loans to employees	281,000,000	-	100,000,000	381,000,000
	65,925,328,072	148,984,123,275	163,627,893,673	80,569,098,470

17.2. Long-term loans and debts

	Value and able to pay			
	31/12/2024	Increase	Decrease	01/01/2024
Organizations, individuals	2,153,610,633	-	52,260,900	2,205,871,533
Loans to employees (iii)	2,153,610,633	-	52,260,900	2,205,871,533
Hai Duong Investment and Development Commercial Bank - Trần Hưng Đạo Transaction Office (iiii)	3,849,103,357	3,849,103,357	-	-
	6,002,713,990	3,849,103,357	52,260,900	2,205,871,533
In which:				
Current portion of long-	-			-
Long-term loans and debts	6,002,713,990			2,205,871,533

Detail information on Long-term loans as at 31/12/2024

(i) Loan Agreement No. 02.10/2023-HĐCVHM/NHCT340-DUOCVTYT dated October 18, 2023; Credit Limit: 50,000,000,000 VND. Purpose: to supplement working capital for the production and business activities of pharmaceuticals and medical equipment. Duration of the credit limit: 12 months from the date of signing the contract. Interest rate: the lending interest rate is specified in the Debt Acknowledgment for each disbursement. Collateral: Mortgage Contract No. 16.09/CNHD9/2016/HĐTC/DUOC-VTYT dated September 19, 2016, and related amendments and supplements to the Mortgage Contract.

- Amendment No. 02.10/2023-HĐCVHM/NHCT340-DUOCVTYT/SĐBS01 signed on October 16, 2024 extends the duration of Loan Agreement No. 02.10/2023-HĐCVHM/NHCT340-DUOCVTYT/SĐBS01 signed on October 16, 2024: from October 16, 2024, to January 5, 2025, with the same limit and purpose as the old contract.

(ii) Credit Agreement No. 1030372.24 dated November 5, 2024; Credit limit: 60,000,000,000 VND or equivalent in foreign currency. Purpose: to meet the demand for purchasing goods and raw materials for the production and business activities of pharmaceuticals, functional foods, cosmetics, materials, and medical equipment as per the business registration. Duration: 12 months from the date of signing the contract. Interest rate: floating interest rate, determined at the time of disbursement or interest rate adjustment, subject to the interest rate policy of the Bank at each period. Collateral: the right to collect receivables from customers listed in this credit agreement.

(iii)

- Credit contract No. 01/2023/222776/HĐTD dated April 27, 2023; Credit limit: 70,000,000,000 VND, including both Vietnamese dong and equivalent foreign currency. Purpose: to supplement working capital, provide guarantees, and open L/Cs. Duration: 12 months from the date of signing the contract. Interest rate: the lending interest rate is specified in the Debt Acknowledgment for each disbursement. Collateral: Medical equipment and assets attached to the company's land. Amendment document No. 01.01/2023/222776/HĐTD signed on April 26, 2024, extends the duration of Credit Contract No. 01/2023/222776/HĐTD signed on April 26, 2023: from April 26, 2024, to July 27, 2024, with the same limit and purpose as the old contract. The loan has been settled during the period.

- Credit contract No. 02/2024/222776 dated September 4, 2024; Credit limit: 100,000,000,000 VND, including both Vietnamese dong and equivalent foreign currency. Purpose: to supplement working capital, provide guarantees, and open L/Cs. Duration: 12 months from the date of signing the contract. Interest rate: the lending interest rate is specified in the Debt Acknowledgment for each disbursement. Collateral: Medical equipment and assets attached to the company's land. Duration of the credit limit: September 4, 2024, to September 4, 2025.

(iiii) Includes employee loan contracts with a term of over 12 months, with an interest rate of 5.5% per annum for the first 6 months of 2024 and 6% per annum for the last 6 months of 2024, without any collateral.

(iiiii) The loan payments to customers from Credit Agreement No. 01/2024/222776/HĐTD dated September 4, 2024; the withdrawn amount: 3,849,103,357 VND to pay for two contracts, including: 15% of the value according to Contract No. 2752/HĐTC/DHD-PCCC_PC and the second payment according to Contract No. 06/2024/HĐTC/DHD-ALPHACO for House 4C Cẩm Thượng.

