

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO1**  
**THE SEPARATE FINANCIAL STATEMENTS HAVE BEEN AUDITED**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**



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## STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Pharbaco Central Pharmaceutical Joint Stock Company No1 (the 'Company') submits this report together with the Company's separate financial statements for the year ended 31 December 2024.

### BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISORY

The members of the Board of Directors, the Board of Management, and the Board of Supervisory of the Company have managed the Company during the year and up to the date of this report, as follows:

#### Board of Directors

Mr. Vu Hong Khoa	Chairman of the Board of Directors
Mr. To Thanh Hung	Member
Ms. Nguyen Thi Thu Ha	Member
Mr. Nguyen Huy Thanh	Member (resigned on 29 May 2024)
Mr. Nguyen Dinh Tuan	Member
Ms. Luu Quynh Mai	Member (appointed on 29 May 2024)

#### Board of Management

Mr. To Thanh Hung	Chief Executive Officer
Ms. Nguyen Thi Thu Ha	Deputy Permanent Chief Executive Officer
Ms. Ha Thi Thanh Hoa	Deputy Chief Executive Officer
Mr. Nguyen Van Quang	Deputy Chief Executive Officer

#### Board of Supervisory

Ms. Khong Thi Huong Lan	Head of Board
Ms. Phung Thi Nga	Member
Ms. Tang Thi Dieu Linh	Member

#### Legal representative

The legal representative of the Company during the year and up to the date of this report is Mr. To Thanh Hung - Chief Executive Officer. Mr. To Thanh Hung has authorized the preparation and approval of the Company's separate financial statements to Ms. Nguyen Thi Thu Ha (Deputy Permanent Chief Executive Officer) under Authorization No. 01/2021/UQ-PHARBACO dated January 7, 2021.

### BOARD OF MANAGEMENT' RESPONSIBILITY

Board of Management of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the separate financial reporting. In preparing these financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO1**

160 Ton Duc Thang, Hang Bot Ward, Dong Da District, Hanoi City

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**STATEMENT OF THE BOARD OF MANAGEMENT (CONTINUED)**

The Board of 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 that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these financial statements.

For on behalf of Board of Management,



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**Nguyen Thi Thu Ha**  
**Deputy Permanent Chief Executive Officer**  
Hanoi, 31 March 2025

No.: 033109/2025/BCKT-iCPA

**INDEPENDENT AUDITORS' REPORT**

**To:** The shareholders, The Board of Directors and the Board of Management  
Pharbaco Central Pharmaceutical Joint Stock Company No1

We have audited the accompanying separate financial statements of Pharbaco Central Pharmaceutical Joint Stock Company No1 (the "Company"), prepared on March 31, 2025 as set out from page 5 to page 36, which comprise the balance sheet as at 31 December 2024, the statement of income, and statement of cash flows for the year then ended, and notes to the separate financial statement.

**Responsibilities of the Board of Management**

The Board of Management of the Company are responsible for the preparation and fair presentation of the Company's separate financial statements in accordance with Vietnamese accounting standards, the Vietnamese enterprise accounting system and legal regulations related to the preparation and presentation of separate financial statements and are responsible for internal control that the Board of Management determines is necessary to ensure the preparation and presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibilities**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate 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 separate 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 separate financial statements.

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

**Auditor's Opinion**

In our opinion, the separate financial statements give a true and fair view, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to separate financial reporting.



**Le Quoc Anh**  
Deputy Chief Executive Officer  
Audit Practising Registration Certificate  
No. 3384-2025-072-1  
For and on behalf of  
**International Auditing Company Limited**  
Hanoi, 31 March 2025

**Nguyen Huy Hung**  
Auditor  
Audit Practising Registration  
Certificate No. 2335-2023-072-1

**BALANCE SHEET**  
As at 31 December 2024

Unit: VND


ASSETS	Code	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>774,562,266,777</b>	<b>910,487,262,469</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>225,963,280,635</b>	<b>203,682,450,696</b>
1. Cash	111		225,963,280,635	5,682,450,696
2. Cash equivalents	112		-	198,000,000,000
<b>II. Short-term account receivables</b>	<b>130</b>		<b>206,421,208,484</b>	<b>264,526,324,651</b>
1. Short-term trade account receivables	131	V.2	211,124,937,554	161,419,550,035
2. Short-term advances to suppliers	132	V.3	50,699,678,408	107,155,789,554
3. Other short-term receivables	136	V.4a	5,184,498,356	16,323,949,020
4. Provision for short-term doubtful debts	137	V.5	(60,587,905,834)	(20,372,963,958)
<b>III. Inventories</b>	<b>140</b>	<b>V.6</b>	<b>181,198,323,077</b>	<b>273,206,020,350</b>
1. Inventories	141		181,307,079,046	281,060,435,923
2. Provision for decline in inventory	149		(108,755,969)	(7,854,415,573)
<b>IV. Other short-term assets</b>	<b>150</b>		<b>160,979,454,581</b>	<b>169,072,466,772</b>
1. Short-term prepayments	151	V.11a	3,635,354,640	1,994,017,957
2. Value added tax deductible	152		157,344,099,941	166,984,073,701
3. Taxes and other receivables from State budget	153	V.7a	-	94,375,114
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>2,385,131,662,017</b>	<b>2,248,774,204,253</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>156,854,697,592</b>	<b>156,854,697,592</b>
1. Other long-term receivables	216	V.4b	156,854,697,592	156,854,697,592
<b>II. Fixed assets</b>	<b>220</b>		<b>135,410,988,399</b>	<b>112,496,556,941</b>
1. Tangible fixed assets	221	V.8	87,482,750,362	102,878,895,085
- Historical Cost	222		559,317,096,007	547,448,403,039
- Accumulated depreciation	223		(471,834,345,645)	(444,569,507,954)
2. Intangible fixed assets	227	V.9	47,928,238,037	9,617,661,856
- Historical Cost	228		57,227,979,082	15,427,979,082
- Accumulated depreciation	229		(9,299,741,045)	(5,810,317,226)
<b>III. Long-term assets in progress</b>	<b>240</b>		<b>2,062,672,315,160</b>	<b>1,944,674,736,944</b>
1. Construction in progress	242	V.10	2,062,672,315,160	1,944,674,736,944
<b>IV. Long-term financial investments</b>	<b>250</b>	<b>V.12</b>	<b>22,382,363,369</b>	<b>22,410,393,212</b>
1. Investment in subsidiaries	251		22,500,000,000	22,500,000,000
2. Investment in joint venture, associates	252		1,176,000,000	1,176,000,000
3. Provision for long-term financial investments	254		(1,293,636,631)	(1,265,606,788)
<b>V. Other long-term assets</b>	<b>260</b>		<b>7,811,297,497</b>	<b>12,337,819,564</b>
1. Long-term prepayment	261	V.11b	7,811,297,497	12,337,819,564
<b>TOTAL ASSETS</b>	<b>270</b>		<b>3,159,693,928,794</b>	<b>3,159,261,466,722</b>

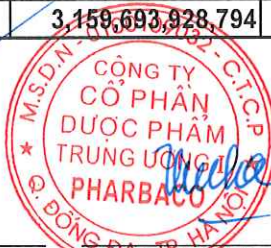
**BALANCE SHEET (CONTINUED)**  
As at 31 December 2024

Unit: VND

RESOURCES	Code	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>1,897,597,085,356</b>	<b>1,918,855,032,296</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>976,318,468,468</b>	<b>924,026,415,192</b>
1. Short-term trade account payables	311	V.13	174,563,722,890	112,095,153,810
2. Short-term advances from customers	312	V.14	149,576,264,685	118,473,044,875
3. Taxes and amounts payable to State budget	313	V.7b	4,890,201,326	9,907,863,501
4. Payable to employees	314		14,713,709,889	12,004,366,541
5. Short-term accrued expenses	315	V.15	5,099,275,741	4,070,701,624
6. Short-term other payables	319	V.16a	6,026,920,376	24,851,636,728
7. Short-term borrowings and finance lease liabilities	320	V.17	620,893,815,332	642,069,089,884
8. Bonus and welfare fund	322		554,558,229	554,558,229
<b>II. Long-term liabilities</b>	<b>330</b>		<b>921,278,616,888</b>	<b>994,828,617,104</b>
1. Other long-term payables	337	V.16b	1,720,600,000	2,615,020,000
2. Long-term borrowings and finance lease liabilities	338	V.18	919,558,016,888	992,213,597,104
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>1,262,096,843,438</b>	<b>1,240,406,434,426</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.19</b>	<b>1,262,096,843,438</b>	<b>1,240,406,434,426</b>
1. Owner's contributed capital	411		1,132,999,020,000	1,132,999,020,000
- Ordinary shares carrying voting rights	411a		1,132,999,020,000	1,132,999,020,000
2. Share capital surplus	412		25,731,363,636	25,731,363,636
3. Investment and development fund	418		38,505,239,661	38,505,239,661
4. Retained earnings	421		64,861,220,141	43,170,811,129
- Accumulated retained earnings to previous year end	421a		43,170,811,129	3,801,943,380
- Retained earnings for current year	421b		21,690,409,012	39,368,867,749
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>3,159,693,928,794</b>	<b>3,159,261,466,722</b>

