



Tiền Giang, ngày 28 tháng 03 năm 2025

Số: 171/2025/CV-DTG

V/v: Giải trình biến động kết quả kinh doanh
tại Báo cáo tài chính kiểm toán năm 2024.

Kính gửi: - ỦY BAN CHỨNG KHOÁN NHÀ NƯỚC
- SỞ GIAO DỊCH CHỨNG KHOÁN HÀ NỘI

- Căn cứ Thông tư số 96/2020/TT-BTC ngày 16 tháng 11 năm 2020 của Bộ Tài chính về Công bố thông tin trên thị trường chứng khoán; và
- Căn cứ Báo cáo tài chính kiểm toán năm 2024.

Công ty Cổ phần Dược phẩm Tipharco (DTG) giải trình với Quý Ủy ban, Quý Sở về biến động doanh thu và lợi nhuận sau thuế trong Báo cáo tài chính kiểm toán năm 2024 so với cùng kỳ năm 2023 như sau:

ĐVT: VND

TT	Chỉ tiêu	Năm 2024	Năm 2023	2024/2023
1	Doanh thu thuần	364.131.608.347	358.390.010.871	101,6%
2	Giá vốn hàng bán	286.241.372.254	279.722.940.615	102,3%
3	Lợi nhuận gộp	77.890.236.093	78.667.070.256	99,0%
4	Lợi nhuận thuần	28.585.504.256	37.036.574.501	77,2%
5	Lợi nhuận trước thuế	29.027.556.153	37.677.263.410	77,0%
6	Lợi nhuận sau thuế	23.137.343.805	30.889.926.869	74,9%

Nguồn: Báo cáo tài chính Kiểm toán năm 2024

Năm 2024, doanh thu thuần đạt 364,1 tỷ đồng, tăng nhẹ 1,6% so với năm 2023 (358,4 tỷ đồng). Tuy nhiên, lợi nhuận sau thuế đạt 23,1 tỷ đồng, giảm 25,1% so với mức 30,9 tỷ đồng của năm trước.

Nguyên nhân chính dẫn đến sự sụt giảm lợi nhuận là do giá vốn hàng bán tăng 2,3%, làm biên lợi nhuận gộp giảm nhẹ từ 78,7 tỷ đồng xuống 77,9 tỷ đồng. Đồng thời, chi phí quản lý doanh nghiệp gia tăng do quá trình nâng cấp – đại tu toàn diện tại nhà máy Tân dược, khiến lợi nhuận thuần giảm xuống 77,2% so với năm trước.



Bên cạnh đó, thị trường dược phẩm vẫn gặp nhiều khó khăn, ảnh hưởng đến sức mua và khả năng mở rộng doanh thu. Để ứng phó, công ty đã đẩy mạnh đa dạng hóa kênh phân phối, mở rộng tệp khách hàng và áp dụng chính sách bán hàng linh hoạt hơn nhằm cải thiện tình hình kinh doanh.

Trong thời gian tới, Ban điều hành sẽ tiếp tục tập trung vào tăng trưởng doanh thu, kiểm soát chi phí và tối ưu hiệu suất vận hành, sẵn sàng nắm bắt cơ hội khi thị trường có những dấu hiệu hồi phục.

Xin trân trọng cảm ơn./.

Nơi nhận:

- Như trên;
- Lưu,

CÔNG TY CỔ PHẦN DƯỢC PHẨM TIPHARCO



28 March 2025

To whom it may concern:

Explanation of Fluctuations in Business Performance in the 2024 Financial Report

Tipharco Pharmaceutical Joint Stock Company (D'IG) provides an explanation to the State Securities Commission and the Stock Exchange regarding fluctuations in revenue and after-tax profit in the audited financial statements for 2024 compared to 2023 as follows:

Unit: VND

No	Indicator	2024	2023	2024/2023
1	Net Revenue	364,131,608,347	358,390,010,871	101.6%
2	Cost of Goods Sold	286,241,372,254	279,722,940,615	102.3%
3	Gross Profit	77,890,236,093	78,667,070,256	99.0%
4	Net Profit	28,585,504,256	37,036,574,501	77.2%
5	Profit Before Tax	29,027,556,153	37,677,263,410	77.0%
6	Profit After Tax	23,137,343,805	30,889,926,869	74.9%

Source: Audited Financial Statements for 2024

In 2024, net revenue reached VND 364.1 billion, reflecting a slight increase of 1.6% compared to VND 358.4 billion in 2023. However, after-tax profit amounted to VND 23.1 billion, marking a 25.1% decrease from VND 30.9 billion in the previous year.

The primary reason for the decline in profit was a 2.3% increase in the cost of goods sold, which caused the gross profit margin to slightly decrease from VND 78.7 billion to VND 77.9 billion. Additionally, administrative expenses increased due to the comprehensive upgrade and overhaul process at the Tân Dược factory, leading to a 77.2% decrease in net profit compared to the previous year.

Furthermore, the pharmaceutical market continued to face challenges, impacting purchasing power and revenue expansion. To address this, the company has intensified efforts to diversify distribution channels, expand its customer base, and implement more flexible sales policies to improve business performance.

In the coming period, the Executive Board will remain focused on revenue growth, cost control, and operational efficiency optimization, ensuring readiness to seize opportunities when the market shows signs of recovery.

Thank you very much./.

Note: This document has been translated from the Vietnamese original for reference purposes only. In the event of any discrepancy between this translated document and the Vietnamese original, the original shall prevail.



AUDITED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

**TIPHARCO PHARMACEUTICAL
JOINT STOCK COMPANY**



CONTENTS

---- oOo ----

	Page
1. REPORT OF THE BOARD OF GENERAL DIRECTORS	01 - 02
2. INDEPENDENT AUDITOR'S REPORT	03 - 04
3. BALANCE SHEET	05 - 08
4. INCOME STATEMENT	09
5. CASH FLOW STATEMENT	10 - 11
6. NOTES TO THE FINANCIAL STATEMENTS	12 - 41



Handwritten red mark or signature.

REPORT OF THE BOARD OF GENERAL DIRECTORS

For the fiscal year ended December 31, 2024

The Board of General Directors has the honor of submitting this report and the audited financial statements for the fiscal year ended December 31, 2024.

1. Business highlights of Company

Establishment

Tipharco Pharmaceutical Joint Stock Company (referred to as "the Company") is a joint-stock company operating under the Enterprise Registration Certificate No. 1200100557, initially registered on February 28, 2006, issued by the Department of Planning and Investment of Tien Giang Province. The 22nd amended Enterprise Registration Certificate was issued on July 16, 2024, regarding the change in charter capital.

Structure of ownership: Joint Stock Company.

Principal activities

Manufacturing of pharmaceuticals, chemicals, and medicinal materials, details: manufacturing of pharmaceuticals; manufacturing of chemicals and medicinal materials; manufacturing of plant products for medicinal purposes.

English name: TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Abbreviation: TIPHARCO

Stock code: DTG (HNX)

Head office: Lot 08, 09 Tan My Chanh Industrial and Handicraft Cluster, Ward 9, My Tho City, Tien Giang Province, Vietnam.

2. Financial position and results of operation

The Company's financial position and results of operation in the year are presented in the attached financial statements.

3. Board of Management, Board of Supervisors, Board of General Directors and Chief Accountant:

The Board of Management, Board of Supervisors, Board of General Directors and Chief Accountant holding office in the year and at the reporting date include:

Board of Management

Mr. Dang Viet Anh	Chairman
Mr. Le Thanh Tung	Deputy chairman
Mr. Luu Hoai Nam	Member
Mrs. Dang Thi Thu Hang	Member
Mrs. Ly Thi Xuan Mai	Member
Mrs. Tran Thi Kieu Tien	Member
Mr. Nguyen Quoc Khanh	Independent member
Mr. Thai Van Hung	Independent member

Board of Supervisors

Mr. Dong Hai Ha	Chief Supervisor
Mrs. Tran Thi Bich Nhi	Deputy Supervisor
Mr. Le Van Son	Member

5130.
ÔNG T
TNHH
DÂN VÀ
TIN HỌ
CƠ A
T.P.H.C

Đ-1/A/1

REPORT OF THE BOARD OF GENERAL DIRECTORS

For the fiscal year ended December 31, 2024

Board of General Directors and Chief Accountant

Mr. Le Thanh Tung	General Director
Mrs. Ly Thi Xuan Mai	Deputy General Director
Mrs. Le Thi My Tien	Chief Accountant

Legal representatives of the Company in the year and to the reporting date are:

Mr. Dang Viet Anh	Chairman
Mr. Le Thanh Tung	General Director

4. Independent audit

Moore AISC Auditing and Informatics Services Company Limited (MOORE AISC) has been appointed as an independent auditor for the fiscal year ended December 31, 2024.

5. Responsibility of the Board of General Directors

The Board of General Directors of the Company is responsible for the preparation of the financial statements which give a true and fair view of the financial position of the Company as of December 31, 2024 as well as its results of operation and cash flows for the fiscal year then ended. In order to prepare these financial statements, the Board of General Directors has considered and complied with the following matters:

- Selected the appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- The financial statements of the Company are prepared on a 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 disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements are prepared in compliance with the registered accounting policies stated in the Notes to the Financial Statements. The Board of General Directors is also responsible for safeguarding the assets of the Company and thus taking reasonable steps for the prevention and detection of fraud and other irregularities.

6. Approval the financial statement

In the Board of General Directors' opinion, the financial statements consisting of Balance Sheet as at December 31, 2024, Income Statement, Cash Flow Statement and Notes to the Financial Statements enclosed with this report give a true and fair view of the financial position of the Company as well as its operating results and cash flows for the fiscal year ended December 31, 2024.

The financial statements are prepared in compliance with Vietnamese Accounting Standards and the Vietnamese Accounting System.

