

**HATAY PHARMACEUTICAL JOINT STOCK COMPANY**  
**AUDITED CONSOLIDATED FINANCIAL**  
**STATEMENTS**

**For the fiscal year ended December 31, 2024**





No.: /CV-BCTC-DHT

**SOCIALIST REPUBLIC OF VIETNAM**  
**Independence - Freedom - Happiness**

*Hanoi, March 14, 2025*

**To: The State Securities Commission of Viet Nam**  
**Hanoi Stock Exchange**

Company name: Ha Tay Pharmaceutical Joint Stock Company

Stock Code: DHT

Head office: 10A Quang Trung – Ha Dong District – Hanoi City

Phone: 0433 501 117 – Fax: 0433 829 054

Information disclosure officer: Mr. Ngo Van Chinh – Head of the Supervisory Board

In the consolidated financial statements for 2024, the business results of Ha Tay Pharmaceutical Joint Stock Company are as follows:

The total consolidated after-tax profit in 2024 was VND 75,194,063,435, compared to VND 88,961,099,592 in 2023, a decrease of VND 13,767,036,157, equivalent to a 15.48% decline. This was due to:

The administrative expenses in 2024 amounted to VND 113,232,711,497, compared to VND 76,943,526,555 in 2023, an increase of VND 36,289,184,942, equivalent to a 47.16% rise. The increase was driven by expenses related to product research, salaries, and depreciation costs.

We hereby report to the State Securities Commission of Vietnam and the Hanoi Stock Exchange for your information.

*Recipient:*

- As above
- Archive: Office files

**HA TAY PHARMACEUTICAL JOINT STOCK  
COMPANY**



**General Director**

*Dr. Le Xuan Thang*  
Dr. Le Xuan Thang

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## **BOARD OF MANAGEMENT'S REPORT**

We, members of the Board of Management of Hatay Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company") present this Report together with the Company's audited Consolidated Financial Statements for the fiscal year ended December 31, 2024.

### **The Board of Directors and the Board of Management**

Members of the Board of Directors and the Board of Management who held the Company during the year ended December 31, 2024 and to the date of this report, are as follows:

#### ***The Board of Directors***

Mr. Le Van Lo	Chairman
Mr. Le Anh Trung	Member
Ms. Le Viet Linh	Member
Mr. Le Xuan Thang	Member
Mr. Hoang Van Tue	Member
Mr. Hiroyasu Nishioska	Member
Mr. Keisuke Oshio	Member

#### ***The Board of Management***

Mr. Le Xuan Thang	General Director
Mr. Nguyen Ba Lai	Deputy General Director
Mr. Le Anh Trung	Deputy General Director
Ms. Le Viet Linh	Deputy General Director
Mr. Ngo Tuan Viet	Deputy General Director (Appointed on March 20, 2024)

### **Respective responsibilities of the Board of Management**

The Board of Management of the Company is responsible for preparing Consolidated Financial Statements which give a true and fair view of the financial position and results of its operation and cash flows of the Company in the year, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to financing reporting. In preparing of these Consolidated Financial Statements, the Board of Management is required to:

- Select suitable accounting policies and then consistently apply them;
- Make judgments and estimates that are reasonable and prudent;
- State whether appropriate accounting standards are respected or any application of material misstatements needs to be disclosed and justified in Consolidated Financial Statements;
- Prepare the Consolidated 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 Consolidated Financial Statements so as to minimize risks and frauds.

**BOARD OF MANAGEMENT'S REPORT**

*(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 Consolidated Financial Statements comply with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Consolidated Financial Statements. 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 Consolidated Financial Statements.

*For and on behalf of the Board of Management,*

**HATAY PHARMACEUTICAL JOINT STOCK COMPANY**



**Le Xuan Thang**  
**General Director**

*Hanoi, March 12, 2025*



No: 1403.02 -25/BC-TC/VAE

Hanoi, March 14, 2025

## INDEPENDENT AUDITORS' REPORT

**To:** Shareholders  
The Board of Management and Board of Directors  
Hatay Pharmaceutical Joint Stock Company

We have audited the accompanying Consolidated Financial Statements of Hatay Pharmaceutical Joint Stock Company y (hereinafter referred to as "the Company"), *prepared on March 12, 2025, from page 06 to page 36*, which comprise: Consolidated Balance Sheet as at December 31, 2024, Consolidated Income Statement, Consolidated Cash Flow Statement for the fiscal year then ended and Notes to the Consolidated Financial Statements.

### Board of Management's responsibility

The Board of Management of the Company is responsible for the preparation and fair presentation of these Consolidated Financial Statements of Company in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Consolidated Financial Statements and for such internal control as the Board of Management determines is necessary to enable the presentation of Consolidated Financial Statements that are free from material misstatements whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements of the Company are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the Consolidated Financial Statements. The procedures are selected depending on the auditor's judgement, including the assessment on risk of material misstatements of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the Consolidated 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Management as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

## INDEPENDENT AUDITORS' REPORT

(continued)

### Opinion

In our opinion, the Consolidated Financial Statements, in all material respects, give a true and fair view of the consolidated financial position of the Company as at December 31, 2024, and of the results of its consolidated operations and its consolidated cash flows for the fiscal year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Consolidated Financial Statements.



**Nguyen Thi Hong Van**  
Deputy General Director - Audit Director  
*Audit Practising Registration Certificate No.*  
*0946-2023-034-1*  
For and on behalf of  
**VIETNAM AUDITING AND EVALUATION CO., LTD.**

A blue ink signature of the auditor, Pham Thi Hien, written over a horizontal line.

**Pham Thi Hien**  
Auditor  
*Audit Practising Registration Certificate No.*  
*2449-2023-034-1*



Form B 01 - DN/HN

**CONSOLIDATED BALANCE SHEET**

As at December 31, 2024

Unit: VND

ASSETS	Codes	Notes	31/12/2024	01/01/2024
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>924,861,085,892</b>	<b>1,008,672,591,705</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.01</b>	<b>90,269,672,873</b>	<b>301,790,483,392</b>
1 Cash	111		70,269,672,873	261,790,483,392
2 Cash equivalents	112		20,000,000,000	40,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>90,000,000,000</b>	<b>80,000,000,000</b>
1 Held-to-maturity investments	123	V.02	90,000,000,000	80,000,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>192,360,480,643</b>	<b>232,796,354,084</b>
1 Short-term trade receivables	131	V.03	127,407,266,728	91,123,835,000
2 Short-term advances to suppliers	132	V.04	59,380,091,165	135,598,435,410
3 Other short-term receivables	136	V.05	8,884,273,984	9,847,764,014
4 Provision for short-term doubtful debts	137	V.06	(3,311,151,234)	(3,773,680,340)
<b>IV. Inventories</b>	<b>140</b>	<b>V.07</b>	<b>527,935,214,966</b>	<b>378,908,403,455</b>
1 Inventories	141		529,896,264,717	380,869,453,206
2 Provision for devaluation of inventories	149		(1,961,049,751)	(1,961,049,751)
<b>V. Other short-term assets</b>	<b>150</b>		<b>24,295,717,410</b>	<b>15,177,350,774</b>
1 Value added tax deductibles	152		23,664,448,196	14,500,551,653
2 Taxes and other receivables from the State budget	154	V.15	631,269,214	676,799,121
<b>B - NON-CURRENT ASSETS</b>	<b>200</b>		<b>1,001,444,167,114</b>	<b>829,591,636,470</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>187,367,778,307</b>	<b>154,260,950,289</b>
1 Tangible fixed assets	221	V.08	185,991,118,307	152,884,290,289
Cost	222		438,444,729,462	385,297,210,088
Accumulated depreciation	223		(252,453,611,155)	(232,412,919,799)
2 Intangible fixed assets	227	V.09	1,376,660,000	1,376,660,000
Cost	228		2,026,660,000	2,026,660,000
Accumulated amortization	229		(650,000,000)	(650,000,000)
<b>III. Investment property</b>	<b>230</b>		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>790,109,801,102</b>	<b>638,851,820,543</b>
1 Construction in progress	242	V.10	790,109,801,102	638,851,820,543
<b>V. Long-term financial investments</b>	<b>250</b>	<b>V.02</b>	<b>19,335,631,790</b>	<b>33,969,245,350</b>
1 Investment in joint-ventures, associates	252		19,335,631,790	13,969,245,350
2 Held-to-maturity investments	255		-	20,000,000,000
<b>VI. Other long-term assets</b>	<b>260</b>		<b>4,630,955,915</b>	<b>2,509,620,288</b>
1 Long-term prepayments expenses	261	V.11	4,630,955,915	2,509,620,288
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>1,926,305,253,006</b>	<b>1,838,264,228,175</b>

(Notes from page 10 to page 36 are an integral part of these consolidated Financial Statements)



Form B 01 - DN/HN

CONSOLIDATED BALANCE SHEET

As at December 31, 2024  
(continued)