  
 Tran Thi Bich Loan  
Preparer

  
 Nguyen Duc Canh  
Chief Accountant

  
 Nguyen Thi Thu Ha  
Deputy Permanent Chief  
Executive Officer  
Hanoi, 31 March 2025

**INCOME STATEMENT**  
For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		1,066,796,488,421	1,341,155,656,626
2. Deductions	02		1,701,142,857	1,122,900,240
3. Net revenue from goods sold and services rendered	10	VI.1	1,065,095,345,564	1,340,032,756,386
4. Cost of sales	11	VI.2	855,335,074,533	1,109,245,779,220
5. Gross profit from goods sold and services rendered	20		209,760,271,031	230,786,977,166
6. Financial income	21	VI.3	2,971,385,535	6,515,032,315
7. Financial expenses	22	VI.4	43,286,219,148	46,197,425,141
- In which: Interest expense	23		36,548,872,295	40,619,602,712
8. Selling expenses	25	VI.5	4,890,899,552	6,001,422,926
9. General and administration expenses	26	VI.6	134,333,939,917	133,970,263,042
10. Net profit from operating	30		30,220,597,949	51,132,898,372
11. Other income	31	VI.7	88,007,744	82,018,781
12. Other expenses	32	VI.8	2,149,867,791	1,518,501,524
13. Profit from other activities	40		(2,061,860,047)	(1,436,482,743)
14. Accounting profit before tax	50		28,158,737,902	49,696,415,629
15. Current corporate income tax expense	51	VI.9	6,468,328,890	10,327,547,880
16. Deferred corporate income tax expense	52		-	-
17. Net profit after corporate income tax	60		21,690,409,012	39,368,867,749



Tran Thi Bich Loan  
Preparer

Nguyen Duc Canh  
Chief Accountant



Nguyen Thi Thu Ha  
Deputy Permanent Chief  
Executive Officer  
Hanoi, 31 March 2025



**CASH FLOW STATEMENT**  
**(Using the indirect method)**  
**For the fiscal year ended 31 December 2024**

Unit: VND

ITEMS	Code	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	01	28,158,737,902	49,696,415,629
2. Adjustments for:			
Depreciation of fixed assets and investment properties	02	30,760,611,578	32,037,525,324
Provisions	03	32,497,312,115	27,976,904,591
(Profits)/losses of exchange rate differences from revaluation of accounts derived from foreign currencies	04	3,569,878,279	2,067,003,356
(Profits)/losses from investing activities	05	(725,154,173)	(3,030,369,513)
Interest expense	06	36,548,872,295	40,619,602,712
<b>3. Operating profit before movements in working capital</b>	<b>08</b>	<b>130,810,257,996</b>	<b>149,367,082,099</b>
(Increase)/Decrease in receivables	09	27,635,727,604	(195,554,043,481)
(Increase)/Decrease in inventories	10	99,753,356,877	(4,290,743,840)
Increase/(Decrease) in payables	11	31,144,713,530	(22,097,010,398)
(Increase)/Decrease in prepaid expenses	12	2,885,185,384	(2,217,919,413)
Interest paid	14	(35,445,937,712)	(39,644,977,634)
Corporate income tax paid	15	(11,500,000,000)	(11,735,741,383)
<b>Net cash generated by operating activities</b>	<b>20</b>	<b>245,283,303,679</b>	<b>(126,173,354,050)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(129,901,725,729)	(188,733,491,559)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	100,000,000	4,909,090,909
3. Cash recovered from lending, selling debt, instruments of other entities	24	-	70,000,000,000
4. Interest earned, dividends and profits received	27	643,096,433	4,054,170,322
<b>Net cash generated by investing activities</b>	<b>30</b>	<b>(129,158,629,296)</b>	<b>(109,770,230,328)</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	618,699,723,699	1,366,532,799,886
2. Repayment of borrowings	34	(712,530,578,467)	(1,059,064,322,634)
3. Dividends and profits paid	36	(12,875,000)	(56,191,359,615)
<b>Net cash generated by financing activities</b>	<b>40</b>	<b>(93,843,729,768)</b>	<b>251,277,117,637</b>
<b>Net cash flow during the year</b>	<b>50</b>	<b>22,280,944,615</b>	<b>15,333,533,259</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>203,682,450,696</b>	<b>188,342,523,814</b>
Effects of changes in foreign exchange rates	61	(114,676)	6,393,623
<b>Cash and cash equivalents at the end of the year</b>	<b>70</b>	<b>225,963,280,635</b>	<b>203,682,450,696</b>

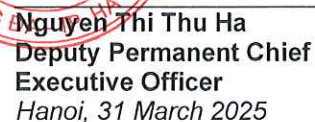


Tran Thi Bich Loan  
Preparer



Nguyen Duc Canh  
Chief Accountant





Nguyen Thi Thu Ha  
Deputy Permanent Chief  
Executive Officer  
Hanoi, 31 March 2025

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***I. GENERAL INFORMATION****1. Structure of ownership**

Pharbaco Central Pharmaceutical Joint Stock Company No1 (hereinafter referred to as the 'Company') was formerly the Central Pharmaceutical Enterprise I under the Vietnam Pharmaceutical Enterprises Association (now the Vietnam Drug Administration), established by Decision No. 401/BYT-QD dated April 22, 1993, by the Minister of Health. The Central Pharmaceutical Enterprise I was transformed into the Central Pharmaceutical Joint Stock Company I – Pharbaco under Decision No. 286/QD-BYT dated January 25, 2007, and Decision No. 2311/QD-BYT dated June 27, 2007, by the Minister of Health and operates under business registration certificate No. 0103018671 dated July 25, 2007. The Company has made 19 changes to its business registration certificate (now the Enterprise Registration Certificate). Currently, the Company operates under the 19th amended Enterprise Registration Certificate issued on November 1, 2022.

The Company was approved to trade common shares on the UPCOM market at the Hanoi Stock Exchange under Decision No. 767/QD-SGDHN dated November 18, 2019, with the stock code PBC.

The Company's headquarters is located at: 160 Ton Duc Thang Street, Hang Bot Ward, Dong Da District, Hanoi City, Vietnam.

The Company's charter capital is VND 1,132,999,020,000, equivalent to 113,299,902 shares, with a par value of VND 10,000 per share.

**2. Field of business**

The Company's business activities include the production and trading of pharmaceuticals.

**3. Business sectors**

The Company's main business activities in the year include the production of pharmaceuticals, chemical drugs, and medicinal materials.

For regulated business sectors, the Company may only operate when it meets the conditions as required by law.

**4. Normal production and business cycle**

The Company's normal production and business cycle is carried out within a period of no more than 12 months.

**5. The Company's structure**

Detailed information about the Company's subsidiaries and associated companies as of 31 December 2024 is as follows:

<b>Company name</b>	<b>Place of incorporation and operation</b>	<b>Ownership percentage</b>	<b>Benefit ratio</b>	<b>Voting rights ratio held</b>	<b>Main activities</b>
<b><u>Subsidiary</u></b>					
Viet My Advanced Pharmaceutical JSC	Thach Loi Village, Thanh Xuan Commune, Soc Son District, Hanoi	75%	75%	75%	Warehousing and goods storage business
<b><u>Associate company</u></b>					
Central Hospital 1 JSC - Pharbaco	160 Ton Duc Thang, Hang Bot Ward, Dong Da District, Hanoi City	44%	44%	44%	Business of general, specialized, and dental clinics

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**I. GENERAL INFORMATION (CONTINUED)****5. Notes on the comparability of information in the separate financial statements**

Comparative figures are the figures of the audited separate financial statements for the year ended 31 December 2023.

**6. Employees**

The total number of employees of the Company as of December 31, 2024 is 599 employees (December 31, 2023 is 652 employees).

**II. BASIS OF PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS AND FINANCIAL YEAR****Basis of preparation of the separate financial statements**

The accompanying separate financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to separate financial reporting.

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

**Financial year**

The financial year of the enterprise begins on January 1 and ends on December 31 of each year.

**III. ACCOUNTING STANDARDS AND SYSTEM APPLIED**

The Board of Management ensures compliance with the requirements of the Vietnamese Accounting Standards and the Accounting regime for the enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance guiding the accounting regime for enterprises and Circular No. 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC as well as Circular guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of separate financial statements.

