

HANOI CPC1 PHARMACEUTICAL JOINT STOCK COMPANY

FINANCIAL STATEMENTS

For the Accounting Period from October 1, 2024, to December 31, 2024

HA NOI CPC1 PHARMACEUTICAL JSC

Ha Binh Phuong Industrial Cluster , Van Binh Commune, Thuong Tin District, Ha Noi City, Viet Nam

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BALANCE SHEET

As at 31 December 2024

Unit: VND

FORM B 01a-DN

ASSETS	Codes	31 Dec 2024	01 Jan 2024
A - CURRENT ASSETS	100	831.723.135.828	705.633.103.141
I. Cash and Cash Equivalents	110	44.835.814.679	79.832.556.707
1. Cash	111	5.835.814.679	6.832.556.707
2. Cash Equivalents	112	39.000.000.000	73.000.000.000
III. Short-Term Receivables	130	323.379.108.791	244.435.832.551
1. Short-term trade receivables	131	294.178.674.490	219.465.445.787
2. Short-term advances to supplier	132	26.697.718.360	23.498.253.552
3. Other Short-term Receivables	136	3.228.154.492	1.921.484.299
4. Short-term allowances for doubtful debts	137	(725.438.551)	(449.351.087)
IV. Inventories	140	457.943.649.109	374.890.147.357
1. Inventories	141	457.943.649.109	375.905.851.298
2. Allowances for decline in value of inventories	149	-	(1.015.703.941)
V. Other Current Assets	150	5.564.563.249	6.474.566.526
1. Short-term Prepaid Expenses	151	4.283.103.450	3.573.333.782
2. Deductible Value Added Tax	152	1.279.022.332	2.899.628.319
3. Taxes and other receivables from the state budget	153	2.437.467	1.604.425
B - LONG-TERM ASSETS	200	450.804.079.781	376.701.606.625
I. Long-Term Receivables	210	3.576.969.012	3.005.883.684
1. Other Long-term Receivables	216	3.576.969.012	3.005.883.684
II. Fixed Assets	220	386.582.739.446	329.273.420.730
1. Tangible Fixed Assets	221	358.103.670.008	314.272.549.593
- Cost	222	670.397.525.616	557.905.532.916
- Accumulated Depreciation	223	(312.293.855.608)	(243.632.983.323)
2. Intangible Fixed Assets	227	28.479.069.438	15.000.871.137
- Cost	228	35.609.134.763	21.379.934.763
- Accumulated Amortization	229	(7.130.065.325)	(6.379.063.626)
IV. Long-Term Assets In Progress	240	17.120.938.691	11.143.709.868
1. Construction in progress	242	17.120.938.691	11.143.709.868
VI. Other Long-Term Assets	260	43.523.432.632	33.278.592.343
1. Long-term Prepaid Expenses	261	43.523.432.632	33.278.592.343
TOTAL ASSETS (270 = 100 + 200)	270	1.282.527.215.609	1.082.334.709.766

BALANCE SHEET (Continued)

As at 31 December 2024

Unit: VND

		FORM B 01a-DN	
RESOURCES	Codes	31 Dec 2024	01 Jan 2024
C - LIABILITIES	300	308.003.482.365	291.561.152.689
I. Short-Term Liabilities	310	276.951.721.764	242.968.982.159
1. Short-term trade payables	311	80.169.837.640	62.516.567.918
2. Short-term prepayments from customers	312	32.614.591.339	19.597.679.482
3. Taxes and other payables to the state budget	313	17.710.192.229	3.991.306.302
4. Payables to employees	314	65.146.484.937	56.439.965.045
5. Short-term accrued expenses	315	1.012.031.953	893.207.127
6. Other Short-term Payables	319	11.717.491.887	4.793.964.720
7. Short-term borrowings and finance lease liabilities	320	41.694.687.517	57.980.515.514
8. Short-term provisions	321	-	15.000.000.000
9. Bonus and welfare fund	322	26.886.404.262	21.755.776.051
II. Long-Term Liabilities	330	31.051.760.601	48.592.170.530
1. Other Long-term Payables	337	131.500.000	138.000.000
2. Long-term borrowings and finance lease liabilities	338	30.450.000.000	43.485.000.000
3. Science and Technology Development Fund	343	470.260.601	4.969.170.530
D - EQUITY	400	974.523.733.244	790.773.557.077
I. Owner's Equity	410	974.523.733.244	790.773.557.077
1. Contributed capital	411	162.290.420.000	162.290.420.000
- Ordinary Shares with Voting Right	411a	162.290.420.000	162.290.420.000
2. Share premium	412	9.442.260.000	9.442.260.000
3. Investment and development fund	418	94.353.394.407	94.353.394.407
4. Retained earnings	421	708.437.658.837	524.687.482.670
- Retained earnings accumulated to the prior year end	421a	471.226.389.269	307.791.266.370
- Retained earnings of the current year	421b	237.211.269.568	216.896.216.300
TOTAL SOURCES (440 = 300 + 400)	440	1.282.527.215.609	1.082.334.709.766