Tien Giang, March 21, 2025

For and on behalf of the Board of General Directors



Le Thanh Tung
General Director

No.: A0624211-R/MOORE AISC-DN4

INDEPENDENT AUDITOR'S REPORT

**To: SHAREHOLDERS, BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS
TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY**

We have audited the financial statements of **Tipharco Pharmaceutical Joint Stock Company**, prepared on March 21, 2025, from page 05 to page 41, including the Balance Sheet as of December 31, 2024, the Income Statement, the Cash Flow Statement for the year then ended, and the Notes to the Financial Statements.

Responsibility of the Board of General Directors

The Board of General Directors is responsible for the preparation and the true and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, Accounting System and prevailing regulations applicable to the preparation and presentation of the financial statements and also for the internal control that the Board of General Directors considers necessary for the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

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

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

INDEPENDENT AUDITOR'S REPORT (Cont.)**Auditor's opinion**

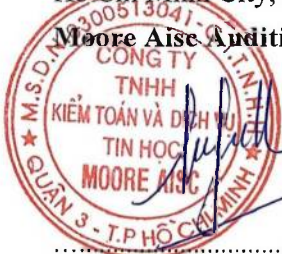
In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of **Tipharco Pharmaceutical Joint Stock Company** as at December 31, 2024 as well as the results of its operation and its cash flows for the year then ended. The financial statements are prepared in compliance with the prevailing Vietnamese Accounting Standards, Vietnamese Accounting System and other statutory requirements relevant to the preparation and presentation of the financial statements.

Other matter

The financial statements of Tipharco Pharmaceutical Joint Stock Company for the fiscal year ended December 31, 2023 were audited by another audit company. The auditors issued an unqualified audit opinion on these financial statements

Ho Chi Minh City, March 21, 2025

Moore Aisc Auditing and Informatics Services Company Limited



Huynh Tieu Phung

Deputy General Director

Certificate of Audit Practice Registration

No: 1269-2023-005-1

Vo Thi Xuan Quynh

Auditor

Certificate of Audit Practice Registration

No.: 4274-2023-005-1

BALANCE SHEET

As at December 31, 2024

Unit: VND

ASSETS	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
A. CURRENT ASSETS	100		229.500.850.814	195.228.212.179
I. Cash and cash equivalents	110	V.1	16.360.889.595	10.517.368.916
1. Cash	111		16.360.889.595	10.517.368.916
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		-	-
1. Trading securities	121		-	-
2. Provision for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123		-	-
III. Short-term Accounts receivable	130		108.504.362.863	53.610.518.731
1. Trade accounts receivable	131	V.3	107.875.457.413	54.223.035.035
2. Prepayments to suppliers	132	V.4	1.484.740.870	216.942.689
3. Intercompany receivables	133		-	-
4. Construction contract-in-progress receivables	134		-	-
5. Receivables from short-term loans	135		-	-
6. Other receivables	136	V.5a	98.575.456	46.495.035
7. Provision for doubtful debts	137	V.6	(954.410.876)	(875.954.028)
8. Shortage of assets awaiting resolution	139		-	-
IV. Inventories	140	V.7	104.450.741.473	130.626.634.099
1. Inventories	141		105.244.836.291	134.317.577.898
2. Provision for decline in value of inventories	149		(794.094.818)	(3.690.943.799)
V. Other current assets	150		184.856.883	473.690.433
1. Short-term prepayments	151	V.11a	184.856.883	473.690.433
2. Deductible VAT	152		-	-
3. Taxes and other receivables from the State Budget	153		-	-
4. Repurchase and sale of Government's bonds	154		-	-
5. Other current assets	155		-	-

BALANCE SHEET

As at December 31, 2024

Unit: VND

ASSETS	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
B. LONG-TERM ASSETS	200		107.328.943.801	111.181.114.891
I. Long-term receivables	210		305.895.000	252.030.000
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital from sub-units	213		-	-
4. Long-term intercompany receivables	214		-	-
5. Receivables from long-term loans	215		-	-
6. Other long-term receivables	216	V.5b	305.895.000	252.030.000
7. Provision for doubtful long-term receivables	219		-	-
II. Fixed assets	220		97.526.831.759	87.323.422.367
1. Tangible fixed assets	221	V.9	96.976.831.759	86.773.422.367
- Cost	222		202.174.138.982	184.120.251.888
- Accumulated depreciation	223		(105.197.307.223)	(97.346.829.521)
2. Finance lease assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.10	550.000.000	550.000.000
- Cost	228		550.000.000	550.000.000
- Accumulated amortization	229		-	-
III. Investment Properties	230		-	-
- Cost	231		-	-
- Accumulated depreciation	232		-	-
IV. Non-current assets in progress	240	V.8	-	9.454.190.875
1. Works in progress	241		-	-
2. Capital construction in progress	242		-	9.454.190.875
V. Long-term investments	250	V.2	-	5.216.296.058
1. Investments in subsidiaries	251		-	6.500.000.000
2. Investments in associates, joint-ventures	252		-	-
3. Investments in equity of other entities	253		-	-
4. Provision for decline in the value of long-term investments	254		-	(1.283.703.942)
5. Held-to-maturity investments	255		-	-
VI. Other long-term assets	260		9.496.217.042	8.935.175.591
1. Long-term prepaid expenses	261	V.11b	8.897.014.237	7.734.494.359
2. Deferred income tax assets	262	V.19	599.202.805	1.200.681.232
3. Equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
TOTAL ASSETS	270		336.829.794.615	306.409.327.070

BALANCE SHEET

As at December 31, 2024

Unit: VND

RESOURCES	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
C. LIABILITIES	300		150.771.731.509	143.488.607.769
I. Current liabilities	310		150.044.223.176	142.761.099.436
1. Short-term trade payables	311	V.12	18.976.823.385	24.417.001.068
2. Advances from customers	312	V.13	5.448.623.515	6.062.328.650
3. Taxes and other payables to the State Budget	313	V.14	4.846.444.496	2.139.508.309
4. Payables to employees	314		5.544.489.515	6.207.329.287
5. Short-term accrued expenses	315	V.15	903.909.836	1.171.014.316
6. Short-term intercompany payables	316		-	-
7. Construction contract-in-progress payables	317		-	-
8. Short-term unrealized revenue	318		-	-
9. Other short-term payables	319	V.16	2.771.295.600	2.093.846.225
10. Short-term borrowings and financial lease liabilities	320	V.17	111.292.692.176	100.410.126.928
11. Provision for short-term payables	321		-	-
12. Bonus and welfare fund	322		259.944.653	259.944.653
13. Price stabilization fund	323		-	-
14. Repurchase and sale of Government's bond	324		-	-
II. Long-term liabilities	330		727.508.333	727.508.333
1. Long-term trade payables	331		-	-
2. Long-term Advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital received	334		-	-
5. Long-term intercompany payables	335		-	-
6. Long-term unrealized revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial lease liabilities	338		-	-
9. Convertible bond	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provision for long-term liabilities	342	V.18	727.508.333	727.508.333
13. Fund for science and technology development	343		-	-

BALANCE SHEET

As at December 31, 2024

Unit: VND

RESOURCES	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
D. OWNERS' EQUITY	400		186.058.063.106	162.920.719.301
I. Owners' equity	410	V.20	186.058.063.106	162.920.719.301
1. Owners' capital	411		83.525.730.000	72.632.100.000
- Ordinary shares with voting rights	411a		83.525.730.000	72.632.100.000
- Preferred shares	411b		-	-
2. Share premium	412		33.634.115.000	33.634.115.000
3. Bond conversion option	413		-	-
4. Owners' other capital	414		-	-
5. Treasury shares	415		-	-
6. Difference upon assets revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418		19.313.275.717	19.313.275.717
9. Fund for support of arrangement of enterprises	419		-	-
10. Other funds	420		-	-
11. Undistributed earnings	421		49.584.942.389	37.341.228.584
- Undistributed earnings accumulated to the end of prior year	421a		26.447.598.584	6.451.301.715
- Undistributed earnings in this year	421b		23.137.343.805	30.889.926.869
12. Investment reserve for basic construction	422		-	-
II. Budget sources and other funds	430		-	-
1. Budget sources	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL RESOURCES	440		336.829.794.615	306.409.327.070

Prepared by

Pham Thi Thu Lanh

Chief Accountant

Le Thi My Tien

Tien Giang, March 21, 2025

General Director



Le Thanh Tung

INCOME STATEMENT

For the fiscal year ended December 31, 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Sales	01	VI.1	367.489.387.265	363.265.650.193
2. Less sales deductions	02	VI.2	3.357.778.918	4.875.639.322
3. Net sales	10	VI.3	364.131.608.347	358.390.010.871
4. Cost of sales	11	VI.4	286.241.372.254	279.722.940.615
5. Gross profit (20 = 10 - 11)	20		77.890.236.093	78.667.070.256
6. Financial income	21	VI.5	311.574.942	82.998.687
7. Financial expenses	22	VI.6	6.030.167.712	8.193.234.275
<i>In which: loan interest expenses</i>	23		6.828.882.726	6.526.056.351
8. Selling expenses	25	VI.7a	12.337.045.509	7.675.575.524
9. General & administration expenses	26	VI.7b	31.249.093.558	25.844.684.643
10. Operating profit (30 = 20 + (21 - 22) - (25 + 26))	30		28.585.504.256	37.036.574.501
11. Other income	31	VI.8	473.512.806	761.839.187
12. Other expenses	32	VI.9	31.460.909	121.150.278
13. Other profit (40 = 31 - 32)	40		442.051.897	640.688.909
14. Net accounting profit before tax (50 = 30 + 40)	50		29.027.556.153	37.677.263.410
15. Corporate income tax - current	51	VI.11	5.288.733.921	7.316.481.580
16. Corporate income tax - deferred	52	VI.12	601.478.427	(529.145.039)
17. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		23.137.343.805	30.889.926.869
18. Earnings per share	70	VI.13	2.770	4.253
19. Diluted earning per share	71	VI.14	2.770	4.253