Unit: VND  
01/01/2024

RESOURCES	Codes	Notes	31/12/2024	01/01/2024
<b>C - LIABILITIES</b>	<b>300</b>		<b>869,544,931,289</b>	<b>771,114,283,113</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>767,752,475,817</b>	<b>595,988,193,054</b>
1 Short - term trade payables	311	V.12	235,206,963,747	146,323,822,985
2 Short - term advances from customers	312	V.13	131,593,255,879	97,904,897,688
3 Taxes and amounts payable to the State budget	313	V.14	6,057,330,629	4,957,842,282
4 Payables to employees	314		15,735,720,457	6,911,522,289
5 Short-term accrued expenses	315	V.16	162,743,579	130,878,418
6 Short-term unearned revenue	318	V.17	909,298,387	1,008,026,128
7 Other current payables	319	V.18	608,008,522	738,338,301
8 Short-term loans and obligations under finance leases	320	V.15	373,273,974,867	333,482,635,213
9 Bonus and welfare funds	322		4,205,179,750	4,530,229,750
<b>II. Long-term liabilities</b>	<b>330</b>		<b>101,792,455,472</b>	<b>175,126,090,059</b>
1 Other long-term payables	337	V.18	4,879,500,000	4,908,300,000
2 Long-term loans and obligations under finance leases	338	V.15	96,912,955,472	170,217,790,059
<b>D - EQUITY</b>	<b>400</b>		<b>1,056,760,321,717</b>	<b>1,067,149,945,062</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.19</b>	<b>1,056,760,321,717</b>	<b>1,067,149,945,062</b>
1 Owner's contributed capital	411		823,417,730,000	823,417,730,000
- Ordinary shares carrying voting rights	411a		823,417,730,000	823,417,730,000
2 Share premium	412		97,320,000,000	97,320,000,000
3 Other owners' equity	414		26,612,306,630	26,612,306,630
4 Treasury shares	415		(8,083,874,357)	(8,083,874,357)
5 Investment and development fund	418		10,749,248,213	10,749,248,213
6 Retained earnings	421		79,530,817,489	88,257,122,317
- Retained earnings accumulated to the prior year end	421a		47,855,748,037	3,201,568,952
- Retained earnings of current year	421b		31,675,069,452	85,055,553,365
8 Non-controlling interest	429		27,214,093,742	28,877,412,259
<b>II. Other resources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>1,926,305,253,006</b>	<b>1,838,264,228,175</b>

Hanoi, March 12, 2025

HATAY PHARMACEUTICAL JOINT STOCK COMPANY

Prepared by

Chief Accountant

General Director

  
Nguyen Thi Bich Ngoc

  
Hoang Van Tue

  
Le Xuan Thang

(Notes from page 10 to page 36 are an integral part of these consolidated Financial Statements)

Form B 02 - DN/HN

CONSOLIDATED INCOME STATEMENT

For the fiscal year ended December 31, 2024

Unit: VND

ITEMS	Codes	Notes	Year 2024	Year 2023
1 Gross revenue from goods sold and services rendered	01	VI.1	2,087,096,726,853	2,000,599,327,142
2 Deductions	02	VI.2	743,902,240	1,295,659,587
3 Net revenue from goods sold and services rendered (10=01-02)	10	VI.3	2,086,352,824,613	1,999,303,667,555
4 Cost of sales	11	VI.4	1,866,534,425,409	1,795,972,302,356
5 Gross profit from goods sold and services rendered (20 =10-11)	20		219,818,399,204	203,331,365,199
6 Financial income	21	VI.5	19,543,979,095	19,613,969,199
7 Financial expenses	22	VI.6	20,128,937,334	23,744,283,467
In which: Interest expense	23		13,449,114,864	20,099,340,372
8 Profit or loss from associates, joint ventures	24		6,756,010,720	4,170,681,898
9 Selling expenses	25	VI.9	30,073,124,462	27,171,762,848
10 General and administration expenses	26	VI.9	113,232,711,497	76,943,526,555
11 Operating profit (30 = 20 + (21 - 22) + 24 - (25 + 26))	30		82,683,615,726	99,256,443,426
12 Other income	31	VI.7	13,745,762,236	11,410,459,960
13 Other expenses	32	VI.8	1,207,631,687	323,320,429
14 Profit from other activities (40=31-32)	40		12,538,130,549	11,087,139,531
15 Accounting profit before tax (50=30+ 40)	50		95,221,746,275	110,343,582,957
16 Current CIT expense	51	VI.11	20,027,682,840	21,382,483,365
17 Deferred CIT expense	52		-	-
18 Net profit after corporate income tax (60=50-51-52)	60		75,194,063,435	88,961,099,592
19 The Parent company's net profit after tax	61		71,771,819,452	85,055,553,365
20 The non-controlling interests shareholders' net profit after tax	62		3,422,243,983	3,905,546,227
21 Basic earning per share	70	VI.12	871.65	1,681.99

Hanoi, March 12, 2025

HATAY PHARMACEUTICAL JOINT STOCK COMPANY

Prepared by

Chief Accountant

General Director

Nguyen Thi Bich Ngoc

Hoang Van Tue



Le Xuan Thang

(Notes from page 10 to page 36 are an integral part of these consolidated Financial Statements)



**CONSOLIDATED CASH FLOWS STATEMENT**

(Under indirect method)

For the fiscal year ended December 31, 2024

				Unit: VND
ITEMS	Codes	Notes	Year 2024	Year 2023
<b>I. Cash flow from operating activities</b>				
1. Profit before tax	01		95,221,746,275	110,343,582,957
2. Adjustments for				
- Depreciation of fixed assets and investment properties	02		20,480,691,356	17,077,736,709
- Provisions	03		(462,529,106)	(886,189,668)
- Foreign exchange gain/loss arising from translating foreign currency items	04		1,287,018,069	1,292,453,104
- Gain, loss from investing activities	05		(14,478,467,287)	(4,607,907,821)
- Interest expense	06		13,449,114,864	20,099,340,372
3. Profit from operating activities before changes in working capital	08		115,497,574,171	143,319,015,653
- Increases, Decreases in receivables	09		28,971,917,342	147,483,797,362
- Increases, Decreases in inventories	10		(149,026,811,511)	81,720,375,288
- Increases, Decreases in payables (excluding interest payable, corporate income tax payable)	11		67,274,241,651	(55,823,309,613)
- Increases, Decreases in prepayment expense	12		(2,121,335,627)	1,244,553,858
- Interest expense paid	14		(13,417,249,703)	(20,100,196,493)
- Corporate income tax paid	15		(18,894,376,153)	(26,105,657,408)
- Other cash outflows	17		(325,050,000)	(939,735,000)
Net cash flow from operating activities	20		27,958,910,170	270,798,843,647
<b>II. Cash flow from investing activities</b>				
1. Acquisition and construction of fixed assets and other non-current assets	21		(143,131,809,330)	(366,523,437,510)
2. Proceeds from liquidation, disposal of fixed assets and other non-current assets	22		150,000,000	281,000,000
3. Cash outflows for lending, buying debt instruments of other entities	23		(230,000,000,000)	(100,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24		240,000,000,000	53,000,000,000
5. Interest earned, dividends and profits received	27		7,214,538,702	3,627,122,768
Net cash flow from investing activities	30		(125,767,270,628)	(409,615,314,742)
<b>III. Cash flow from financial activities</b>				
1. Proceeds from share issue and owners' contributed capital	31		-	180,600,000,000
2. Proceeds from borrowing	33		746,915,115,047	782,402,494,652
3. Repayment of borrowing	34		(780,428,609,980)	(615,545,584,797)
4. Dividends and profit paid to owners	36		(80,193,500,000)	-
Net cash flow from financial activities	40		(113,706,994,933)	347,456,909,855
Net cash flow in the period (50 = 20+30+40)	50		(211,515,355,391)	208,640,438,760
Cash and cash equivalents at the beginning of the period	60		301,790,483,392	93,132,277,381
Effect of changes in foreign exchange rates	61		(5,455,128)	17,767,251
Cash and cash equivalents at the end of the period (50+60+61)	70	V.01	90,269,672,873	301,790,483,392

Prepared by

Nguyen Thi Bich Ngoc

Chief Accountant

Hoang Van Tue

HATAY PHARMACEUTICAL JOINT STOCK COMPANY

General Director

Le Xuan Thang

(Notes from page 10 to page 36 are an integral part of these consolidated Financial Statements)



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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

**I. General information**

**1. Structure of ownership**

Hatay Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company") is a joint stock company converted from a State-owned enterprise under Decision No. 1911 QD/UB dated December 21, 2000 of the People's Committee of Ha Tay province (now the People's Committee of Hanoi City). The Company was operated under the first Business Registration Certificate No. 030300015 dated January 10, 2001 issued by Hatay Authority for Planning and Investment (now Hanoi Authority for Planning and Investment). The Company has made 24 times of changes in its Business Registration Certificate.

Under the 24<sup>th</sup> amended Business Registration Certificate No. 0500391400 issued by Hanoi Authority for Planning and Investment dated January 15, 2024, the charter capital is **VND 823,417,730,000** (*Eight hundred and twenty- three billion, four hundred and seventeen million, seven hundred and thirty thousand Vietnamese dong*)

Shares of the Company were listed on the Hanoi Stock Exchange under the securities code of DHT.

**2. Operating industry**

The company operates in the production and pharmaceutical business and services./.

**3. Principal activities**

- Production of medicines, pharmaceutical chemicals, and medicinal materials. Details: Manufacturing of medicines, pharmaceuticals, medicinal materials, cosmetics, medicinal foods, and medical equipment;
- Distribution of medicines, medical equipment, cosmetics, and hygiene products in specialized stores. Details: The right to distribute medicine and medicinal materials produced by the facility itself in Vietnam.
- Wholesale of other Household Goods. Details: The right to distribute and wholesale goods by legal provisions (excludes the following items: national reserve goods, rice, cane sugar, beet sugar, cigarettes, cigars, crude oil and processed oil, explosives, books, newspapers and magazines, precious metals, precious stones, and any recorded items made of all materials);
- The right to wholesale medicines and medicinal materials produced by the facility itself in Vietnam; Selling medicines and medicinal materials to pharmacies and medicinal materials according to Clause 10, Article 91 of Decree No. 54/2017/ND-CP;
- Real estate business, land use rights owned, used, or leased business. Details: Real estate business (excluding investments in building infrastructure for cemeteries and graveyards to transfer land use rights attached to that infrastructure);
- Other business support services are not classified elsewhere. Details: Medicines storage service; The right to import and export goods according to the law (excluding goods on the national reserve list and goods in Appendix No. 01 and Appendix No. 02 of Circular 34/2013/TT-BCT); The right to import and export medicines and medicinal materials.
- Production of other foods is not classified elsewhere. Details: Production of functional foods; Wholesale of foods. Details: The right to distribute and wholesale goods according to the law (excluding goods on the national reserve list and rice, cane sugar, beet sugar)/.

