

Central Pharmaceutical CPC1 Joint Stock Company

Financial statements

For the year ended 31 December 2024



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Central Pharmaceutical CPC1 Joint Stock Company

Financial statements

For the year ended 31 December 2024



Central Pharmaceutical CPC1 Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1 - 2
Report of management	3
Independent auditors' report	4 - 5
Balance sheet	6 - 7
Income statement	8
Cash flow statement	9 - 10
Notes to the financial statements	11 - 40

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Central Pharmaceutical CPC1 Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Central Pharmaceutical CPC1 Joint Stock Company ("the Company"), formerly known as Grade I Pharmaceutical Company, a State-owned enterprise under Vietnam Pharmaceutical Enterprises Union, and is now a subsidiary of Vietnam Pharmaceutical Corporation. On 29 June 2010, the Company has been officially transformed into Central Pharmaceutical One Member Limited Liability Company 1 in accordance with Decision No. 045/QĐ-TCTD of the Chairman of the Board of Directors of Vietnam Pharmaceutical Corporation. Pursuant to Decision No. 2290/QĐ-BYT dated 12 June 2015 of the Minister of Health approving the equitization plan, the Company was transformed to a joint stock company under the name Central Pharmaceutical CPC1 Joint Stock Company.

The Company was approved to become a public company under Official Dispatch No. 3339/UBCK-GSDC dated 29 May 2017 of the State Securities Commission. The Company's shares have been officially listed on the UPCoM since from 12 June 2018 under the stock code DP1.

The Company operates under the Business Registration Certificate No. 0100108536 issued by Hanoi Department of Planning and Investment on 4 January 2016. The Company also received subsequent amended Business Registration Certificates with the latest is the 16th amendment being granted on 6 May 2022.

The principal activities during the year of the Company are wholesale and retail of medicines, medical equipment, cosmetics and hygiene products.

The Company's head office is located at No. 87 Nguyen Van Troi Street, Phuong Liet Ward, Thanh Xuan District, Hanoi, Vietnam.

BOARD OF DIRECTORS

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

Ms. Han Thi Khanh Vinh	Chairwoman	
Mr. Nguyen Doan Liem	Member	
Mr. Nguyen Huy Thanh	Member	
Ms. Tran Thi Kim Khanh	Independent Member	Appointed on 11 April 2024
Ms. Bui Thi Thanh Hai	Member	Appointed on 11 April 2024
Ms. Nguyen Hong Nhung	Member	Resigned on 11 April 2024
Ms. Nguyen Thuy Dung	Member	Resigned on 11 April 2024

BOARD OF SUPERVISION

Pursuant to the Resolution of the Annual General Meeting of Shareholders dated 11 April 2024, the Company's General Meeting of Shareholders approved the change of its organizational model, and to discontinue the use of the Board of Supervision, to dismiss existing members of the Board of Supervision and to establish Audit Committee under the Board of Directors. The members of the Supervisory Board during the year and up to the date of the change is as follows:

Ms. Luong Thi Kim Thanh	Head of Board	Resigned on 11 April 2024
Ms. Bui Thi Thanh Hai	Member	Resigned on 11 April 2024
Ms. Ha Lan Anh	Member	Resigned on 11 April 2024

AUDIT COMMITTEE

The members of the Audit Committee during the year and at the date of this report are as follows:

Ms. Tran Thi Kim Khanh	Chairwoman	Appointed on 12 June 2024
Mr. Nguyen Doan Liem	Member	Appointed on 12 June 2024

Central Pharmaceutical CPC1 Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

Mr. Cong Viet Hai	General Director	Resigned on 13 December 2024
Mr. Ta Van Dung	Acting General Director	Appointed on 13 December 2024
Ms. Nguyen Thi Hoa	Deputy General Director	
Ms. Bui Thi Thanh Hai	Deputy General Director	Appointed on 1 May 2024
Ms. Nguyen Huy Thanh	Deputy General Director	Appointed on 1 June 2024

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Ms. Han Thi Khanh Vinh - Chairwoman of the Board of Directors. Mr. Ta Van Dung - Acting General Director is authorized by Ms. Han Thi Khanh Vinh to sign the accompanying financial statements for the year ended 31 December 2024 in accordance with Authorization Letter No. 1993/GUQ-CPC1 dated 27 December 2024.

AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

Central Pharmaceutical CPC1 Joint Stock Company

REPORT OF MANAGEMENT

Management of Central Pharmaceutical CPC1 Joint Stock Company (“the Company”) is pleased to present this report and the financial statements of the Company for the year ended 31 December 2024.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company, and of the results of its operations and its cash flows for the year. In preparing those financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements 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; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Management confirmed that it has complied with the above requirements in preparing the accompanying financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements.

For and on behalf of the management:



Ta Van Dung
Acting General Director

Hanoi, Vietnam

30 March 2025



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Website (VN): ey.com/vi_vn

Reference: 12846136/68426813

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Central Pharmaceutical CPC1 Joint Stock Company

We have audited the accompanying financial statements of Central Pharmaceutical CPC1 Joint Stock Company ("the Company") as prepared on 30 March 2025 and set out on pages 6 to 40, which comprise the balance sheet as at 31 December 2024, the income statement and the cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

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Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2024, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements.

Emphasis of matter

We draw attention to Note 31 of the financial statements which described the Company's restatement of certain corresponding figures on the financial statements for the year ended 31 December 2024 to correct prior years' accounting errors.

Our audit opinion is not modified in respect of this matter.

Ernst & Young Vietnam Limited



Bùi Anh Tuan
Deputy General Director
Audit Practising Registration
Certificate No. 1067-2023-004-1

Le Minh Tung
Auditor
Audit Practising Registration
Certificate No. 4656-2023-004-1

Hanoi, Vietnam

31 March 2025

BALANCE SHEET
as at 31 December 2024

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance (Restated)
100	A. CURRENT ASSETS		1,243,266,255,585	1,129,748,029,939
110	I. Cash	4	9,507,536,737	27,898,593,898
111	1. Cash		9,507,536,737	27,898,593,898
130	II. Current accounts receivables		496,951,385,423	603,349,512,987
131	1. Short-term trade receivables	5.1	486,370,464,967	547,198,955,438
132	2. Short-term advances to suppliers	5.2	11,374,582,149	56,390,085,979
136	3. Other short-term receivables	6	2,376,495,796	2,615,433,786
137	4. Provision for doubtful short-term receivables	5.1	(3,170,157,489)	(2,854,962,216)
140	III. Inventories	8	715,839,688,988	486,167,175,261
141	1. Inventories		739,845,564,562	535,791,264,548
149	2. Provision for obsolete inventories		(24,005,875,574)	(49,624,089,287)
150	IV. Other current assets		20,967,644,437	12,332,747,793
151	1. Short-term prepaid expenses	12	1,840,213,756	2,174,781,711
152	2. Value-added tax deductible		18,898,395,710	10,019,437,979
153	3. Tax and other receivables from the State	14	229,034,971	138,528,103
200	B. NON-CURRENT ASSETS		149,931,233,466	155,362,414,241
220	I. Fixed assets		88,386,399,387	93,835,244,759
221	1. Tangible fixed assets	9	60,521,166,587	65,970,011,959
222	Cost		214,315,145,753	210,706,863,988
223	Accumulated depreciation		(153,793,979,166)	(144,736,852,029)
227	2. Intangible fixed assets	10	27,865,232,800	27,865,232,800
228	Cost		30,571,666,000	30,571,666,000
229	Accumulated amortisation		(2,706,433,200)	(2,706,433,200)
240	II. Long-term assets in progress		362,866,667	-
242	1. Construction in progress		362,866,667	-
250	III. Long-term investments	11	31,632,167,739	31,451,046,339
253	1. Investment in other entities		32,511,198,461	32,511,198,461
254	2. Provision for diminution in value of long-term investments		(879,030,722)	(1,060,152,122)
260	IV. Other long-term assets		29,549,799,673	30,076,123,143
261	1. Long-term prepaid expenses	12	24,933,986,855	26,196,957,190
262	2. Deferred tax assets	27.3	4,615,812,818	3,879,165,953
270	TOTAL ASSETS		1,393,197,489,051	1,285,110,444,180