Prepared by

Pham Thi Thu Lanh

Chief Accountant

Le Thi My Tien

Tien Giang, March 21, 2025



Le Thanh Tung

CASH FLOW STATEMENT

(Under indirect method)

For the fiscal year ended December 31, 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Net profit before tax	01		29.027.556.153	37.677.263.410
2. Adjustments for :				
- Depreciation and amortisation	02	V.9	11.058.783.288	10.682.395.309
- Provisions	03		(4.102.096.075)	1.295.576.094
- Unrealised foreign exchange gains/ losses	04		(2.471.381)	(13.887.058)
- Gains/losses from investing activities	05		(139.063.958)	(23.464.305)
- Interest expense	06	VI.6	6.828.882.726	6.526.056.351
- Others	07		-	-
3. Profit from operating activities before changes in working capital	08		42.671.590.753	56.143.939.801
- Increase (-)/ decrease (+) in receivables	09		(55.026.165.980)	(38.741.489.766)
- Increase (-)/ decrease (+) in inventories	10		29.072.741.607	(3.195.812.129)
- Increase (+)/ decrease (-) in payables (Other than loan interests, income tax)	11		3.332.594.686	(5.870.379.762)
- Increase (-)/ decrease (+) in prepaid expenses	12		(873.686.328)	(1.078.844.831)
- Increase (-)/ decrease (+) in securities held for trading	13		-	-
- Interest paid	14		(6.828.882.726)	(6.526.056.351)
- Corporate income tax paid	15		(3.692.221.345)	(7.560.590.306)
- Other receipts from operating activities	16		-	129.834.668
- Other payments for operating activities	17		-	(489.834.668)
Net cash inflows/(outflows) from operating activities	20		8.655.970.667	(7.189.233.344)
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Purchases of fixed assets and other long-term assets	21		(20.330.263.950)	(16.514.778.127)
2. Proceeds from disposals of fixed assets and other long-term assets	22		123.971.050	-
3. Loans granted, purchases of debt instruments of other entities	23		-	-
4. Collection of loans, proceeds from sales of debt instruments of other entities	24		-	-
5. Investments in other entities	25		-	(1.500.000.000)
6. Proceeds from divestment in other entities	26		6.500.000.000	-
7. Dividends and interest received	27		15.092.908	23.464.305
Net cash inflows/(outflows) from investing activities	30		(13.691.199.992)	(17.991.313.822)

CASH FLOW STATEMENT

(Under indirect method)

For the fiscal year ended December 31, 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from issue of shares and capital contribution	31		-	-
2. Payments for shares returns and repurchases	32		-	-
3. Proceeds from borrowings	33		254.530.427.431	270.273.845.156
4. Repayments of borrowings	34		(243.647.862.183)	(247.812.333.288)
5. Payments for finance lease liabilities	35		-	-
6. Dividends paid	36		(6.286.625)	(3.010.793.212)
Net cash inflows/(outflows) from financing activities	40		10.876.278.623	19.450.718.656
Net cash inflows/(outflows) (50 = 20+ 30 + 40)	50		5.841.049.298	(5.729.828.510)
Cash and cash equivalents at the beginning of the year	60		10.517.368.916	16.233.310.368
Effect of foreign exchange differences	61		2.471.381	13.887.058
Cash and cash equivalents at the end of the year (70 = 50+60+61)	70	V.1	16.360.889.595	10.517.368.916

Tien Giang, March 21, 2025

Prepared by



Pham Thi Thu Lanh

Chief Accountant



Le Thi My Tien



NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND***I. BUSINESS HIGHLIGHTS****1. Establishment**

Tipharco Pharmaceutical Joint Stock Company (referred to as "the Company") is a joint-stock company operating under the Enterprise Registration Certificate No. 1200100557, initially registered on February 28, 2006, issued by the Department of Planning and Investment of Tien Giang Province. The 22nd amended Enterprise Registration Certificate was issued on July 16, 2024, regarding the change in charter capital.

Structure of ownership: Joint Stock Company.

English name: TIPHARCO PHARMACEUTICAL JOINT STOCK COMPANY

Short name: TIPHARCO

Stock code: DTG (HNX)

Head office: Lot 08, 09 Tan My Chanh Industrial and Handicraft Cluster, Ward 9, My Tho City, Tien Giang Province, Vietnam.

2. Business sector

Pharmaceutical production.

3. Principal activities

Manufacturing of pharmaceuticals, chemicals, and medicinal materials, details: manufacturing of pharmaceuticals; manufacturing of chemicals and medicinal materials; manufacturing of plant products for medicinal purposes.

4. Normal operating cycle

Normal operating cycle of the Company lasts 12 months of the normal fiscal year beginning from January 01 and ending on December 31.

5. Operations in the fiscal year affecting the financial statements: Not applicable.**6. Total employees to December 31, 2024:** 265 employees. (Total employees to December 31, 2023: 250 employees)**II. ACCOUNTING PERIOD AND REPORTING CURRENCY****1. Fiscal year**

The fiscal year is begun on January 01 and ended December 31 annually.

2. Reporting currency

Vietnam Dong (VND) is used as a currency unit for accounting records.

III. ADOPTION OF ACCOUNTING STANDARDS AND POLICIES**1. Applicable Accounting System**

The Company applies Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC dated March 21, 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing and presenting financial statements.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND***2. Disclosure of compliance with Vietnamese Accounting Standards and the Vietnamese Accounting System**

The Board of General Directors ensures compliance with the requirements of Vietnamese Accounting Standards and Vietnamese Corporate Accounting Regime in preparing and presenting financial statements.

IV. APPLICABLE ACCOUNTING POLICIES**1. Bases for preparing financial statements**

Financial statements are prepared on the basis of accrual accounting (except for information related to cash flows).

2. Changes in accounting policies and disclosures

The accounting policies used by the Company to prepare the financial statements for the current year are applied consistently with the policies used to prepare the financial statements for the previous financial year.

3. Transactions in foreign currencies

Transactions arising in foreign currencies are converted at the exchange rate at the date of the transaction. The balance of monetary items denominated in foreign currencies at the end of the accounting period are converted at the exchange rate on that date.

Exchange rate differences arising during the period from transactions in foreign currencies are recorded in financial income or financial expenses. Exchange rate differences due to revaluation of monetary items denominated in foreign currencies at the end of the fiscal year after clearing the increase and decrease difference are recorded in financial income or financial expenses.

Determining exchange rates for arising transactions

The exchange rate used to convert transactions arising in foreign currency is the actual exchange rate at the time the transaction occurs. The actual exchange rate for transactions in foreign currency is determined as follows:

For capital contributions or receipt of capital contributions: foreign currency buying rate of the bank where the Company opens an account to receive capital from investors at the capital contribution date.

For receivables: buying rate of the commercial bank where the Company appoints the customer to pay at the time the transaction arises.

For liabilities: selling exchange rate of the commercial bank where the Company plans to transact at the time the transaction occurs.

For asset purchase transactions or expenses paid immediately in foreign currency (not through accounts payable): buying exchange rate of the commercial bank where the Company makes payment.

Determining exchange rates at the end of the accounting period

The ending balance of monetary items (cash, cash equivalents, receivables, and payables, excluding prepaid amounts to suppliers, advances from customers, prepaid expenses, deposits, and unearned revenues) denominated in foreign currencies is revalued based on the actual exchange rate announced at the time of financial statement preparation.

- The actual exchange rate used for revaluing monetary items denominated in foreign currencies that are classified as assets is based on the foreign currency buying rate of Joint Stock Commercial Bank For Foreign Trade Of Vietnam, the conversion buying rate as of December 31, 2024, is 25,251 VND/USD; Joint Stock Commercial Bank for Investment and Development of Vietnam, the conversion buying rate as of December 31, 2024, is 25,349 VND/USD.

- The actual exchange rate used for revaluing monetary items denominated in foreign currencies that are classified as liabilities is based on the foreign currency selling rate of Joint Stock Commercial Bank for Investment and Development of Vietnam. The conversion selling rate as of December 31, 2024, is 25,551 VND/USD.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND*

Exchange rate differences arising during the year from foreign currency transactions are recognized in the operating results. Exchange rate differences from the revaluation of monetary items denominated in foreign currencies at the financial year-end, after offsetting gains and losses, are also recognized in the operating results.

Determining exchange rate of the accounting

When recovering receivables, deposits, guarantees, or settling payables in foreign currencies, the Company applies the actual specific accounting exchange rate.

When making payments in foreign currencies, the Company applies the moving weighted average accounting exchange rate.

4. Recording cash and cash equivalents

The money includes cash, demand bank deposits.

Cash equivalents are short-term investments with a redemption period or maturity of no more than 3 months from the date of purchase, easily convertible into a specified amount of cash and do not have much risk in conversion into money.

5. Recording trade receivables and other receivables

Receivables are presented at book value less provisions for doubtful debts.

The classification of receivables is carried out according to the following principles:

Receivables from customers reflect commercial receivables arising from purchase-sale transactions between the Company and the buyer who is an independent unit of the Company, including amounts Receivable proceeds from sale.

Other receivables reflect non-commercial receivables, not related to purchase and sale transactions.

Provision for bad debts is made for each bad debt based on the overdue age of the debts or the expected level of loss that may occur, specifically as follows:

- For overdue receivables: the enterprise estimates the impaired value that is inherently difficult to recover and makes provisions according to current regulations.
- For receivables that are not overdue but are unlikely to be recovered: base on the expected level of loss to set up provisions.

6. Recording inventories

Inventories are recorded at the lower of cost and net realizable value.