**The Company's Head Office:** No.10A Quang Trung, Ha Dong, Hanoi, Vietnam.

**4. Normal production and business cycle**

The normal operating cycle of the Company will last no more than 12 months.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

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

**5. The Company's structure**

Details of the Company's dependent units:

- |   |   |   |
|---|---|---|
| 1. Pharmaceutical Branch No. 01                                     | - | Address: 4th floor, 10A Quang Trung, Ha Dong, Hanoi, Vietnam                        |
| 2. Branch of Ha Tay Pharmaceutical Joint Stock Company in Nghe An   | - | Address: No. 18 Tran Nhat Duat, Doi Cung ward, Vinh city, Nghe An province, Vietnam |
| 3. Ba Vi Pharmaceutical Branch                                      | - | Address: Van Trai village, Tay Dang town, Ba Vi district, Hanoi, Vietnam            |
| 4. Thuong Tin Pharmaceutical Branch                                 | - | Address: No. 251 Pho Ga, Thuong Tin town, Thuong Tin district, Hanoi, Vietnam       |
| 5. My Duc Pharmaceutical Branch                                     | - | Address: Te Tieu Village, Dai Nghia town, My Duc district, Hanoi, Vietnam           |
| 6. Oriental Medicine and Medical Supplies Branch                    | - | Address: 78 Quang Trung, Quang Trung, Ha Dong, Hanoi, Vietnam                       |
| 7. Branch of Ha Tay Pharmaceutical Joint Stock Company in Thai Binh | - | Address: Lot 8/18, Quarter 2, Group 28, Tran Hung Dao, Thai Binh province, Vietnam  |
| 8. Phu Xuyen Pharmaceutical Branch                                  | - | Address: My Lam Sub-area, Phu Xuyen town, Phu Xuyen district, Hanoi, Vietnam        |
| 9. Son Tay Pharmaceutical Branch                                    | - | Address: No. 122 Le Loi, Le Loi ward, Son Tay town, Hanoi, Vietnam                  |
| 10. Quoc Oai Pharmaceutical Branch                                  | - | Address: Quoc Oai Town, Quoc Oai district, Hanoi, Vietnam                           |
| 11. Ung Hoa Pharmaceutical Branch                                   | - | Address: Hoang Xa Village, Van Dinh town, Ung Hoa district, Hanoi, Vietnam          |
| 12. Thanh Oai Pharmaceutical Branch                                 | - | Address: Kim Bai town, Thanh Oai district, Hanoi, Vietnam                           |
| 13. Thach That Pharmaceutical Branch                                | - | Address: Road No.84, Kim Quan Commune, Thach That district, Hanoi, Vietnam          |
| 14. Branch of Ha Tay Pharmaceutical Joint Stock Company             | - | Address: 4th Floor, No. 10A Quang Trung, Ha Dong, Hanoi, Vietnam                    |

Details of Subsidiaries which are consolidated into these Consolidated Financial Statements for the fiscal year ended December 31, 2024 as follows:

- |  |  |
|--|--|
| 1. Ha Tay Pharmaceutical and Medical Equipment JSC | Address: No. 10, Alley 4, Xom Street, Phu Lam, Ha Dong, Hanoi, Vietnam             |
|  | Principal activities: Manufacturing Functional Foods and trading Medical Equipment |
|  | Proportion of ownership interest: 50.63%   |
|  | Proportion of voting right: 50.63%   |

Details of Associates which are reflected in the Consolidated Financial Statements using the equity method for the fiscal year ended December 31, 2024 as follows:

- |                                      |   |
|--------------------------------------|---|
| 1. Southern Hataphar Company Limited | Address: No. 62 Tran Van Giap, Hiep Tan Ward, Tan Phu District, Ho Chi Minh City, Vietnam |
|--------------------------------------|---|



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(These notes are an integral part of and should be read in conjunction with the accompanying Consolidated Financial Statements)*

Principal activities: Trading in medicines, functional foods, cosmetics, medical equipment and instruments

Proportion of ownership interest: 48.28%

Proportion of voting right: 48.28%

2. Hanoi Technical  
College of  
Medicine  
Pharmacy

Address: No. 10, Alley 4, Xom Street, Phu Lam, Ha Dong, Hanoi, Vietnam

Principal activities: Medical and pharmaceutical training

Proportion of ownership interest: 24.81%

Proportion of voting right: 24.81%

3. Vietnam Hataphar  
Healthcare High  
Technology  
Pharmaceutical  
JSC

Address: No. 80 Quang Trung, Ha Dong, Hanoi, Vietnam

Principal activities: Trading and distribution of pharmaceutical products

Proportion of ownership interest: 49.00%

Proportion of voting right: 49.00%

**6. Disclosure of information comparability in the Consolidated Financial Statements**

Comparative figures are the figures of Company's Consolidated Financial Statements of the Company for the fiscal year ended December 31, 2024.

**7. Number of employees**

The number of employees of the Company as at December 31, 2024 was 780 (As at December 31, 2023 is 792).

**II. Accounting period, currency used in accounting****1. Accounting period**

The Company's financial year begins on January 01 and ends on December 31.

**2. Currency used in accounting**

The currency used in accounting is Vietnam dong ("VND") accounted under the principle of historical cost, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and the legal regulations relating to the preparation and presentation of Consolidated Financial Statements.

**III. Applied accounting regime and standards****1. Applied accounting regime and standards**

The Company applies Vietnamese Accounting regime and Vietnamese Accounting Standards for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated December 22, 2014 by Ministry of Finance guiding the Accounting Regime for Enterprises and Circular No. 53/2016/TT-BTC dated March 21, 2016 by Ministry of Finance regarding amendment to some articles of Circular No. 200/2014/TT-BTC; prepares and presents the Consolidated Financial Statements in accordance with Circular No. 202/2014/TT-BTC dated December 22, 2014 by Ministry of Finance.

**2. Statement on the compliance to Accounting Standards and Accounting regime**

The Company's Consolidated Financial Statements are prepared and presented in accordance with Vietnamese Accounting Standards and current Vietnamese Accounting regime for enterprises and the laws and regulations in relation to the preparation and presentation of Consolidated Financial Statements.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(These notes are an integral part of and should be read in conjunction with the accompanying Consolidated Financial Statements)***IV. Significant accounting policies****1. Basis for the consolidation of Consolidated Financial Statements**

The Consolidated Financial Statements include Financial Statements of the Company and Financial Statements of companies under the control of the Company (subsidiaries) prepared as at December 31, 2024. The control means the Company is able to control financial policies and operations of investee companies in order to get economic benefits from these companies.

All transactions and balances between companies in the same Group are canceled out upon consolidating the financial statements.

**Non-controlling interest**

Non-controlling interest in net assets of subsidiaries are determined as a separate item from the part of owner's equity of shareholders of the parent company. Non-controlling interest (NCI) consists of the value of non-controlling interest as at the initial consolidated date and changes in NCI in the total equity changes from the consolidated date. Loss amounts incurred at subsidiaries must be allocated corresponding to the ownership of non-controlling, in case of those loss amounts are greater than the ownership of non-controlling in net assets of subsidiaries.

**Investment in associates**

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in the joint venture. Significant influence is the power to participate in the investee's financial and operating policy decisions but not control or joint control over those policies. Normally, the Company is considered a significant influence when the capital owners have more than 20% of the vote right at the entity receiving the investment. The investment in associates is recorded as an equity method.

According to the equity method, the investment is initially recorded on the consolidated balance sheet at cost, then it is adjusted by post-acquisition changes in the Company's share of the net assets of the associate. Goodwill arising from the investment in the associates is reflected in the residual value of the investment. The Company does not allocate this goodwill but conducts an annual assessment to determine whether it is impaired. The consolidated income statement reflects the Company's share of the associates' results of operations after acquisition.

When the Company's share of the associates's losses, which the Company must share, exceeds the Company's interest in the associates accounted for using the equity method, the carrying value of the investment will be reduced to zero, and future losses will no longer be recognized, except for losses within the scope where the Company is obligated to pay or has paid on behalf of the associates.

**2. Foreign exchange rates applied in accounting**

Exchange rates for transactions denominated in foreign currencies are transaction exchange rates of Commercial Bank on the transaction date.

Exchange rates for re-translation of monetary items in foreign currencies at the reporting date are the rates stated by the Commercial Bank of Branch on the reporting date.

Thereby:

- Exchange rates for re-translation of items in foreign currencies and classified as assets are the buying rates stated by the Commercial Bank on the reporting date.
- Exchange rates for re-translation of items in foreign currencies and classified as liabilities are the selling rates stated by the Commercial Bank on the reporting date..

**3. Estimates**

The preparation of the consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

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. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

**4. Principle of recognizing cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, demand deposits and other short-term of less than 3 months, liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

**5. Accounting principle for financial investments*****Held-to-maturity investments***

Held-to maturity investments comprise investment including that the Company has positive intent and or ability to hold to the maturity. Held-to-maturity investments including: term deposits in banks.

Held-to-maturity investments are recognized on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognized in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for doubtful debts.

Current accounting regulations make provision for doubtful debts of investments held to maturity.

**6. Accounting principle for receivables**

Receivables are presented as net book value less allowance for doubtful and bad debts. Classification of receivables is made on the following principle:

- Trade accounts receivable consist of receivables with their commercial nature arising from transactions with their purchasing-selling nature between the Company and buyers who are independent entities from the Company.
- Other receivables consist of receivables with their non-commercial nature, not related to transactions with their purchasing-selling nature.

Allowance for doubtful and bad debts is made for each doubtful or bad debt based on age of each debt amount or estimated loss that may incur because debtors are insolvent under liquidation, bankruptcy or similar hardship.

Increase, decrease in provision for bad and doubtful debts to be made at the cut-off date for Consolidated Financial Statements shall be recognized into general administration expenses.

**7. Principle for recognizing inventories**

Inventories are recognized at the lower price between historical cost and net realizable value. Historical cost of inventories consists of expenses of acquisition, processing and other directly related expenses (if any) incurred to bring inventories to their present location and condition.

Net realizable value is determined as the estimated selling price of inventories during the normal business period minus the estimated costs to complete and necessary estimated costs to sell.