Ha Noi, 20 January 2025

General Accountant



Nguyen Thi Xuan Hoan

Chief Accountant



Dang Thi Thu Thuy

Chairman of the Board of Directors



Le Nam Thang

INCOME STATEMENT
For the three-month period ended 31 Dec 2024

Unit: VND

FORM B 02a- DN

ITEMS	Codes	Three-month period ended 31 Dec 2024	Three-month period ended 31 Dec 2023	Year ended 31 Dec 2024	Year ended 31 Dec 2023
1. Revenues from sales and services rendered	01	399.610.196.566	325.301.188.140	1.295.739.710.212	1.115.576.290.306
2. Revenue deductions	02	1.016.603.336	361.788.894	2.487.419.877	2.091.090.987
3. Net revenues from sales and services rendered (10=01-02)	10	398.593.593.230	324.939.399.246	1.293.252.290.335	1.113.485.199.319
4. Costs of goods sold	11	192.239.709.137	135.669.659.007	611.783.374.135	501.640.316.408
5. Gross revenues from sales and services rendered (20=10-11)	20	206.353.884.093	189.269.740.239	681.468.916.200	611.844.882.911
6. Financial Income	21	1.533.130.745	320.622.218	3.167.719.961	1.197.769.146
7. Financial Expenses	22	1.611.614.368	2.435.405.866	7.852.170.861	10.101.923.142
<i>In Which: Interest expenses</i>	23	<i>1.283.782.638</i>	<i>1.873.264.735</i>	<i>5.811.559.317</i>	<i>8.981.360.213</i>
8. Selling Expenses	25	133.295.129.613	120.070.163.588	372.542.108.753	331.105.212.763
9. General administration expenses	26	14.082.503.105	14.952.100.799	40.206.735.665	39.067.247.027
10. Net profits from operating activities {30=20+(21-22)-(25+26)}	30	58.897.767.752	52.132.692.204	264.035.620.882	232.768.269.125
11. Other Income	31	506.070.096	13.813.252	532.107.604	367.795.909
12. Other Expenses	32	38.186.653	1.544.279.532	581.613.609	1.797.934.459
13. Other profits (40=31-32)	40	467.883.443	(1.530.466.280)	(49.506.005)	(1.430.138.550)
14. Total net profit before tax (50=30+40)	50	59.365.651.195	50.602.225.924	263.986.114.877	231.338.130.575
15. Current corporate income tax expenses	51	15.160.170.823	1.967.077.697	26.774.845.309	14.441.914.275
17. Profits after enterprise income tax (60=50-51-52)	60	44.205.480.372	48.635.148.227	237.211.269.568	216.896.216.300

Ha Noi, 20 January 2025

General Accountant



Nguyen Thi Xuan Hoan

Chief Accountant



Dang Thi Thu Thuy

Chairman of the Board of Directors



Le Nam Thang

CASH FLOW STATEMENT
(Direct Method)
For the year ended 31 December 2024

Unit: VND

FORM B 03a-DN

ITEMS	Codes	Year ended 31 Dec 2024	Year ended 31 Dec 2023
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Proceeds from sales and services rendered and other revenues	01	1.295.801.519.328	1.164.633.465.796
2. Expenditures paid to suppliers	02	(790.947.638.046)	(664.010.387.972)
3. Expenditures paid to employees	03	(276.673.109.417)	(256.093.704.364)
4. Paid interests	04	(5.858.811.585)	(9.350.429.248)
5. Paid enterprise income tax	05	(13.894.743.114)	(20.091.498.275)
6. Other proceeds from operating activities	06	35.373.116.995	26.390.400.552
7. Other expenditures on operating activities	07	(115.789.388.383)	(80.316.675.147)
<i>Net Cash Flows from Operating Activities</i>	20	128.010.945.778	161.161.171.342
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Expenditures on purchase and construction of fixed assets and long-term assets	21	(106.093.105.382)	(43.887.150.317)
3. Expenditures on loans and purchase of debt instruments from other entities	23	(10.000.000.000)	-
4. Proceeds from lending or repurchase of debt instruments from other entities	24	10.000.000.000	-
7. Proceeds from interests, dividends and distributed profits	27	1.521.884.725	320.229.027
<i>Net Cash Flows from Investing Activities</i>	30	(104.571.220.657)	(43.566.921.290)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
3. Proceeds from borrowings	33	98.618.681.810	120.681.666.391
4. Repayment of principal	34	(133.397.027.719)	(169.197.863.909)
6. Dividends and profits paid to owners	36	(23.660.422.600)	(12.991.232.800)
<i>Net Cash Flows from Financing Activities</i>	40	(58.438.768.509)	(61.507.430.318)
Net cash flows during the year (50=20+30+40)	50	(34.999.043.388)	56.086.819.734
Cash and cash equivalents at the beginning of the year	60	79.832.556.707	23.651.511.937
Effects of changes in foreign exchange rates	61	2.301.360	94.225.036
Cash and cash equivalents at the end of the year (70=50+60+61)	70	44.835.814.679	79.832.556.707

Ha Noi, 20 January 2025

General Accountant



Nguyen Thi Xuan Hoan

Chief Accountant



Dang Thi Thu Thuy

Chairman of the Board of Directors



Le Nam Thang

NOTES TO FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

I. GENERAL INFORMATION

Structure of ownership

CPC1 Hanoi Pharmaceutical Joint Stock Company was established under Business Registration Certificate No. 0104089394 issued by Hanoi Department of Planning and Investment for the first time on 5 August 2009, registered for the 16th change on 23 March 2023.