BALANCE SHEET (continued)
as at 31 December 2024

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance (Restated)
300	C. LIABILITIES		881,667,353,990	827,312,025,426
310	I. Current liabilities		881,667,353,990	827,312,025,426
311	1. Short-term trade payables	13.1	448,902,657,067	408,477,686,594
312	2. Short-term advances from customers	13.2	5,027,396,968	670,090,316
313	3. Statutory obligations	14	47,529,365,909	53,787,909,364
314	4. Payables to employees		11,025,618,927	10,573,663,880
315	5. Short-term accrued expenses	15	5,446,809,923	3,211,318,830
318	6. Short-term unearned revenues		1,539,221,331	-
319	7. Other short-term payables	16	18,872,364,887	14,932,361,693
320	8. Short-term loans	17	336,243,879,456	334,986,943,470
322	9. Bonus and welfare fund	18	7,080,039,522	672,051,279
400	D. OWNERS' EQUITY		511,530,135,061	457,798,418,754
410	I. Capital	19	511,530,135,061	457,798,418,754
411	1. Issued share capital		209,790,000,000	209,790,000,000
411a	- Shares with voting rights		209,790,000,000	209,790,000,000
418	2. Investment and development fund		2,444,991,780	2,444,991,780
421	3. Undistributed earnings		299,295,143,281	245,563,426,974
421a	- Undistributed earnings by the end of prior year		204,319,740,049	144,610,847,715
421b	- Undistributed earnings of current year		94,975,403,232	100,952,579,259
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,393,197,489,051	1,285,110,444,180



Preparer
Ninh Thi Thu Hien



Chief Accountant
Dang Thi Du



Acting General Director
Ta Van Dung

Hanoi, Vietnam

30 March 2025

INCOME STATEMENT
for the year ended 31 December 2024

Currency: VND

Code	ITEMS	Notes	Current year	Previous year (Restated)
01	1. Revenue from sale of goods and rendering of services	21.1	2,025,737,354,729	2,158,359,154,152
02	2. Deductions	21.1	-	-
10	3. Net revenue from sale of goods and rendering of services	21.1	2,025,737,354,729	2,158,359,154,152
11	4. Cost of goods sold and services rendered	22	(1,714,611,438,935)	(1,815,764,685,260)
20	5. Gross profit from sale of goods and rendering of services		311,125,915,794	342,594,468,892
21	6. Finance income	21.2	22,834,257,480	16,601,376,462
22	7. Finance expenses	23	(41,445,372,703)	(57,544,904,394)
23	<i>In which: Interest expenses</i>		(12,425,558,101)	(17,779,579,670)
25	8. Selling expenses	24	(131,078,736,088)	(130,825,196,865)
26	9. General and administrative expenses	24	(42,377,163,804)	(36,385,272,478)
30	10. Operating profit		119,058,900,679	134,440,471,617
31	11. Other income	25	29,660,127,959	374,395,643
32	12. Other expenses	25	(4,500,036,505)	(3,557,632,509)
40	13. Other profit/(loss)	25	25,160,091,454	(3,183,236,866)
50	14. Accounting profit before tax		144,218,992,133	131,257,234,751
51	15. Current corporate income tax expenses	27.1	(26,581,222,948)	(32,183,821,448)
52	16. Deferred tax (expense)/income	27.3	(3,879,165,953)	3,879,165,953
60	17. Net profit after tax		113,758,603,232	102,952,579,256
70	18. Basic earnings per share	30	4,878	4,114
71	19. Diluted earnings per share	30	4,878	4,114

Preparer
Ninh Thi Thu Hien

Chief Accountant
Dang Thi Du

Acting General Director
Ta Van Dung

Hanoi, Vietnam

30 March 2025

CASH FLOW STATEMENT
for the year ended 31 December 2024

Currency: VND

Code	ITEMS	Notes	Current year	Previous year (Restated)
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		144,218,992,133	131,257,234,751
	<i>Adjustments for:</i>			
02	Depreciation of fixed assets, amortisation of intangible fixed assets and prepaid land rental fee allocation costs	26	8,429,960,681	7,721,462,641
03	(Reversal of provisions)/Provisions		(25,432,647,840)	35,216,974,134
04	Foreign exchange losses arisen from revaluation of monetary accounts denominated in foreign currency		2,583,048,202	9,738,570,900
05	Profits from investing activities		(4,219,666,260)	(2,787,857,747)
06	Interest expenses	23	12,425,558,101	17,779,579,670
08	Operating profit before changes in working capital		138,005,245,017	198,925,964,349
09	Decrease/(increase) in receivables		96,258,607,948	(7,331,240,348)
10	(Increase)/decrease in inventories		(204,054,300,014)	7,192,068,345
11	Increase/(decrease) in payables		41,959,523,957	(169,971,829,169)
12	Decrease/(increase) in prepaid expenses		334,567,956	(351,316,330)
14	Interest paid		(12,386,699,845)	(17,824,581,925)
15	Corporate income tax paid	14	(35,794,314,211)	(27,000,000,000)
17	Other cash outflows for operating activities	18	(10,244,828,583)	(5,350,490,647)
20	Net cash flows from/(used in) operating activities		14,077,802,225	(21,711,425,725)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(736,352,741)	(3,690,192,300)
22	Proceeds from disposals of fixed assets and other long-term assets		-	365,637,000
27	Interest and dividends received		4,219,666,260	2,422,220,747
30	Net cash flows from/(used in) investing activities		3,483,313,519	(902,334,553)

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		764,862,949,330	763,316,612,738
34	Repayment of borrowings		(763,606,013,344)	(710,174,041,214)
36	Dividends paid		(37,218,956,200)	(31,440,531,000)
40	Net cash flows (used in)/from financing activities		(35,962,020,214)	21,702,040,524
50	Net decrease in cash for the year		(18,400,904,470)	(911,719,754)
60	Cash at beginning of year		27,898,593,898	28,789,581,773
61	Impact of exchange rate fluctuation		9,847,309	20,731,879
70	Cash at end of year	4	9,507,536,737	27,898,593,898



Preparer
Ninh Thi Thu Hien

Chief Accountant
Dang Thi Du

Acting General Director
Ta Van Dung

Hanoi, Vietnam

30 March 2025

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

1. CORPORATE INFORMATION

Central Pharmaceutical CPC1 Joint Stock Company ("the Company"), formerly known as Grade I Pharmaceutical Company, a State-owned enterprise under Vietnam Pharmaceutical Enterprises Union, and is now a subsidiary of Vietnam Pharmaceutical Corporation - . On 29 June 2010, the Company has been officially transformed into Central Pharmaceutical One Member Limited Liability Company 1 in accordance with Decision No. 045/QĐ-TCTD of the Chairman of the Board of Directors of Vietnam Pharmaceutical Corporation. Pursuant to Decision No. 2290/QĐ-BYT dated 12 June 2015 of the Minister of Health approving the equitization plan, the Company was transformed to a joint stock company under the name Central Pharmaceutical CPC1 Joint Stock Company.