The value of inventories is determined by the Weighted Average Method and accounted for by the perpetual method.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

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

Provision for devaluation in inventories: Provision for devaluation in inventories is made for the respective category of inventories with its cost being higher than the net realizable value. An increase or decrease in the provision for devaluation in inventories to be made at the cut-off date shall be recognized in the cost of sales.

**8. Principle for tangible fixed asset recognition and depreciation**

Tangible fixed assets are recognized at their historical cost, presented in the Consolidated Balance Sheet under the items of historical cost, accumulated depreciation and carrying amount.

The historical cost of procured tangible fixed assets includes their purchase price (excluding trade discount or other discount), taxes and directly related costs to bring such assets into the ready-for-use state.

Historical cost of fixed assets which are constructed by contractors includes value of completed and handover works, directly-related costs and stamp duty.

The expenses incurred after the initial recognition of tangible fixed assets are recorded as the increases of historical cost of assets when these expenses are sure to increase economic benefits in the future. The incurred expenses which do not satisfy the above conditions are recognized into production and business operation expenses in the year.

The Company applied straight-line depreciation method to tangible fixed assets. Tangible fixed assets are accounted and classified into groups by their nature and purpose of utilization in the Company's production and business operation, including:

<i>Type of fixed assets</i>	<i>Depreciation duration &lt;years&gt;</i>
- Building and structures	06 - 25
- Machinery, equipment	06 - 10
- Transportation means	03 - 10
- Management equipment, tools	03 - 10
- Other tangible fixed assets	04

Gains and losses arising from asset liquidation are the difference between the liquidation proceeds and the carrying amount of the assets and are recorded in the income statement.

**9. Principle for intangible fixed asset recognition and amortization**

Intangible fixed assets are recognized at their historical cost, presented in the Consolidated Balance Sheet under the items of historical cost, accumulated amortization and carrying amount.

Historical cost of acquired intangible fixed assets consists of their total purchase price to bring the assets to their state of ready-to-use. The costs arising after initial recognition of intangible fixed assets are recorded as production costs in the period excluding specific costs of a specific intangible asset, enabling an increase in future economic benefits.

When an intangible fixed asset is sold or disposed, historical cost and accumulated depreciation are written off and gain or loss from disposal is recognized into income or expense in the period.

Intangible fixed assets of the Company include: Land use right and computer software.

***Land use right***

Land use rights encompass all costs incurred by the Company that are directly related to the long-term land use rights at 62 Tran Van Giap, Hiep Tan Ward, Tan Phu District, Ho Chi Minh City, Viet Nam.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

**Computer software**

Costs in relation to translation computer software are not an integral part of the relevant capitalized hardware. Historical costs of computer software is the whole expenditure paid by the Company until the software are put into use. Computer software are amortized on straight-line basis in 03 years.

**10. Principle for recognizing construction in progress**

Construction in progress for production, rental, administrative purposes or for other purposes are recognized at their historical cost. This cost includes all expenses necessary to prepare the asset for its intended use in accordance with the Company's accounting policy. Depreciation on these assets starts, as it does with other assets, once they are ready for their intended use.

**11. Principle for recognition and allocation of prepayment expenses**

Prepayment expenses consist of actual expenses incurred but related to the business performance of many accounting periods. Prepayment expenses include: factory repair costs, tools, instruments issued for use awaiting for allocation and other expenses awaiting for allocation.

Factory repair costs are one-time costs with large value which were exported for use and allocated into expenses on straight-line basis no more than 03 years.

Tools, instruments are one-time costs with large value which were exported for use and allocated into expenses on straight-line basis no more than 03 years.

**12. Accounting principle for liabilities**

Liabilities are amounts payable to suppliers and other subjects. Liabilities comprise trade accounts payable and other payables. Liabilities are not recorded at lower amounts than payment obligations.

Classification of liabilities is made on the following principle:

- Trade accounts payable comprises liabilities with their commercial nature arising from purchasing goods, services, assets and the suppliers are independent from buyers.
- Other amounts payable comprise amounts payable with their non-commercial nature, not related to transactions of purchasing, selling and supplying goods, services.

Liabilities are monitored by details of each item and due date. Liabilities denominated in foreign currencies are revalued at the selling rates stated by Vietnam Joint Stock Commercial Bank for Industry and Trade.

**13. Principle for recognizing loans**

Loans are recognized on the basis of receipts, bank vouchers, loan agreements.

Loans are monitored by details of each item and due date.

**14. Principle for recognition and capitalization of borrowing costs**

Borrowing costs consist of loan interest and other costs that are incurred in direct connection with the borrowings.

Borrowing costs are recognized into operation and production costs in the period if arising, unless they are capitalized in accordance with Accounting Standard "Borrowing Costs". As a result, borrowing costs which directly relate to procurement, construction investment or production of properties that need a quite long period to be completed for putting into operation or business shall be plus in historical cost of property until such property would be put into use or business. The incomes arising from the temporary investment of loans are deducted from the historical cost of related assets. For a separate loan for the construction of fixed assets and investment property, borrowing cost is capitalized even if the construction period is less than 12 months.



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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

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

**15. Principle for recognizing accrued expense**

Accrued expenses consist of borrowing cost payable. Borrowing costs are accrued on the basis of Loan contract and agreement for each installment.

Accrued expenses on production and business expenses in the period are calculated strictly with reasonable and reliable evidence on the expenses to be accrued in the period to ensure the accounting expenses payable to be accounted will match the actual costs incurred.

**16. Principle for recognizing unearned revenue**

Unearned revenue is the amount received in advance from customers for one or more accounting periods for office rental.

**17. Principle for recognizing owner's equity**

Capital investment of the Company's owners is recognized by shareholders' actual capital contribution.

Share premium is recognized as the difference between the issuance price and the par value of the shares during the initial issuance, additional issuance, the difference between the re-issuance price and the book value of treasury shares, and the equity component of convertible bonds upon maturity. Direct costs related to additional share issuance and the re-issuance of treasury shares are deducted from the Share premium.

Other owners' equity is formed by additions from business performance, asset revaluation, and the remaining value between the fair value of donated, gifted, or sponsored assets after deducting any payable taxes (if any) related to these assets.

Treasury shares are shares repurchased by the Company that were originally issued by the Company itself. The payment, including related transaction costs, is recognized as treasury shares and is reflected as a deduction in equity. Upon re-issuance, the difference between the re-issuance price and the book value of the treasury shares is recorded under the item "Share premium".

Retained earnings are the profit amounts from the enterprise's business operation after deducting CIT expenses this year.

Profit after corporate income tax is allocated to shareholders right after funds are made for under the Corporation Article of the Company as well as legal regulations and upon approval of the Annual General Meeting.

Dividend is recognized as a payable upon approval by the Annual General Meeting of shareholders.

**18. Principle and method of recognizing revenue, other income**

Revenue of the Company includes revenue from selling pharmaceutical products and revenue from interest on deposits.

Revenue from selling goods is recognized upon simultaneously meeting the following conditions as follows:

- The Company has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- The Company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;
- Turnover is determined with relative certainty. In case the contract specifies that buyers have the right to return goods or products that were bought under specific terms, the revenue is only recognized when these specific terms no longer exist and the buyers have no right to return goods or products (except for the case that customers can return goods as exchange to other goods or services);
- The Company gained or will gain economic benefits from the sale transaction; and

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

- It is possible to determine the costs related to the goods sale transaction.

**Interest income**

Interest amounts are recognized on accrual basis, being determined on balances of deposits and actual interest rates in the period.

The company's other income including revenue from house rentals, fixed asset liquidations, labor rentals, and other incomes, is recorded based on house rental contracts, fixed asset liquidation contracts, financial invoices, receipts, bank documents, and other related accounting documents.

**19. Tax liabilities****Value added tax (VAT)**

The Company declares and calculates VAT under the guidelines of current Taxation Law.

**Corporate income tax**

Corporate income tax presents the total amount of current tax payable.

Current tax payable is calculated on taxable profit in the period. Taxable income differs from net profit presented in the Income Statement because taxable income does not include assessable incomes or expenses or deductible one in other years (including losses carried forward, if any) and it further excludes items that are non-taxable or non-deductible.

The Company applies the corporate income tax rate of 20% on taxable profits.

The corporate income tax of the Company is determined in conformity with current tax regulations. However, these regulations may change from time to time and the final determination of corporate income tax depending on the tax check results of the competent tax authorities.

**Other taxes**

Other taxes and fees are declared and paid to the local tax authorities in compliance with the current regulations of the State.

**20. Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographical segment) that is subject to risks and returns that are different from those of other business segments. The Board of Management believes that the Company's principal activities are the production and sale of pharmaceutical products and are mainly distributed in the territory of Vietnam. Therefore, the Company does not present segment reports by business segment and by geographical area in accordance with Vietnamese Accounting Standard No. 28 - Segment reporting.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(These notes are an integral part of and should be read in conjunction with the accompanying Consolidated Financial Statements)***V. Additional information of items presented in the Consolidated Balance Sheet****1. Cash and cash equivalents**

	31/12/2024	01/01/2024
	VND	VND
Cash	70,269,672,873	261,790,483,392
Cash on hand	13,278,124,220	13,777,256,778
Cash in bank	56,991,548,653	248,013,226,614
VND	56,759,111,855	247,763,389,986
USD	224,301,351	243,610,722
EUR	8,135,447	6,225,906
Cash equivalents (*)	20,000,000,000	40,000,000,000
Bank deposits with terms of less than 3 months (*)	20,000,000,000	40,000,000,000
<b>Total</b>	<b>90,269,672,873</b>	<b>301,790,483,392</b>

(\*) Bank deposits at Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch according to deposit contract No. 320/2024/87845 dated December 30, 2024, amount of 20 billion VND with a term of 03 months.