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these separate financial statements, are as follows:

**Estimates**

The preparation of financial statements in conformity with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to separate financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year (reporting period). Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term with original maturities of no more than 3 months, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Investments in subsidiaries, investments in associates***Investments in subsidiaries*

Subsidiaries are companies controlled by the Company. Control is achieved when the Company has the ability to control the financial policies and operations of the investee companies to derive benefits from their activities.

*Investment in associates*

An associate is an entity in which the Company has significant influence but which is neither a subsidiary nor a joint venture of the Company. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The Company initially recognises its investment in an associate at cost. The Company recognises in the income statement the portion of the accumulated net profits of the investee arising subsequent to the date of acquisition. Any other amount received by the Company other than the profit distributed is considered a recovery of the investment and is recorded as a reduction in the cost of the investment. Dividends received in shares are only recorded as an increase in the number of shares, not the value of the shares received.

Investments in associates are presented in the balance sheet at cost less any provision for impairment (if any).

Provision for losses on investments in associates is set aside when the associate suffers a loss, with the provision equal to the difference between the actual capital contributions of the parties in the associate and the actual equity multiplied by the Company's capital contribution ratio compared to the total actual capital contributions of the parties in the associate. If the associate is the subject of the Financial Statements, the basis for determining the provision for losses is the Financial Statements.

Increases and decreases in the provision for losses on investments in associates that must be set aside at the end of the year are recorded in financial expenses.

**Receivables**

Receivables reflect the amounts which shall be receivable from customers and others, which are presented at book value less by provision for doubtful debts.

Provisions for doubtful debts of receivables represent the portion of receivables that the Company estimates to be uncollectible as of the end of the accounting period. Increase or decrease of the provisions is recognized as administration expenses in the income statement.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Inventories**

Inventories are measured at the lower of cost and net realizable value. Cost includes direct materials, direct labour and overheads, if any that have been incurred in bringing the inventories to their present location and condition. Cost is determined using the first-in, first-out method. Net realizable value is determined as the estimated selling price less the estimated costs of completion and costs to be incurred in marketing, selling and distribution.

The Company's provision for inventory impairment is made in accordance with current accounting regulations. Accordingly, the Company is permitted to make provision for obsolete, damaged or substandard inventories and in cases where the cost of inventories is higher than the net realizable value at the end of the financial year.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible fixed assets comprises the purchase price and any other costs directly attributable to bringing the asset to working condition for its intended use.

The cost of tangible fixed assets constructed or built by the Company includes construction costs, actual production costs incurred, as well as installation and testing costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings & structures	06 - 30
Machinery and equipment	03 - 15
Means of transport & transmission	06 - 10
Management equipment and tools	05 - 10

**Intangible fixed assets and depreciation**

The cost of intangible fixed assets includes the purchase price and direct costs related to preparing the asset for use. Upgrade costs of assets are capitalized into the cost of the fixed asset, while other costs are expensed in the current year's operating results. When an intangible fixed asset is sold or disposed of, the cost and accumulated depreciation are written off, and any gains or losses arising from the disposal of the asset are recognized in the operating results.

Intangible fixed assets are depreciated using the straight-line method based on the estimated useful life, as follows:

The depreciation period for the Company's intangible fixed assets is as follows:

	<u>Years</u>
Computer software	08 - 10
Virtual server	03
Drug formula	20

**Construction in progress**

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Prepaid expenses**

Prepaid expenses include the value of tools, equipment, and small components that have been used, repair costs, and other expenses that are expected to provide economic benefits to the Company in the future. These expenses are capitalized as prepaid expenses and allocated to the income statement using the straight-line method in accordance with current accounting regulations.

**Accrued expenses**

The Company's accrued expenses include provisions for interest expenses, audit fees, etc., which are actual expenses incurred during the fiscal year but have not been paid due to the absence of invoices or incomplete accounting documents. These expenses are recognized as production and business costs for the reporting period based on the principle of matching revenues and expenses. When the necessary documents are available, any difference between the provision and the actual amount will be adjusted by recording additional or reduced expenses accordingly.

The provisions for production and business expenses in the year are calculated rigorously and must be supported by reasonable and reliable evidence of the accrued expenses for the year, to ensure that the accrued expenses recorded in this account align with the actual expenses incurred.

**Revenue recognition**

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably. When the contract stipulates that the buyer is entitled to return the products or goods, purchased under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to pay return products and goods (except for cases where customers have the right to return goods in the form of exchange for other goods or services);
- (d) The Company has obtained or will receive economic benefits from the sale transaction; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) The amount of revenue can be measured reliably. If the contract grants the buyer the right to return the purchased service under specific conditions, revenue is recognized only when those conditions no longer exist and the buyer's right to return the service ceases to be effective.
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest on deposits is recognized on an accrual basis, determined on the balance of deposit accounts and the applicable interest rate. Interest from investments is recognized when the Company has the right to receive the interest.

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the prevailing tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

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

**Foreign currency**

Transactions denominated in foreign currency are converted at the exchange rate on the transaction date. The balances of monetary items denominated in foreign currency at the end of the fiscal year are converted at the exchange rate on that date.

The exchange rate differences arising during the year from foreign currency transactions are recognized in financial income or financial expenses. The exchange rate differences from the revaluation of monetary items denominated in foreign currency at the end of the fiscal year, after offsetting the increase and decrease differences, are recognized in financial income or financial expenses.

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

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Foreign currency (Continued)**

- The actual transaction exchange rate when buying and selling foreign currency (spot foreign exchange contracts, forward contracts, futures contracts, option contracts, swap contracts): the exchange rate agreed upon in the foreign exchange purchase or sale contract between the Company and the bank.
- If the contract does not specify the payment exchange rate:
  - For capital contributions or received capital contributions: the foreign exchange purchase rate of the bank where the Company opens an account to receive capital from the investor on the contribution date.
  - For receivables: the buying exchange rate of the commercial bank where the Company designates the customer to make payment at the time the transaction occurs.
  - For payables: the selling exchange rate of the commercial bank where the Company intends to transact at the time the transaction occurs.
  - For asset purchases or expenses paid immediately in foreign currency (not through accounts payable): the buying exchange rate of the commercial bank where the Company makes the payment.

The exchange rate used to revalue the balances of monetary items denominated in foreign currency at the end of the fiscal year is determined according to the following principle:

- For foreign currency deposits with banks: the foreign exchange purchase rate of the bank where the Company opens its foreign currency account.
- For monetary items denominated in foreign currency classified as other assets: the foreign exchange purchase rate of the bank with which the Company regularly transacts.
- For monetary items denominated in foreign currency classified as payables: the foreign exchange selling rate of the bank with which the Company regularly transacts.

**Earnings per share**

Basic earnings per share is calculated by dividing the profit or loss after tax distributed to shareholders owning ordinary shares of the Company (after adjusting for the appropriation of bonus and welfare funds) by weighted average number of common shares outstanding during the year.

Diluted earnings per share is calculated by dividing the after-tax profit (or loss) to holders of the Company's common shares (after adjusting for dividends on convertible preferred shares) for the weighted average number of ordinary shares outstanding for the year and the weighted average number of ordinary shares to be issued in the event that all potential shares of common stock have a dilutive are converted into common shares.

**Related parties**

Regarded as related parties are businesses - including parent companies, subsidiaries, affiliates - individuals who, directly or indirectly through one or more intermediaries, have control over the Company or are under the control of the Company, or under common control with the Company. Associates, individuals who directly or indirectly hold the voting power of the Company and have significant influence over the Company, key management positions such as directors, officers of the Company, Close members of the family of these individuals or affiliated parties or companies associated with these individuals are also considered related parties.

In considering each related party relationship, attention is paid to the substance of the relationship, not merely the legal form.



