



TW25

ANNUAL REPORT 2024



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TW25

CHẤT LƯỢNG HÀNG ĐẦU – UY TÍN LÀ CỐT LÕI

MISSION

- Providing high quality and effective disease prevention and treatment products at reasonable costs to the community;
- Building an image as a reputable, high-quality pharmaceutical production and trading enterprise that cares about environmental protection;
- Continuously increasing value and benefits for shareholders, customers and employees;
- Contribute to the construction and development of Vietnam's pharmaceutical industry in the integration period.

VISION

The pharmaceutical market still has a lot of potential for development, people's demand for medical examination and treatment and medical care is increasing, the community's health budget has increased over the years. Therefore, businesses in the industry need to make more efforts in researching and developing products, improving production capacity, product and service quality... to satisfy customers' needs. In particular, TW25 Pharmaceutical Joint Stock Company recognizes its role and responsibility to constantly improve products. Meet the health care needs of the community, conquer customers with quality.

FIELD OF ACTIVITY

Manufacturing and trading pharmaceutical products. In which, the prestigious and quality product lines have been highly appreciated by the market such as antibiotics



PRIZE

Brand and product quality awards:

- Labor Medal Class II and Class III;
- High-quality Vietnamese products from 2008-2024;
- Vietnam Gold Star Award, Top 200 Leading Vietnamese Brands in 2010, 2011 awarded by Vietnam Young Entrepreneurs Association;
- Top 100 Most Prestigious Suppliers in Vietnam recognized by the Ministry of Industry and Trade;
- Top 100 Vietnamese Brands Awarded by the Vietnam Union of Science and Technology Associations; Golden Cup for Vietnamese Branded Products; Certificate of Merit for outstanding achievements in protecting and caring for workers' health by the Ministry of Health; Golden Cup "For the health of Vietnamese people".

Environmental Award:

- » The company is one of 14 units in Ho Chi Minh City to achieve the GREEN-CLEAN-BEAUTIFUL title since 2006;
- » In 2006, it won the 3rd prize, in 2008, it won the encouragement prize and in 2010, it was one of the Top 10 units with the most outstanding achievements in environmental protection, receiving the certificate: "Green Enterprise" of the Ho Chi Minh City People's Committee, awarded by the Ho Chi Minh City Department of Natural Resources and Environment in collaboration with Saigon Giai Phong Newspaper;
- » 2012 First Prize "Green Enterprise" of Ho Chi Minh City People's Committee awarded by Ho Chi Minh City Department of Natural Resources and Environment in collaboration with Saigon Giai Phong Newspaper;
- » Won the "Green Sustainable Brand" award presented by the Vietnam Union of Science and Technology Associations on the occasion of World Environment Day in 2008, 2009, 2010;
- » Certificate of Merit for Vietnam Environmental Protection 2009 presented by the Ministry of Natural Resources and Environment;
- » Certificate of Merit for outstanding achievements in participating in the tree planting movement and the "Green - Clean - Beautiful Environment" contest in Ho Chi Minh City awarded by the Minister of Agriculture and Rural Development; Vietnam Environment Award 2011 awarded by the Ministry of Natural Resources and Environment of Vietnam.


HISTORY OF FORMATION AND DEVELOPMENT

» TW25 Pharmaceutical Joint Stock Company (UPHACE) is an independent member unit under Vietnam Pharmaceutical Corporation, established under business registration certificate No. 4103007041 issued by the Department of Planning and Investment of Ho Chi Minh City on June 19, 2007, registered for the 4th change on July 25, 2008. Before equitization, the predecessor was the merger between Central Pharmaceutical Enterprise 21 and Central Pharmaceutical Enterprise 25. Operating under the joint stock mechanism since July 1, 2007. Including Centers and Factories managed by 02 Enterprises.