**2. Financial investments****a) Held-to-maturity investments**

	31/12/2024		01/01/2024	
	VND		VND	
	Cost	Carrying amount	Cost	Carrying amount
<b>a) Short-term</b>	90,000,000,000	90,000,000,000	80,000,000,000	80,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (1)	90,000,000,000	90,000,000,000	20,000,000,000	20,000,000,000
Viet A Commercial Joint Stock Bank - Ha Dong Branch (2)	-	-	60,000,000,000	60,000,000,000
<b>b) Long-term</b>	-	-	20,000,000,000	20,000,000,000
Viet A Commercial Joint Stock Bank - Ha Dong Branch (3)	-	-	20,000,000,000	20,000,000,000
<b>Total</b>	<b>90,000,000,000</b>	<b>90,000,000,000</b>	<b>100,000,000,000</b>	<b>100,000,000,000</b>

(1) Deposit contract No. 320/2024/65306 dated July 03, 2024, amount of VND 50 billion with 06 months term, interest rate of 4.4%/year and Deposit contract No. 320/2024/65307 dated July 03, 2024, amount of VND 40 billion with 06 months term, interest rate of 4.4%/year, interest paid at term end.

(2) Deposit contracts with 6 months term, interest rates from 6.6%/year to 7%/year, interest paid at term end and was settled.

(3) Deposit contract No. 260923/HDTG/VAB-DHT dated September 26, 2023, amount of VND 20 billion with 13 months term, interest rate of 6.8%/year, interest paid at term end and was settled.

## CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** *(continued)*  
*(These notes are an integral part of and should be read in conjunction with the accompanying Consolidated Financial Statements)*

## b) Investment in other entities

	31/12/2024			01/01/2024		
	VND			VND		
	Cost	Adjustment in the year	Book value	Cost	Adjustment in the year	Book value
<i>Investment in associates</i>						
Southern Hataphar Company Limited (i)	700,000,000	124,811,232	824,811,232	700,000,000	119,851,189	819,851,189
Hanoi Technical College of Medicine Pharmacy (ii)	3,287,565,579	-	3,287,565,579	3,287,565,579	-	3,287,565,579
Vietnam Hataphar Healthcare High Technology Pharmaceutical JSC (iii)	2,450,000,000	12,773,254,979	15,223,254,979	2,450,000,000	7,411,828,582	9,861,828,582
<b>Total</b>	<b>6,437,565,579</b>	<b>12,898,066,211</b>	<b>19,335,631,790</b>	<b>6,437,565,579</b>	<b>7,531,679,771</b>	<b>13,969,245,350</b>

**- Summary of the operations of the associated companies during the period:**

(i) Under the 7th amended Business Registration Certificate dated June 15, 2017 issued by the Department of Planning and Investment of Ho Chi Minh City, the Company invested VND 700,000,000 in Southern Hataphar Company Limited, equivalent to 48.28% of the charter capital. At the end of the year, the Company invested VND 700,000,000, equivalent to 48.28% of the charter capital.

(ii) The Company has invested in Hanoi Technical College of Medicine Pharmacy through its subsidiary Ha Tay Pharmaceutical and Medical Equipment JSC. Principal activities is Medical and pharmaceutical training. During the year, there were no significant transactions between the Company with this entity. According to the Resolution from extraordinary general meeting of shareholders of Ha Tay Pharmaceutical Joint Stock Company No. 875/NQ-DHT dated August 22, 2023, the Board of Shareholders approved the transfer of the capital contribution of Ha Tay Pharmaceutical and Medical Equipment JSC at Hanoi College of Medical Technology and Pharmacy. As at January 24, 2025, the transfer of the above capital contribution has been completed.

(iii) Under the 2nd amended Business Registration Certificate dated June 20, 2023 issued by the Hanoi Department of Planning and Investment, the Company invested VND 4,900,000,000 in Vietnam Hataphar Healthcare High Technology Pharmaceutical JSC, equivalent to 49% of the charter capital. At the end of the year, the Company invested VND 4,900,000,000, equivalent to 49% of the charter capital.

The associated companies are functioning normally, with no significant changes compared to the previous year.

*The significant transactions between the Company and the associated companies are detailed in note VIII.2*

As at December 31, 2024, it has not been possible to determine the fair value of the investments mentioned above due to a lack of market prices or insufficient information needed for assessment. The fair value of these investments may differ from their book value.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

**3. Trade receivable**

	31/12/2024		01/01/2024	
	VND		VND	
	Amount	Provision	Amount	Provision
<b>a) Short-term</b>	<b>127,407,266,728</b>	<b>(3,311,151,234)</b>	<b>91,123,835,000</b>	<b>(3,773,680,340)</b>
<i>- Some large balances in trade receivables:</i>				
Thanh Vinh Pharmaceutical and Medical Materials JSC	1,309,526,370	-	1,670,558,740	-
Thuan Anh Pharmaceutical Company Limited	9,454,374,467	-	4,549,968,171	-
Vietnam Hataphar Healthcare High Technology Pharmaceutical JSC	63,375,349,280	-	29,056,311,956	-
EU Pharmaceutical JSC	1,450,206,484	-	3,313,990,805	-
Duc Tam Company Limited	868,896,298	-	2,203,886,259	-
Vinh Gia Pharmaceutical JSC	2,869,454,757	-	1,499,141,227	-
Truong Huy Company Limited	4,119,196,070	-	5,123,408,880	-
Hanh Ha Pharmaceutical JSC	4,821,708,418	-	2,352,668,815	-
Vinaplant Pharmaceutical JSC	5,131,474,842	-	3,436,631,786	-
Stabled Pharmaceutical Company Limited	4,380,639,034	-	3,164,579,670	-
Kim Long Investment JSC	2,879,529,852	-	2,138,054,748	-
Van Xuan Pharmaceutical Trading Company Limited	-	-	5,802,218,582	-
Thu Duc City Hospital	1,992,665,000	(1,722,334,000)	1,962,815,000	(1,660,735,000)

**b) Trade receivables from related parties: Details are presented in Note VIII.2****4. Advances to suppliers**

	31/12/2024	01/01/2024
	VND	VND
<b>a) Short-term</b>	<b>59,380,091,165</b>	<b>135,598,435,410</b>
<i>- Some large balances in Advances to suppliers:</i>		
SDC Design and Construction JSC	-	7,840,464,844
Panpharma GMBH	13,154,807,906	422,820,000
Vietnam Hataphar Healthcare High Technology Pharmaceutical JSC	1,709,103,940	-
XL Laboratories PVT.,LTD	18,931,343,957	37,713,769,569
Joy - Maitreya Int'l Ltd	-	50,920,016,131
Pharmametics products a division of max Biocare Pty Ltd	3,043,217,797	2,642,508,499
Thang Long Elevator Equipment Group Co., Ltd.	824,800,000	5,827,328,000
Ind-Swift Limited	-	5,027,823,448
Consorzio Con Attivita Esterna Medexport Italia	-	4,413,518,968

**b) Advances to suppliers from related parties: Details are presented in Note VIII.2**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

5. Other receivables	31/12/2024		01/01/2024	
	VND		VND	
	Amount	Provision	Amount	Provision
<b>Short - term</b>				
<i>Other receivables</i>	<b>2,059,376,373</b>	-	<b>1,814,635,826</b>	-
Estimated interest receivable	1,979,397,260	-	1,621,479,395	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch	1,979,397,260	-	28,273,973	-
Viet A Commercial Joint Stock Bank - Ha Dong Branch	-	-	1,593,205,422	-
Others	79,979,113	-	193,156,431	-
<i>Advances</i>	<b>417,855,111</b>	-	<b>543,608,500</b>	-
Hoang Thi Minh Nguyet	300,000,000	-	300,000,000	-
Others	117,855,111	-	243,608,500	-
<i>Mortgages, deposits</i>	<b>6,407,042,500</b>	-	<b>7,489,519,688</b>	-
Management Board of Hoa Lac High-Tech Park (*)	6,407,042,500	-	6,407,042,500	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch	-	-	1,082,477,188	-
<b>Total</b>	<b>8,884,273,984</b>	-	<b>9,847,764,014</b>	-

(\*) The deposit for the Management Board of Hoa Lac High-Tech Park to ensure the implementation of the "Hataphar High-Tech Pharmaceutical Factory" is outlined in the Investment Project Implementation Guarantee Deposit Agreement No. 06/TTKQ dated November 27, 2020.

6. Bad debts	31/12/2024		01/01/2024	
	VND		VND	
	Cost	Recoverable amount	Cost	Recoverable amount
<b>Total value of receivables, that are overdue and difficult to recover</b>				
Thu Duc City Hospital	1,866,065,000	143,731,000	1,660,735,000	-
Others	1,678,633,431	89,816,197	2,190,606,867	77,661,527
<b>Total</b>	<b>3,544,698,431</b>	<b>233,547,197</b>	<b>3,851,341,867</b>	<b>77,661,527</b>

7. Inventories	31/12/2024		01/01/2024	
	VND		VND	
	Cost	Provision	Cost	Provision
Purchased goods in transit	65,940,100,079	-	-	-
Raw materials	107,094,027,941	-	112,168,454,980	-
Tools and supplies	543,682,370	-	296,126,572	-
Work in progress	1,838,766,875	-	52,376,393	-
Finished goods	43,390,614,449	(1,961,049,751)	60,092,988,644	(1,961,049,751)
Goods	311,089,073,003	-	208,259,506,617	-
<b>Total</b>	<b>529,896,264,717</b>	<b>(1,961,049,751)</b>	<b>380,869,453,206</b>	<b>(1,961,049,751)</b>



**HATAY PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No.10A Quang Trung, Ha Dong, Hanoi, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended December 31, 2024