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET****1. CASH AND CASH EQUIVALENTS**

	Closing balance VND	Opening balance VND
Cash on hand	223,031,265	197,372,144
Cash at bank	225,740,249,370	5,485,078,552
Cash in transit	-	198,000,000,000
<b>Total</b>	<b>225,963,280,635</b>	<b>203,682,450,696</b>

**2. SHORT-TERM TRADE ACCOUNT RECEIVABLES**

	Closing balance VND	Opening balance VND
<b>a) Short-term trade account receivables</b>		
APPOLLO OIL Corporation	48,554,676,661	48,554,676,661
Hai Minh Hung Transport Construction Investment Co., Ltd	16,976,071,942	22,189,980,667
Others	145,594,188,951	90,674,892,707
<b>Total</b>	<b>211,124,937,554</b>	<b>161,419,550,035</b>
<b>b) Receivables from related parties (Details in note VII.2)</b>	<b>17,153,874,952</b>	<b>22,367,783,677</b>

**3. SHORT-TERM ADVANCES TO SUPPLIERS**

	Closing balance VND	Opening balance VND
APPOLLO OIL Corporation (*)	8,066,635,605	49,866,635,605
Qui Long Refrigeration Electrical Engineering Technology Co., Ltd (**)	15,481,044,300	15,379,324,500
Other suppliers	27,151,998,503	41,909,829,449
<b>Total</b>	<b>50,699,678,408</b>	<b>107,155,789,554</b>

(\*) Prepaid amount under Technology Transfer Contract No. 11/PBC-APL dated 01 March 2018 for the transfer of technology of 90 pharmaceutical products. The total contract value excluding VAT is VND 85.5 billion. The unit price for each transferred product is VND 950,000,000.

During the year, the Company has recorded the value of intangible fixed assets consist of 44 submitted dossiers and received registration numbers (VISA) from the Drug Administration which corresponding to the amount of 41,800,000,000 VND.

(\*\*) Advance payment to Qui Long Refrigeration Electrical Engineering Technology Co., Ltd. Which according to Contract No. 03/HĐ/QL-PHARBACO dated March 15, 2019, and the attached contract appendices which related to the design, supply, construction, and installation of the MEP system for the investment project to build a factory meeting The European standards.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)****4. OTHER RECEIVABLES**

	Closing balance VND	Opening balance VND
<b>a) Short-term</b>		
Short-term deposit and collateral	898,286,197	15,803,975,818
- Vietnam Maritime Bank - Thanh Xuan Branch	218,943,598	9,094,412,476
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch	-	6,000,000,000
- Other objects	679,342,599	709,563,342
Advances	483,395,880	442,253,900
Phuc Thinh Financial Investment Joint Stock Company	3,682,387,226	-
Other receivables	120,429,053	77,719,302
<b>Total</b>	<b>5,184,498,356</b>	<b>16,323,949,020</b>
<b>b) Long-term</b>		
Hai Ha Co., Ltd (i)	137,443,287,674	137,443,287,674
BV Pharma JSC (ii)	19,371,518,993	19,371,518,993
Long-term deposit and collateral	39,890,925	39,890,925
<b>Total</b>	<b>156,854,697,592</b>	<b>156,854,697,592</b>
<b>c) Other long-term receivables are related parties (Details in note VII.2)</b>	<b>137,443,287,674</b>	<b>137,443,287,674</b>

- (i) The entrusted amount from Hai Ha Water and Road Transport Co., Ltd. to invest in the project of constructing the HAI HA PETRO shopping center building at Nguyen Duc Canh Street, Group 6, Diem Dien Town, Thai Thuy District, Thai Binh Province, under the Investment Cooperation Agreement No. 05012023/PBC-HAI HA dated 05 January 2023. The profit the Company is entitled to corresponds to the capital contribution in the project after the project becomes operational and generates revenue.

As stated in the explanatory note VII.4 - Events after the reporting period, the Company has recovered the aforementioned investment cooperation amount in accordance with the Contract Liquidation Minutes No. 01-2025/BBTL dated March 10, 2025, due to Hai Ha Co., Ltd. violating the investment process.

- (ii) The capital contribution under the Business Cooperation Agreement No. 01/2017/PBC-HĐHTKD dated 12 May 2017 with BV Pharma Joint Stock Company to carry out the investment cooperation in the construction of a pharmaceutical manufacturing plant and the business of related products. The two parties will share the pre-tax profits from the plant at a 50/50 ratio.

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO1**

160 Ton Duc Thang, Hang Bot Ward,  
Dong Da District, Hanoi City

Form B 09 - DN  
Issued under Circular No. 200/2014/TT-BTC  
Dated 22 December 2014 of the Ministry of Finance

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**5. BAD DEBTS**

	Closing balance		Opening balance	
	Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
APPOLLO OIL Corporation	48,554,676,661	14,566,402,999	39,988,273,662	23,812,740,668
BV Pharma JSC	19,371,518,993	-	(19,371,518,993)	-
Huong Que Trading Investment JSC	2,565,085,530	-	(2,565,085,530)	-
Tien Thanh Pharmaceutical and Trading Co., Ltd	1,814,538,915	-	(1,814,538,915)	-
Other objects	3,674,755,861	826,267,127	(2,848,488,734)	3,041,003
<b>Total</b>	<b>75,980,575,960</b>	<b>15,392,670,126</b>	<b>(60,587,905,834)</b>	<b>23,815,781,671</b>
				<b>(20,372,963,958)</b>

**6. INVENTORIES**

	Closing balance		Opening balance	
	Original cost VND	Provision VND	Original cost VND	Provision VND
Goods in transit	293,996,260	-	9,660,629,060	-
Raw materials	116,595,122,061	(100,876,303)	173,731,445,374	(81,772,406)
Tools and supplies	2,210,998,157	-	2,156,775,458	-
Work in progress	21,929,047,964	-	22,274,039,275	(5,108,802)
Finished goods	37,952,402,131	(7,879,666)	32,617,188,828	(2,201,032)
Merchandise	2,325,512,473	-	40,620,357,928	(7,765,333,333)
<b>Total</b>	<b>181,307,079,046</b>	<b>(108,755,969)</b>	<b>281,060,435,923</b>	<b>(7,854,415,573)</b>

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO1**160 Ton Duc Thang, Hang Bot Ward,  
Dong Da District, Hanoi CityForm B 09 - DN  
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Dated 22 December 2014 of the Ministry of Finance**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)****7. TAXES AND RECEIVABLES AND PAYABLES TO THE STATE BUDGET**

	Closing balance		During the year		Actual amount paid/offset during the year		Opening balance	
	VND	VND	VND	VND	VND	VND	VND	VND
<b>a) Account receivables</b>								
Value added tax	-	71,075,699,698	-	71,010,864,849	-	64,834,849	-	64,834,849
Import & export duties	-	4,455,413,100	-	4,455,170,900	-	242,200	-	242,200
Personal income tax	-	1,036,144,758	-	1,006,846,693	-	29,298,065	-	29,298,065
Real estate tax, land rent	-	35,876,645,291	-	35,876,645,291	-	-	-	-
<b>Total</b>	-	<b>112,443,902,847</b>	-	<b>112,349,527,733</b>	-	<b>94,375,114</b>	-	<b>94,375,114</b>
<b>b) Account payables</b>								
Corporate income tax	4,876,192,391	6,468,328,890	4,876,192,391	11,500,000,000	4,876,192,391	9,907,863,501	4,876,192,391	9,907,863,501
Personal income tax	14,008,935	14,008,935	14,008,935	-	14,008,935	-	14,008,935	-
Business License Tax	-	5,000,000	-	5,000,000	-	5,000,000	-	5,000,000
Contractor Tax	-	28,730,982	-	28,730,982	-	28,730,982	-	28,730,982
Fee & charge & other payables	-	3,066,855	-	3,066,855	-	3,066,855	-	3,066,855
<b>Total</b>	<b>4,890,201,326</b>	<b>6,519,135,662</b>	<b>4,890,201,326</b>	<b>11,536,797,837</b>	<b>4,890,201,326</b>	<b>9,907,863,501</b>	<b>4,890,201,326</b>	<b>9,907,863,501</b>

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO1**

160 Ton Duc Thang, Hang Bot Ward,  
Dong Da District, Hanoi City

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**8. TANGIBLE FIXED ASSETS**

	Buildings, Structures	Machinery, Equipment	Means of Transportation, Transmitters	Office Equipment, Furniture	Total
	VND	VND	VND	VND	VND
<b>HISTORICAL COST</b>					
Opening balance	126,732,541,191	401,875,140,279	14,893,321,615	3,947,399,954	547,448,403,039
Additions	-	11,716,389,331	-	187,758,182	11,904,147,513
Liquidation of transfer	-	(35,454,545)	-	-	(35,454,545)
Closing balance	126,732,541,191	413,556,075,065	14,893,321,615	4,135,158,136	559,317,096,007
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	86,894,548,225	344,884,816,717	11,437,716,371	1,352,426,641	444,569,507,954
Depreciation for the year	4,969,093,410	20,618,560,526	1,031,982,475	651,551,348	27,271,187,759
Liquidation of transfer	-	(6,350,068)	-	-	(6,350,068)
Closing balance	91,863,641,635	365,497,027,175	12,469,698,846	2,003,977,989	471,834,345,645
<b>NET BOOK VALUE</b>					
Opening balance	39,837,992,966	56,990,323,562	3,455,605,244	2,594,973,313	102,878,895,085
Closing balance	34,868,899,556	48,059,047,890	2,423,622,769	2,131,180,147	87,482,750,362

The remaining value of tangible fixed assets used as collateral for loans as of 31 December 2024 is VND 39,004,293,231 (as of 31 December 2023, it was VND 40,990,004,297).