The Company was approved to become a public company under Official Dispatch No. 3339/UBCK-GSĐC dated 29 May 2017 of the State Securities Commission. The Company's shares have been officially listed on the UPCoM since from 12 June 2018 under the stock code DP1.

The Company operates under the Business Registration Certificate No. 0100108536 issued by Hanoi Department of Planning and Investment on 4 January 2016. The Company also received subsequent amended Business Registration Certificates with the latest is the 16th amend being granted on 6 May 2022.

The principal activities during the year of the Company are wholesale and retail of medicines, medical equipment, cosmetics and hygiene products.

The Company's normal course of business cycle is 12 months.

The Company's head office is located at No. 87 Nguyen Van Troi Street, Phuong Liet Ward, Thanh Xuan District, Hanoi, Vietnam.

The Company's number of employees as at 31 December 2024 is 294 (31 December 2023: 308).

Corporate structure

In 2024, the Company has a wholesale facility and 4 dependent reporting branches ("dependent branches"). Details are as follows:

<u>Name</u>	<u>Location</u>
Central Pharmaceutical CPC1 Joint Stock Company - Wholesale facility No. 1	Counter 438, 4 th floor, Hapulico Pharmaceutical and Equipment Center, 24T1 building, Nguyen Huy Tuong street, Thanh Xuan district, Hanoi
Central Pharmaceutical CPC1 Joint Stock Company - Ho Chi Minh City Branch	No. 297/24A, Ly Thuong Kiet Street, Ward 15, District 11, Ho Chi Minh City
Central Pharmaceutical CPC1 Joint Stock Company - Quang Ninh Branch	No. 146, Alley 3, Cao Thang Street, Ha Long City, Quang Ninh Province
Central Pharmaceutical CPC1 Joint Stock Company - Da Nang Branch	Lot 75-76-77, Residential Area No. 2, Phan Lang Street, An Khe Ward, Thanh Khe District, Da Nang City
Central Pharmaceutical CPC1 Joint Stock Company - Nghe An Branch	No. 11, Lenin Street, Vinh City, Nghe An Province

NOTES TO THE 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 financial statements of the Company, which are expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

Accordingly, the accompanying financial statements, including their utilization 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 financial position and results of operations and cash flows of the Company in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Applied accounting documentation system*

The Company's applied accounting documentation system is the computer based system.

2.3 *Fiscal year*

The Company's fiscal year applicable for the preparation of its financial statements starts on 1 January and ends on 31 December.

2.4 *Accounting currency*

The financial statements are prepared in VND which is also the Company's accounting currency.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash*

Cash comprises cash on hand and cash at banks.

3.2 *Inventories*

Inventories are measured at the lower of historical costs and net realisable value. The cost of inventories comprise costs of purchase and other directly related cost 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 Company applies the perpetual inventory method to account for ending inventory of goods with purchase costs determined by the weighted average method.

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 Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the 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 income statement.

3.3 *Receivables*

Receivables are presented in the 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 at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the 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 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 its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use and the costs of dismantling and removing the asset and restoring the site on which it is located, if any. 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 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 income statement.

NOTES TO THE 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.

Where the Company is the lessee

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

Where the Company is the lessor

Assets subject to operating leases are included as the Company's investment properties in the balance sheet.

For other cases under an operating lease, lease income is recognised in the separate income statement on a straight-line basis over the lease term.

3.6 *Intangible assets*

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

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

Land use rights

Land use rights include long-term land use rights.

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 structure	5 – 25 years
Machinery and equipment	3 – 10 years
Means of transportation	5 – 10 years
Office equipment	3 – 7 years
Copyright, computer software	5 years

Long-term land use rights without amortisation.

3.8 *Borrowing costs*

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the year in which they are incurred.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *Construction in progress*

Construction in progress represents the costs of acquiring new assets that have not yet been fully installed or the costs of construction that have not yet been fully completed. Construction in progress is stated at cost, which includes all necessary costs to construct, repair, renovate, expand, or re-equip the projects with technologies, such as construction costs, tools and equipment costs, project management costs, construction consulting costs, and borrowing costs that are eligible for capitalization.

Construction in progress will be transferred to the appropriate fixed asset account when these assets are fully installed or the construction project is fully completed, and depreciation of these assets will commence when they are ready for their intended use. Construction costs are recognized as expenses when such costs do not meet the conditions to be recognized as fixed assets.

3.10 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses in the 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. Includes the types of expenses:

- ▶ Computer software license;
- ▶ Prepaid insurance;
- ▶ Prepaid office rental, prepaid land rental (*);
- ▶ Tools and equipment; and
- ▶ Fixed asset overhaul expenditure.

(* *Prepaid land rental*)

Prepaid land rental includes the unamortised balance of advance payment under the land lease contract signed with Tan Tao Investment and Industry Joint Stock Company on 21 October 2005 and 21 February 2017 with lease terms from 21 October 2005 to 21 October 2050 and from 21 February 2017 to 16 August 2050. According to Circular 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013, the above prepaid land rental is recorded as long-term prepaid expense and is allocated to expenses over the remaining term of the lease contract.

3.11 *Investments*

Investment in other entities

Investment in other entities are recorded at cost. Investments in other entities include investments in equity instruments but the enterprise does not have control, joint control or significant influence over the investee.

Provision for diminution in value of investments

Provision of the investment 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 income statement.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 *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 Company.

3.13 *Foreign currency transactions*

Transactions in currencies other than the Company's reporting currency (VND) are recorded at the actual exchange rates at transaction dates, determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rate of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rate of commercial banks designated for payment of the transactions;
- ▶ Payments for assets or expenses without liabilities initially being recognised are recorded at the buying exchange rate of the commercial banks that processed these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet date, determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

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

3.14 *Share capital*

Ordinary shares

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects.

3.15 *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 Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

Investment and development fund

This fund is set aside for use in the Company's expansion of its operation or of in-depth investment.

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 balance sheet.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 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.

Rendering of services

Revenue is recognized when services are completed and accepted by customers.

Rental income

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

Dividend and profit distribution income

Dividend and profit distribution income are recognized when Company is entitled to receive dividends or when the Company are entitled to receive profits from its capital contributions.