The original cost of inventory is determined as follows:

Raw materials and goods: includes purchasing costs and other directly related costs incurred to bring inventory to its current location and condition.

Finished products: includes raw material costs, direct labor and related manufacturing overhead costs that are further allocated based on normal operating levels.

Cost of production and works in progress: includes the cost of main raw materials of production and works in progress at the end of the period .

Method of calculating inventories' value: Weighted average method.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND*

Method of accounting for the inventories: Perpetual method.

Method for setting up provisions for devaluation of inventory: Provision for devaluation of inventory is established for each inventory item whose original price is greater than its net realizable value. Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to consume them.

Increases and decreases in the balances of provision for devaluation of inventory that need to be appropriated at the end of the fiscal year are recorded in cost of goods sold.

7. Recording fixed assets**7.1 Recording tangible fixed assets:**

Tangible fixed assets are stated at original cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred beyond their originally assessed standard of performance are capitalised as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalisation price of the construction project, other relevant fees plus (+) registration fee (if any).

Fixed assets which are buildings, structures attached to land use right, the value of land use right is computed separately and recorded as intangible fixed assets.

7.2 Recording intangible fixed assets:

Intangible fixed assets are stated at cost less accumulated amortization. The original cost of an intangible fixed asset comprises all costs of owning the asset to the date it is put into operation as expected.

Land use rights

Land use rights are all actual expenses the Company has paid that are directly related to used land, including: money spent to have land use rights, costs for compensation and site clearance, site leveling, registration fees, etc. When land use rights are purchased along with houses and architectural objects on the land, the value of land use rights is determined separately and recorded as intangible fixed assets.

7.3 Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND****The estimated useful life for assets is as follows:***

<i>Buildings and structures</i>	<i>6 - 50 years</i>
<i>Machinery and equipment</i>	<i>2 - 15 years</i>
<i>Transportation and facilities</i>	<i>5 - 25 years</i>

Land use rights which are granted for an indefinite term are carried at cost and not amortised.

8. Recording construction in progress:

Construction in progress costs reflect costs (including interest costs) directly related, in accordance with the Company's accounting policies, to assets under construction, machinery and equipment being installed to serve production, lease and management purposes as well as costs related to ongoing repairs of fixed assets. These assets are recorded at cost and are not depreciated.

These costs are capitalised as an additional cost of asset when the works have been completed. After the works have been finalized, the asset will be handed over and put into use.

9. Recording prepaid expenses

Prepaid expenses at the Company include actual expenses that have been incurred but are related to business results of many accounting periods. Method of allocating prepaid expenses: The calculating and allocating of prepaid expenses to business operating expenses of each period are according to the straight-line method.

Prepaid land rental: Prepaid land rent represents the land rental paid for the land the Company is using. Prepaid land rental is allocated to expenses according to the straight-line method corresponding to the rental period (43 years).

10. Operating lease assets

A lease is classified as an operating lease if the majority of the risks and rewards incidental to ownership of the asset belong to the lessor. Operating lease costs are reflected in expenses using the straight-line method throughout the lease term, regardless of the rental payment method.

11. Recording payables

Liabilities are recognized for amounts to be paid in the future for goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables as payables to sellers, payable expenses and other payables is done according to the following principles:

Trade payables reflect trade payables arising from purchases of goods, services, assets and the seller is an independent unit of the Company, including payables upon import through the trustee.

Other payables reflect non-commercial payables, not related to transactions of buying, selling or providing with goods and services.

12. Recording borrowings

The value of borrowings recorded is the total amount borrowed from banks and other entities.

Borrowings is tracked in detail by each loan object, each borrowing contract and each type of borrowing asset.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND***13. Recording accrued expenses**

Accrued expenses reflect amounts payable for goods and services received from the seller or provided to the buyer but not yet paid due to lack of invoices or insufficient records, accounting documents and amounts payable to employees in terms of bonus wages, services bought from outsiders expenses that must be deducted in advance.

14. Recording provision for payables

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and settlement of the obligation is likely to result in the economic benefits and value of the obligation can be estimated reliably.

Severance allowance provision: The Company must pay severance allowance to employees who work regularly at the Company for 12 months or more for the period of time not participating in unemployment insurance when they terminate the labor contract. Severance allowance provision is made at a level equal to 1/2 month's salary plus salary allowance (if any) of the average of the six most recent months up to the time of preparing the Financial Statements for 1 year of employment. Increases and decreases in severance allowance provision balance that need to be appropriated at the end of the fiscal year are recorded in corporate management expenses.

15. Recording owner's Equity**Owner's Paid-in Capital**

Owner's contributed capital is recorded according to the actual amount of capital contributed by shareholders and is reflected at the par value of the shares.

Share premium: Share premium is recorded according to the difference between the issue price and par value of shares, the difference between the re-issue price and book value of treasury shares.

Recording undistributed earnings

Profit after corporate income tax is distributed to shareholders after setting up funds according to the Charter of the Company as well as the provisions of law and approved by the General Meeting of Shareholders.

Dividends are recorded as liabilities when approved by the General Meeting of Shareholders.

Paying Dividends in Shares: The company recognizes the distribution of dividends in shares when the distribution and issuance of additional shares are approved by the General Meeting of Shareholders and the competent State authorities.

16. Recording revenue and other income**Recording revenue from goods sold**

Sales revenue is recognized when the following five (5) conditions are simultaneously met: 1. The enterprise has transferred most of the risks and benefits associated with ownership of the product or goods to the buyer; 2. The enterprise no longer holds the right to manage the goods as the owner of the goods or the right to control the goods; 3. Revenue is measured with relative certainty. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist and the buyer is not entitled to return the products and goods (except in cases where customers have the right to return goods in the form of exchange for other goods or services); 4. The enterprise receives or will receive economic benefits from the sales transaction; 5. Costs related to sales transactions can be identified.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND***17. Recording cost of goods sold**

Cost of goods sold is the cost of products, goods, services sold during the period. The cost of goods sold is recorded at the date the transaction incurs or likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on conformity principles. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent principle.

18. Recording financial expenses

Financial expenses include: Costs or losses related to financial investment activities, borrowing costs. Provisions for financial investment devaluation, losses incurred from foreign currency sales, exchange rate losses, and other financial expenses.

Financial expenses are recorded in details by their content and determined reliably when there are sufficient evidences on these expenses.

19. Recording current taxes and deferred taxes

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

Current income tax is a tax calculated based on taxable income. Taxable income differs from accounting profit due to adjustment of temporary differences between tax and accounting, non-deductible expenses as well as adjustment of non-taxable income and transferred losses.

Deferred income tax is the corporate income tax that will be payable or refunded due to the temporary difference between the book value of assets and liabilities for the purpose of preparing financial statements and tax basis. income. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized only when it is probable that taxable profits will be available in the future against which these deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or the entire deferred tax asset is used. Previously unrecognized deferred corporate income tax assets are reassessed at the balance sheet date and are recognized when it is certainty that sufficient taxable profit will be available against which the income tax assets can be utilized.

Tax rates of deferred income tax assets and deferred income tax liabilities are determined at the tax rates expected to be applied in the year the asset is recovered or the liability is settled based on the effective tax rates at the end of the financial year. Deferred income tax is recorded in the income statement and recorded directly in equity only when the tax relates to items recorded directly in equity.

The taxes payable to the state budget will be specifically settled with the tax authorities. Any discrepancy between the tax amount recorded in the books and the audited settlement figures will be adjusted upon the official tax settlement with the authorities.

The Company has been inspected for tax inspection until 2023.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND***20. Recording earnings per share**

The basic earnings per share are calculated by taking the profit or loss attributable to the company's common shareholders, subtracting the portion allocated to the reward and welfare fund established during the period, and dividing it by the weighted average number of common shares outstanding during the period.

Diluted earnings per share are calculated by dividing the profit or loss after tax attributable to the company's common shareholders (after adjusting for dividends on convertible preferred shares) by the weighted average number of common shares outstanding during the period and the weighted average number of common shares that would be issued if all potentially dilutive common shares were converted into common shares.

21. Financial instruments**Initial recognition:****Financial assets**

According to Circular No. 210/2009/TT-BTC dated November 6, 2009 ("Circular 210"), financial assets are appropriately classified, for disclosure purposes in financial statements, into financial assets measured at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The Company determines the classification of these financial assets at the time of initial recognition.

At the time of initial recognition, financial assets are measured at their original cost plus directly attributable transaction costs.

The Company's financial assets include cash, accounts receivable from customers, other receivables, and other financial assets.

Financial liabilities

Financial liabilities within the scope of Circular 210, for disclosure purposes in financial statements, are appropriately classified into financial liabilities recognized through the Statement of Comprehensive Income and financial liabilities measured at amortized cost. The Company determines the classification of financial liabilities at the initial recognition date.

All financial liabilities are initially recognized at cost plus any directly attributable transaction costs.

The Company's financial liabilities include payables to suppliers, other payables, borrowings, and other accrued expenses.

Subsequent measurement value

There is currently no requirement to reassess the value of financial instruments after initial recognition.

Offsetting financial instruments

Financial assets and financial liabilities are offset, and the net amount is presented in the financial statements if, and only if, the entity has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND***22. Related parties**

According to accounting standard No. 26 - Information about related parties at the company is as follows:

- (i) Enterprises that control, or are controlled directly or indirectly through one or more intermediaries, or are under joint control with the reporting enterprise (including parent companies, subsidiaries, subsidiaries of the same group);
- (iii) Individuals with direct or indirect voting rights in reporting enterprises that lead to significant influence over these enterprises, including close family members of these individuals. Close family members of an individual are those who can control or be controlled by that person when dealing with a business such as: Father, mother, spouses, children, siblings;
- (iv) Key management employees have the rights and responsibilities for planning, managing and controlling the activities of the reporting enterprise, including leaders and management staff of the company and close family members of these individuals;
- (v) Enterprises where the individuals mentioned in case (iii) or case (iv) above directly or indirectly hold an important part of the voting rights or through this, that person can have a significant impact on the business. This includes businesses that are owned by the directors or major shareholders of the reporting enterprise and businesses that share a key member of management with the reporting enterprise.