The Company's headquarters is at Ha Binh Phuong Industrial Cluster, Van Binh commune, Thuong Tin district, Hanoi city, Vietnam.

Charter capital : 162.290.420.000 VND (*In words: One hundred sixty-two billion two hundred ninety million four hundred twenty thousand dong./.*)

Business activities

The Company's business activities include:

- Warehousing and storage of goods; Wholesale of machinery, medical equipment
- Transporting passengers by road within the city and suburbs
- Freight transport by road; Organize trade introduction and promotion
- Production of packaging from plastic: Production of wooden packaging; production of wrinkled paper, wrinkled cardboard, packaging from paper and cardboard
- Advertising: Production of medical, dental, orthopedic and rehabilitation equipment and instruments;
- Production of cosmetics, soaps, detergents, polishes and hygiene products;
- Production of non-alcoholic beverages and mineral water; Rental of machinery, equipment and other tangible items;
- Real estate business; Enterprises that wholesale drugs and medical instruments; Wholesale of perfumes, cosmetics and hygiene products;
- Businesses selling drugs; Transporting passengers by intra-provincial and inter-provincial buses; Rental of vehicles with driver to transport passengers, contracts to transport passengers for sightseeing, tourism or other purposes;
- Consulting and business help or services in planning, organization, effective operations, management information; Consulting services to support business establishment and business management;
- Market research and opinion polls;
- Retailing medical instruments, cosmetics and hygiene items in specialized stores;
- Retailing eyeglasses and prescription glasses;
- Production of functional foods, foods fortified with micronutrients, nutrition, health care foods, nutritious foods, dietary supplements and other processed foods (except those banned by the State);
- Wholesale of functional foods, foods fortified with micronutrients, nutrition, health care foods, nutritious foods, dietary supplements and other processed foods (except those banned by the State);
- Retailing functional foods, foods fortified with micronutrients, nutrition, health care foods, nutritious foods, dietary supplements and other processed foods (except those banned by the State);
- Wholesale of vaccines and medical biological products; Exporting and importing drugs; Import medical equipment; Wholesale of medicinal materials, oriental medicine, drugs from medicinal materials; Wholesale of antibacterial products used in household and medical fields; Wholesale of raw materials, food additives, animal feed;
- Entrusted import services;
- Enterprises providing medicine preservation services, Representatives of traders; Import and export of products traded by the company.

Normal production and business cycle

The company's normal production and business cycle is completed within a period not exceeding 12 months.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

The corporation's structure

The company has dependent accounting branches as follows:

Branch name	Address
CPC1 Hanoi Pharmaceutical Joint Stock Company - Hanoi Branch	No. 356A, Giai Phong Street, Phuong Liet Ward, Thanh Xuan District, Hanoi City
CPC1 Hanoi Pharmaceutical Joint Stock Company - Da Nang Branch	No. 170 Nguyen Dinh Tuu, An Khe ward, Thanh Khe district, Da Nang city
CPC1 Hanoi Pharmaceutical Joint Stock Company - Ho Chi Minh City Branch	No. 26-28, Han Mac Tu Street, Tan Thanh Ward, Tan Phu District, Ho Chi Minh City

II. BASIC OF PREPARATION OF FINANCIAL OF FINANCIAL STATEMENTS AND ACCOUNTING PERIOD

The accompanying financial statements are presented in Vietnam Dong (VND), based on the historical cost principle and in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, and relevant legal regulations on the preparation and presentation of financial statements for the accounting period.

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

Accounting period

The Company's annual accounting period begins on January 1 and ends on December 31 of each calendar year

III. ACCOUNTING STANDARDS AND REGIME APPLIED

Accounting regime applied

The Company applies the Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, by the Ministry of Finance, Circular No. 75/2015/TT-BTC dated May 18, 2015, and Circular No. 53/2016/TT-BTC dated March 21, 2016, amending and supplementing several articles of Circular No. 200/2014/TT-BTC dated December 22, 2014, by the Ministry of Finance.

Declaration of compliance with Accounting Standards and Accounting Regime

The Company has applied the Vietnamese Accounting Standards and the guidance documents on Standards issued by the State. The financial statements for the accounting period have been prepared and presented in accordance with all the regulations of each Standard, the implementation guidance circulars, and the currently applicable Accounting Regime.