18. Owner's equity

18.1. Increase and decrease in owner's equity

Appendix No. 02

Earnings distribution	Year 2024	Year 2023
Total profit of the previous period carried forward	41,544,595,561	41,614,637,708
Profit after tax in the period	40,608,780,696	31,514,069,929
Increase, decrease () other	(364,836,500)	(305,748,076)
Earnings distribution of the previous year, in which:	(31,596,759,000)	(31,278,364,000)
Bonus and welfare fund deduction	(25,476,870,000)	(25,278,450,000)
Dividend Payment	(6,119,889,000)	(5,999,914,000)
Remuneration for the Board of Directors, Non-Executive Supervisory B	-	-
Undistributed profit after tax at the end of the period	50,191,780,757	41,544,595,561

18.3. The details of the owner's equity	31/12/2024		01/01/2024	
	Rate (%)	Value	Rate (%)	Value
Shareholders' capital contributions	100.00	279,473,170,000	100.00	203,996,300,000
	100.00	279,473,170,000	100.00	203,996,300,000

18.4. Capital transactions with owners and distribution of dividends and profits

Owner's Equity	Year 2024	Year 2023
Opening balance	203,996,300,000	149,997,850,000
Increase in the period	75,476,870,000	53,998,450,000
Decrease in the period	-	-
Closing balance	279,473,170,000	203,996,300,000
Dividends, profits shared	Year 2024	Year 2023
Dividends distributed on last year profit	(6,119,889,000)	(5,999,914,000)

18.5. Stock	31/12/2024	01/01/2024
Quantity of registered issuing stocks	27,947,317	20,399,630
Quantity of Authorized issuing stocks		
Common stocks	27,947,317	20,399,630
Quantity of Outstanding Stocks		
Common stocks	27,947,317	20,399,630
Par value of Stocks	10,000	10,000
18.6. Funds in Company	31/12/2024	01/01/2024
Development and Investment Fund	124,594,214,888	174,594,214,888
19. Items outside the Balance Sheet		
Foreign currency	31/12/2024	01/01/2024
USD	154,688.59	54,244.08
EUR	4,001.43	8,018.02
VI. Descriptive information in addition to the items presented in the Income statement		
		Unit: VND
1. Total revenues from sale of goods and rendering of services		
Revenue from sale of goods	Year 2024	Year 2023
Revenue from the sale of goods and finished products	657,352,412,747	603,985,385,248
Revenue from the provision of services	10,703,775,495	12,265,630,612
	668,056,188,242	616,251,015,860
2. Deductible items	Year 2024	Year 2023
Trade discount	1,195,909,160	59,657,231
Sales discount	272,692,714	12,906,242
Discount sales-Construction	1,195,909,160	1,435,716,449
	3,054,479,448	1,508,279,922
3. Cost of good sold	Year 2024	Year 2023
Cost of goods sold	454,770,265,987	426,688,430,719
	454,770,265,987	426,688,430,719
4. Financial incomes	Year 2024	Year 2023
Interests of bank deposits and loans	29,742,305	31,000,434
Exchange rate differences income for the period	552,588,728	395,708,059
Exchange rate differences income at the end of the period	50,857,754	-
	633,188,787	426,708,493

5. Financial expenses	Year 2024	Year 2023
Interests of borrowing	3,218,208,599	5,492,844,385
Cash discount, interest on slow sales	1,191,588,287	1,111,865,201
Exchange rate differences loss for the period	1,845,691,262	1,887,034,253
Exchange rate differences loss due to revaluation	-	47,999,296
	6,255,488,148	8,539,743,135
6. Selling and general administrative expenses	Year 2024	Year 2023
Selling expenses		
Labour expenses	52,045,545,103	46,465,664,494
Depreciation expenses	2,691,974,910	2,750,758,629
Expenses from external services	6,574,276,539	6,110,086,762
Other expenses by cash	12,837,739,999	13,318,309,970
	74,149,536,551	68,644,819,855
General administrative expenses		
Management staff	37,682,808,567	33,589,965,013
Raw materials	5,678,635,404	4,332,767,438
Tools, utensils	4,374,140,857	5,292,679,702
Depreciation expenses	3,937,453,862	5,434,458,746
Tax, Charge, Fee	1,194,703,208	1,369,185,305
Provision expenses	7,639,626,005	3,122,983,924
Expenses from external services	5,907,544,016	6,095,560,303
Other expenses by cash	3,671,385,063	-
Other expenses by cash	11,728,494,665	13,423,301,110
	81,814,791,647	72,660,901,541
7. Other income	Year 2024	Year 2023
Income from liquidating, disposing fixed assets	99,251,863	-
<i>Proceeds</i>	181,809,091	-
<i>Residual value</i>	82,557,228	-
Other income	2,053,216,868	892,870,536
	2,152,468,731	892,870,536
8. Other expense	Year 2024	Year 2023
Tax penalties, administrative violations penalties	8,775,306	36,500,000
	8,775,306	36,500,000
9. Business and productions cost by items	Year 2024	Year 2023
Cost of materials	276,627,947,622	257,611,227,414
Labour cost	123,221,929,065	110,933,524,478
Depreciation	27,261,433,809	23,108,369,633
Outside purchase services cost	42,191,441,087	36,424,338,305
Other expenses	47,124,725,201	40,859,227,449
	516,427,476,784	468,936,687,279