Interest income

Interest is recognized on an accrual basis based on the time and actual interest rate for each period.

3.17 Taxation

Current income tax

Current tax assets and liabilities for the current and prior years 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 at the balance sheet date.

Current income tax is charged or credited to the 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 Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Taxation* (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the 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;
- ▶ 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.

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;
- ▶ in respect of deductible temporarily differences associated with investments in 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 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 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 is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the 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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Taxation* (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off 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 Company intends either to 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.

3.18 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.19 *Segment reporting*

The Company's principal business activities are wholesale and retail of medicines, medical equipment, cosmetics and hygiene products. In addition, these activities are taking place within Vietnam. Therefore, the Company's risks and profitability are not significantly affected by differences in the products that the Company trades or by the Company's operations in different geographical areas. Therefore, the Company's management considers that the Company has only one segment according to business activities and geographical areas and the Company does not present segment report by business sector and segment report by geographical areas.

3.20 *Related parties*

Parties are considered to be related parties of the Company 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 Company and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

4. CASH

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	216,787,578	1,001,846,774
Cash at banks	9,290,749,159	26,896,747,124
TOTAL	9,507,536,737	27,898,593,898

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

5. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

5.1 Short-term trade receivables

	Currency: VND	
	Ending balance	Beginning balance
Bach Mai Hospital	22,405,230,000	21,867,454,773
Military Medical Hospital 175	19,841,211,150	15,020,331,096
Cho Ray Hospital	17,636,010,700	15,833,350,000
Center for Medical Review and Tertiary Care payment	15,486,710,254	15,578,277,232
Hanoi Heart Hospital	12,467,758,000	23,994,227,780
Other customers	398,533,544,863	454,729,633,837
Trade receivables from related parties (Note 28)	-	175,680,720
TOTAL	<u>486,370,464,967</u>	<u>547,198,955,438</u>
<i>Provision for doubtful short-term receivables</i>	<i>(3,170,157,489)</i>	<i>(2,854,962,216)</i>

Details of movements of provision for doubtful short-term receivables:

	Currency: VND	
	Current year	Previous year
Beginning balance	2,854,962,216	5,742,680,367
Add: Provision made during the year	6,980,000,454	10,793,483,326
Less: Reversal of provision during the year	<u>(6,664,805,181)</u>	<u>(13,681,201,477)</u>
Ending balance	<u>3,170,157,489</u>	<u>2,854,962,216</u>

5.2 Short-term advances to suppliers

	Currency: VND	
	Ending balance	Beginning balance
Nafarma Co., Ltd	5,890,000,000	16,078,346,257
B. Braun Medical Industries Sdn. Bhd	3,191,640,000	-
Panpharma GmbH	-	24,544,063,311
Bay Pharma Inc	-	6,876,671,040
Others	<u>2,292,942,149</u>	<u>8,891,005,371</u>
TOTAL	<u>11,374,582,149</u>	<u>56,390,085,979</u>

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

6. 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>
Receivables for entrusted import services (*)	1,714,502,720	-	223,678,656	-
Deposit, mortgages	27,000,000	-	2,044,281,652	-
Others	634,993,076	-	347,473,478	-
TOTAL	<u>2,376,495,796</u>	<u>-</u>	<u>2,615,433,786</u>	<u>-</u>

(*) These are receivables from entrusted import service related to the value of imported shipments, import tax, and consignment value added tax that have been completed during the year but have not been refunded by the trustors.

7. 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>
30-4 Hospital Can Tho University of Medicine and Pharmacy Hospital	1,180,366,679	354,110,004	1,180,366,679	590,183,340
Others	906,000,000	634,200,000	-	-
	5,362,987,320	3,290,886,506	4,096,894,061	1,832,115,184
TOTAL	<u>7,449,353,999</u>	<u>4,279,196,510</u>	<u>5,277,260,740</u>	<u>2,422,298,524</u>

8. INVENTORIES

Currency: VND

	<i>Ending balance</i>		<i>Beginning balance (Restated)</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Goods in transit	82,266,113,455	-	30,783,737,714	-
Merchandise	657,579,451,107	(24,005,875,574)	505,007,526,834	(49,624,089,287)
TOTAL	<u>739,845,564,562</u>	<u>(24,005,875,574)</u>	<u>535,791,264,548</u>	<u>(49,624,089,287)</u>

Detail of movements of provision for obsolete inventories:

Currency: VND

	<i>Current year</i>	<i>Previous year (Restated)</i>
Beginning balance	49,624,089,287	17,701,453,246
Add: Provision made during the year	926,811,487	38,084,557,245
Less: Reversal of provision during the year	(26,545,025,200)	(6,161,921,204)
Ending balance	<u>24,005,875,574</u>	<u>49,624,089,287</u>

Central Pharmaceutical CPC1 Joint Stock Company

B09-DN

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

9. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Currency: VND
Cost:						
Beginning balance	151,944,878,712	32,897,522,588	22,531,805,590	3,332,657,098	210,706,863,988	
- New purchase	-	34,681,818	527,369,239	90,909,091	652,960,148	
- Other increase	-	2,955,321,617	-	-	2,955,321,617	
Ending balance	151,944,878,712	35,887,526,023	23,059,174,829	3,423,566,189	214,315,145,753	
<i>In which:</i>						
Fully depreciated	79,649,290,922	24,977,919,042	11,727,147,167	3,032,176,189	119,386,533,320	
Accumulated depreciation:						
Beginning balance	98,527,343,978	28,044,399,654	15,157,805,916	3,007,302,481	144,736,852,029	
- Depreciation for the year	3,514,905,812	1,998,488,348	1,624,482,983	270,837,270	7,408,714,413	
- Other increase	-	1,648,412,724	-	-	1,648,412,724	
Ending balance	102,042,249,790	31,691,300,726	16,782,288,899	3,278,139,751	153,793,979,166	
Net carrying amount:						
Beginning balance	53,417,534,734	4,853,122,934	7,373,999,674	325,354,617	65,970,011,959	
Ending balance	49,902,628,922	4,196,225,297	6,276,885,930	145,426,438	60,521,166,587	

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

10. INTANGIBLE FIXED ASSETS

	<i>Currency: VND</i>		
	<i>Long-term land use rights</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
Beginning balance	<u>27,870,452,800</u>	<u>2,701,213,200</u>	<u>30,571,666,000</u>
Ending balance	<u>27,870,452,800</u>	<u>2,701,213,200</u>	<u>30,571,666,000</u>
<i>In which:</i>			
<i>Fully amortized</i>	5,220,000	2,701,213,200	2,706,433,200
Accumulated amortisation:			
Beginning balance	<u>5,220,000</u>	<u>2,701,213,200</u>	<u>2,706,433,200</u>
Ending balance	<u>5,220,000</u>	<u>2,701,213,200</u>	<u>2,706,433,200</u>
Net carrying amount:			
Beginning balance	<u>27,865,232,800</u>	<u>-</u>	<u>27,865,232,800</u>
Ending balance	<u>27,865,232,800</u>	<u>-</u>	<u>27,865,232,800</u>