Applicable accounting form

The company applies computerized accounting, using Fast Business accounting software

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements for the accounting periods complies with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, and relevant legal regulations.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, non-term bank deposits, short-term investments (not exceeding 3 months) with high liquidity, easily convertible to cash, and minimal risk associated with value fluctuations.

Receivables

Receivables are amounts that can be recovered from customers or other entities. Receivables are presented at book value minus allowances for doubtful debts (if any).

Allowances for doubtful debts are established for receivables that are past due for six months or more, or receivables from parties who may have difficulty in payment due to liquidation, bankruptcy, or similar difficulties. The provision is based on the aging of overdue receivables or the estimated loss that may occur, as follows:

- For overdue receivables:
 - 30% of the value for receivables overdue from 6 months to less than 1 year
 - 50% of the value for receivables overdue from 1 year to less than 2 years
 - 70% of the value for receivables overdue from 2 years to less than 3 years
 - 100% of the value for receivables that are overdue for 3 years or more
- For receivables not yet overdue but deemed difficult to collect: provisions are based on estimated losses.

Changes in the balance of allowances for doubtful debts need to be recognized as an expense in the corporate management expenses on the date of the financial report.

Inventories

Inventory is determined based on the lower of cost and net realizable value. The cost of inventory includes direct material costs, direct labor costs, and overhead costs incurred to acquire inventory at its current location and condition. The cost of inventory is determined using the weighted average method and is accounted for using the periodic inventory system. The net realizable value is determined by estimated selling prices minus estimated costs to complete the product along with marketing, selling, and distribution costs.

The company establishes provisions for inventory impairment in accordance with current accounting regulations. Accordingly, the company is permitted to set up provisions for obsolete, damaged, or inferior quality inventory, and in cases where the cost of inventory exceeds the net realizable value at the date of the financial report.

Tangible fixed assets and depreciation

Tangible fixed assets are presented at cost less accumulated depreciation.

The cost of tangible fixed assets includes the purchase price and all other directly attributable costs related to placing the asset in a usable condition.

For fixed assets with a revaluation adjustment, depreciation is calculated using the new cost minus the accumulated depreciation, divided by the remaining useful life.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

Any subsequent costs incurred after initial recognition of the tangible fixed asset are added to the asset's carrying amount if they are reasonably expected to increase future economic benefits from the use of the asset. Costs that do not meet this condition are recognized as expenses in the period incurred.

Tangible fixed assets are depreciated using the straight-line method based on their estimated useful lives. The depreciation periods are as follows:

	<u>Estimated useful life (year)</u>
Buildings and structures	05 - 45
Machinery and equipment	04 - 15
Transportation and transmission	06 - 10
Perennial plants, working animals and farm livestock	08
Other tangible fixed assets	02 - 12

Intangible fixed assets and amortization

Land use rights

Land use rights are presented at cost less accumulated depreciation, representing the value of the right to use 30,306.3 square meters of leased land in Ha Binh Phuong Industrial Cluster, Van Binh Commune, Thuong Tin District, Hanoi City for 45 years by the Company. Land use rights are allocated using the straight-line method over the term of the land lease.

Accounting Software

Accounting software is initially recognized at cost, including the purchase price and directly related costs incurred to put the asset into use as intended. Accounting software is depreciated using the straight-line method over a period of 3 years.

Construction in Progress

Assets under construction for production, leasing, management, or any other purpose are recognized at cost. This cost includes service charges and interest expenses related to appropriate accounting policies of the Company. Depreciation for these assets is calculated similarly to other assets, starting from when the assets are ready for use.

Prepaid Expenses

Prepaid expenses are actual costs incurred but related to the results of business operations over multiple accounting periods. These include significant repair costs for fixed assets, one-time-use tools and equipment with substantial value, and the tools and equipment themselves participating in business activities over a financial year, considered capable of providing future economic benefits to the Company. These costs are capitalized as prepaid expenses and allocated to the Income Statement using the straight-line method according to current accounting regulations.

Payables

The principle of determining amounts payable to vendors is based on contracts, warehouse receipts, and recorded based on invoices from the seller.

Prepayments to vendors are recorded based on payment vouchers, bank documents, and economic contracts.

Detailed tracking of accounts payable to suppliers is carried out, and at the end of the month, a reconciliation statement of accounts payable is sent to suppliers for confirmation.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

Accrued expenses

Accrued expenses represent estimated costs for business operations in the accounting period but have not yet been incurred due to the lack of formal settlement with the supplier for goods or services provided.

Owner's equity

Owner's equity is recorded based on the actual contributed capital of the owner.

Capital surplus is recorded based on the difference between the increase resulting from the issuance of shares above par value and the difference between the increase and decrease compared to the purchase price when selling treasury shares.

The principle of recognizing undistributed profits is the profit (or loss) from the Company's business operations minus (-) adjustments due to the retroactive application of changes in accounting policies and adjustments to material errors of previous years.