In considering each relationship between related parties, it is necessary to pay attention to the nature of the relationship, not just the legal form of those relationships.

23. Segment reporting

Business segments include segments by business field and segments by geographic region.

A segment by business field is a distinguishable part of the Company involved in the production or supply of individual products or services, a group of related products, or services where the segment has different risks and economic benefits compared to other business segments.

A segment by geographic region is a distinguishable part of the Company involved in the production or supply of products and services within a specific economic environment, where the segment has different risks and economic benefits compared to business segments in other economic environments.

Segment information is prepared and presented in accordance with the accounting policies applied to the preparation and presentation of the Company's separate financial statements to help users of the separate financial statements clearly understand and assess the Company's operations comprehensively.

24. Accounting estimates

The preparation of financial statements complies with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations on the preparation and presentation of financial statements. It requires the General Director to make estimates and assumptions that affect figures related to assets, liabilities, and the presentation of contingent liabilities and assets as of the financial year-end, as well as revenue and expense figures throughout the financial year. These estimates and assumptions are regularly reviewed based on past experiences and other factors, including future assumptions that have a material impact on the company's financial statements and are reasonably assessed by the Board of General Directors.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

1. Cash and cash equivalents	Dec. 31, 2024	Jan. 01, 2024
Cash on hand	247.299.879	1.100.691.751
Demand deposits	16.113.589.716	9.416.677.165
- VND	16.106.367.736	8.564.997.638
- USD	\$ 285,28 7.221.980	851.679.527
Total	16.360.889.595	10.517.368.916

2. Long-term financial investments

Investment in equity of subsidiaries	Dec. 31, 2024		Jan. 01, 2024	
	Original cost	Provision	Original cost	Provision
Tesla Pharmaceutical JSC (*)	-	-	6.500.000.000	(1.283.703.942)
Total	-	-	6.500.000.000	(1.283.703.942)

(*) In 2024, the Company transferred all shares of Tesla Pharmaceutical Joint Stock Company to Mrs. Tran Thi Thanh Nha under the agreement dated June 11, 2024, with the number of shares sold being 320,000 shares, and to Mrs. Tran Thi Kieu Tien under the agreement dated June 11, 2024, with the number of shares sold being 330,000 shares, at a selling price of 10,000 per share.

3. Trade receivables

	Dec. 31, 2024		Jan. 01, 2024	
	Amount	Provision	Amount	Provision
Short term	107.875.457.413	(954.410.876)	54.223.035.035	(875.954.028)
Local customers	107.875.457.413	(954.410.876)	54.223.035.035	(875.954.028)
Windi Pharmaceutical Company Limited	5.483.021.600	-	-	-
FPT Long Chau Pharma Joint Stock Company	5.538.745.424	-	10.834.627.561	-
Onlpharma Pharmaceutical Co.,Ltd	5.473.917.851	-	2.204.530.757	-
Tam Hanh Pharmaceutical Co.,Ltd	5.041.097.187	-	-	-
Hb Pharma Joint Stock Company	6.300.000.000	-	-	-
Pegasus Pharmaceutical Company, Limited	27.704.660.490	-	-	-
Others	52.334.014.861	(954.410.876)	41.183.876.717	(875.954.028)
Total	107.875.457.413	(954.410.876)	54.223.035.035	(875.954.028)

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

4. Prepayments to suppliers

	Dec. 31, 2024		Jan. 01, 2024	
	Amount	Provision	Amount	Provision
Short term	1.484.740.870	-	216.942.689	-
Local suppliers	983.941.270	-	216.942.689	-
<i>VN TND Technology Corporation</i>	188.853.770	-	-	-
<i>Ho Chi Minh City Institute Of Drug Testing</i>	306.500.000	-	-	-
<i>Saticus Science And Technology Co.,Ltd</i>	206.937.500	-	-	-
<i>Others</i>	281.650.000	-	216.942.689	-
Foreign suppliers	500.799.600	-	-	-
<i>Roshn Technology New Material (Zhengyang) Co., Ltd.</i>	500.799.600	-	-	-
#USD	\$ 19.600,00	-	-	-
Total	1.484.740.870	-	216.942.689	-

5. Other receivables

	Dec. 31, 2024		Jan. 01, 2024	
	Amount	Provision	Amount	Provision
a. Short term	98.575.456	-	46.495.035	-
Advances	15.000.000	-	28.409.035	-
Deposits	83.575.456	-	18.086.000	-
b. Long term	305.895.000	-	252.030.000	-
Deposits	305.895.000	-	252.030.000	-
Total	404.470.456	-	298.525.035	-
c. Other receivable from concerned party				
<i>Magnolia Investment Corporation</i>	305.145.000	-	251.280.000	-
Total	305.145.000	-	251.280.000	-

6. Provision for doubtful debts (see page 39)

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

7. Inventories	Dec. 31, 2024		Jan. 01, 2024	
	Original cost	Provision	Original cost	Provision
Raw materials	36.511.980.260	(423.660.958)	65.657.717.431	(718.338.992)
Works in progress	2.880.022.521	-	863.802.559	-
Finished goods	65.427.813.210	(370.433.860)	65.954.619.610	(2.972.604.807)
Merchandise inventory	425.020.300	-	1.841.438.298	-
Total	105.244.836.291	(794.094.818)	134.317.577.898	(3.690.943.799)

- Value of inactive, deteriorated inventories which are not possibly consumed at the year end: none.

- The value of inventory used as collateral to secure liabilities at the end of the year: none.

- Reason for additional provision or reversal of provision for inventory devaluation: because of the company's estimation that the selling price is lower than the net realizable value.

8. Long-term construction in progress

	Dec. 31, 2024		Jan. 01, 2024	
	Amount	Provision	Amount	Provision
Construction in progress				
Factory upgrading	-	-	6.926.934.000	-
Machinery is being installed	-	-	2.527.256.875	-
Total	-	-	9.454.190.875	-

9. Tangible fixed assets

Items	Buildings & structures	Machinery & equipment	Transportation	Total
Original cost				
Opening balance	48.071.518.736	93.141.902.846	42.906.830.306	184.120.251.888
New purchases	1.864.000.000	989.357.670	332.555.205	3.185.912.875
Transfers from construction in progress	2.668.205.837	3.165.107.955	12.242.966.013	18.076.279.805
Disposal, sale	-	(153.281.200)	(3.055.024.386)	(3.208.305.586)
Closing balance	52.603.724.573	97.143.087.271	52.427.327.138	202.174.138.982
Accumulated depreciation				
Opening balance	12.450.227.586	62.870.560.919	22.026.041.016	97.346.829.521
Charge for the year	1.294.229.314	7.037.785.917	2.726.768.057	11.058.783.288
Disposal, sale	-	(153.281.200)	(3.055.024.386)	(3.208.305.586)
Closing balance	13.744.456.900	69.755.065.636	21.697.784.687	105.197.307.223
Net book value				
Opening balance	35.621.291.150	30.271.341.927	20.880.789.290	86.773.422.367
Closing balance	38.859.267.673	27.388.021.635	30.729.542.451	96.976.831.759

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

9. Tangible fixed assets (Cont.)

* Ending net book value of tangible fixed assets pledged/mortgaged as loan security: VND 58.216.709.814.

* Ending original costs of tangible fixed assets—fully depreciated but still in use: VND 48.137.363.047.

* Ending original costs of tangible fixed assets—waiting to be disposed: VND 0.

* Other changes in tangible fixed assets: None.

10. Intangible fixed assets

Items	Land use rights	Total
Original cost		
Opening balance	550.000.000	550.000.000
Closing balance	550.000.000	550.000.000
Accumulated depreciation		
Opening balance	-	-
Closing balance	-	-
Net book value		
Opening balance	550.000.000	550.000.000
Closing balance	550.000.000	550.000.000

* Ending net book value of intangible fixed assets pledged/mortgaged as loan security: VND 0.

* Ending original costs of intangible fixed assets—fully depreciated but still in use: VND 0.

* Other changes in intangible fixed assets: None.

* Intangible fixed assets is the value of land use rights at Thu Khoa Huan Street, Ward 5, Go Cong Town, Tien Giang Province.