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

**8. Increases, decreases in tangible fixed assets**

Items	Building and structures	Machinery, equipment	Means of transport, transmission equipment	Office equipment and tools	Other fixed assets	Total
Unit: VND						
<b>Cost</b>						
Balance as at 01/01/2024	150,723,902,292	217,294,031,301	12,045,964,528	4,794,029,467	439,282,500	385,297,210,088
Purchase in the year	-	37,610,373,212	962,607,273	304,792,000	-	38,877,772,485
Construction completed	14,709,746,889	-	-	-	-	14,709,746,889
Liquidation of fixed assets	-	(440,000,000)	-	-	-	(440,000,000)
Reclassify	-	-	(24,300,000)	24,300,000	-	-
Balance as at 31/12/2024	165,433,649,181	254,464,404,513	12,984,271,801	5,123,121,467	439,282,500	438,444,729,462
<b>Accumulated depreciation</b>						
Balance as at 01/01/2024	88,814,399,274	130,980,434,061	7,562,088,168	4,692,064,937	363,933,358	232,412,919,799
Depreciation in the year	5,806,696,225	13,824,664,683	696,076,637	77,904,669	75,349,142	20,480,691,356
Liquidation of fixed assets	-	(440,000,000)	-	-	-	(440,000,000)
Balance as at 31/12/2024	94,621,095,499	144,365,098,744	8,258,164,805	4,769,969,606	439,282,500	252,453,611,155
<b>Net book value</b>						
As at 01/01/2024	61,909,503,018	86,313,597,240	4,483,876,360	101,964,530	75,349,142	152,884,290,289
As at 31/12/2024	70,812,553,682	110,099,305,769	4,726,106,996	353,151,861	-	185,991,118,307

- Historical cost of fixed assets which have been fully depreciated but still in use: VND 167,628,149,698. (As at 31/12/2023: VND 165,864,455,687)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

**9. Increases, decreases in intangible fixed assets**

Unit: VND

Items	Accounting software	Land use rights	Total
<b>Cost</b>			
Balance as at 01/01/2024	650,000,000	1,376,660,000	2,026,660,000
Balance as at 31/12/2024	650,000,000	1,376,660,000	2,026,660,000
<b>Accumulated amortization</b>			
Balance as at 01/01/2024	650,000,000	-	650,000,000
Amortization in the year	-	-	-
Balance as at 31/12/2024	650,000,000	-	650,000,000
<b>Net book value</b>			
As at 01/01/2024	-	1,376,660,000	1,376,660,000
As at 31/12/2024	-	1,376,660,000	1,376,660,000

- Historical cost of intangible fixed assets which have been fully depreciated but still in use: VND 650,000,000. (As at 31/12/2023: VND 650,000,000)

**10. Construction in progress**

	31/12/2024 VND	01/01/2024 VND
Hataphar High-Tech Pharmaceutical Factory (*)	783,197,217,350	627,712,907,183
Purchasing fixed assets	-	7,870,182,775
Cost of research and development of pharmaceutical products	6,912,583,752	3,268,730,585
<b>Total</b>	<b>790,109,801,102</b>	<b>638,851,820,543</b>

The investment project is progressing according to the Minutes of the Extraordinary Shareholders' Meeting No. 855/BB-DHT and Resolution No. 856/NQ-DHT, both dated August 26, 2020, which approved the "Hataphar High-Tech Pharmaceutical Factory." In which, the interest and borrowing guarantee fee capitalized into the Project accumulated to 31/12/2024 is VND 19,861,190,414 (As of 31/12/2023, it is VND 10,644,264,327).

**11. Prepayments**

	31/12/2024 VND	01/01/2024 VND
<b>Long-term</b>		
Issued tools and instruments awaiting for allocation	1,378,549,737	1,514,730,505
Repair and renovation costs	3,228,447,845	994,889,783
Other Prepayments	23,958,333	-
<b>Total</b>	<b>4,630,955,915</b>	<b>2,509,620,288</b>

**12. Trade payables**

	31/12/2024 VND		01/01/2024 VND	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
a) Short - term	235,206,963,747	235,206,963,747	146,323,822,985	146,323,822,985
<b>- Some large balances in Trade payables:</b>				
Dong Au Trading and Production Company Limited	3,907,753,067	3,907,753,067	6,335,110,387	6,335,110,387
Vietnam Hataphar Healthcare High Technology Pharmaceutical JSC	11,392,041,393	11,392,041,393	9,859,242,502	9,859,242,502



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

KPC Pharmaceuticals, Inc	18,745,888,869	18,745,888,869	-	-
Laboratorio Italiano Biochimico Farmaceutico Lisa pharma S.P.A	24,197,333,026	24,197,333,026	-	-
Inbiotech L.t.d	9,194,736,030	9,194,736,030	-	-
XL Laboratories PVT.,LTD	16,837,250,486	16,837,250,486	8,933,113,411	8,933,113,411
Pharmaunity Co.,Ltd	33,987,410,018	33,987,410,018	8,255,082,832	8,255,082,832
Gracure Pharmaceuticals Limited	12,949,962,228	12,949,962,228	-	-
Delta Pharma Ltd	-	-	12,691,623,450	12,691,623,450
Lupin Limited	-	-	18,303,982,917	18,303,982,917

b) Trade payables from related parties: Details are presented in Note VIII.2

13. Advances from customers	31/12/2024 VND	01/01/2024 VND
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a) Short - term	131,593,255,879	97,904,897,688
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*- Some large balances in Advances from customers:*

T&T Equipment JSC	6,556,194,866	5,544,911,468
T&T Pharmaceutical and Trading JSC	2,779,357,780	7,689,770,288
Tan Truong Sinh Trading JSC	2,911,479,920	3,447,444,920
Viet Tin Pharmaceutical Trading Investment Company Limited	3,639,352,544	2,146,717,544
Bao Ngan Pharmaceutical Company Limited	10,735,707,200	-
Dong Do Pharmaceutical Company Limited	31,178,516,478	22,738,809,238
TB Vietnam Pharmaceutical Trading Company Limited	24,495,082,359	18,585,000,000
Vietlife Pharmaceutical JSC	3,722,000,000	1,939,200,000
Friendship International Pharmaceutical Company Limited	708,734,284	1,642,676,819
Lam An Pharmaceutical Trading Company Limited	11,700,000,000	9,250,000,001
Tan Dai Cat Pharmaceutical Company Limited	3,409,598,360	4,700,000,000

b) Advances from customers from related parties: Details are presented in Note VIII.2

**14. Taxes and amounts payable to the State budget** Unit: VND

Items	01/01/2024	Payable during the year	Paid during the year	31/12/2024
<b>a) Payables</b>				
Output value added tax	7,060,404	1,056,351,371	1,056,771,944	6,639,831
Value added tax on imports	-	75,815,154,136	75,815,154,136	-
Corporate income tax	3,936,770,028	20,027,682,840	18,894,376,153	5,070,076,715
Personal income tax	1,014,011,850	6,133,532,345	6,166,930,112	980,614,083
Housing tax, land rent	-	3,808,785,045	3,808,785,045	-
Resource Tax	-	27,839,520	27,839,520	-
Fees, charges and other payables	-	20,000,000	20,000,000	-
<b>Total</b>	<b>4,957,842,282</b>	<b>106,889,345,257</b>	<b>105,789,856,910</b>	<b>6,057,330,629</b>
<b>b) Receivables</b>				
Output value added tax	622,855,829	-	-	622,855,829
Import tax	40,582,075	6,169,064,764	6,136,896,074	8,413,385
Other taxes	13,361,217	208,159,016	194,797,799	-
<b>Total</b>	<b>676,799,121</b>	<b>6,377,223,780</b>	<b>6,331,693,873</b>	<b>631,269,214</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

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**15. Loans and obligations under finance lease**  
**Loans**

Unit: VND

	31/12/2024		In the year		01/01/2024	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
<b>a) Short-term</b>	373,273,974,867	373,273,974,867	718,006,949,634	678,215,609,980	333,482,635,213	333,482,635,213
<b>Short-term loans</b>	359,429,266,942	359,429,266,942	704,162,241,709	678,215,609,980	333,482,635,213	333,482,635,213
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (1)	144,438,462,682	144,438,462,682	222,075,148,880	121,658,974,099	44,022,287,901	44,022,287,901
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ha Tay Branch (2)	100,084,496,659	100,084,496,659	260,262,451,053	209,206,178,457	49,028,224,063	49,028,224,063
Shinhan Bank Vietnam Limited - Hanoi Branch (3)	55,597,052,916	55,597,052,916	102,106,403,791	68,952,865,508	22,443,514,633	22,443,514,633
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ngoc Khanh Branch (4)	17,178,227,662	17,178,227,662	67,719,676,412	180,739,975,183	130,198,526,433	130,198,526,433
Military Commercial Joint Stock Bank - Dong Da Branch (5)	-	-	-	4,578,750,000	4,578,750,000	4,578,750,000
Personal loans (6)	42,131,027,023	42,131,027,023	51,998,561,573	93,078,866,733	83,211,332,183	83,211,332,183
<b>Long-term loans on due date</b>	13,844,707,925	13,844,707,925	13,844,707,925	-	-	-
MUFG Bank, LTD - Hanoi Branch (7)	13,844,707,925	13,844,707,925	13,844,707,925	-	-	-
<b>b) Long-term loans</b>	96,912,955,472	96,912,955,472	42,752,873,338	116,057,707,925	170,217,790,059	170,217,790,059
MUFG Bank, LTD - Hanoi Branch (7)	96,912,955,472	96,912,955,472	42,752,873,338	116,057,707,925	170,217,790,059	170,217,790,059
<b>Total</b>	<b>470,186,930,339</b>	<b>470,186,930,339</b>	<b>760,759,822,972</b>	<b>794,273,317,905</b>	<b>503,700,425,272</b>	<b>503,700,425,272</b>