The original cost of fully depreciated tangible fixed assets still in use as of 31 December 2024 is VND 345,034,871,171 (as of 31 December 2023, it was VND 313,601,545,732).

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)****9. INTANGIBLE FIXED ASSETS**

	Computer Software VND	Virtual Server VND	Drug formula VND	Total VND
<b>HISTORICAL COST</b>				
Opening balance	14,560,550,514	867,428,568	-	15,427,979,082
Increase in the year	-	-	41,800,000,000	41,800,000,000
<b>Closing balance</b>	<b>14,560,550,514</b>	<b>867,428,568</b>	<b>41,800,000,000</b>	<b>57,227,979,082</b>
<b>ACCUMULATED AMORTISATION</b>				
Opening balance	5,017,666,983	792,650,243	-	5,810,317,226
Depreciation for the year	1,803,337,095	74,778,325	1,611,308,399	3,489,423,819
<b>Closing balance</b>	<b>6,821,004,078</b>	<b>867,428,568</b>	<b>1,611,308,399</b>	<b>9,299,741,045</b>
<b>NET BOOK VALUE</b>				
Opening balance	9,542,883,531	74,778,325	-	9,617,661,856
<b>Closing balance</b>	<b>7,739,546,436</b>	<b>-</b>	<b>40,188,691,601</b>	<b>47,928,238,037</b>

The original cost of intangible fixed assets, including fully depreciated assets still in use as of 31 December 2024, is VND 867,428,568 (as of 31 December 2023, it was VND 0).

**10. CONSTRUCTION IN PROGRESS**

	Closing balance VND	Opening balance VND
Project to build a pharmaceutical factory with EU GMP standards in 2 phases (*)	2,062,672,315,160	1,943,859,922,129
+ PMU1	1,432,868,660,346	1,360,026,451,884
+ PMU2	629,803,654,814	583,833,470,245
Wind power project	-	814,814,815
<b>Total</b>	<b>2,062,672,315,160</b>	<b>1,944,674,736,944</b>

(\*) The pharmaceutical manufacturing plant project with EU GMP standards in Thanh Xuan Commune, Soc Son District, Hanoi City.

**11. PREPAYMENT**

	Closing balance VND	Opening balance VND
<b>a) Short-term</b>		
Tools and equipment awaiting allocation	1,811,936,450	839,553,714
Other prepaid expenses	1,823,418,190	1,154,464,243
<b>Total</b>	<b>3,635,354,640</b>	<b>1,994,017,957</b>
<b>b) Long-term</b>		
Tools and equipment awaiting allocation	1,247,323,773	953,688,812
Repair and maintenance costs	5,622,889,461	11,060,552,374
Other prepaid expenses	941,084,263	323,578,378
<b>Total</b>	<b>7,811,297,497</b>	<b>12,337,819,564</b>

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**12. LONG-TERM FINANCIAL INVESTMENTS**

**a) Investment in subsidiaries**

	Closing balance			Opening balance				
	Voting rate	Cost VND	Fair value VND	Provision VND	Voting rate	Cost VND	Fair value VND	Provision VND
Viet My Advanced Pharmaceutical JSC	75%	22,500,000,000	(**)	(117,636,631)	75%	22,500,000,000	(**)	(89,606,788)
<b>Total</b>		<b>22,500,000,000</b>		<b>(117,636,631)</b>		<b>22,500,000,000</b>		<b>(89,606,788)</b>

**b) Investment in joint venture, associates**

	Closing balance			Opening balance				
	Voting rate	Cost VND	Fair value VND	Provision VND	Voting rate	Cost VND	Fair value VND	Provision VND
Central Hospital 1 JSC - Pharbaco (*)	44%	1,176,000,000	(**)	(1,176,000,000)	44%	1,176,000,000	(**)	(1,176,000,000)
<b>Total</b>		<b>1,176,000,000</b>		<b>(1,176,000,000)</b>		<b>1,176,000,000</b>		<b>(1,176,000,000)</b>

(\*) Central Hospital 1 JSC - Pharbaco operates under the business registration certificate number 0108606011, which was first registered on 29 January 2019. The company is engaged in the business of general clinics, specialized clinics, and dentistry. On 22 April 2021, the company's General Meeting of Shareholders passed Resolution No. 01/2021/QĐ-DHĐCĐ on the dissolution of the company. Therefore, the company has made a provision for 100% of the value of its investment in Central Hospital 1 JSC - Pharbaco.

(\*\*) The company has not assessed the fair value of its financial investments as of the end of the fiscal year to disclose in the separate financial statements because there is no listed market price for these financial investments, and the current Vietnamese Accounting Standards and Regulations do not provide specific guidance on determining the fair value of financial investments. The fair value of these financial investments may differ from their book value.

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	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Truking Technology Limited	20,650,318,200	20,650,318,200	21,201,444,000	21,201,444,000
VRT Pharmaceutical Co., Ltd	18,586,912,614	18,586,912,614	-	-
SINOBRIGHT PHARMA CO., LIMITED	10,986,930,000	10,986,930,000	9,847,365,000	9,847,365,000
RV Group (S) Pte. Ltd	8,354,796,801	8,354,796,801	7,984,976,630	7,984,976,630
Other suppliers	115,984,765,275	115,984,765,275	73,061,368,180	73,061,368,180
<b>Total</b>	<b>174,563,722,890</b>	<b>174,563,722,890</b>	<b>112,095,153,810</b>	<b>112,095,153,810</b>

**14. SHORT-TERM ADVANCES FROM CUSTOMERS**

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
HMH Medical Pharmaceutical Co., Ltd	16,682,180,840	16,682,180,840	15,152,180,840	15,152,180,840
MSP.,JSC	14,228,974,240	14,228,974,240	4,694,000,000	4,694,000,000
Other customers	118,665,109,605	118,665,109,605	98,626,864,035	98,626,864,035
<b>Total</b>	<b>149,576,264,685</b>	<b>149,576,264,685</b>	<b>118,473,044,875</b>	<b>118,473,044,875</b>



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)****15. SHORT-TERM ACCRUED EXPENSES**

	Closing balance VND	Opening balance VND
Interest expenses advance	3,777,296,837	2,674,362,254
Other expenses advance	1,321,978,904	1,396,339,370
<b>Total</b>	<b>5,099,275,741</b>	<b>4,070,701,624</b>

**16. OTHER PAYABLES**

	Closing balance VND	Opening balance VND
<b>a) Short-term</b>		
Trade union fees	856,081,701	564,321,253
Short-term deposits received	1,174,020,000	313,200,000
Other payables	3,996,818,675	23,974,115,475
- <i>Phuc Thinh Financial Investment Joint Stock Company (*)</i>	-	20,000,000,000
- <i>BRV Healthcare Company Limited</i>	2,000,000,000	2,000,000,000
- <i>Other objects</i>	1,996,818,675	1,974,115,475
<b>Total</b>	<b>6,026,920,376</b>	<b>24,851,636,728</b>
<b>b) Long-term</b>		
Long-term deposits received	1,720,600,000	2,615,020,000
- <i>Van Lang High School</i>	1,140,000,000	1,140,000,000
- <i>Viet Land Corporation</i>	500,000,000	500,000,000
- <i>Phuong Linh Import Export and Trading Co., Ltd</i>	-	427,500,000
- <i>Other objects</i>	80,600,000	547,520,000
<b>Total</b>	<b>1,720,600,000</b>	<b>2,615,020,000</b>

(\*) The amount of money advanced by PHUC THINH ., JSC for the future benefit conversion rights of Pharbaco Central Pharmaceutical Joint Stock Company No1 according to Appendix No. PL02 N26/11/16 of the Contract No. HTDT N 12/5/10, with an amount of VND 20 billion.

According to the debt offset minutes No. 03/Pharbaco, dated July 1, 2024, the Company and Phuc Thinh Financial Investment Joint Stock Company agreed to offset the debt with an amount of 20,000,000,000 VND. Accordingly, after the debt offset, the receivable amount of Phuc Thinh Financial Investment Joint Stock Company (on June 30Th, 2024) for land rental at 85 Ton Duc Thang (paid by Pharbaco on behalf) of 23,682,387,226 VND is reduced to 3,682,387,226 VND (The detailed explanation at V.4).