- » Military Pharmaceutical Center.
- » YARON Pharmaceutical Institute
- » ALPHA Pharmaceutical Institute



COMPANY INTRODUCTION

| | |
|------------------------------------|--|
| Company Name | CÔNG TY CỔ PHẦN DƯỢC PHẨM TW25 |
| English name | No.25 CENTRAL PHARMACEUTICAL JSC |
| Short name | UPHACE |
| Stock code | UPH |
| Trading floor | HNX |
| Company Logo |  |
| Charter capital | 132.946.410.000 đồng. |
| Head office and factory | 448B Nguyen Tat Thanh, Ward 18, District 4, HCMC |
| Phone | (84-28) 9414967 |
| Fax | (84-28) 9414975 |
| Email | duocphamt25@uphace.vn |
| Website | www.uphace.vn |
| Business Registration Certificate: | Business Registration Certificate No. 4103007041 issued by the Department of Planning and Investment of Ho Chi Minh City on June 19, 2007, registered for the 19th change on June 6, 2024. |

COMPANY’S BUSINESS SECTOR

- » Production and trading of pharmaceutical products;
- » Production of health food;
- » Production and trading of cosmetics;
- » Production of non-alcoholic beverages, mineral water (not produced at the premises);
- » Trading of soft drinks (not providing food and beverage services at the premises);
- » Production and trading of paper and plastic packaging (not recycling waste at the premises);
- » Manufacture of medical equipment and instruments (not manufactured at the premises);
- » Real estate business...



COMPANY HEADQUARTERS
Address: 448B Nguyen Tat Thanh, Ward 18, District 4, HCMC
Phone (84-28) 39414 697
Fax: (84-28) 3941 4975

PRODUCTION WORKSHOP
Address: 448B Nguyen Tat Thanh, Ward 18, District 4, HCMC
Phone: (84-28) 3940 4969



MACHINE ORGANIZATION

- * Functional departments:
 - * Financial Accounting Department
 - * Administration Department
 - * Supply Planning Department
 - * Sales Department
 - * Research and Development Department
 - * Quality Assurance Department
 - * Testing Department
 - * Electrical Department
- Factory:
- * Non-Betalactamine Line
 - * Betalactamine Line
 - * Drops Line
 - * Health Protection Line
 - * Cosmetics Line, Health Protection

MESSAGE
OF THE CHAIRMAN
OF THE BOARD



Dear Sirs!

2024 marks the 51st year of the Company's establishment and development as well as the 17th year of the Company's operation under the Joint Stock Company model. Accordingly, in addition to the achievements, the Company still faces many difficulties and challenges.

In 2024, the geopolitical situation in the world has greatly affected the world economy in general and Vietnam in particular, including our Company. However, with the firm and correct leadership of the Board of Directors, the Board of Management, together with the efforts of the Company's staff, have united and wholeheartedly led the Company to overcome difficulties and successfully complete the tasks of 2024.

Dear Lord! By 2025, the economic situation at home and abroad will have many difficulties as well as the developments of conflicts in the world such as Russia - Ukraine, Palestine - Israel... will continue to affect the Company's operations, therefore requiring the Board of Directors to make every effort to continue to complete the tasks assigned by the Board of Directors, including continuing to Focus on restructuring the operating apparatus, distribution system and product portfolio to be effective and at the same time build a development strategy for the Company with the key task of building a new pharmaceutical factory.

This is one of the key tasks that the Board of Directors of the Company for the 2022 - 2027 term will strive to complete with the desire to bring Central Pharmaceutical Joint Stock Company 25 back to its original position, becoming one of the leading prestigious pharmaceutical production and trading enterprises in Vietnam. On behalf of the Board of Directors, I would like to express my sincere thanks to our shareholders, partners and customers for their trust and support of the Company in the past time. We sincerely hope that our shareholders, partners and customers will continue to accompany and stick with the Company in the future. I wish you all good health, prosperity, and all the best. Sincerely.