10. Income Tax

	Year 2024	Year 2023
Corporate income tax from main business field		
Total profit before tax	50,788,508,673	39,491,919,717
Increase	187,718,967	1,126,484,451
Invalid payment	-	-
Other non-deductible expenses (write-offs of uncollectible accounts receivable)	178,943,661	-
Administrative penalties, Tax penalties	8,775,306	36,500,000
Depreciation expense corresponding to the original cost of fixed assets exceeding 1.6 billion VND	-	432,882,742
Exchange rate loss due to the reassessment of foreign currency-denominated bank deposits	-	1,385,531
Adjustments for decreases ()	(77,587,754)	(73,439,052)
Dividend	-	-
Capital gains from the revaluation of cash and receivables	(77,587,754)	(73,439,052)
Taxable income	50,898,639,886	39,889,248,938
Current corporate income tax expense	10,179,727,977	7,977,849,788
Adjustment of previous year corporate income tax expense to this year corporate income tax expense	-	-
Current corporate income tax expense	10,179,727,977	7,977,849,788

11. Basic earnings/loss per share

	Year 2024	Year 2023
Profit after tax	40,608,780,696	31,514,069,929
Adjustment:	-	-
Distributed profit for shareholders	40,608,780,696	31,514,069,929
Average quantity of authorized issuing stocks	27,947,317	27,947,317
Basic earnings/loss per share (*)	1,453	1,128

In 2024, the company increased its charter capital from the Development Investment Fund and undistributed after-tax profits. As a result, the basic earnings/loss per share for the same period last year was adjusted according to the additional shares issued. This retrospective adjustment caused the basic earnings/loss per share for the previous period to decrease from 1,545 VND to 1,128 VND.

VII. Other information

Unit: VND

1. Events after the reporting period

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the financial statements.

2. Information on related parties

2.1. List of related parties

Related parties	Relationship
Members of the Board of Directors, Executive Board	Key management personnel
Family members of the Board of Directors, Executive Board	Related parties of key management personnel

2.2. During operation, there are a number of transactions between the company and related parties as follows:

<u>Contents/ Related parties</u>	<u>Year 2024</u>	<u>Year 2023</u>
Payment of the first dividend for unregistered shares		
Mr. Nguyen Trung Viet (Chairman)	2,499,591,600	-
Mrs. Nguyen Mai Lan (Wife of Mr. Nguyen Trung Viet)	1,002,906,000	-

2.3. Outstanding balances with related parties up to the reporting date are as follows

Balances with related parties at the balance sheet date are presented in Note V.

2.4. Transactions with other related parties are as follows

<u>No</u>	<u>Full name</u>	<u>Position</u>	<u>Year 2024</u>	<u>Year 2023</u>
1	Nguyen Trung Viet	Chairman	470,856,500	411,210,500
2	Tran Phuc Duong	Member of the Board of Directors	364,836,500	305,748,076
3	Nguyen Thi Tu Anh	Member of the Board of Directors, General Director	797,466,720	746,825,614
4	Dang Van Viet	Quality Director	447,057,087	442,192,052
5	Pham Van Nam	Business Director	584,380,363	514,868,385
6	Pham Thi Thuy	Head of the Supervisory Board	365,271,610	499,067,847
7	Tran Kim Cuong	Member of the Supervisory Board	303,325,764	282,650,857
8	Nguyen Thi Huong Lan	Member of the Supervisory Board	390,399,931	336,957,082
			3,723,594,475	3,539,520,413

3. Segment statements

The Company does not prepare segment statements because of not satisfying 1 in 3 conditions about preparing segment statements upon business field or geographical area required in Circular No. 20/2006/TT-BTC dated on 26 March 2006 of Ministry of Finance guiding performance of accounting standards promulgated under Decision No. 12/2005/QĐ-BTC dated on 15 February 2005 of Ministry of Finance.