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

11. LONG-TERM INVESTMENTS

Currency: VND

	Ending balance			Beginning balance			Fair value			
	Interest rate	Number of shares	Cost	Provision	Fair value	Interest rate		Number of shares	Cost	Provision
Other long-term investments										
CPC1 Pharmaceutical Joint Stock Company – Hanoi (i)	16.43%	2,666,666	27,776,985,675	-	365,333,242,000	16.43%	2,666,666	27,776,985,675	-	362,399,909,400
Mekophar Chemical Pharmaceutical Joint Stock Company (i)	0.26%	67,082	2,790,867,722	(879,030,722)	1,911,837,000	0.26%	67,082	2,790,867,722	(1,060,152,122)	1,730,715,600
Ha Tinh Pharmaceutical Joint Stock Company (i)	1.00%	99,825	971,029,662	-	1,996,500,000	1.00%	99,825	971,029,662	-	1,697,025,000
TV Pharm Pharmaceutical Joint Stock Company	0.16%	46,816	300,659,375	-	(ii)	0.16%	17,600	300,659,375	-	(ii)
Vidipha Central Pharmaceutical Joint Stock Company (i)	0.10%	21,600	472,871,724	-	799,200,000	0.10%	18,000	472,871,724	-	702,000,000
Tuyen Quang Pharmaceutical Joint Stock Company	0.36%	18,000	197,784,303	-	(ii)	0.36%	18,000	197,784,303	-	(ii)
Sanofi-Synthelabo Vietnam Pharmaceutical Joint Stock Company	0.00%	10	1,000,000	-	(ii)	0.00%	10	1,000,000	-	(ii)
TOTAL			32,511,198,461	(879,030,722)			10	32,511,198,461	(1,060,152,122)	

(i) The fair values of these investments were determined by reference to the closing prices of the shares listed on stock exchange as at balance sheet date.

(ii) The Company has not yet collected necessary information to assess the fair value of the investment in these companies because the shares of these companies are not listed on the stock exchange.

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

12. PREPAID EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Software licensing fees	1,540,164,049	1,608,721,989
Others	300,049,707	566,059,722
TOTAL	<u>1,840,213,756</u>	<u>2,174,781,711</u>
Long-term		
Prepaid land rental	24,933,986,855	25,955,233,124
Tools and supplies in use	-	241,724,066
TOTAL	<u>24,933,986,855</u>	<u>26,196,957,190</u>

13. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

13.1 Short-term trade payables

	<i>Currency: VND</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Balance</i>	<i>Payable amount</i>	<i>Balance</i>	<i>Payable amount</i>
Trade payables to supplier	442,207,950,395	442,207,950,395	408,309,843,563	408,309,843,563
- Hyphens Pharma Pte.Ltd	142,810,055,819	142,810,055,819	106,912,001,978	106,912,001,978
- Ever Neuro Pharma GMBH	46,538,293,475	46,538,293,475	19,605,529,845	19,605,529,845
- Others	252,859,601,101	252,859,601,101	281,792,311,740	281,792,311,740
Trade payables to related parties (Note 28)	6,694,706,672	6,694,706,672	167,843,031	167,843,031
TOTAL	<u>448,902,657,067</u>	<u>448,902,657,067</u>	<u>408,477,686,594</u>	<u>408,477,686,594</u>

13.2 Short-term advances from customers

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Phi Long MEP Joint Stock Company	3,274,173,857	-
Others	1,753,223,111	670,090,316
TOTAL	<u>5,027,396,968</u>	<u>670,090,316</u>

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

14. STATUTORY OBLIGATIONS

	Beginning balance (Restated)		Payable for the year	Off-set made in the year	Payment made in the year	Ending balance	
	Receivables	Payables				Receivables	Payables
Domestic Value added tax	138,528,103	619,208,403	122,955,146,489	(119,737,947,780)	(3,747,993,828)	138,528,103	88,413,284
Value added tax of imported goods	-	-	60,992,061,899	-	(60,992,061,899)	-	-
Import tax	-	-	1,303,361,295	-	(1,303,361,295)	-	-
Land tax	-	-	5,931,149,188	-	(5,931,149,188)	-	-
Personal income tax	-	546,140,758	4,006,895,395	-	(4,643,543,021)	90,506,868	-
Corporate income tax	-	39,757,761,091	26,581,222,948	-	(35,794,314,211)	-	30,544,669,828
Other taxes	-	12,864,799,112	4,402,722,262	-	(371,238,577)	-	16,896,282,797
TOTAL	138,528,103	53,787,909,364	226,172,559,476	(119,737,947,780)	(112,783,662,019)	229,034,971	47,529,365,909

15. SHORT-TERM ACCRUED EXPENSES

	Ending balance	Beginning balance
Sale bonus	4,479,750,000	2,973,062,500
Accrued interest expenses	277,114,586	238,256,330
Contribution to Vietnam Environment Protection Fund	689,945,337	-
TOTAL	5,446,809,923	3,211,318,830

16. OTHER SHORT-TERM PAYABLES

	Ending balance	Beginning balance
Entrusted import services (*)	5,202,384,677	11,710,713,917
Dividend payable	11,203,553,800	170,810,000
Trade union fee	38,097,840	36,770,260
Others	2,428,328,570	3,014,067,516
TOTAL	18,872,364,887	14,932,361,693

(*) These are payables related to entrusted import services.

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

17. SHORT-TERM LOANS

Currency: VND

	Note	Beginning balance		Movement during the year		Ending balance	
		Balance	Payable amount	Increase	Decrease	Balance	Payable amount
Loans from banks	17.2	317,875,943,470	317,875,943,470	762,282,949,330	(754,856,013,344)	325,302,879,456	325,302,879,456
Loans from individuals	17.1	17,111,000,000	17,111,000,000	2,580,000,000	(8,750,000,000)	10,941,000,000	10,941,000,000
TOTAL		334,986,943,470	334,986,943,470	764,862,949,330	(763,606,013,344)	336,243,879,456	336,243,879,456

17.1. Short-term loans from individuals

Details of short-term loans from individuals are as follows:

Lenders	Ending balance (VND)	Principal and interest repayment term	Interest rate per annum	Description of collateral
Individuals	10,941,000,000	Principal repayable on demand. Interests are payable on a quarterly basis.	5%	Unsecured
TOTAL	10,941,000,000			

Central Pharmaceutical CPC1 Joint Stock Company

B09-DN

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

17. SHORT-TERM LOANS (continued)

17.2. Short-term loans from banks (continued)

Details of short-term loans from banks are as follows:

Lenders	Ending balance (VND)	Principal and interest repayment term	Interest rate per annum	Description of collateral
Vietnam Technological and Commercial Joint Stock Bank - Tan Binh Branch	85,018,347,292	Principal is repayable within 6 months with the last withdrawal being due on 20 May 2025. Interest is payable on a monthly basis.	4.7% - 5.0%	Unsecured
Vietnam Maritime Commercial Joint Stock Bank – Transaction Office	79,721,783,503	Principal is repayable within 5.5 months with the last withdrawal being due on 27 May 2025. Interest is payable on a monthly basis.	4.0% - 4.2%	Unsecured
Vietnam Joint Stock Commercial Bank for Industry and Trade - Tan Binh Branch	69,806,568,705	Principal is repayable within 6 months with the last withdrawal being due on 27 May 2025. Interest is payable on a monthly basis.	4.6% - 4.8%	Unsecured
Vietnam International Commercial Joint Stock Bank – Dong Da Branch	31,958,562,085	Principal is repayable within 6 months with the last withdrawal being due on 26 May 2025. Interest is payable on a monthly basis.	4.0% - 4.5%	Unsecured
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Transaction Office	23,372,900,701	Principal is repayable within 6 months with the last withdrawal being due on 22 April 2025. Interest is payable on a monthly basis.	4.0%	Unsecured
Vietnam Bank for Agriculture and Rural Development - Tan Binh Branch	22,203,396,263	Principal is repayable within 6 months with the last withdrawal being due on 20 May 2025. Interest is payable on a monthly basis.	4.2%	Unsecured
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi Branch	6,790,626,358	Principal is repayable within 5 months with the last withdrawal being due on 26 May 2025. Interest is payable on a monthly basis.	4.4%	Unsecured
Military Commercial Joint Stock Bank – Thang Long Branch	6,430,694,549	Principal is repayable within 6 months with the last withdrawal being due on 25 June 2025. Interest is payable on a monthly basis.	5.0%	Unsecured
TOTAL	325,302,879,456			

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

18. BONUS AND WELFARE FUNDS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	672.051.279	1.704.436.279
Appropriation during the year (Note 19.1)	16.652.816.826	4.318.105.647
Utilisation during the year	<u>(10.244.828.583)</u>	<u>(5.350.490.647)</u>
Ending balance	<u>7.080.039.522</u>	<u>672.051.279</u>

19. OWNERS' EQUITY

19.1 Increase and decrease in owners' equity

	<i>Currency: VND</i>			
	<i>Issued share capital</i>	<i>Investment and development fund</i>	<i>Undistributed earnings</i>	<i>Total</i>
Previous year (Restated)				
Beginning balance (Restated)	209,790,000,000	2,444,991,780	178,397,453,365	390,632,445,145
- Net profit for the year (Restated)	-	-	102,952,579,256	102,952,579,256
- Dividends declared	-	-	(31,468,500,000)	(31,468,500,000)
- Appropriation to bonus fund for Board of Directors ("BoD"), Board of Supervision ("BoS"), Management and Chief Accountant	-	-	(314,666,667)	(314,666,667)
- Appropriation to bonus fund for exceeding 2022 profit target	-	-	(2,003,438,980)	(2,003,438,980)
- Appropriation to bonus and welfare funds 2023	-	-	(2,000,000,000)	(2,000,000,000)
Ending balance (Restated)	<u>209,790,000,000</u>	<u>2,444,991,780</u>	<u>245,563,426,974</u>	<u>457,798,418,754</u>
Current year				
Beginning balance (Restated)	209,790,000,000	2,444,991,780	245,563,426,974	457,798,418,754
- Net profit for the year	-	-	113,758,603,232	113,758,603,232
- Dividends declared (*)	-	-	(31,468,500,000)	(31,468,500,000)
- Appropriation to bonus fund for BoD, BoS, Management and Chief Accountant (*)	-	-	(392,000,000)	(392,000,000)
- Appropriation to bonus fund for exceeding 2023 profit target (*)	-	-	(14,260,816,826)	(14,260,816,826)
- Appropriation to bonus and welfare funds 2024 (**)	-	-	(2,000,000,000)	(2,000,000,000)
- Interim dividends for 2024 (***)	-	-	(16,783,200,000)	(16,783,200,000)
- Other increase (****)	-	-	4,877,629,901	4,877,629,901
Ending balance	<u>209,790,000,000</u>	<u>2,444,991,780</u>	<u>299,295,143,281</u>	<u>511,530,135,061</u>

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

19. OWNERS' EQUITY (continued)

19.1 Increase and decrease in owners' equity (continued)

- (*) The Company has declared dividends and appropriated to bonus and welfare funds from the profits of 2023 in accordance with Resolution No. 21/NQĐHĐCĐ dated 11 April 2024 of the Company's General Meeting of Shareholders.
- (**) The Company provisionally appropriated bonus and welfare funds from the profits of 2024 in accordance with the profit appropriation plan of 2024 in Resolution No. 21/NQĐHĐCĐ dated 11 April 2024 of the Company's General Meeting of Shareholders.
- (***) The Company has declared the first interim dividend payment in 2024 by cash from 2024 profit based on Resolution No. 55/NQHĐQT-CPC1 dated 16 October 2024 of the Company's Board of Directors.
- (****) Including certain adjustments to profits of 2023 in accordance with Notice No. 711/TB-KTNN on audit results at Central Pharmaceutical Joint Stock Company - CPC1 of the State Audit and some other adjustments.

19.2 Details of owners' shares capital

Unit: Share

	Ending balance			Beginning balance		
	Ownership	Total	Ordinary shares	Ownership	Total	Ordinary shares
Vietnam Pharmaceutical Corporation	65.41%	137,215,500	13,721,550	65.41%	137,215,500	13,721,550
Mr. Le Nam Thang	8.05%	16,890,000	1,689,000	8.10%	17,000,000	1,700,000
Ms. Le Thi Kim Anh	7.24%	15,188,000	1,518,800	7.24%	15,188,000	1,518,800
Mr. Nguyen Doan Liem	5.77%	12,109,400	1,210,940	5.77%	12,109,400	1,210,940
Others	13.53%	28,387,100	2,838,710	13.48%	28,277,100	2,827,710
TOTAL	100%	209,790,000	20,979,000	100%	209,790,000	20,979,000

Par value of outstanding share: VND 10,000/share (as at 31 December 2023: VND 10,000/share).

19.3 Capital transactions with owners and distribution of dividends, profits

Currency: VND

	Current year	Previous year
Contributed capital		
Beginning balance	209,790,000,000	209,790,000,000
Ending balance	209,790,000,000	209,790,000,000
Dividends declared	48,251,700,000	31,468,500,000

19.4 Dividend

Currency: VND

	Current year	Previous year
Dividends declared during the year		
Interim cash dividends for 2024: 800 VND/share	16,783,200,000	-
Cash dividends for 2023: 1,500 VND/share	31,468,500,000	-
Cash dividends for 2022: 1,500 VND/share	-	31,468,500,000
Dividends paid during the year	37,218,956,200	31,440,531,000

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

19. OWNERS' EQUITY (continued)

19.5 Shares

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Quantity (Shares)</i>	<i>Value (VND)</i>	<i>Quantity (Shares)</i>	<i>Value (VND)</i>
Authorised share capital	20,979,000	209,790,000,000	20,979,000	209,790,000,000
Issued shares	20,979,000	209,790,000,000	20,979,000	209,790,000,000
Ordinary shares	20,979,000	209,790,000,000	20,979,000	209,790,000,000
Preferred shares	-	-	-	-
Shares in circulation	20,979,000	209,790,000,000	20,979,000	209,790,000,000
Ordinary shares	20,979,000	209,790,000,000	20,979,000	209,790,000,000
Preferred shares	-	-	-	-