PERFORMANCE STATEMENT IN 2024

| PRODUCTION AND BUSINESS RESULTS | | Unit: VND | |
|---------------------------------|-----------------------------------|-----------------|-----------------|
| NO | TARGET | 2023 | 2024 |
| 1 | Total Asset Value | 372.214.331.661 | 386.843.685.749 |
| 2 | Total Revenue | 140.139.586.032 | 130.580.736.698 |
| 3 | Profit Before Tax | 2.214.109.140 | 2.621.598.978 |
| 4 | Payment to the Budget | 11.915.682.957 | 17.383.018.747 |
| 5 | Total Salaries | 23.800.000.000 | 20.900.000.000 |
| 6 | Average Salary (per person/month) | 16.800.000 | 15.200.000 |
| 7 | Dividend (%) | 0% | 0% |

Key financial indicators:

| STT | TARGET | 2023 | 2024 |
|-----|--|------|------|
| 1 | Asset Structure | % | % |
| | - Long-term Assets/Total Assets | 25,8 | 24,3 |
| | - Short-term Assets/Total Assets | 74,2 | 75,7 |
| 2 | Capital Structure | % | % |
| | - Liabilities/Total Capital | 59,1 | 59,9 |
| | - Owner’s Equity/Total Capital | 40,9 | 40,1 |
| 3 | Solvency | time | time |
| | - Quick Payment Ability | 0,4 | 0,4 |
| | - Current Payment Ability | 1,3 | 1,7 |
| 4 | Operating Performance Indicators | time | time |
| | - Inventory Turnover | 0,59 | 0,59 |
| | - Net Sales / Total Assets | 0,38 | 0,38 |
| 5 | Profitability | % | % |
| | - Profit before tax/Total assets | 0,59 | 0,68 |
| | - Profit after tax/Net sales | 1,58 | 2,35 |
| | - Profit after tax/Owner’s equity | 1,45 | 1,98 |
| | - Profit from operating activities/Net sales | 1,64 | 1,96 |
| 6 | Earnings per share (VND/share) | 166 | 231 |



SHAREHOLDER STRUCTURE

Charter capital structure: As of December 31, 2024:

| TARGET | VND | PER-CENT-AGE (%) | NUMBER OF SHARE-HOLDERS | SHAREHOLDER STRUC-TURE | |
|--|-----------------|------------------|-------------------------|------------------------|----------|
| | | | | ORGANI-ZATION | PERSONAL |
| Total charter capital | 132.946.410.000 | 100 | 472 | 8 | 464 |
| - Shareholders holding more than 5% have voting rights | 115.100.000.000 | 86,57 | 2 | 2 | 0 |
| - Shareholders holding 1% to 5% have voting rights | 9.738.800.000 | 7,32 | 2 | 1 | 1 |
| - Shareholders holding less than 1% have voting rights | 8.107.610.000 | 6,098 | 466 | 5 | 463 |
| - Treasury shares | 0 | 0 | 0 | 0 | 0 |
| In which: | | | | | |
| - State capital | 0 | 0 | 0 | 0 | 0 |
| - Foreign capital | 0 | 0 | 0 | 0 | 0 |

- Changes in major shareholders as of December 31, 2024: none.
- Dividends/Profits distributed to capital contributors: 0%/Capital.



Board of Directors' Activity Report 2024:

In 2024, the Board of Directors held 4 meetings and issued 15 Resolutions. The members of the Board of Directors fully attended the meetings, the Chairman of the Board of Directors and the General Director always promptly informed the members of the Board of Directors about the company's activities. All meetings of the Board of Directors were attended by the Supervisory Board.

On March 26, 2024, the Board of Directors issued a Resolution on approving the 2024 business plan.

On May 22, 2024, the Board of Directors issued a Resolution on approving the dismissal and appointment of the Company's General Director.

On September 19, 2024, the Board of Directors issued a Resolution on - Investing in a factory project in Tan Phu Trung Industrial Park, Cu Chi District, Ho Chi Minh City.



Transactions with related parties:

| NO | COMPANY | TRANSACTION VALUE (VND) |
|----|-------------------------------------|-------------------------|
| 1 | OPC Joint Stock Company | 105.500.000.000 |
| 2 | Huong Vuong Insurance Corporation | 99.025.973 |
| 3 | OPC Binh Duong One Member Co., Ltd. | 403.500.000 |

Investment results and project implementation:

- Regarding the pharmaceutical factory project: with the current state of the factory at 448B Nguyen Tat Thanh Land increasingly degraded as well as the legal status of the land being annual land lease leading to the risk of being reclaimed. Therefore, the current urgency is to proceed with the development of a new factory investment plan to maintain the stability and development of the Company in the long term. Recently, the Board of Directors has directed the Executive Board to promote work with consultants and experts to develop and submit an investment plan for the factory investment project at the 2025 Annual General Meeting of Shareholders.
- Office building project at 120 Hai Ba Trung, Dakao Ward, District 1: Currently, the Company is coordinating with partners to complete procedures to apply for construction permits and implement the project.
- Land plot 448B Nguyen Tat Thanh, Ward 18, District 4: Currently carrying out procedures to liquidate cooperation and looking for suitable exploitation options.
- Building 41-43 Tran Cao Van, Ward 6, District 3: Currently actively coordinating with partners to quickly resolve disputes between parties at this building to protect the rights and interests of the Company related to this land.

Evaluation of the Board of Directors' performance:

In 2024, the Board of Directors supervised the management and operation of the Board of Directors and the company's management staff through the organization and implementation of the 2024 production and business plan. The supervision of the Executive Board was carried out regularly, promptly providing policies and directions to remove difficulties and shortcomings in production and business activities to complete the task.

+ The Executive Board thoroughly grasps the Resolutions of the Board of Directors and the General Meeting of Shareholders, and proposes specific and creative solutions. During the operation, there were difficulties and problems arising from objective and subjective causes. The Executive Board consulted and asked for opinions from the Board of Directors, thereby completing the profit target for 2024.

+ With the goal of consolidating internal strength, creating momentum for steady development in the following years, affirming the brand based on product quality, the Board of Directors directs the Executive Board to regularly raise the awareness of compliance of all employees in the organization to carry out production and business tasks, step by step determining capacity, affirming the Company's brand in the markets.

+ Under the direction of the Board of Directors, the Executive Board has also urgently and seriously developed and deployed specific tasks in each period to each member of the Executive Board and each implementing unit. The Board of Directors' instructions are always identified by the Executive Board and the implementing units as key and urgent tasks to focus on and pay attention to.

+ Through the mechanism of monitoring, evaluating and reporting periodically every quarter, as well as reporting suddenly when requested, the Board of Directors assesses that the General Director and



other managers have performed their assigned rights and duties in accordance with current laws, the Company's Charter, Resolutions of the General Meeting of Shareholders, and Resolutions of the Board of Directors.

Regarding the implementation of the Resolution of the 2024 General Meeting of Shareholders:

In 2024, during its operations, the Company encountered a number of difficulties stemming from objective and subjective causes. With its efforts, the Board of Directors directed and supported the Executive Board in completing the 2024 production and business plan as follows: Total revenue in 2024 was VND 130.5 billion, reaching 91.8% of the plan (the Plan was VND 142 billion) and reaching 93.3% over the same period in 2023. Pre-tax profit was VND 2.62 billion, an increase of 104.8% compared to the Plan (the Plan was VND 2.5 billion). The average income of employees was VND 15.2 million/person/month.



Regarding implementation of the Board of Directors' operating regulations and information disclosure:

In order to create a legal basis for the operation of the Board of Directors and the Executive Board of the Company in accordance with the current law and the actual situation of the Company, at the same time improve the effectiveness of the Company's management, strengthen the coordination between the Board of Directors and the Executive Board, and at the same time protect the legitimate rights and interests of shareholders, and build a and develop good relationships with investors.

Information disclosure is carried out on time and fully in accordance with the provisions of Circular 96, the Corporate Governance Regulations issued under Circular 116/2020/TT-BTC dated December 31, 2020, including the following contents: financial statements, annual reports, governance reports and other reports.