## HATAY PHARMACEUTICAL JOINT STOCK COMPANY

Address: No.10A Quang Trung, Ha Dong, Hanoi, Vietnam

## CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

- (1) Credit Contract No. 2209/2024-HĐCVHM/NHCT320-HATAPHAR dated September 23, 2024, has a loan limit of VND 150 billion (which includes debts adjusted by Credit Contract No. 2209/2023-HĐCVHM/NHCT320-HATAPHAR dated September 22, 2023). The purpose of the loan is to supplement working capital for production and business activities. The loan interest rate will be as stated on each debt receipt and valid from the disbursement until the interest rate is adjusted on the twenty-fifth (25th) of each month (or the previous working day if the 25th is not a working day). Each debt has a term specified on the debt receipt, but it will not exceed 5 months per contract from the time of loan disbursement. The limited maintenance period will extend until September 23, 2025. This loan is unsecured.
- (2) Loan Agreement No. 47/23/QLN/HM/VCBTHN dated October 17, 2023 attached to Credit contract No. 47/23/QLN/CTD/VCBTHN dated October 17, 2023, Letter of Credit Issuance Contract No. 47/23/QLN/HMLC/VCBTHN dated October 17, 2023, Credit Guarantee Contract No. 47/23/QLN/HMBL/VCBTHN dated October 17, 2022 and the amended and supplemented dated October 9, 2024, has a loan limit of VND 200 billion (which includes the loan contract No. 36/22/QLN/HM/VCBTHN dated October 19, 2022). The purpose of the loan is to finance legal, reasonable, and valid short-term credit needs that support production and business activities, and not for asset investment activities. The Company's fixed interest rate will be specified for each debt, with a maximum loan term of 05 months. The credit term is 12 months from the date of signing this contract or until January 16, 2025, whichever comes first. This loan is unsecured.
- (3) Credit contract No. 130002065517 dated August 16, 2019, and Extension - Amendment Supplement No.130002065517/10 dated September 05, 2024, extending the limit until August 15, 2025, has a loan limit of VND 80 billion, intended to provide working capital for production and business activities; Loan Interest Rate: for a fixed interest rate, the rate will remain constant throughout the loan term as specified in each Loan Withdrawal Application or Debt Acknowledgement; For an adjustable interest rate, the rate will be based on the 3-month MFC reference interest rate plus a margin of 0.74% per year, and it will be adjusted every three months during the loan term; The credit term specified in each debt acknowledgment document does not exceed 3 months per contract; The credit term is 05 years from the date of signing the contract, this loan is unsecured..
- (4) Credit Limit Contract No. 01/2024/177578/HDTD, dated May 20, 2024, establishes a credit limit with a maximum amount of VND 200 billion. This loan serves to supplement working capital, provide guarantees, and open letters of credit (L/C). The interest rate will be determined for each contract based on the bank's interest rate policy at that time. The duration of the credit limit extends from the date of signing this contract until May 15, 2025. This loan is unsecured.
- (5) Credit Contract No. 129158.23.059.26665152.TD, dated June 14, 2023, has a total credit limit of VND 130 billion. This amount includes a loan limit of 100 billion VND and a payment guarantee limit of 30 billion VND, which encompasses Bid Guarantee, Contract Performance Guarantee, Advance Guarantee, and Warranty Guarantee; Credit Purpose: To support the Company's pharmaceutical production and business activities; Interest rates are specified at each disbursement, debt receipt and Agreement; The loan term within the Credit Limit maintenance period is a maximum of 6 months, and the credit term extends from the date of signing this contract until April 7, 2024; This loan is unsecured. The loan has been paid off.
- (6) Personal loans are offered based on individual loan contracts to support the Company's production and business activities. The loan term is less than 12 months, with an interest rate ranging from 0.033% to 0.4% per month.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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

(7) Long-term Facility letter No. FL/053/22 dated August 02, 2022, Amendment agreement No. 02 dated January 17, 2023, Amendment agreement No. 03 dated December 27, 2023 of Long-term Facility Letter No. FL/053/22 dated August 02, 2022, the aggregate principal sum of the Facility shall not exceed VND 235 billion. The loan term until December 31, 2032, the Facility shall be used for Capital Expenditure/Factory Construction and for no other purpose. The specific interest rate for the first interest period in respect of an advance specified in a request for Advance which forms an inseparable part of such request shall be legally bound from the moment of the Customer and the Bank agree to such interest rate (whether orally or otherwise) and the request for Advance is deemed to have been accepted by the Bank from that moment thereof. The specific interest rate and other terms of the Advance shall be thereafter documented for evidentiary purposes in a notice (the "Advance") delivered by the Bank to the Customer. In relation to each Advance made: before the last business day of December 2022, the first interest period shall commence on (and including) the drawdown date of the Advance and end on (but excluding) the last business day of December 2022; after the last business day of December 2022, the first interest period shall commence on (and including) the drawdown date of the Advance and end on (but excluding) the last business day of the nearest March, June, September a December; Each subsequent interest period shall commence on (and including) the last day of the previous interest period and end on (but excluding) the last business day of every March, June, September a December. This loan is secured by the letter of guarantee issued by Aska Pharmaceutical Holdings Co., Ltd dated August 02, 2022. The first installment of each Advance shall be on the last Business day of December 2025, the subsequent installment shall be made every 12 months thereafter.

c) Loans as related parties: Details are presented in Note VIII.2

16. Accrued expenses	31/12/2024	01/01/2024
	VND	VND
Short-term		
Accrued interest expense	162,743,579	130,878,418
<b>Total</b>	<b>162,743,579</b>	<b>130,878,418</b>
17. Unearned revenue	31/12/2024	01/01/2024
	VND	VND
Short-term		
Unearned revenue from leases	909,298,387	1,008,026,128
<b>Total</b>	<b>909,298,387</b>	<b>1,008,026,128</b>
18. Other payables	31/12/2024	01/01/2024
	VND	VND
a) Short-term	608,008,522	738,338,301
Insurance	564,338,463	631,468,870
Other payables	43,670,059	106,869,431
b) Long-term	4,879,500,000	4,908,300,000
Long-term collaterals, deposits received	4,879,500,000	4,908,300,000
<b>Total</b>	<b>5,487,508,522</b>	<b>5,646,638,301</b>



# HATAY PHARMACEUTICAL JOINT STOCK COMPANY

Address: No.10A Quang Trung, Ha Dong, Hanoi, Vietnam

## CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

#### 19. Owner's equity

##### 19.1 Movement in owner's equity

Items	Owner's contributed capital	Share premium	Other owners' equity	Treasury shares (*)	Retained earnings	Total
Balance as at 01/01/2023	264,088,280,000	315,934,410,617	119,571,555,696	(8,083,874,357)	71,081,822,030	762,592,193,986
Increase capital in previous year	84,000,000,000	96,600,000,000	-	-	-	180,600,000,000
Issuance consulting fee	-	(280,000,000)	-	-	-	(280,000,000)
Increase Owner's contributed capital from Share premium	314,934,410,617	(314,934,410,617)	-	-	-	-
Increase Owner's contributed capital from Other owners' equity	160,395,039,383	-	(160,395,039,383)	-	-	-
Increase Other owners' equity from Retained earnings	-	-	67,435,790,317	-	(67,435,790,317)	-
Profit in previous year	-	-	-	-	85,055,553,365	85,055,553,365
Other decreases	-	-	-	-	(444,462,761)	(444,462,761)
Balance as at 31/12/2023	823,417,730,000	97,320,000,000	26,612,306,630	(8,083,874,357)	88,257,122,317	1,027,523,284,590
Profit in this year	-	-	-	-	71,771,819,452	71,771,819,452
Dividend payment for 2023 (1)	-	-	-	-	(40,096,750,000)	(40,096,750,000)
Interim dividend payment for 2024 (2)	-	-	-	-	(40,096,750,000)	(40,096,750,000)
Other decreases (3)	-	-	-	-	(304,624,280)	(304,624,280)
Balance as at 31/12/2024	823,417,730,000	97,320,000,000	26,612,306,630	(8,083,874,357)	79,530,817,489	1,018,796,979,762

(1) The Company distributes dividends according to Resolution No. 356/NQ-DHT dated April 29, 2024 of the General Meeting of Shareholders which approved the profit distribution for 2023 and the first interim dividend payment for 2024.

(2) Resolution No. 356/NQ-DHT dated April 29, 2024, of the General Meeting of Shareholders approving the Board of Directors' Report on the 2024 plan, including the 2024 dividend advance at a rate of 5% and the time of dividend advance is for the Company's Board of Directors to decide. Accordingly, the Company will advance the 2024 dividend by Resolution of the Board of Directors No. 867/NQ-DHT dated October 11, 2024.

(3) Other decreases are due to Vietnam Hataphar Healthcare High Technology Pharmaceutical JSC setting aside a welfare reward fund and a reward fund for the executive board from 2023 profits corresponding to the ratio of non-controlling shareholders.

(\*) The book value of shares purchased by the subsidiary from the parent company prior to July 01, 2015.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(These notes are an integral part of and should be read in conjunction with the accompanying Consolidated Financial Statements)***Situation Regarding the Use of Proceeds from Private Share Issuance to Strategic Investors**

The Company has completed capital increase procedures in accordance with current laws and the capital increase plan has been approved by the General Meeting of Shareholders in the 2023 Annual General Meeting of Shareholders Resolution No. 429/NQ-DHT dated April 07, 2023. The General Assembly has approved a plan to issue individual shares to strategic investors in order to increase the charter capital from VND 739,417,730,000 to VND 823,417,730,000 VND. This increase corresponds to the issuance of additional shares with a total par value of VND 84,000,000,000, which is equivalent to 8,400,000 shares. The offering price is set at VND 21,500 per share, and the total value expected to be raised from this offering is VND 180,600,000,000.

According to the purpose of the offering, the plan for allocating and using the proceeds from the individual shares to strategic investors amounts to VND 180,600,000,000 as stated in Resolution No. 1136/NQ-DHT dated November 29, 2023 of the Board of Directors. The entire amount will be utilized for the following purposes:

1. Investing in the Hataphar high-tech pharmaceutical factory with an estimated investment of VND 78,387,000,000.
2. Restructuring bank loans to enhance capital autonomy and alleviate financial pressure for the company with an estimated amount of VND 102,213,000,000.

As of December 31, 2024, the Company utilized a total of VND 180,600,000,000 from the proceeds of the individual shares to strategic investors, detailed as follows

- Issuance consulting fee: VND 280,000,000;
- Investing in the Hataphar high-tech pharmaceutical factory: VND 78,107,000,000;
- Restructuring loan from MUFG Bank: VND 102,213,000,000.