11. Prepaid expenses

	Dec. 31, 2024	Jan. 01, 2024
a. Short-term prepaid expenses	184.856.883	473.690.433
Fire insurance expenses	27.541.693	26.190.433
Software	112.922.690	-
Others	44.392.500	447.500.000
b. Long-term prepaid expenses	8.897.014.237	7.734.494.359
Land lease expense (*)	6.491.733.990	6.686.974.110
Renovation expense	1.591.572.762	441.668.808
Others	813.707.485	605.851.441
Total	9.081.871.120	8.208.184.792

(*) The balance represents prepaid land lease payments for plots 08 and 09, Tan My Chanh Industrial Cluster, My Tho City, Tien Giang Province. The lease term is 43 years, commencing on April 24, 2015, and expiring on April 2, 2058.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

12. Trade payables	Dec. 31, 2024		Jan. 01, 2024	
	Amount	Debt Service Coverage	Amount	Debt Service Coverage
Short term	18.976.823.385	18.976.823.385	24.417.001.068	24.417.001.068
Local suppliers	18.976.823.385	18.976.823.385	24.417.001.068	24.417.001.068
<i>Dong Au Packaging Company Limited</i>	<i>1.525.376.844</i>	<i>1.525.376.844</i>	<i>3.356.825.090</i>	<i>3.356.825.090</i>
<i>Multipack Company Limited</i>	<i>2.081.751.705</i>	<i>2.081.751.705</i>	<i>2.464.023.083</i>	<i>2.464.023.083</i>
<i>Phuc Dan International Pharmaceutical Trading JSC</i>	<i>3.800.767.442</i>	<i>3.800.767.442</i>	<i>2.221.447.384</i>	<i>2.221.447.384</i>
<i>Others</i>	<i>11.568.927.394</i>	<i>11.568.927.394</i>	<i>16.374.705.511</i>	<i>16.374.705.511</i>
Total	18.976.823.385	18.976.823.385	24.417.001.068	24.417.001.068

13. Prepayments from customers

	Dec. 31, 2024	Jan. 01, 2024
Short term	5.448.623.515	6.062.328.650
Local customers	5.448.623.515	6.062.328.650
<i>An Pha Pharma Trading Company Limited</i>	<i>1.434.219.458</i>	<i>2.976.585.108</i>
<i>Hiep Thuan Thanh Medical Company Limited</i>	<i>624.063.856</i>	<i>877.156.859</i>
<i>Vian Pharmaceutical Joint Stock Company</i>	<i>569.624.235</i>	<i>253.531.887</i>
<i>Gspharm Joint Stock Company</i>	<i>524.469.045</i>	-
<i>Others</i>	<i>2.296.246.921</i>	<i>1.955.054.796</i>
Total	5.448.623.515	6.062.328.650

14. Taxes and payables to the State Budget

	Jan. 01, 2024	Payable amount	Paid amount/ deducted	Dec. 31, 2024
Payables				
VAT on local sale	653.778.851	18.475.623.436	17.395.935.101	1.733.467.186
VAT on imported goods	-	4.943.718.698	4.943.718.698	-
Corporate income tax	1.385.762.455	5.288.733.921	3.692.221.345	2.982.275.031
Personal income tax	99.967.003	1.553.740.640	1.523.005.364	130.702.279
Land and housing taxes	-	240.773.633	240.773.633	-
Other taxes	-	7.000.000	7.000.000	-
Other fees, duties and obligations	-	7.994.976	7.994.976	-
Total	2.139.508.309	30.517.585.304	27.810.649.117	4.846.444.496

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

14. Taxes and payables to the State Budget (Cont.)

Present the method for determining taxes, fees, duties and obligations.

Value added tax

The company pays value added tax using the deduction method. Value added tax rates are as follows:

	<u>Tax rate</u>
- Value added tax rate for export goods	0%
- The value added tax rate for goods, including various types of medicine	5%
- The value added tax rate for dietary supplements and other goods.	10%

During the year, the Company benefited from a VAT reduction to 8% under Decree 94/2023/NĐ-CP, applicable from January 1, 2024, to June 30, 2024, and Decree 72/2024/NĐ-CP, applicable from July 1, 2024, to December 31, 2024.

Import and export tax

The company declares and submits according to regulations.

Corporate income tax

According to Decree No. 13/2019/ND-CP dated February 1, 2019, issued by the Government on Scientific and Technological Enterprises, the company is entitled to specific incentives, including a tax exemption for 4 years and a 50% reduction in the tax payable for the following 9 years. The company started receiving a 50% tax reduction from 2021 to 2029

Other taxes

The company declares and submits according to regulations.

15. Short term accrued expenses

	<u>Dec. 31, 2024</u>	<u>Jan. 01, 2024</u>
Advance payment of remuneration for the Board of Management	420.000.000	429.000.000
Outside purchasing	100.000.000	355.000.000
Others	383.909.836	387.014.316
Total	903.909.836	1.171.014.316

16. Short term other payables

	<u>Dec. 31, 2024</u>	<u>Jan. 01, 2024</u>
Collateral deposits	2.676.629.512	1.996.629.512
<i>Circa Pharmacy Co., Ltd</i>	1.200.000.000	-
<i>Nam Hung Pharmaceutical Service Trading Company Limited</i>	400.000.000	-
<i>Hung Thinh International Pharmaceutical Trading Company Limited</i>	303.046.290	303.046.290
<i>Others</i>	773.583.222	1.693.583.222
Dividends payable	66.397.488	72.684.113
Others	28.268.600	24.532.600
Total	2.771.295.600	2.093.846.225

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

17. Borrowings

	Dec. 31, 2024		Jan. 01, 2024	
	Amount	Debt Service Coverage	Amount	Debt Service Coverage
Short-term borrowings	111.292.692.176	111.292.692.176	100.410.126.928	100.410.126.928
<i>Joint Stock Commercial Bank for Investment and Development Of Vietnam</i>	111.292.692.176	111.292.692.176	99.999.126.928	99.999.126.928
(*)				
Khác	-	-	411.000.000	411.000.000
Total	111.292.692.176	111.292.692.176	100.410.126.928	100.410.126.928

(*) This is a loan facility under Contract No. 01/2024/4333498/HĐTĐ, with a total credit limit of VND 120.000.000.000, a one - year term , an interest rate determined at each disbursement, secured by a pledge on the company's plant, machinery, equipment, and vehicles, and is intended to supplement working capital requirements for production and business operations.

18. Long term provision for payable

	Dec. 31, 2024	Jan. 01, 2024
Provision for severance allowance	727.508.333	727.508.333
Total	727.508.333	727.508.333

19. Deferred income tax assets and deferred income tax liabilities

	Dec. 31, 2024	Jan. 01, 2024
Deferred income tax assets	599.202.805	1.200.681.232
- Deferred income tax assets related to taxable temporary differences	599.202.805	1.200.681.232
Total	599.202.805	1.200.681.232

20. Owners' equity

a. Comparison schedule for changes in Owner's Equity (see page 40)

b. Details of owners' shareholding	% of shareholding	Dec. 31, 2024	Jan. 01, 2024
Mr. Nguyen Ho Nam	24,86%	20.763.250.000	18.055.000.000
Mrs. Dang Thi Thu Hang	24,41%	20.385.680.000	17.726.680.000
Bamboo Capital Group Joint Stock Company	21,01%	17.549.570.000	15.260.500.000
Mrs. Nguyen Phuong Hoa	11,27%	9.412.960.000	8.185.190.000
Magnolia Investment JSC	5,16%	4.311.000.000	2.498.700.000
Others	13,29%	11.103.270.000	10.906.030.000
Total	100,00%	83.525.730.000	72.632.100.000

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

20. Owners' equity (Cont.)

c. Capital transactions with owners and distribution of dividends, profits	Year 2024	Year 2023
Owners' equity	83.525.730.000	72.632.100.000
<i>At the beginning of the year</i>	72.632.100.000	72.632.100.000
<i>Increase of the year</i>	10.893.630.000	-
<i>At the end of the year</i>	83.525.730.000	72.632.100.000
Dividends paid	10.893.630.000	9.472.820.000

Increase capital during the year

During the year, the Company issued shares to distribute dividends to existing shareholders at a rate of 15% of charter capital, in accordance with Resolution No. 03/2024/NQ-DHĐCĐ-DTG of the Annual General Meeting of Shareholders dated April 23, 2024, and Resolution No. 20/2024/NQ-HĐQT-DTG of the Board of Directors dated May 6, 2024. Based on this, the Company recorded an increase in owner's investment capital and a reduction in undistributed after-tax profit by VND 10,893,630,000. On July 16, 2024, the Company received the 22nd amended Business Registration Certificate from the Department of Planning and Investment of Tien Giang Province, approving the increase of charter capital to VND 83,525,730,000.

d. Shares	Dec. 31, 2024	Jan. 01, 2024
Number of shares authorised to be issued	8.352.573	7.263.210
Number of shares issued shares and fully paid	8.352.573	7.263.210
<i>Ordinary share</i>	8.352.573	7.263.210
Number of existing shares in issue	8.352.573	7.263.210
<i>Ordinary share</i>	8.352.573	7.263.210
<i>Par value: VND/share.</i>	10.000	10.000

e. Funds	Dec. 31, 2024	Jan. 01, 2024
Investment and development fund	19.313.275.717	19.313.275.717
Total	19.313.275.717	19.313.275.717

* Purpose of appropriating and using funds

Investment and development fund is established from the profit after tax of the enterprise and used for expanding the operating scale or investing further in the enterprise.

21. Off-Balance Sheet

a. Outsource asset lease: Total minimum lease payments due operating lease payments over various periods	Dec. 31, 2024	Jan. 01, 2024
<i>Under 1 year</i>	2.001.566.700	1.906.254.000
<i>Between 1 year to 5 years</i>	-	2.001.566.700
Total minimum payments	2.001.566.700	3.907.820.700

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

21. Off-Balance Sheet (Cont.)**b. Foreign currencies**

	<u>Dec. 31, 2024</u>	<u>Jan. 01, 2024</u>
USD	\$ 285,28	\$ 35.324,88
Total	\$ 285,28	\$ 35.324,88

c. Precious metals, gemstones

	<u>Dec. 31, 2024</u>		<u>Jan. 01, 2024</u>	
	Quantity (mace)	Original cost	Quantity (mace)	Original cost
Gold ring 24K	72	382.580.000	311	1.656.940.000
Gold bar 24K	-	-	16	91.300.000
Total	72	382.580.000	327	1.748.240.000

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT

1. Sales	Year 2024	Year 2023
Revenue from merchandise sales	4.711.302.636	5.808.198.567
Revenue from finished goods sales	361.496.229.191	357.030.151.131
Revenue from service provision	1.281.855.438	427.300.495
Total	367.489.387.265	363.265.650.193
2. Sales deductions	Year 2024	Year 2023
Trade discounts	2.426.334.584	3.451.059.898
Sales returns	931.444.334	1.424.579.424
Total	3.357.778.918	4.875.639.322
3. Net sales	Year 2024	Year 2023
Revenue from merchandise sales	4.711.302.636	5.808.198.567
Revenue from finished goods sales	358.138.450.273	352.154.511.809
Revenue from service provision	1.281.855.438	427.300.495
Total	364.131.608.347	358.390.010.871
4. Cost of goods sold and services provided	Year 2024	Year 2023
Cost of goods sold	4.360.035.769	5.057.345.389
Cost of finished goods sold	283.883.185.466	272.119.588.959
Cost of services provided	895.000.000	-
Provision for devaluation of inventories	(2.896.848.981)	2.546.006.267
Total	286.241.372.254	279.722.940.615