The principle of establishing reserves, funds from after-tax profits is based on the resolution of the Annual General Meeting of Shareholders

Revenue and Other Income Recognition

Revenue from sales

Revenue from sales is recognized when all five (5) of the following conditions are met simultaneously

- Most of the risks and rewards incidental to ownership of the product or goods have been transferred to the buyer;
- The Company no longer holds the right to manage the goods as the owner of the goods or the right to control the goods;
- The revenue can be measured reliably
- The Company has obtained or will receive economic benefits from the sales transaction;
- The costs related to the sales transaction can be reliably identified;

Revenue from services

Revenue from service provision transactions is recognized when the outcome of the transaction is reliably determinable. In cases where service provision transactions span multiple periods, revenue is recognized in the period based on the results of the completed portion of the work as of the date of the Balance Sheet for that period. The outcome of the service provision transaction is determined when all four (4) of the following conditions are met:

- Revenue is reliably determinable;
- Economic benefits have been received or will be received from the service provision transaction
- The completed portion of the work as of the date of the Balance Sheet is determined
- The costs incurred for the transaction and the costs to complete the service provision transaction are identifiable

In the case of service provision spanning multiple accounting periods, revenue recognition for the service in each period is done using the percentage-of-completion method.

Financial income

Revenue arising from interest and other financial income is recognized when the following two (2) conditions are satisfied:

- There is a probability of economic benefits from the transaction;
- Revenue is reliably determinable.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

Foreign currencies

Transactions denominated in foreign currency are translated at the exchange rates prevailing at the transaction dates. The balances of items denominated in foreign currencies at the end of the accounting period are translated at the rates prevailing on that date

The exchange rate differences arising during the period from foreign currency transactions are recognized in the Income Statement. Exchange rate differences arising from the revaluation of items denominated in foreign currencies at the reporting date, after offsetting increases and decreases, are recognized in financial income or financial expenses.

Borrowing costs

Borrowing costs are recognized as expenses in the period they are incurred unless capitalized in accordance with the Accounting Standard "Borrowing Costs". Accordingly, borrowing costs directly attributable to the acquisition, construction, or production of assets that require a relatively long period to complete for use or sale are added to the carrying amount of the assets until the assets are ready for use or sale. Income arising from the temporary investment of borrowed funds is deducted from the carrying amount of the related assets. For borrowings specifically obtained to finance the construction of fixed assets, investment properties, interest expenses are capitalized even if the construction period is less than 12 months.

Taxation

Value added tax

The company pays value added tax using the deduction method, with the following tax rates:

Business activities	Tax rate
- Export of pharmaceuticals	0%
- Sale of pharmaceuticals	5%
- Activities of selling functional foods and storage	10%

Corporate income tax

The current corporate income tax is calculated based on the taxable income for the year. Taxable income differs from the accounting profit presented in the Income Statement because it does not include items of income or expenses that are taxable or deductible in other years (including carryforward losses, if any) and also excludes non-taxable or non-deductible items.

The company is a certified science and technology enterprise according to Certificate No. 44/DNKHCN issued for the first time on July 19, 2018, by the Hanoi Department of Science and Technology. Accordingly, the company enjoys corporate income tax incentives as stipulated in Article 12 of Decree No. 13/2019/ND-CP dated February 1, 2019, by the Government on science and technology enterprises if it meets the revenue conditions where revenue from products formed from scientific and technological results accounts for at least 30% of the company's total revenue

The company is exempt from corporate income tax for 4 years and enjoys a 50% reduction in payable tax for the following 9 years starting from 2018

Other types of taxes are applied according to the current tax laws in Vietnam

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

Earnings per share

Earnings per share for common stock are calculated by dividing the profit or loss attributable to common shareholders by the weighted average number of outstanding common shares during the period. Diluted earnings per share take into account the potential dilution from other securities that could convert into common stock, such as convertible bonds and stock options.

Related parties

Parties are considered related if one party has the ability to control or significantly influence the other party in making financial and operating policy decisions.

Individuals, directly or indirectly through one or more intermediaries, who have control over the Company or are under common control with the Company

Affiliated parties and individuals who directly or indirectly hold voting rights in the Company and have significant influence over the Company

Key management personnel such as the General Director, members of the Company, close family members of these individuals or affiliated parties, or companies affiliated with these individuals are also considered related parties

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED ON THE BALANCE SHEET

1. CASH AND CASH EQUIVALENTS

	31 Dec 2024	01 Jan 2024
Cash on hand	895.537.197	764.005.325
Cash in banks	4.940.277.482	6.068.551.382
Cash equivalents	39.000.000.000	73.000.000.000
Total	44.835.814.679	79.832.556.707