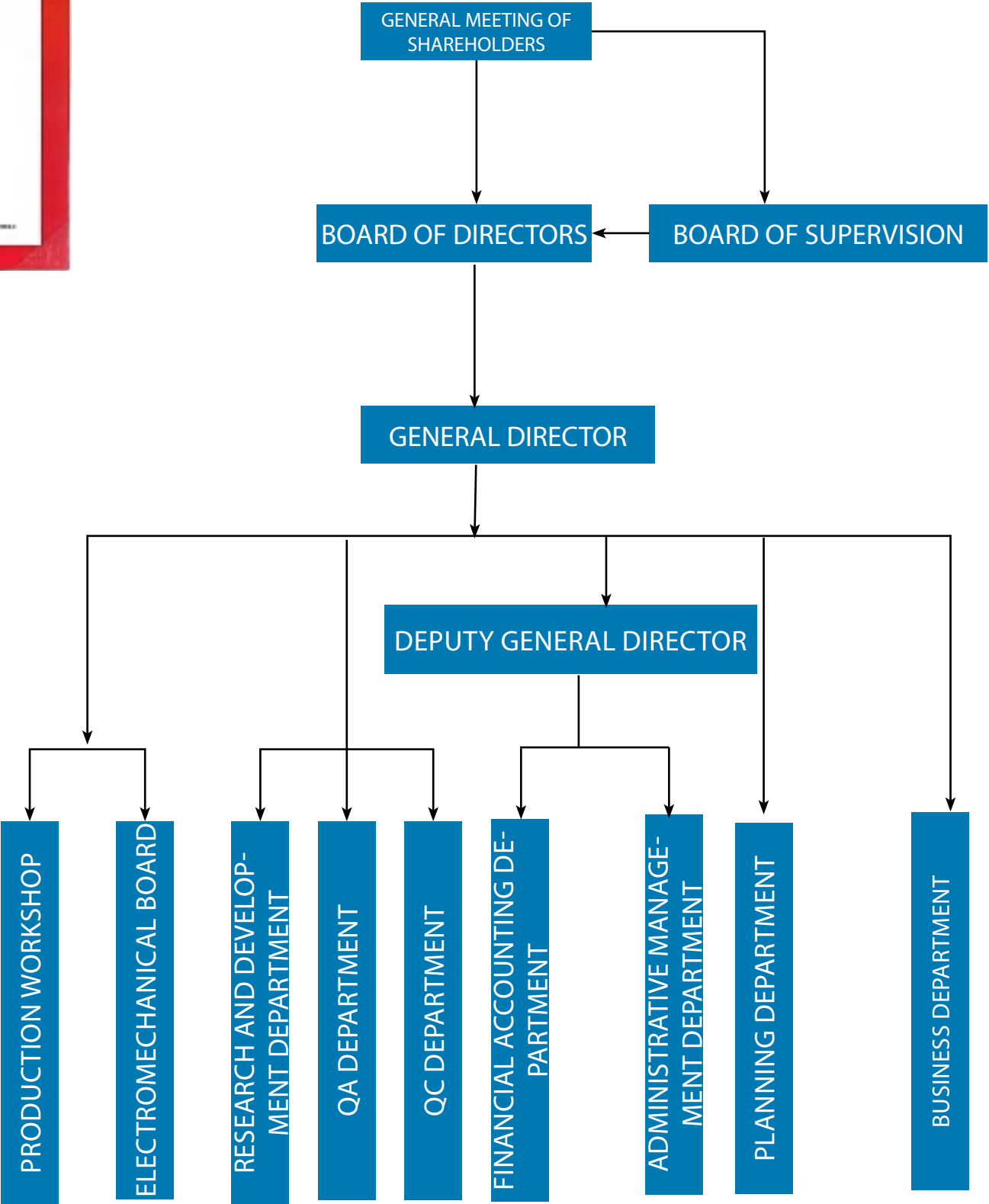
BOARD OF DIRECTORS & SUPERVISION BOARD REMUNERATION

According to the proposal approved by the 2024 Annual General Meeting of Shareholders, the remuneration for the Board of Directors, the Supervisory Board and the Secretary in 2024 is 430 million VND. Specifically:

| NO | TITLE | AMOUNT (VND/MONTH) |
|----|---|--------------------|
| 1 | Chairman of the Board | 6.500.000 |
| 2 | Member of the Board | 4.000.000 |
| 3 | Head of the Supervisory Board | 4.000.000 |
| 4 | Member of the Board of Supervisors, Secretary | 3.000.000 |



ORGANIZATIONAL CHART AND MANAGEMENT STRUCTURE OF TW25 PHARMACEUTICAL JOINT STOCK COMPANY



OPERATIONAL DIRECTION 2025



Hội đồng quản trị tiếp tục chỉ đạo triển khai các chính sách và hướng dẫn, tạo điều kiện thuận lợi cho Ban Giám đốc hoàn thành các nhiệm vụ sản xuất và kinh doanh năm 2025.