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

	Year 2024	Year 2023
5. Financial income		
Interest on term deposits, loans	15.092.908	23.464.305
Realised foreign exchange gains	294.010.653	45.647.324
Unrealised foreign exchange gains	2.471.381	13.887.058
Total	311.574.942	82.998.687
6. Financial expenses		
Interest expenses	6.828.882.726	6.526.056.351
Realised foreign exchange losses	484.988.928	1.298.978.894
Payment discounts	-	186.575.474
Provision/(Reversal) for devaluation of trading securities and investment loss	(1.283.703.942)	181.623.556
Total	6.030.167.712	8.193.234.275
7. Selling expenses and administration expenses		
a. Selling expenses		
Salaries	8.340.239.641	4.957.787.652
Depreciation	205.457.544	205.457.544
Services bought from outsiders	1.689.760.538	1.065.593.334
Taxes and fees	26.259.708	144.577.559
Others	2.075.328.078	1.302.159.435
Total	12.337.045.509	7.675.575.524
b. General and administration expenses		
Salaries	15.170.314.797	15.281.505.121
Depreciation	516.405.951	516.405.948
Provision/(Reversal) for doubtful debts	78.456.848	(1.006.197.062)
Services bought from outsiders	12.090.288.481	4.851.845.748
Other sundry expenses by cash	3.393.627.481	6.201.124.888
Total	31.249.093.558	25.844.684.643
8. Other income		
Disposal or sale of fixed assets (*)	123.971.050	-
Others	349.541.756	761.839.187
Total	473.512.806	761.839.187
9. Other expenses		
Others	31.460.909	121.150.278
Total	31.460.909	121.150.278

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

(*) Notes of disposal sale of fixed assets	Year 2024	Year 2023
Disposal or sale of fixed assets	123.971.050	-
Remained value of fixed assets and disposal, sale fixed assets fees	-	-
Gain/loss on disposal of fixed assets	123.971.050	-
10. Costs of production and doing business by factors	Year 2024	Year 2023
Raw materials	241.812.457.973	239.364.869.491
Labour cost	43.177.160.360	39.606.368.201
Depreciation	11.058.783.288	10.682.395.309
Services bought from outsiders	23.343.930.167	14.206.139.872
Other sundry cash expense	5.579.907.115	7.439.791.444
Total	324.972.238.903	311.299.564.317
11. Current corporate income tax	Year 2024	Year 2023
1. Earning before taxes	29.027.556.153	37.677.263.410
2. Adjustments to increase (decrease) accounting profit to determine taxable income	(2.583.886.548)	2.966.415.575
Adjustment to increase	423.505.585	2.966.415.575
- Invalid expenses	423.505.585	320.690.378
- Others	-	2.645.725.197
Adjustment to decrease	(3.007.392.133)	-
- Others	(3.007.392.133)	-
3. Taxable income	26.443.669.605	40.643.678.985
- Taxable income to non-preferential tax rates	26.443.669.605	28.245.359.235
- Taxable income to preferential tax rates	-	12.398.319.750
4. Corporate income tax	5.288.733.921	6.888.903.822
- CIT to non-preferential tax rates	5.288.733.921	5.649.071.847
- CIT to preferential tax rates	-	1.239.831.975
5. Adjustment to corporate income tax liabilities of prior years and this year	-	427.577.758
6. Current corporate income tax (4+5)	5.288.733.921	7.316.481.580

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

	Year 2024	Year 2023
12. Deferred income tax		
- Deferred corporate income tax incurred from reversal of deferred corporate income tax assets	601.478.427	-
- Deferred corporate income tax incurred from reversal of deferred corporate income tax liabilities	-	(529.145.039)
Total deferred income tax	601.478.427	(529.145.039)
13. Earnings per share	Year 2024	Year 2023
Accounting profit after corporate income tax	23.137.343.805	30.889.926.869
Increase or decrease of accounting profit	-	-
Profit or loss attributable to ordinary equity holders	23.137.343.805	30.889.926.869
Average ordinary shares outstanding during the period	8.352.573	7.263.210
Earnings per share	2.770	4.253
14. Diluted earnings per share	Năm 2024	Năm 2023
Profit or loss allocated to shareholders owning ordinary shares	23.137.343.805	30.889.926.869
Profit or loss allocated to shareholders owning ordinary shares after adjusting dilution factors	23.137.343.805	30.889.926.869
Average outstanding ordinary shares in the period	8.352.573	7.263.210
Average outstanding ordinary shares in the period after adjusting dilution factors	8.352.573	7.263.210
Diluted earnings per share	2.770	4.253

VII. OBJECTIVES AND FINANCIAL RISKS MANAGEMENT POLICIES

Major risks of financial instruments include market risk, credit risk and liquidity risk.

The Board of General Directors considers the application of management policies for the above risks as follows:

1. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks, for example risk of stock price. Financial instruments affected by the market risks include: borrowings and liabilities, deposits, available-for-sale investments.

The following sensibility analysis relates to the financial position of the Company as at December 31, 2024 and December 31, 2023.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND*

When calculating the sensibility analysis, the Board of General Directors assumes that the sensibility of available-for-sale liability in the balance sheet and related items in the income statement is affected by changes in the assumption of corresponding market risks. This analysis is based on the financial assets and liabilities that the Company held as at December 31, 2024 and December 31, 2023.

1.1. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market prices. Market risks due to change in interest rate of the Company mainly relate to: borrowings and liabilities, cash and short-term deposits.

The Company manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Company and still in the limit of its risk management.

Sensibility to interest rate

The company does not perform sensitivity analysis for foreign currencies because the risk of foreign currency fluctuations on the financial reporting date is insignificant.

1.2. Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in exchange rate. The Company bears risks due to changes in the exchange rate of the currencies other than VND related directly to the Company's business.

The Company manages foreign exchange risk by considering current and expected market status when it outlines plans for future transactions in foreign currencies. The Company does not use any derivative instruments to prevent foreign exchange risks.

Sensibility to foreign currencies

The Company does not analyze the sensibility to the foreign currencies since a change in the foreign currencies at the prepared financial statements date is insignificant.

2. Credit risk

Credit risk is the risk due to the uncertainty in a counterparty's ability to meet its obligations causing the financial loss. The Company bears credit risks from production and doing business activities (mainly trade receivables) and from its financial activities including deposits, foreign exchange transactions and other financial instruments.

Trade receivables

The Company minimizes the credit risk by only doing business with entities who have good financial capacity and closely keeping track of the liabilities to speed up the recovery of debts. On the basis of this method and receivables related to different customers, the credit risk does not concentrate on a certain customer.

Deposit

The Company mainly maintains deposits in big and prestigious banks in Vietnam. The Company realized that the concentration level of credit exposure to deposits is low.

The Board of General Directors of the Company has assessed that most financial assets are not overdue and impaired since these financial assets relate to prestigious customers who have good liquidity capacity except for overdue and/or impaired debts presented as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

2. Credit risk (Cont.)

	Not overdue		Overdue	
	Non-impairment	Impairment	Non-impairment	Impairment
December 31, 2024				
Under 90 days	105.544.987.413	-	-	-
>181 days	-	-	-	2.330.470.000
Total net value	105.544.987.413	-	-	2.330.470.000
Provision for devaluation	-	-	-	(954.410.876)
Net value	105.544.987.413	-	-	1.376.059.124
December 31, 2023				
Under 90 days	52.865.682.265	-	-	-
>181 days	-	-	-	1.357.352.770
Total net value	52.865.682.265	-	-	1.357.352.770
Provision for devaluation	-	-	-	(875.954.028)
Net value	52.865.682.265	-	-	481.398.742

3. Liquidity risk

Liquidity risk is the risk that arises from the difficulty in fulfilling financial obligations due to lack of capital. The liquidity risk of the Company mainly arises from difference of maturity of the financial assets and liabilities.

The Company supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of General Directors considers as sufficient to satisfy the Company's activities and minimize influences of changes in cash flows.

The following table summarizes liquidity deadline of the Company's financial liabilities on the basis of estimated payments in accordance with contract which are not discounted:

	<i>Under 1 year</i>	<i>From 1-5 years</i>	<i>Over 5 years</i>	<i>Total</i>
December 31, 2024				
Borrowings and liabilities	111.292.692.176	-	-	111.292.692.176
Trade payables	18.976.823.385	-	-	18.976.823.385
Other payables and other expenses	3.646.936.836	-	-	3.646.936.836
Total	133.916.452.397	-	-	133.916.452.397
December 31, 2023				
Borrowings and liabilities	100.410.126.928	-	-	100.410.126.928
Trade payables	24.417.001.068	-	-	24.417.001.068
Other payables and other expenses	3.240.327.941	-	-	3.240.327.941
Total	128.067.455.937	-	-	128.067.455.937

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

The Company is able to access capital sources and and loans maturing within the next 12 months can be renewed with existing lenders.

Secured assets

The Company pledged part of the factory, transportation vehicle, machinery and equipment as security for short-term and long-term borrowings from banks (Notes No V.17 on Borrowings).

The Company does not hold any secured assets of the third party as at December 31, 2024 and December 31, 2023.

VIII. FINANCIAL ASSETS AND LIABILITIES

Details are presented on page 41

The fair value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Company uses the following methods and assumptions to estimate the fair value:

The fair value of cash on hand and short-term deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short-term.