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

2. RECEIVABLES FROM CUSTOMERS

a. Short-term trade receivables	31 Dec 2024	01 Jan 2024
<i>Receivables from related parties</i>	9.954.555.937	4.855.510.149
Central Pharmaceutical Joint Stock Company CPC1 - Quang Ninh Branch	13.965.000	-
VNP Pharmaceutical Co., Ltd.	7.016.907.337	2.029.213.352
Tan Thinh Pharmaceutical Company Limited	2.923.683.600	2.826.296.797
<i>Receivables from other customers</i>	284.224.118.553	214.609.935.638
Thuan Phat Production and Investment Development Company Limited	24.848.092.599	17.254.730.011
Thanh Nhan Hospital	1.089.960.000	1.395.610.300
Binh Minh Pharmaceutical Co., Ltd.	3.885.418.637	2.221.671.255
Others	254.400.647.317	193.737.924.072
Total	294.178.674.490	219.465.445.787
b. Customers pay in advance for goods	31 Dec 2024	01 Jan 2024
<i>Related parties</i>	-	-
<i>Unrelated parties</i>	32.614.591.339	19.597.679.482
Hoang Son Pharmaceutical Trading Joint Stock Company	738.000.000	525.750.000
Bao Minh Pharmaceutical Joint Stock Company	251.370.000	-
Phu An Cosmetics and Pharmaceutical Co., Ltd.	176.400.000	258.300.000
Others	31.448.821.339	18.813.629.482
Total	32.614.591.339	19.597.679.482

3. OTHER RECEIVABLES

Other short-term receivables	31 Dec 2024	01 Jan 2024
Advances	2.233.936.114	1.048.034.377
Short term Collateral and deposit	684.961.318	598.310.615
Entrusted goods receivable	1.526.600	-
Advance payment for entrusted goods	283.889.063	261.578.807
Other short-term receivables	23.841.397	13.560.500
Total	3.228.154.492	1.921.484.299
Other Long-term Receivables	31 Dec 2024	01 Jan 2024
<i>Receivables from related parties</i>	400.000.000	400.000.000
CPC1 Central Pharmaceutical Joint Stock Company - Deposit for office rental	400.000.000	400.000.000
<i>Receivables from other organizations and individuals</i>	3.176.969.012	2.605.883.684
Long term collateral and deposit	3.176.969.012	2.605.883.684
Total	3.576.969.012	3.005.883.684

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

4. INVENTORIES

	31 Dec 2024		01 Jan 2024	
	Cost	Provision	Cost	Provision
Goods in transit	13.037.207.591			
Raw materials	139.224.025.835	-	122.347.616.035	622.290.958
Tools and supplies	109.924.974	-	1.184.075.222	-
Cost for work in progress	10.254.041.437	-	4.983.050.335	-
Finished goods and merchandise	295.318.449.272	445.262.749	103.153.934.920	3.223.792.276
	457.943.649.109	445.262.749	231.668.676.512	3.846.083.234

5. CONSTRUCTION IN PROGRESS

	31 Dec 2024	'01 Jan 2024
Purchasing fixed assets	2.553.964.000	336.123.372
Construction in progress	11.071.944.358	10.780.833.200
Major repairs of fixed assets	3.495.030.333	26.753.296,0
Total	17.120.938.691	11.143.709.868

HANOI CPC1 PHARMACEUTICAL JSC

Ha Binh Phuong Industrial Cluster, Van Binh Commune, Thuong Tin District, Ha Noi City, Viet Nam

FINANCIAL STATEMENTS

For the accounting period

From October 1, 2024 to December 31, 2024

NOTES TO FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements***6. TANGIBLE FIXED ASSETS**

Unit: VND

	Buildings and structures	Machinery and Equipment	Transportation and Transmission	Office equipment	Others	Total
COST						
As at 1 January 2024	120.638.588.842	389.097.897.086	28.957.896.278	921.124.091	18.290.026.619	557.905.532.916
Purchase	-	64.676.313.885	1.588.392.480	-	6.657.217.005	72.921.923.370
Basic construction investment completed	21.579.110.943	17.990.958.387	-	-	-	39.570.069.330
As at 31 December 2024	142.217.699.785	471.765.169.358	30.546.288.758	921.124.091	24.947.243.624	670.397.525.616
ACCUMULATED DEPRECIATION						
As at 1 January 2024	26.631.981.055	190.143.220.880	14.279.563.008	71.893.709	12.506.324.671	243.632.983.323
Depreciation	4.963.536.518	56.755.021.880	4.391.662.972	302.426.928	2.248.223.987	68.660.872.285
As at 31 December 2024	31.595.517.573	246.898.242.760	18.671.225.980	374.320.637	14.754.548.658	312.293.855.608
NET BOOK VALUE						
As at 1 January 2024	94.006.607.787	198.954.676.206	14.678.333.270	849.230.382	5.783.701.948	314.272.549.593
As at 31 December 2024	110.622.182.212	224.866.926.598	11.875.062.778	546.803.454	10.192.694.966	358.103.670.008