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

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**V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**17. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES**

	Closing balance		Occurred		Opening balance	
	Amount	Amount able to be paid off	Increase	Decrease	Value	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Short-term bank loans</b>	<b>458,652,250,269</b>	<b>458,652,250,269</b>	<b>618,699,723,699</b>	<b>636,381,991,891</b>	<b>476,334,518,461</b>	<b>476,334,518,461</b>
+ Bank for Investment and Development of Vietnam - Long Bien Branch (i)	408,733,390,290	408,733,390,290	511,864,260,158	491,131,608,448	388,000,738,580	388,000,738,580
+ Vietnam Maritime Bank - Thanh Xuan Branch	-	-	33,165,912,500	91,275,259,421	58,109,346,921	58,109,346,921
+ Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch	-	-	1,228,920,000	31,453,352,960	30,224,432,960	30,224,432,960
+ Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch (ii)	49,918,859,979	49,918,859,979	72,440,631,041	22,521,771,062	-	-
<b>Current portion of long-term loans</b>	<b>162,241,565,063</b>	<b>162,241,565,063</b>	<b>72,655,580,216</b>	<b>76,148,586,576</b>	<b>165,734,571,423</b>	<b>165,734,571,423</b>
+ Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch	41,685,565,063	41,685,565,063	43,999,999,992	6,493,006,352	4,178,571,423	4,178,571,423
+ Bank for Investment and Development of Vietnam - Long Bien Branch	120,556,000,000	120,556,000,000	28,655,580,224	69,655,580,224	161,556,000,000	161,556,000,000
<b>Total short-term loans</b>	<b>620,893,815,332</b>	<b>620,893,815,332</b>	<b>691,355,303,915</b>	<b>712,530,578,467</b>	<b>642,069,089,884</b>	<b>642,069,089,884</b>

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**17. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES (CONTINUED)**

- (i) Loan from Bank for Investment and Development of Vietnam - Long Bien Branch under the credit limit agreement No. 02/2024/1809635/HETD dated November 25, 2024. The maximum credit limit is VND 420,000,000. The purpose of the loan is to supplement working capital (including loans, issuing guarantees, opening LCs) to support production and business activities. The credit limit is effective from the date of signing this agreement until October 30, 2025. The loan term for each drawdown under the limit is a maximum of 6 months. The interest rate for the loan will be specified in each specific Credit Agreement in accordance with the Bank's interest rate policy for each period. The collateral for the loan is defined in the property mortgage agreements signed accordingly. At all times, the client must comply with BIDV's collateral policy for each period, with a minimum collateral ratio of 65%.
- (ii) Loan from Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch under the credit agreement and subsequent amendments to the credit agreement as follows:
- Credit facility agreement No. 76/2022/HDTD/HGM dated June 14, 2022. The credit limit is VND 100,000,000. The term of the credit facility is 12 months from the date of signing this credit agreement. The purpose of the loan is to supplement working capital to serve the pharmaceutical production and business activities of the Company. The term for each loan within the credit facility does not exceed 6 months. The interest rate is flexible and specified in each debt acknowledgment document. The collateral for the loan is specified in the collateral agreements signed before, during, and after the effective date of this agreement, as well as in the corresponding amendments, supplements, or replacements of the collateral agreement.
- The amendment and supplement document dated July 10, 2024, attached to the Credit Facility Agreement No. 76/2022/HDTD/HGM. Accordingly, the term of the credit facility is extended until December 31, 2024.
- On January 13, 2025, the Company signed a new credit facility agreement No. 04/2025/HDTD/HGM with the Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch. Accordingly, the loan limit is 100 billion VND. This credit facility limit includes the outstanding debt of the Company under the Credit Facility Agreement No. 76/2022/HDTD/HGM signed on June 14, 2022. The term of the credit facility is 12 months from the date of signing this credit facility agreement.

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	Closing balance		Occurred		Opening balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>The Company's long-term loans</b>	<b>919,558,016,888</b>	<b>919,558,016,888</b>	-	<b>72,655,580,216</b>	<b>992,213,597,104</b>	<b>992,213,597,104</b>
+ Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch (i)	166,857,142,884	166,857,142,884	-	43,999,999,992	210,857,142,876	210,857,142,876
+ Bank for Investment and Development of Vietnam - Long Bien Branch (ii)	752,700,874,004	752,700,874,004	-	28,655,580,224	781,356,454,228	781,356,454,228
<b>Total</b>	<b>919,558,016,888</b>	<b>919,558,016,888</b>	-	<b>72,655,580,216</b>	<b>992,213,597,104</b>	<b>992,213,597,104</b>

(i) Long-term loan from Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch according to the specific loan agreements as follows:

- Long-term loan agreement with Tien Phong Commercial Joint Stock Bank, contract number 18/2021/HDTD/HGM/03 dated April 28, 2021, for an amount of 27 billion VND. The loan term is a maximum of 84 months from the date of the first disbursement. The interest rate is specified in each debt acknowledgment document issued to the customer. The purpose of the loan is to pay for the investment cost of a rooftop solar power project on the factory roof in Thon Thach Loi, Soc Son District, Hanoi. The collateral for the loan is specified in the asset mortgage agreement number 18/2021/HDBD/HGM/04 dated April 28, 2021.
- Loan agreement number 31/2023/HDTD/HGM/01 dated March 14, 2023, for a loan amount of 198 billion VND. The loan term is 84 months from the date of the first disbursement. The interest rate is specified in each debt acknowledgment document. The purpose of the loan is to cover the Company's medium-term capital needs. The collateral for the loan is specified in the specific mortgage agreements signed between the Company and the Bank.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)****18. LONG-TERM BORROWINGS AND FINANCE LEASE LIABILITIES (CONTINUED)**

- (ii) Long-term loan from Bank for Investment and Development of Vietnam - Long Bien Branch under the following specific loan agreements:
- Credit limit agreement No. 01/2021/1809635/HĐTD dated January 11, 2021, with a credit limit of VND 400 billion. The loan term is 96 months starting from the day after the first disbursement date. The applicable interest rate will follow the bank's regulations at the time of disbursement. The purpose of the loan is to issue LC to pay reasonable and valid costs for the implementation of Phase II - GMP-EU Pharmaceutical Manufacturing Plant Project (PMU2). The collateral for the loan is all assets formed from the loan and the company's equity at the Phase II investment project (PMU2).
  - Credit limit agreement No. 02/2022/1809635/HĐTD dated September 29, 2022, with a credit limit of VND 450 billion. The loan term is 72 months starting from the day after the first disbursement date. The applicable interest rate will follow the bank's regulations at the time of disbursement. The purpose of the loan is to lend back the equity capital already invested in Phase I of the GMP-EU Pharmaceutical Manufacturing Plant Project (PMU1).
  - Credit limit agreement No. 03/2022/1809635/HĐTD dated August 30, 2022, with a maximum credit limit of VND 247 billion, but not exceeding the actual outstanding principal of the loan at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch at the time BIDV disburses the loan. The loan term is based on the current repayment schedule of the loan at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch but not exceeding July 8, 2026. The applicable interest rate will follow the bank's regulations at the time of disbursement. The purpose of the loan is to repay in full the outstanding principal of the loan funding Phase I of the GMP-EU Pharmaceutical Manufacturing Plant Project (PMU1) at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch. The collateral is all assets formed from the loan, equity capital in Phase I of the investment project (PMU1), and other assets that are being pledged at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch.

The long-term loans are repaid according to the following schedule:

	Closing balance	Opening balance
	VND	VND
Within one year	162,241,565,063	165,734,571,423
In the second year	303,166,299,992	213,861,142,848
In the third year to the fifth year inclusive	607,106,002,596	778,352,454,256
After the fifth year	9,285,714,300	-
<b>Total</b>	<b>1,081,799,581,951</b>	<b>1,157,948,168,527</b>
Less: Amount due for settlement within 12 months (shown under short-term borrowings and liabilities)	162,241,565,063	165,734,571,423
<b>Amount due for settlement after 12 months</b>	<b>919,558,016,888</b>	<b>992,213,597,104</b>

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**V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)**

**19. OWNER'S EQUITY**

a) Changes in Equity	Owner's contributed capital	Share premium	Investment and Development fund	Undistributed profit after tax	Total
	VND	VND	VND	VND	VND
Prior year's opening balance	1,132,999,020,000	25,731,363,636	38,505,239,661	60,451,894,380	1,224,688,497,677
Profit in the year	-	-	-	39,368,867,749	39,368,867,749
Dividend distribution	-	-	-	(56,649,951,000)	(56,649,951,000)
<b>Opening balance</b>	<b>1,132,999,020,000</b>	<b>25,731,363,636</b>	<b>38,505,239,661</b>	<b>43,170,811,129</b>	<b>1,240,406,434,426</b>
Profit in the year	-	-	-	21,690,409,012	21,690,409,012
<b>Closing balance</b>	<b>1,132,999,020,000</b>	<b>25,731,363,636</b>	<b>38,505,239,661</b>	<b>64,861,220,141</b>	<b>1,262,096,843,438</b>

**b) Shares**

	Closing balance Share	Opening balance Share
Number of shares registered for issuance	113,299,902	113,299,902
Number of shares sold to the public	113,299,902	113,299,902
- Common shares	113,299,902	113,299,902
- Preferred shares	-	-
Number of treasury shares	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	113,299,902	113,299,902
- Common shares	113,299,902	113,299,902
- Preferred shares	-	-

The par value of the outstanding shares is VND 10,000.