20. OFF-BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
Imported goods entrusted to third party (VND)	20,606,125,993	1,533,462,787
Foreign currencies		
- USD	11,856	14,044
- EUR	279	14,938

21. REVENUES

21.1 Revenue from sale of goods and rendering of services

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gross revenue	2,025,737,354,729	2,158,359,154,152
<i>In which:</i>		
<i>Sale of merchandises</i>	2,008,597,580,096	2,139,217,757,675
<i>Render of services</i>	17,139,774,633	19,141,396,477
Revenue deductions	-	-
<i>Sales returns</i>	-	-
Net revenue	2,025,737,354,729	2,158,359,154,152
<i>In which:</i>		
<i>Sale to others</i>	2,023,213,740,359	2,156,186,808,832
<i>Sale to related parties</i>	2,523,614,370	2,172,345,320

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

21. REVENUES (continued)

21.2 Finance income

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Foreign exchange gains	18,511,058,629	14,179,155,715
Dividends, profit earned	4,198,380,800	2,389,125,300
Interest income and interest from credit sales	124,818,051	33,095,447
TOTAL	<u>22,834,257,480</u>	<u>16,601,376,462</u>

22. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year (Restated)</i>
Cost of merchandises sold and services rendered	1,740,229,652,648	1,783,842,049,219
(Reversal of provision)/provision for obsolete inventories	<u>(25,618,213,713)</u>	<u>31,922,636,041</u>
TOTAL	<u>1,714,611,438,935</u>	<u>1,815,764,685,260</u>

23. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	12,425,558,101	17,779,579,670
Realized foreign exchange losses	26,617,887,800	30,006,618,784
Unrealized foreign exchange losses	2,583,048,202	9,738,570,900
(Reversal of provision)/provision for financial investments	<u>(181,121,400)</u>	<u>20,135,040</u>
TOTAL	<u>41,445,372,703</u>	<u>57,544,904,394</u>

24. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses incurred during the year		
Labour costs	57,832,362,332	55,912,089,267
Material costs	5,959,544,980	7,797,325,932
Expenses for external services	27,000,153,911	29,646,635,880
Depreciation and amortisation	7,401,374,447	6,520,268,625
Tools and equipment costs	1,048,867,625	1,618,275,953
Others	<u>31,836,432,793</u>	<u>29,330,601,208</u>
TOTAL	<u>131,078,736,088</u>	<u>130,825,196,865</u>
General and administrative expenses incurred during the year		
Labour costs	12,434,940,525	11,944,200,075
Land rental fee	6,856,797,543	5,583,120,976
Provision/(reversal of provision) for for doubtful debts	366,687,273	(2,887,718,151)
Expenses for external services	5,553,200,636	6,687,145,783
Tools and equipment costs	464,459,405	322,694,541
Others	<u>16,701,078,422</u>	<u>14,735,829,254</u>
TOTAL	<u>42,377,163,804</u>	<u>36,385,272,478</u>

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

25. OTHER INCOME AND OTHER EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year (Restated)</i>
Other income	29,660,127,959	374,395,643
Insurance compensations	29,284,171,524	-
Others	375,956,435	374,395,643
Other expenses	4,500,036,505	3,557,632,509
Penalties	4,203,979,802	3,396,755,280
Others	296,056,703	160,877,229
NET OTHER PROFIT/(LOSS)	<u>25,160,091,454</u>	<u>(3,183,236,866)</u>

26. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year (Restated)</i>
Costs of merchandises sold	1,740,229,652,648	1,777,680,128,015
Raw materials costs	6,358,385,030	8,188,443,984
Labour costs	70,267,302,857	67,856,289,342
Expenses for external services	32,553,354,547	36,333,781,663
Depreciation, amortisation of fixed assets and land rental fees	8,429,960,681	7,721,462,641
(Reversal of provision)/provision	(26,178,337,927)	35,196,839,094
Tools and equipment costs	1,513,327,030	1,940,970,494
Others	54,893,693,961	48,057,239,370
TOTAL	<u>1,888,067,338,827</u>	<u>1,982,975,154,603</u>

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

27. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") applicable to the Company is 20% of taxable income.

Tax returns of the Company 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 financial statements could change at a later date upon final determination by the tax authorities.

27.1 CIT expenses

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year (Restated)</i>
Current tax expenses	24,220,953,122	31,749,777,061
Adjustment to prior period's tax expenses	2,360,269,826	434,044,387
Deferred tax expense/(income)	3,879,165,953	(3,879,165,953)
TOTAL	<u>30,460,388,901</u>	<u>28,304,655,495</u>

The reconciliation between CIT expenses and the accounting profit multiplied by CIT rate is presented below:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year (Restated)</i>
Accounting profit before tax	144,218,992,133	131,257,234,751
CIT expenses at CIT rate of 20%	28,843,798,427	26,251,446,950
<i>Adjustments to increase:</i>		
Non-deductible expenses	236,429,756	2,096,989,218
Adjustment to prior period's tax expenses	2,360,269,826	434,044,387
<i>Adjustments to decrease:</i>		
Dividend income	(839,676,160)	(477,825,060)
Others	(140,432,948)	-
CIT expenses	<u>30,460,388,901</u>	<u>28,304,655,495</u>

27.2 Current tax

The current CIT payable is based on taxable profit for the current year. The taxable profit of the Company for the year differs from the profit as reported in the 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 Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

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

27. CORPORATE INCOME TAX (continued)

27.3 Deferred tax assets

The Company has recognised deferred tax assets with movements during the current year and previous year as below:

Currency: VND

	<i>Balance sheet</i>		<i>Income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
<i>Deferred tax assets</i>				
Provision for obsolete inventories	4,615,812,818	3,879,165,953	(3,879,165,953)	3,879,165,953
	<u>4,615,812,818</u>	<u>3,879,165,953</u>		
Net deferred tax (charge)/credit to income statement			<u>(3,879,165,953)</u>	<u>3,879,165,953</u>

28. TRANSACTIONS WITH REPLATED PARTIES

List of related parties that have a controlling relationship with the Company and other related parties that have significant transactions with the Company during the year and as at 31 December 2024 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Vietnam Pharmaceutical Corporation	Parent company
Codupha Central Pharmaceutical Joint Stock Company	Affiliate
Central Pharmaceutical Joint Stock Company No.3	Affiliate
Vietnam Medical Products Import - Export Joint Stock Company	Associate of parent company
Danapha Pharmaceutical Joint Stock Company	Associate of parent company
Imexpharm Pharmaceutical Joint Stock Company	Associate of parent company
Hanoi CPC1 Pharmaceutical Joint Stock Company	Entity with a mutual member of Board of Directors ("BoD")
OPC Pharmaceutical Joint Stock Company	Entity with a mutual member of Board of Directors ("BoD")

List of members of Board of Directors, Management, Board of Supervision and Audit Committee is presented in section General Information of these financial statements.