4. Comparative information

The comparative figures are from the 2023 financial statements of Hai Duong Medical Materials Joint Stock Company, which have been audited by the branch of Moore AISC Auditing and IT Services Company Limited.

5. Other information

There are no events that raise significant doubts about the company's ability to continue as a going concern, and the company has no intention or obligation to cease operations or significantly reduce its scale of operations

Prepared by



Tran Quoc Tuan

Chief Accountant



Chu Van Long

Hai Duong, 05 March 2025

General Director




Nguyen Thi Tu Anh

Appendix No. 01

8. Tangible fixed assets

Items	Buildings	Machinery and equipment	Transportation and transmission means	Management equipment and tools	Total
Original cost					
As at 01/01/2024	170,357,513,659	277,252,709,073	20,264,529,754	2,945,335,539	470,820,088,025
Purchase in the period	-	7,371,479,492	-	-	7,371,479,492
Finished construction investment	2,376,169,830	1,328,791,012	-	-	3,704,960,842
Liquidating, disposed	-	(479,759,591)	-	-	(479,759,591)
Other decrease	-	-	-	-	-
As at 31/12/2024	172,733,683,489	285,473,219,986	20,264,529,754	2,945,335,539	481,416,768,768
Accumulated depreciation					
As at 01/01/2024	52,539,320,935	120,879,360,976	18,550,444,108	2,886,593,258	194,855,719,277
Depreciation in period	4,736,250,978	21,882,909,627	626,102,184	25,767,276	27,271,030,065
Liquidating, disposed	-	(397,202,363)	-	-	(397,202,363)
Other decrease	-	-	-	-	-
As at 31/12/2024	57,275,571,913	142,365,068,240	19,176,546,292	2,912,360,534	221,729,546,979
Net carrying amount					
As at 01/01/2024	117,818,192,724	156,373,348,097	1,714,085,646	58,742,281	275,964,368,748
As at 31/12/2024	115,458,111,576	143,108,151,746	1,087,983,462	32,975,005	259,687,221,789

Ending net book value of tangible fixed assets pledged as loan securities:

Cost of fully depreciated tangible fixed assets but still in use:

120,075,720,245

Original value of tangible fixed assets as of December 31, 2024, formed from the science and technology development fund:

2,473,297,526

Appendix No. 02

18. Owner's equity

18.1. Increase and decrease in owner's equity

	Owner's Equity	Share capital surplus	Development investment fund	Other owner's equity	Retained earnings	Total
As at 01/01/2023	149,997,850,000	28,720,000,000	174,594,214,888		41,614,637,708	569,520,917,484
Increase in capital	53,998,450,000	(28,720,000,000)			(25,278,450,000)	-
Profit/(loss) in period					31,514,069,929	31,514,069,929
Earnings distribution					(5,999,914,000)	(5,999,914,000)
Other decrease					(305,748,076)	(305,748,076)
As at 31/12/2023	203,996,300,000	-	174,594,214,888		41,544,595,561	594,729,325,337
As at 01/01/2024	203,996,300,000		174,594,214,888		41,544,595,561	594,729,325,337
Increase in capital	75,476,870,000		(50,000,000,000)		(25,476,870,000)	(50,000,000,000)
Profit/(loss) in period					40,608,780,696	40,608,780,696
Earnings distribution					(6,119,889,000)	(6,119,889,000)
Other decrease					(364,836,500)	(364,836,500)
As at 31/12/2024	279,473,170,000	-	124,594,214,888		50,191,780,757	578,853,380,533

(i) The company is issuing shares to increase its equity capital from the Development Investment Fund and undistributed after-tax profits at a ratio of 100:37 (each shareholder owning 100 shares will receive 37 additional shares issued) according to Resolution No. 02/NQ-ĐHCĐ-DHD dated April 2, 2024. Specifically as follows:

- Development Investment Fund:	50,000,000,000	VND
- Undistributed after-tax profits:	25,476,870,000	VND
Total	75,476,870,000	VND

The company has completed the registration of additional share transactions according to Decision No. 137/2010/GCNCP-VSDC-8 dated June 10, 2024, from the Vietnam Securities Depository and Clearing Corporation. Accordingly, the number of shares registered for additional transactions is 7,547,687 shares, with a par value of 10,000 VND per share, resulting in a total value of the registered additional shares (at par value): 75,476,870,000 VND

(ii) Pay the first dividend for unregistered shares in cash from the 2023 profits (at a rate of 3%) according to Resolution No. 02/NQ-ĐHCĐ-DHD dated April 2, 2024.