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE BALANCE SHEET (CONTINUED)****20. OFF-BALANCE SHEET ITEMS**

Various foreign currencies:

	<u>Closing balance</u>	<u>Opening balance</u>
<b>United States dollar (USD)</b>	<b>113,410.70</b>	<b>50,199.61</b>
- Cash on hand	7,003.00	7,003.00
- Cash at bank	106,407.70	43,196.61
<b>EURO</b>	<b>925.30</b>	<b>935.15</b>
- Cash at bank	925.30	935.15

**21. BUSINESS SEGMENTS AND GEOGRAPHICAL SEGMENTS**

The company does not report this item on the separate financial statements because, according to the provisions of Accounting Standard No. 28 - Segment Reporting, when the company is required to prepare both separate financial statements and consolidated financial statements, it is only necessary to present segment information on business sectors and geographic segments as per the regulations of this standard in the consolidated financial statements.

**VI. INFORMATION SUPPLEMENTING FOR ITEMS PRESENTED IN THE INCOME STATEMENT****1. NET REVENUE FROM SALES AND SERVICES RENDERED**

	<u>Current year VND</u>	<u>Prior year VND</u>
<b>Gross revenue from goods sold and services rendered</b>	<b>1,066,796,488,421</b>	<b>1,341,155,656,626</b>
<u>In which:</u>		
- Revenue from sales of goods and materials	299,405,006,779	505,550,627,216
- Revenue from sales of finished products	759,026,269,562	825,853,676,037
- Revenue from provision of services	7,208,360,380	8,731,639,473
- Other Revenue	1,156,851,700	1,019,713,900
<b>Deductions</b>	<b>1,701,142,857</b>	<b>1,122,900,240</b>
- Discount on sales	-	28,459,000
- Sales returns	1,701,142,857	1,094,441,240
<b>Net revenue from goods sold and services rendered</b>	<b>1,065,095,345,564</b>	<b>1,340,032,756,386</b>
<b>Revenue from related parties (Details stated in Note VII.2 – Related Parties)</b>	<b>1,822,691,196</b>	<b>195,794,902,495</b>

**2. COST OF SALES**

	<u>Current year VND</u>	<u>Prior year VND</u>
Cost of goods sold, materials	292,555,984,425	497,253,835,773
Cost of finished goods sold	557,680,850,583	597,787,755,860
Damaged goods	12,843,899,129	6,433,096,918
Provision/(Reversal) for inventory depreciation	(7,745,659,604)	7,771,090,669
<b>Total</b>	<b>855,335,074,533</b>	<b>1,109,245,779,220</b>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement***VI. INFORMATION SUPPLEMENTING FOR ITEMS PRESENTED IN THE INCOME STATEMENT (CONTINUED)****3. FINANCIAL INCOME**

	Current year VND	Prior year VND
Bank and loan interest	654,258,650	4,041,736,363
Realized exchange rate difference	2,317,126,885	2,473,295,952
<b>Total</b>	<b>2,971,385,535</b>	<b>6,515,032,315</b>

**4. FINANCIAL EXPENSES**

	Current year VND	Prior year VND
Interest expense	36,548,872,295	40,619,602,712
Loss on exchange rates incurred in year	3,139,553,407	3,490,731,474
Loss on exchange rates evaluated at fiscal year-end	3,569,763,603	2,073,396,979
Provision for impairment of investments	28,029,843	13,693,976
<b>Total</b>	<b>43,286,219,148</b>	<b>46,197,425,141</b>

**5. SELLING EXPENSES**

	Current year VND	Prior year VND
Labor costs	2,376,110,663	2,862,242,597
Cost of materials and packaging	54,985,520	36,553,064
Tool and equipment costs	6,968,667	13,579,924
Fixed asset depreciation costs	18,588,745	18,588,744
Outsourced service costs	1,344,332,062	1,671,714,603
Other cash costs	1,089,913,895	1,398,743,994
<b>Total</b>	<b>4,890,899,552</b>	<b>6,001,422,926</b>

**6. GENERAL AND ADMINISTRATION EXPENSES**

	Current year VND	Prior year VND
Labor costs	47,372,722,828	54,120,134,453
Management material costs	2,887,292,487	4,171,687,040
Office supplies costs	2,684,118,998	7,579,616,915
Fixed asset depreciation costs	7,735,552,303	9,352,880,076
Taxes, fees, charges	14,982,816,005	14,837,978,300
Outsourced service costs	11,350,160,600	14,127,629,959
Other cash costs	7,106,334,820	9,588,216,353
Provision of bad debt provision	40,214,941,876	20,192,119,946
<b>Total</b>	<b>134,333,939,917</b>	<b>133,970,263,042</b>



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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**VI. INFORMATION SUPPLEMENTING FOR ITEMS PRESENTED IN THE INCOME STATEMENT (CONTINUED)****7. OTHER INCOME**

	Current year VND	Prior year VND
Income from sale and liquidation of tools	75,000,000	-
Other income	13,007,744	82,018,781
<b>Total</b>	<b>88,007,744</b>	<b>82,018,781</b>

**8. OTHER EXPENSES**

	Current year VND	Prior year VND
Losses from sale and liquidation of fixed assets	4,104,477	1,011,366,850
Payment of administrative fines and collection of late tax payments	54,515,363	127,915,066
Board of Directors' remuneration	300,000,000	280,000,000
Other expenses	1,791,247,951	99,219,608
<b>Total</b>	<b>2,149,867,791</b>	<b>1,518,501,524</b>

**9. CURRENT CORPORATE INCOME TAX EXPENSES**

	Current year VND	Prior year VND
<b>Profit before tax</b>	<b>28,158,737,902</b>	<b>49,696,415,629</b>
Adjustments for Taxable Income	4,182,906,547	1,941,323,769
<i>Less: Adjustments</i>	-	6,393,623
<i>Plus: Non-Deductible Expenses</i>	4,182,906,547	1,947,717,392
<b>Taxable income</b>	<b>32,341,644,449</b>	<b>51,637,739,398</b>
Tax rate	20%	20%
<b>Total Current Corporate Income Tax Expense</b>	<b>6,468,328,890</b>	<b>10,327,547,880</b>

**10. BASIC/DILUTED EARNINGS PER SHARE**

The company does not calculate this item on the separate financial statements for the fiscal year ending on December 31, 2024, because according to the provisions of Accounting Standard No. 30 - Basic Earnings Per Share, in cases the company is required to prepare both separate and consolidated financial statements, information about earnings per share should only be presented in accordance with this standard on the consolidated financial statements.

**11. PRODUCTION AND BUSINESS COSTS BY ELEMENT**

	Current year VND	Prior year VND
Raw material costs	475,665,366,352	514,836,249,926
Labor costs	105,805,526,979	117,978,307,710
Fixed asset depreciation costs	30,760,611,578	32,037,525,324
Outsourced service costs	28,336,840,451	29,586,160,556
Other cash costs	23,712,988,335	26,548,167,345
Provision of bad debt provision	40,214,941,876	20,192,119,946
<b>Total</b>	<b>704,496,275,571</b>	<b>741,178,530,807</b>

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**VII. OTHER INFORMATION****1. OPERATING LEASE COMMITMENTS**

The company has currently entered into land lease agreements and makes annual payments as follows:

The land lease contract with Hanoi House Management and Development One Member Limited Liability Company, under contract number 298/XNĐĐ/HĐTNCĐ dated September 10, 2014. The leased location is at 160, Ton Duc Thang Street, Hang Bot Ward, Hanoi City, for the purpose of establishing a business and service facility in compliance with current legal regulations. The lease term is 03 (three) years, starting from January 1, 2014. The total leased area is 2,464.1 m<sup>2</sup>. On October 1, 2018, the Company signed an annex to extend the lease until December 31, 2018. Currently, both parties are in the process of negotiating to extend the land lease agreement.