IX. ADDITIONAL INFORMATION FOR ITEMS IN THE CASH FLOW STATEMENT

1. Borrowing amount in the period	Year 2024	Year 2023
- Proceeds from principal debts under normal agreement	<u>254.530.427.431</u>	<u>270.273.845.156</u>
2. Payment for principal debts	Year 2024	Year 2023
- Payment for principal debts under normal agreement	<u>(243.647.862.183)</u>	<u>(247.812.333.288)</u>

X. OTHER INFORMATION**1. Contingent liabilities, commitments and other information**

There are no significant contingent liabilities, commitments from the fiscal year end that need to be adjusted or noted in the financial statements.

2. Subsequent events

There are no significant events since the period end that need to be adjusted or noted in the financial statements.

3. Related party transactions

Key transactions and balances with related parties:

Related parties	Relationship	Transactions	Movement	Closing balance (Receivables/ Payables)
Magnolia Investment Corporation	Co-managed by key personnel	Purchase of goods and services	1.963.776.000	305.145.000
AAA Insurance Corporation Joint Stock Company	Co-managed by key personnel	Purchase of goods and services	344.238.826	-

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

3. Related party transactions (Cont.)

Key transactions and balances with related parties:

Related parties	Relationship	Transactions	Movement	Closing balance (Receivables/ Payables)
Mrs. Tran Thi Kieu Tien	Member of Board of Directors	Disposition of a subsidiary's shares	3.300.000.000	
Tam Sinh Nghia Investment Development JSC	Co-managed by key personnel	Sales	136.220.908	

Remuneration of the Board of Management and Board of General Directors

Related parties	Relationship	Transactions	Year 2024	Year 2023
Mr. Le Thanh Tung	Vice Chairman and General Director	Salary, allowance and bonus	1.311.616.772	601.268.086
Mrs. Ly Thi Xuan Mai	Deputy General Director	Salary, allowance and bonus	1.184.914.960	838.812.453
Mrs. Le Thi My Tien	Chief Accountant	Salary, allowance and bonus	414.137.077	435.755.151
Mr. Dang Viet Anh	Chairman	Allowance and bonus	57.500.000	36.000.000
Mr. Nguyen Ho Nam	Former Chairman	Allowance and bonus	-	45.000.000
Mr. Luu Hoai Nam	Member of Board of Management	Salary, allowance and bonus	42.000.000	1.280.378.857
Mrs. Tran Thi Kieu Tien	Member of Board of Management	Allowance and bonus	36.000.000	27.000.000
Mrs. Dang Thi Thu Hang	Member of Board of Management	Allowance and bonus	36.000.000	27.000.000
Mr. Thai Van Hung	Independent member of Board of Management	Allowance and bonus	36.000.000	27.000.000
Mr. Nguyen Quoc Khanh	Independent member	Allowance and bonus	28.500.000	-
Mr. Dong Hai Ha	Chief Supervisor	Allowance and bonus	28.500.000	-
Mrs. Tran Thi Bich Nhi	Deputy Supervisor	Allowance and bonus	24.000.000	27.000.000
Mr. Le Van Son	Member of Board of Supervisors	Allowance and bonus	9.500.000	-
Mr. Tran Hoang Quan	Former member of Board of Supervisors	Allowance and bonus	-	144.346.154

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

Remuneration of the Board of Management and Board of General Directors (Cont.)

Related parties	Relationship	Transactions	Year 2024	Year 2023
Mrs. Duong Thi Thuy Lieu	Former member of Board of Supervisors	Allowance and bonus	-	70.700.000

4. Presentation of assets, revenue, and business results by segment:

The Company's Board of General Directors has determined that management decisions are primarily based on the types of products and services the Company provides rather than the geographical areas in which the Company operates. Therefore, the Company's primary reporting is based on business segments.

4.1. Primary segment reporting: by business segment**a. Segment business performance report by business sector for the fiscal year 2024**

As of December 31, 2024, the Company reports operations by business segments: Supply of goods, finished products, and services. The Company analyzes revenue and cost of goods sold by segment as follows:

Division	Net sales	Cost of sales	Gross profit
Sale of goods	4.711.302.636	4.360.035.769	351.266.867
Sale of finished products	358.138.450.273	280.986.336.485	77.152.113.788
Service provision	1.281.855.438	895.000.000	386.855.438
Total	364.131.608.347	286.241.372.254	77.890.236.093

b. Segment business performance report by business sector for the fiscal year 2023

As of December 31, 2023, the Company reports operations by business segments: Supply of goods, finished products, and services. The Company analyzes revenue and cost of goods sold by segment as follows:

Division	Net sales	Cost of sales	Gross profit
Sale of goods	5.808.198.567	5.057.345.389	750.853.178
Sale of finished products	352.154.511.809	274.665.595.226	77.488.916.583
Service provision	427.300.495	-	427.300.495
Total	358.390.010.871	279.722.940.615	78.667.070.256

4.2. Secondary segment report: by geographic area

The company operates solely in the pharmaceutical supply sector. It has no branches, only its headquarters and factories located in Tien Giang province. Therefore, the company does not provide segment report disclosures.

5. Comparative information**Presentation of opening comparative figures**

Comparative figures on the Balance Sheet dated January 1, 2024, Income Statement, Cash Flow Statement and corresponding notes for the fiscal year ended December 31, 2023, have audited by PWC (Vietnam) Auditing Company.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

6. Information on going-concern operation: The Company will continue its operation in the future.

Prepared by

Pham Thi Thu Lanh

Chief Accountant

Le Thi My Tien

Tien Giang, March 21, 2025

General Director



Le Thanh Tung

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

V.6. Provision for doubtful debts

	Dec. 31, 2024				Jan. 01, 2024			
	Original amount	Debt recoverable	Provision	Item	Original amount	Debt recoverable	Provision	Item
- Total value of overdue receivables or undue receivables but likely to be unrecoverable	2.330.470.000	1.376.059.124	(954.410.876)		1.357.352.770	481.398.742	(875.954.028)	
<i>30-4 Hospital</i>	<i>20.309.321</i>	<i>-</i>	<i>(20.309.321)</i>	<i>Over 3 years</i>	<i>287.412.203</i>	<i>99.900.640</i>	<i>(187.511.563)</i>	<i>Under 3 years</i>
<i>Chau Thanh District Medical Center - Kien Giang</i>	<i>188.648.841</i>	<i>96.979.421</i>	<i>(91.669.421)</i>	<i>Under 2 years</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>District 10 Medical Center</i>	<i>171.191.755</i>	<i>-</i>	<i>(171.191.755)</i>	<i>Over 3 years</i>	<i>171.191.755</i>	<i>-</i>	<i>(171.191.755)</i>	<i>Over 3 years</i>
<i>Others</i>	<i>1.950.320.082</i>	<i>1.279.079.704</i>	<i>(671.240.379)</i>	<i>Under 2 years</i>	<i>898.748.812</i>	<i>381.498.102</i>	<i>(517.250.710)</i>	<i>Under 2 years</i>



NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2024**Unit: VND***V. 20. Owners' Equity****a. Comparison schedule for changes in Owner's Equity**

Items	Paid-in capital	Share premium	Investment and Development Fund	Undistributed earnings	Operational funding sources	Total
Prior year opening balance	63.159.280.000	33.634.115.000	19.313.275.717	19.082.085.715	360.000.000	135.548.756.432
Profit	-	-	-	30.889.926.869	-	30.889.926.869
Receive funding allocated from the budget	-	-	-	-	129.834.668	129.834.668
Utilize operational funding sources	-	-	-	-	(129.834.668)	(129.834.668)
Reimburse operational funding sources	-	-	-	-	(360.000.000)	(360.000.000)
Dividends paid	9.472.820.000	-	-	(12.630.784.000)	-	(3.157.964.000)
Prior year closing balance	72.632.100.000	33.634.115.000	19.313.275.717	37.341.228.584	-	162.920.719.301
Current year opening balance	72.632.100.000	33.634.115.000	19.313.275.717	37.341.228.584	-	162.920.719.301
Profit	-	-	-	23.137.343.805	-	23.137.343.805
Dividends paid	10.893.630.000	-	-	(10.893.630.000)	-	-
Current year closing balance	83.525.730.000	33.634.115.000	19.313.275.717	49.584.942.389	-	186.058.063.106

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

VIII. Financial assets and liabilities:

The following table specifies book value and fair value of the financial instruments presented in the financial statements.

	Book value				Fair value	
	Dec. 31, 2024		Dec. 31, 2023		Dec. 31, 2024	Dec. 31, 2023
	Amount	Provision	Amount	Provision		
Financial assets						
- Trade receivables	107.875.457.413	(954.410.876)	54.223.035.035	(875.954.028)	106.921.046.537	53.347.081.007
- Other receivables	15.000.000	-	28.409.035	-	15.000.000	28.409.035
- Cash and cash equivalents	16.360.889.595	-	10.517.368.916	-	16.360.889.595	10.517.368.916
- Other financial assets	389.470.456	-	270.116.000	-	389.470.456	270.116.000
Total	124.640.817.464	(954.410.876)	65.038.928.986	(875.954.028)	123.686.406.588	64.162.974.958
Financial liabilities						
- Borrowings and financial lease liabilities	111.292.692.176	-	100.410.126.928	-	111.292.692.176	100.410.126.928
- Accrued expenses	903.909.836	-	1.171.014.316	-	903.909.836	1.171.014.316
- Trade payables	18.976.823.385	-	24.417.001.068	-	18.976.823.385	24.417.001.068
- Other payables	2.743.027.000	-	2.069.313.625	-	2.743.027.000	2.069.313.625
TOTAL	133.916.452.397	-	128.067.455.937	-	133.916.452.397	128.067.455.937