**19.2 Details of owner's equity contribution**

	31/12/2024 VND	01/01/2024 VND
Hanoi Investment Fund for Development	30,978,660,000	30,978,660,000
ASKA Pharmaceutical Co., Ltd	321,810,390,000	268,111,780,000
Le Van Lo	46,199,910,000	46,199,910,000
Ngo Van Chinh	20,178,110,000	20,178,110,000
Hoang Van Tue	32,866,560,000	32,866,560,000
Le Viet Linh	52,219,860,000	52,219,860,000
Le Anh Trung	30,653,390,000	30,653,390,000
Le Xuan Thang	32,004,810,000	32,004,810,000
Ngo Tuan Viet	5,000,000,000	-
Others	251,506,040,000	308,636,370,000
<b>Total</b>	<b>823,417,730,000</b>	<b>823,417,730,000</b>

**19.3 Capital transactions with owners, dividend distribution and shared profit**

	Year 2024 VND	Year 2023 VND
<b>Owners' contributed capital</b>		
Contributed at current period's opening balance	823,417,730,000	264,088,280,000
Contributed capital increase during the year	-	559,329,450,000
Contributed at current period's closing balance	823,417,730,000	823,417,730,000
<b>Paid dividend, shared profit, bonus shares distributed</b>	<b>80,193,500,000</b>	<b>475,329,450,000</b>

**19.4 Shares**

	31/12/2024 Shares	01/01/2024 Shares
Number of shares registered for issue	82,341,773	82,341,773
Number of shares issued to the public	82,341,773	82,341,773
- Ordinary shares	82,341,773	82,341,773
- Preferred shares	-	-



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

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

Number of shares bought back	1,513	1,513
- Ordinary shares	1,513	1,513
- Preferred shares	-	-
Number of outstanding shares in circulation	82,340,260	82,340,260
- Ordinary shares	82,340,260	82,340,260
- Preferred shares	-	-
Par value of outstanding shares: VND 10,000/share		

**19.5 Dividends**

Dividends declared after the end of the accounting period:

- Dividends declared on ordinary shares: no

- Dividends declared on preferred shares: no

Unrecorded cumulative preferred shares dividends: no

**19.6 Funds of the Company**

Unit: VND

Items	01/01/2024	Increase	Decrease	31/12/2024
Investment and development fund	10,749,248,213	-	-	10,749,248,213
<b>Total</b>	<b>10,749,248,213</b>	<b>-</b>	<b>-</b>	<b>10,749,248,213</b>

**20. Off Consolidated Balance Sheet items**

	31/12/2024	01/01/2024
<b>Foreign currencies</b>		
USD	8,883.21	10,145.83
EUR	311.93	238.76

**VI. Additional information for items presented in the Consolidated Income Statement**

**1. Gross revenue from goods sold and services rendered**

	Year 2024 VND	Year 2023 VND
<b>a) Revenue</b>		
Revenue from sales of finished products	756,020,261,840	737,185,439,881
Revenue from sales of goods	1,331,076,465,013	1,263,413,887,261
<b>Total</b>	<b>2,087,096,726,853</b>	<b>2,000,599,327,142</b>

**b) Revenue with related parties: Details are presented in Note VIII.2**

**2. Revenue deductions**

	Year 2024 VND	Year 2023 VND
Sales returns	743,902,240	1,295,659,587
<b>Total</b>	<b>743,902,240</b>	<b>1,295,659,587</b>

**3. Net revenue from goods sold and services rendered**

	Year 2024 VND	Year 2023 VND
Net revenue from sales of finished products	755,276,359,600	735,889,780,294
Net revenue from sales of goods	1,331,076,465,013	1,263,413,887,261
<b>Total</b>	<b>2,086,352,824,613</b>	<b>1,999,303,667,555</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

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

**4. Cost of sales**

	Year 2024 VND	Year 2023 VND
Cost of finished products sales	569,300,425,427	565,701,153,361
Cost of goods sales	1,296,980,206,502	1,227,712,279,518
Inventory handling costs	253,793,480	2,558,869,477
<b>Total</b>	<b>1,866,534,425,409</b>	<b>1,795,972,302,356</b>

**5. Financial income**

	Year 2024 VND	Year 2023 VND
Bank interest	7,572,456,567	4,069,150,108
Gain from deferred payment, payment discounts	9,482,420,643	14,728,488,523
Exchange rate difference gain arising during the year	2,015,910,011	602,272,032
Others	473,191,874	214,058,536
<b>Total</b>	<b>19,543,979,095</b>	<b>19,613,969,199</b>

**6. Financial expenses**

	Year 2024 VND	Year 2023 VND
<b>a) Financial expenses</b>		
Interest expense	13,449,114,864	20,099,340,372
Exchange rate difference losses arising during the year	4,534,476,761	2,336,672,166
Loss from exchange rate difference due to revaluation at the period end	1,287,018,069	1,292,453,104
Others	858,327,640	15,817,825
<b>Total</b>	<b>20,128,937,334</b>	<b>23,744,283,467</b>

**b) Financial expenses with related parties:** Details are presented in Note VIII.2

**7. Other income**

	Year 2024 VND	Year 2023 VND
<b>a) Other income</b>		
Rental income	11,079,959,386	10,143,664,621
Liquidation of fixed assets	150,000,000	281,000,000
Other income	2,515,802,850	985,795,339
<b>Total</b>	<b>13,745,762,236</b>	<b>11,410,459,960</b>

**b) Other income with related parties:** Details are presented in Note VIII.2

**8. Other expenses**

	Year 2024 VND	Year 2023 VND
Tax collection and penalties for late payments	385,087,314	51,891,889
Administrative penalty	623,385,717	180,520,115
Other expenses	199,158,656	90,908,425
<b>Total</b>	<b>1,207,631,687</b>	<b>323,320,429</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

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

**9. Selling expenses and general and administration expenses**

	Year 2024 VND	Year 2023 VND
<b>a) Selling expenses incurred in the year</b>	<b>30,073,124,462</b>	<b>27,171,762,848</b>
Staff expenses	18,052,846,102	14,859,565,908
Materials, packaging expenses	305,846,061	347,225,269
Tool, equipment expenses	106,833,284	179,340,054
Depreciation of fixed assets	491,233,241	504,288,401
External services expenses	946,433,279	656,105,136
Others expenses	10,169,932,495	10,625,238,080
<b>b) General administration expenses incurred in the year</b>	<b>113,789,226,688</b>	<b>78,740,837,091</b>
Staff expenses	48,829,869,107	30,214,472,147
Management material costs	4,255,469,897	2,399,120,570
Office equipment expenses	6,071,379,803	3,898,972,208
Fixed asset depreciation	2,081,894,153	2,214,544,932
Taxes, fees and charges	3,932,787,208	3,777,224,606
Provision expenses	93,986,085	911,120,868
External services	13,792,508,276	9,558,679,981
Other expenses	34,731,332,159	25,766,701,779
<b>c) Deduction from general administration expenses</b>	<b>(556,515,191)</b>	<b>(1,797,310,536)</b>
Reversal of provisions for accounts receivable	(556,515,191)	(1,797,310,536)
<b>Total</b>	<b>143,305,835,959</b>	<b>104,115,289,403</b>

**10. Production cost by factor**

	Year 2024 VND	Year 2023 VND
Material cost	419,434,245,464	489,269,477,409
Labour cost	101,091,404,713	91,271,980,142
Depreciation expenses	20,480,691,356	17,077,736,709
External services	15,998,278,727	10,909,696,074
Other expenses	82,642,911,517	73,280,388,482
<b>Total</b>	<b>639,647,531,777</b>	<b>681,809,278,816</b>

**11. Current corporate income tax expense**

	Year 2024 VND	Year 2023 VND
Corporate income tax expense calculated on current taxable income	18,149,178,799	21,382,483,365
Adjustment of Corporate income tax expense in prior years into current	1,878,504,041	-
Corporate income tax this year		
<b>Total current corporate income tax expense</b>	<b>20,027,682,840</b>	<b>21,382,483,365</b>

**12. Basic earnings per share**

	Year 2024 VND	Year 2023 VND
Accounting profit after corporate income tax	71,771,819,452	85,055,553,365
Adjustments of increase or decrease in accounting profit to determine profit or loss allocating to shareholders holding common shares:	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(These notes are an integral part of and should be read in conjunction with the accompanying Consolidated Financial Statements)***2.2 Income entitled to key management members**

Income entitled to key management members in the year as follows:

<i>Name</i>	<i>Position</i>	Year 2024	Year 2023
		VND	VND
Mr. Le Van Lo	Chairman	1,828,616,400	1,657,169,500
Mr. Hiroyasu Nishioka	Member of Board of Directors	-	-
Mr. Keisuke Oshio	Member of Board of Directors	-	-
Mr. Le Xuan Thang	General Director and Member of Board of Directors	1,672,005,700	1,506,126,640
Mr. Nguyen Ba Lai	Deputy General Director	1,448,247,000	1,312,655,800
Mr. Le Anh Trung	Deputy General Director and Vice chairman	1,574,217,600	1,429,380,820
Mrs. Le Viet Linh	Deputy General Director and Member of Board of Directors	1,572,057,400	1,433,834,420
Mr. Ngo Tuan Viet	Deputy General Director (Appointed on March 20, 2024)	903,965,400	
Mr. Hoang Van Tue	Chief Accountant and Member of Board of Directors	1,417,625,500	1,287,802,020
Mr. Ngo Van Chinh	Head of Board of Supervisory	1,340,066,900	1,212,088,040
Mr. Dang Dinh Du	Member of Board of Supervisory (Retirement and resignation from September 01, 2024)	452,255,300	611,638,600
Mr. Nguyen Ha De	Member of Board of Supervisory	430,809,000	418,240,500
<b>Total</b>		<b>12,639,866,200</b>	<b>10,868,936,340</b>

**5. Comparative information**

Comparative figures are the figures of the audited Consolidated Financial Statements for the year ended December 31, 2023 of Hatay Pharmaceutical Joint Stock Company by Vietnam Auditing and Evaluation Co., Ltd. (VAE).

Hanoi, March 12, 2025

HATAY PHARMACEUTICAL JOINT STOCK COMPANY

Prepared by



Nguyen Thi Bich Ngoc

Chief Accountant



Hoang Van Tue

General Director



Le Xuan Thang