Land lease contract number 69-2001/ĐCND-HĐTĐTN dated November 22, 2001, with the Department of Land and Property Management of Hanoi. The leased land is located in Thanh Xuan Commune, Soc Son District, Hanoi, for the purpose of leasing to build a GMP-standard pharmaceutical manufacturing plant, as per the investment project approved by the Prime Minister under Decision No. 954/QĐ-TTg dated October 13, 1999, and according to Article 1 of Decision No. 758/QĐ-TTg dated August 17, 2000. The leased area is 68,818 m<sup>2</sup>. The lease term is 50 years, starting from August 17, 2000. Under this contract, the Company must pay annual land rent until the contract expires, in accordance with current state regulations.

**2. RELATED PARTY TRANSACTIONS AND BALANCES*****List of related parties:***

<b><u>Related parties</u></b>	<b><u>Relationship</u></b>
Phapvan Agriculture material.,JSC	Major Shareholders
Vietnam Pharmaceutical Corporation - Joint Stock Company	Major Shareholders
Dai Hai ha Petro Co., Ltd	Major Shareholders
Hai Ha Waterway Transport Company Limited	Major Shareholders
Hai Minh Hung Transport Construction Investment Co., Ltd	Major Shareholders
Central Hospital 1 JSC - Pharbaco	Associates
Viet My Advanced Pharmaceutical JSC	Subsidiaries
Mr. Vu Hong Khoa	Chairman of the Board of Directors
Mr. To Thanh Hung	Chief Executive Officer
Le Vu Services Trading Business Production Co., Ltd	Mr. Vu Hong Khoa - Chairman of the Board of Directors is the legal representative
Thai Binh Ship Ocean Co., Ltd	Mr. Vu Hong Khoa - Chairman of the Board of Directors is the legal representative
Vietnam Industrial Infrastructure Investment JSC	The company is related to Mr. Nguyen Dinh Tuan - member of the Board of Directors (Mr. Tuan is the Chairman of the Board of Directors)
Pharbaco Thai Binh pharmaceutical Joint Stock Company	Related company
Other key members of the Board of Directors, the Board of Management and individuals who are close relatives of key members	

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**VII. OTHER INFORMATION (CONTINUED)****2. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

*During the year, the Company engaged in the following major transactions with related parties:*

	Current year VND	Prior year VND
<b>Revenue from sales</b>	<b>1,822,691,196</b>	<b>195,794,902,495</b>
Hai Minh Hung Transport Construction Investment Co., Ltd	911,515,500	194,522,180,635
Vietnam Pharmaceutical Corporation - Joint Stock Company	911,175,696	1,272,721,860
<b>Goods purchased</b>	-	<b>29,638,193,801</b>
Hai Minh Hung Transport Construction Investment Co., Ltd	-	29,638,193,801
<b>Investment capital contribution under trust</b>	-	<b>137,443,287,674</b>
Hai Ha Waterway Transport Company Limited	-	137,443,287,674

*Balances mainly with related parties as of the end of the fiscal year:*

	Closing balance VND	Opening balance VND
<b>Short-term trade receivables</b>	<b>17,153,874,952</b>	<b>22,367,783,677</b>
Hai Minh Hung Transport Construction Investment Co., Ltd	16,976,071,942	22,189,980,667
Central Hospital 1 JSC - Pharbaco	177,803,010	177,803,010
<b>Other long-term receivables</b>	<b>137,443,287,674</b>	<b>137,443,287,674</b>
Hai Ha Waterway Transport Company Limited	137,443,287,674	137,443,287,674

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**VII. OTHER INFORMATIONS (CONTINUED)****2. RELATED PARTY TRANSACTIONS AND BALANCES (CONTUNUED)**

*The income of the Board of Directors, the Board of Management and the Board of Supervisory for the year is as follows:*

	Current year VND	Prior year VND
<b>Board of Directors</b>	<b>540,000,000</b>	<b>1,204,832,800</b>
Mr. Vu Hong Khoa	120,000,000	80,000,000
Ms. Tran Tuyet Mai - Chairman of the Board of Directors (resigned from April 18, 2023)	-	40,000,000
Mr. To Thanh Hung	120,000,000	120,000,000
Ms. Nguyen Thi Thu Ha	120,000,000	120,000,000
Mr. Nguyen Huy Thanh	50,000,000	120,000,000
Mr. Nguyen Dinh Tuan	60,000,000	-
Ms. Luu Quynh Mai	70,000,000	-
Ms. Nguyen Thi Mai - Member of the Board of Directors (resigned from January 01, 2024)	-	477,000,000
Ms. Ha Thi Thanh Hoa - Member of the Board of Directors (resigned from January 01, 2024)	-	120,000,000
Mr. Nguyen Dang Khanh - Member of the Board of Directors (resigned from April 18, 2023)	-	40,000,000
Ms. Tran Vu Hai Yen - Member of the Board of Directors (resigned from April 18, 2023)	-	87,832,800
<b>Board of Management</b>	<b>2,212,000,000</b>	<b>2,492,026,000</b>
Mr. To Thanh Hung	643,000,000	674,500,000
Ms. Nguyen Thi Thu Ha	393,000,000	416,369,000
Mr. Nguyen Van Quang	638,000,000	670,109,000
Ms. Ha Thi Thanh Hoa	538,000,000	545,167,000
Mr. Nguyen Duc Thinh - Deputy Chief Executive Officer (resigned from April 1, 2023)	-	185,881,000
<b>Board of Supervisory</b>	<b>1,202,358,800</b>	<b>1,202,427,100</b>
Ms. Khong Thi Huong Lan	228,581,300	251,708,300
Ms. Phung Thi Nga	349,524,300	297,115,600
Ms. Tang Thi Dieu Linh	624,253,200	653,603,200
<b>Total</b>	<b>3,954,358,800</b>	<b>4,899,285,900</b>

**3. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION****Actual amounts of borrowings received during the year:**

- Proceeds from borrowings under normal contracts: VND 618,699,723,699.

**Actual amounts of principal paid during the year:**

- Repayment of borrowings under normal contracts: VND 712,530,578,467.

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

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statement*

**VII. OTHER INFORMATIONS (CONTINUED)**

**4. SUBSEQUENT EVENTS**

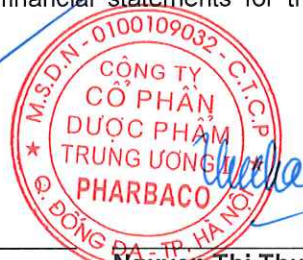
According to The resolution No. 01/NQ-Pharbaco-HĐQT dated February 25, 2025, the company's Board of Directors has approved the cooperating investment plan with The Pharbaco Pharmaceutical Joint Stock Company in Thai Binh in order to build a pharmaceutical manufacturing plant which meet to GMP standards. The project location is at Lot CN01, An Ninh's Industrial Cluster, Tien Hai District, Thai Binh Province. The total investment for the project is 600 billion VND. The amount which participating in the investment cooperation is 200 billion VND. Accordingly, the Company has signed Contract No. 01/2025/PBC-TB dated February 25, 2025, with Pharbaco Pharmaceutical Joint Stock Company in Thai Binh regarding the related investment cooperation. The profit-sharing method when the project goes into operation: according to the after-tax profit ratio which corresponding to the capital contribution ratio as per the audited investment capital settlement report. Based on this contract, on March 26, 2025, the Company has transferred 200 billion VND from account number 0021000303803 which opened at Vietnam Joint Stock Commercial Bank for Foreign Trade - Hanoi Branch to Pharbaco Pharmaceutical Joint Stock Company in Thai Binh to participate in the investment cooperation for the project.

On March 10, 2025, the Company has signed the Minutes of Liquidation of Contract No. 01-2025/BBTL with Hai Ha Waterway Transport Co., Ltd. Which regarding the liquidation of Investment Cooperation Contract No. 05012023/PBC-HAI HA dated January 5, 2023 (The detailed explanation at V.4). Due to the fact that Hai Ha Waterway Transport Co., Ltd. has violated the investment schedule in the contract and as of March 10, 2025, the Building project of the HAI HA PETRO commercial building on Nguyen Duc Canh Street, Group 6, Diem Dien Town, Thai Thuy District, Thai Binh Province has not yet been completed. Therefore, according to the power of attorney contract dated November 22, 2024, on March 27, 2025, Ms. Tran Vu Hai Yen , who is on behalf of Hai Ha Waterway Transport Co., Ltd. has transferred money into the account number 0021000303803 of the Company at Vietnam Joint Stock Commercial Bank for Foreign Trade - Hanoi Branch to refund the business cooperation amount of 137,443,287,674 VND.

In addition to the above events, there are no significant events arose after December 31, 2024 that require adjustment or presentation in the separate financial statements for the fiscal year ending December 31, 2024.

  
Tran Thi Bich Loan  
Preparer

  
Nguyen Duc Canh  
Chief Accountant



  
Nguyen Thi Thu Ha  
Deputy Permanent Chief  
Executive Officer  
Hanoi, 31 March 2025