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

28. TRANSACTIONS WITH REPLATED PARTIES (continued)

Significant transactions with related parties during the years were as follows:

Related parties	Transaction	Currency: VND	
		Current year	Previous year
Vietnam Pharmaceutical Corporation	Dividends declared and paid	20,582,325,000	20,582,325,000
Hanoi CPC1 Pharmaceutical Joint Stock Company	Rendering services	2,523,614,370	2,172,345,320
	Dividends received	3,999,999,000	2,133,332,800
OPC Pharmaceutical Joint Stock Company	Purchase of goods and services	8,588,567,758	98,262,743
Imexpharm Pharmaceutical Joint Stock Company	Purchase of goods and services	3,033,988,980	437,932,286

Terms and conditions of transactions with related parties:

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

Outstanding balances at 31 December 2024 are unsecured, interest free and will be settled in cash. For the year ended 31 December 2024, the Company has 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.

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

Related parties	Transaction	Currency: VND	
		Ending balance	Beginning balance
Short-term trade receivables (Note 5.1)			
OPC Pharmaceutical Joint Stock Company	Sale of goods	-	84,065,580
Hanoi CPC1 Pharmaceutical Joint Stock Company	Sale of goods	-	91,615,140
TOTAL		-	175,680,720
Short-term trade payables (Note 13.1)			
OPC Pharmaceutical Joint Stock Company	Purchase of goods	6,678,228,735	103,175,880
Hanoi CPC1 Pharmaceutical Joint Stock Company	Purchase of goods	13,965,000	-
Danapha Pharmaceutical Joint Stock Company	Purchase of goods	2,512,937	64,667,151
TOTAL		6,694,706,672	167,843,031

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

28. TRANSACTIONS WITH REPLATED PARTIES (continued)

Transactions with other related parties

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

<i>Name</i>	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Ms. Han Thi Khanh Vinh	183,272,727	84,000,000
Ms. Bui Thi Thanh Hai	410,558,558	-
Mr. Nguyen Huy Thanh	371,573,259	60,000,000
Mr. Ta Van Dung	-	-
Mr. Nguyen Doan Liem	82,909,091	60,000,000
Ms. Tran Thi Kim Khanh	114,545,455	-
Ms. Nguyen Hong Nhung	21,818,182	60,000,000
Ms. Nguyen Thuy Dung	21,818,182	60,000,000
Mr. Cong Viet Hai	848,906,360	753,476,245
Ms. Nguyen Thi Hoa	654,192,605	567,429,819
TOTAL	<u>2,709,594,419</u>	<u>1,644,906,064</u>

Salary and operating expenses of the Board of Supervision:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Salary and operating expenses of the Board of Supervision	206,102,275	501,249,996

29. COMMITMENTS

Operating lease commitment as a lessee

The Company lease lands under operating lease arrangements. The future minimum lease commitments as at the balance sheet dates under these operating lease agreements are as follows:

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	5,489,762,524	4,793,838,472
From 1 - 5 years	26,736,020,430	23,467,217,700
More than 5 years	70,933,549,031	67,117,183,710
TOTAL	<u>103,159,331,985</u>	<u>95,378,239,882</u>

NOTES TO THE 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 (Restated)</i>
Profit after tax	113,758,603,232	102,952,579,256
Appropriation to bonus and welfare fund	<u>(11,423,790,485)</u>	<u>(16,652,816,826)</u>
Net profit after tax attributable to ordinary shareholders	<u>102,334,812,747</u>	<u>86,299,762,430</u>
Weighted average number of ordinary shares for basic earnings per share	<u>20,979,000</u>	<u>20,979,000</u>
Weighted average number of ordinary shares adjusted for the effect of dilution	<u>20,979,000</u>	<u>20,979,000</u>
Basic earnings per share	4,878	4,114
Dilluted earnings per share	4,878	4,114

Net profit used to compute earnings per share for the year ended 31 December 2023 was restated to correct accounting errors in prior years (Note 31) and following the actual appropriation to bonus and welfare funds for the management and employees and the bonus fund for exceeding profit target in accordance with the 2023 profit distribution plan under Resolution No. 21/NQĐHĐCĐ dated 11 April 2024 of the Company's General Meeting of Shareholders ("Resolution 21").

Net profit used to compute earnings per share for the year ended 31 December 2024 was also adjusted for the amount of the provisional appropriation to bonus and welfare fund from the retained earnings of the year ended 31 December 2024 based on the profit distribution plan approved in Resolution 21.

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 financial statements.

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

31. CORRESPONDING FIGURES

In 2024, the Company has restated certain corresponding figures on the financial statements for the year ended 31 December 2023 to reflect the impact of inappropriate recognition in previous years' financial statements relating to (i) the accounting for profit arising from intra-company sales from the Head office to the branches, and (ii) inadequate provision for diminution in value of inventories.

Details are as follows:

		<i>Currency: VND</i>		
<i>Code</i>	<i>ITEMS</i>	<i>As previously stated</i>	<i>Restatement</i>	<i>Restated Amounts</i>
Balance sheet at 31 December 2023				
141	Inventories	378,956,598,812	156,834,665,736	535,791,264,548
149	Provision for obsolete inventories	(43,158,812,699)	(6,465,276,588)	(49,624,089,287)
313	Statutory obligations	9,722,338,021	44,065,571,343	53,787,909,364
421	Undistributed earnings	139,259,609,169	106,303,817,805	245,563,426,974
421a	Undistributed earnings by the end of prior year	25,320,830,327	119,290,017,388	144,610,847,715
421b	Undistributed earnings of current year	113,938,778,842	(12,986,199,583)	100,952,579,259
Income statement for the year ended 31 December 2023				
11	Cost of goods sold and services rendered	(1,805,186,497,883)	(10,578,187,377)	(1,815,764,685,260)
20	Gross profit from sale of goods and rendering of services	353,172,656,269	(10,578,187,377)	342,594,468,892
30	Operating profit	145,018,658,994	(10,578,187,377)	134,440,471,617
32	Other expenses	(327,038,145)	(3,230,594,364)	(3,557,632,509)
40	Other profit/(loss)	47,357,498	(3,230,594,364)	(3,183,236,866)
50	Accounting profit before tax	145,066,016,492	(13,808,781,741)	131,257,234,751
51	Current corporate income tax expenses	(33,006,403,606)	822,582,158	(32,183,821,448)
60	Net profit after tax	115,938,778,839	(12,986,199,583)	102,952,579,256
Cash flow statement for the year ended 31 December 2023				
1	Profit before tax	145,066,016,492	(13,808,781,741)	131,257,234,751
3	(Reversal of provisions)/Provisions	28,751,697,546	6,465,276,588	35,216,974,134
8	Operating profit before changes in working capital	206,269,469,502	(7,343,505,153)	198,925,964,349
10	(Increase)/decrease in inventories	3,079,157,556	4,112,910,789	7,192,068,345
11	Increase/(decrease) in payables	(173,202,423,533)	3,230,594,364	(169,971,829,169)

In addition, the Company also restated the corresponding figures of Earnings per share as a result of this restatement.

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

32. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the financial statements of the Company.



Preparer
Ninh Thi Thu Hien



Chief Accountant
Dang Thi Du



Acting General Director
Ta Van Dung



Hanoi, Vietnam

30 March 2025