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

7. INTANGIBLE FIXED ASSETS

Đơn vị tính: VND

	Land use rights	Computer software	Total
COST			
As at 1 January 2024	20.260.434.763	1.119.500.000	21.379.934.763
Purchase	13.849.200.000	380.000.000	14.229.200.000
As at 31 December 2024	34.109.634.763	1.499.500.000	35.609.134.763
ACCUMULATED DEPRECIATION			
As at 1 January 2024	5.400.060.815	979.002.811	6.379.063.626
Amortization	521.134.136	229.867.563	751.001.699
As at 31 December 2024	5.921.194.951	1.208.870.374	7.130.065.325
NET BOOK VALUE			
As at 1 January 2024	14.860.373.948	140.497.189	15.000.871.137
As at 31 December 2024	28.188.439.812	290.629.626	28.479.069.438

8. PREPAID EXPENSES

	31 Dec 2024	01 Jan 2024
Short-term Prepaid Expenses		
Tools and supplies allocated	1.279.731.556	1.063.920.702
Office rental costs	2.072.400.000	1.172.000.000
Insurance costs	116.912.006	180.068.063
Other short-term Prepaid Expenses	814.059.888	1.157.345.017
Total	4.283.103.450	3.573.333.782
Long-term Prepaid Expenses		
Tools and supplies allocated	20.413.558.074	15.498.428.210
Machine repair and maintenance costs	9.486.939.560	4.485.986.067
Other long-term Prepaid Expenses	13.622.934.998	13.294.178.066
Total	43.523.432.632	33.278.592.343

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

9. BORROWINGS AND FINANCE LEASE LIABILITIES

Short-term loans	31 Dec 2023	01 Jan 2024
<i>Short-term loans from related parties</i>	-	-
<i>Short-term loans from banks (VND)</i>	8.812.381.275	10.063.865.204
Military Commercial Joint Stock Bank (MB) - Transaction Office Branch I	508.240.000	10.063.865.204
Vietnam Foreign Trade Commercial Joint Stock Bank - Nam Thang Long Branch	8.304.141.275	-
<i>Short-term loans from banks (foreign currency)</i>	19.882.306.242	34.556.650.310
Asia Commercial Joint Stock Bank (ACB) - Timescity Transaction Office	19.882.306.242	34.556.650.310
<i>Long-term loans are due for repayment</i>	13.000.000.000	13.360.000.000
Asia Commercial Joint Stock Bank (ACB) - Timescity Transaction Office	5.500.000.000	5.750.000.000
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) - My Dinh Branch	7.500.000.000	7.400.000.000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hoang Mai Branch	-	210.000.000
Total	41.694.687.517	57.980.515.514
 Long-term loans	 31 Dec 2024	 '01 Jan 2024
Asia Commercial Joint Stock Bank (ACB) - Timescity Transaction Office	2.750.000.000	8.250.000.000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hoang Mai Branch	-	35.000.000
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) - My Dinh Branch	27.700.000.000	35.200.000.000
Total	30.450.000.000	43.485.000.000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

10. PAYABLES TO SUPPLIERS

	31 Dec 2024	01 Jan 2024
a. Short-term trade payables		
<i>Payable to related parties</i>	<u>960.941.016</u>	<u>262.656.072</u>
Tan Thinh Pharmaceutical Company Limited	960.941.016	262.656.072
<i>Other suppliers</i>	<u>79.208.896.624</u>	<u>62.253.911.846</u>
Thuan Phat Production and Investment Development Company Limited	363.261.366	1.610.870.438
Duc Thanh Packaging Production and Trading Company Limited	2.870.082.484	1.278.088.175
Others	75.975.552.774	59.364.953.233
Total	<u>80.169.837.640</u>	<u>62.516.567.918</u>
b. Short-term advances to supplier		
	<u>31 Dec 2024</u>	<u>01 Jan 2024</u>
Qui Long Refrigeration and Mechanical Engineering Co., Ltd.	5.203.970.160	1.079.564.328
Huy Anh Construction and Trading Service Joint Stock Company	1.748.281.844	-
Tan Phuong Vinh Technology Co., Ltd.	349.470.000	62.907.600
Others	19.395.996.356	22.355.781.624
Total	<u>26.697.718.360</u>	<u>23.498.253.552</u>

11. TAXES AND OTHER RECEIVABLES/ PAYABLES TO THE STATE BUDGET

	31 Dec 2024		01 Jan 2024	
	Payables	Receivables	Payables	Receivables
Value added tax	787.629.353	2.437.467	286.068.716	1.604.425
Value added tax on imports	-	-	-	-
Import and export tax	-	-	-	-
Corporate income tax	15.456.402.502	-	2.576.300.307	-
Personal income tax	1.466.160.374	-	1.128.937.279	-
Other taxes	-	-	-	-
Total	<u>17.710.192.229</u>	<u>2.437.467</u>	<u>3.991.306.302</u>	<u>1.604.425</u>

12. SHORT-TERM ACCRUED EXPENSES

	31 Dec 2024	01 Jan 2024
<i>Payable to related parties - interest expenses</i>	-	-
<i>Payable to other organizations and individuals</i>	<u>1.012.031.953</u>	<u>893.207.127</u>
Personal income tax expenses	946.371.244	786.237.240
Other short-term accrued expenses	65.660.709	106.969.887
Total	<u>1.012.031.953</u>	<u>893.207.127</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

13. OTHER PAYABLES

Other Short-term Payables

	31 Dec 2024	01 Jan 2024
Trade union fees	2.132.020.086	1.970.049.683
Receive advance payments for entrusted goods	6.151.817.546	264.000.000
Others	3.433.654.255	2.559.915.037
Total	11.717.491.887	4.793.964.720

Other Long-term Payables

	31 Dec 2023	'01 Jan 2024
Long term Deposits received	131.500.000	138.000.000
Total	131.500.000	138.000.000

HANOI CPC1 PHARMACEUTICAL JSC

Ha Binh Phuong Industrial Cluster , Van Binh Commune, Thuong Tin District, Ha Noi City, Viet Nam

NOTES TO FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements***14. OWNER'S EQUITY***a. Changes in owner's equity**a. Changes in owner's equity*

	Owner's contributed capital	Capital surplus	Investment and development fund	Other equity funds
As at 1 January 2024	162.290.420.000	9.442.260.000	94.353.394.407	-
Capital increase for the period	-		-	-
Profit for the period	-	-	-	-
Appropriation to development investment fund	-	-	-	-
Distributions to Bonus and welfare funds	-	-	-	-
Pay dividends	-	-	-	-
Appropriation to the Executive Board bonus fund	-	-	-	-
Bonus for the Board of Directors and Supervisory Board	-	-	-	-
As at 31 December 2024	162.290.420.000	9.442.260.000	94.353.394.407	-

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

b. Shares

	31 Dec 2023	01 Jan 2024
Authorised share capital	16.229.042	16.229.042
Issued share capital	16.229.042	16.229.042
- Ordinary shares	16.229.042	16.229.042
- Preferred shares	-	-
Shares in cirulations	16.229.042	16.229.042
- Ordinary shares	16.229.042	16.229.042
- Preferred shares	-	-

* *Par value : 10.000 VND*

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED ON THE INCOME STATEMENT

1. REVENUES FROM SALES AND SERVICES RENDERED

	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Revenue from sales of goods and finished products	1.295.325.419.163	1.113.923.395.862
Revenue from services rendered	414.291.049	1.652.894.444
Total	1.295.739.710.212	1.115.576.290.306

2. REVENUE DEDUCTIONS

	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Sales returns	2.421.218.420	1.974.206.775
Sales discounts	66.201.457	116.884.212
Total	2.487.419.877	2.091.090.987

3. COSTS OF GOODS SOLD

	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Cost of goods and services provided	611.783.374.135	501.640.316.408
Total	611.783.374.135	501.640.316.408

4. FINANCIAL INCOME

	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Interest on deposits and loans	1.521.884.737	320.229.027
Exchange rate difference interest	1.645.835.224	877.540.119
Total	3.167.719.961	1.197.769.146

5. FINANCIAL EXPENSES

	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Interest expenses	5.811.559.317	8.981.360.213
Exchange rate difference losses	2.040.611.544	1.120.562.929
Total	7.852.170.861	10.101.923.142

6. OTHER INCOME

	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Other Income	532.107.604	367.795.909
Total	532.107.604	367.795.909

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

These notes are an integral part of and should be read in conjunction with the accompanying Financial Statements

7. OTHER EXPENSES

	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Non-deductible depreciation expenses	135.408.120	135.408.120
Other Expenses	446.205.489	1.662.526.339
Total	581.613.609	1.797.934.459

8. SELLING EXPENSES AND GENERAL ADMINISTRATION EXPENSES

Selling Expenses	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Selling staff expenses	237.391.941.074	222.031.978.075
Tools and supplies expenses	5.202.221.559	4.901.299.665
Depreciation expenses of fixed assets	4.318.689.685	3.667.267.019
Promotional costs	6.959.455.962	2.194.660.333
Outside purchasing services cost	94.783.382.710	85.997.804.747
Other cash expenses	23.886.417.763	12.312.202.924
Total	372.542.108.753	331.105.212.763

General administration expenses	From January 1, 2024, to December 31, 2024	From January 1, 2023, to December 31, 2023
Administration staff expenses	15.148.417.060	16.131.521.551
Office equipment expenses	2.975.642.201	2.611.604.107
Depreciation expenses of fixed assets	2.482.196.399	2.525.278.308
Taxes, fees and charges	1.632.090.295	1.319.730.129
Provision expenses	276.087.464	133.893.505,00
Outside purchasing services cost	12.573.516.097	9.937.429.397
Other cash expenses	5.118.786.149	3.407.790.030
Appropriation for science and technology development fund	-	3.000.000.000
Total	40.206.735.665	39.067.247.027

Ha Noi, 20 January 2025

General Accountant



Nguyen Thi Xuan Hoan

Chief Accountant



Dang Thi Thu Thuy

Chairman of the Board of Directors



Le Nam Thang