The 2025 production and business plan submitted to the 2024 Annual General Meeting of Shareholders is as follows:

- Revenue: 145 billion VND;
- Profit before tax: 2.8 billion VND;
- Dividend: 0%/capital.

Complete the Company's management activities according to good and advanced practices;

Focus on building the Company's development strategy, focusing on the pharmaceutical factory project, to seize development opportunities and be suitable to the Company's potential.

Develop and perfect human resource orientations and salary policies. Strengthen product quality management and supervision, optimize to save costs and improve production and business efficiency.

Continue to train, arrange and improve the quality of the workforce, management team, especially the accounting team.

Continue to develop good relationships with investors and shareholders, ensuring information disclosure in accordance with regulations.

LIST OF MEMBERS OF THE BOARD FOR TERM IV (2022 - 2027)

Chairwoman of the Board - Ms. Pham Thi Xuan Huong

Date of birth : 1965 Gender: Female
Birthplace : Quang Ngai
Contact phone number : 0968.368.222
Professional qualifications : University of Pharmacy
Number of personal shares owned : 0 shares
Number of shares owned by representative : 3,730,000 shares
Current job position : General Director of OPC Pharmaceutical Joint Stock Company



Working process:
From 1991-1995 : Lam Dong Pharmaceutical and Medical Supplies Company - Business Department
From 1995 – 2004 : Head of Business Department - La Lam Dong Pharmaceutical and Medical Supplies Company
From 2004– 2014 : Deputy General Director of La Lam Dong Pharmaceutical and Medical Supplies Company
From 2014 – 2020 : General Director of La Lam Dong Pharmaceutical and Medical Supplies Company

From 7/2020 - 4/2021 : Chairman of the Board of Directors of La Lam Dong Pharmaceutical and Medical Supplies Company
From 7/2021 to present : General Director, Member of the Board of Directors of the Company OPC Pharmaceutical Joint Stock Company

Board Member - Mrs. Ha Lan Anh



Date of birth : 14/2/1982 Giới tính: Nữ
Number of birth : Tuyên Quang
ID card/Passport : 008182000009
Nationality : Việt Nam
Permanent address : Cau Dien Ward, Nam Tu Liem, Hanoi
Contact address : Cau Dien Ward, Nam Tu Liem, Hanoi
Contact phone number : 0915.058.772
Professional qualifications : Thạc sĩ luật học
Number of shares owned by individual : 0 shares
Number of shares owned by representative : 3,780,000 shares
Current job position : Vietnam Pharmaceutical Corporation - JSC

Working process:
7/2004 – 1/2007 : Legal Consultant – InvestConsult Group
1/2007 – 11/2012 : Deputy Head of Legal Department - An Binh Securities Joint Stock Company
12/2016 – 9/2020 : Legal Specialist - Vietnam Pharmaceutical Corporation - JSC.
9/2020 – 10/2023 : Deputy Head of KHT Department - Vietnam Pharmaceutical Corporation - JSC.
11/2023 - Present : Head of Legal Department, Person in charge of Administration - Vietnam Pharmaceutical Corporation.

Board Member - Ms. Phuong Thanh Nhung



Date of birth : 1980 Gender: Female
Nation of birth : Hanoi
Nationality : Vietnam
Contact phone number : 0901 868 986
Professional qualifications :
Personal shares owned : 0 shares
Representative shares owned : 4,000,000 shares
Current job position : Vietnam Asia Commercial Joint Stock Bank - Vice Chairman of the Human Resources Strategy Committee

Working process:
10/2014 - 09/2015 : Member of the Board of Directors and General Director of Viet A Bank
10/2015 - 05/2016 : Vice Chairman of the Board of Directors and General Director of Viet A Bank
5/2016 - 04/2018 : Vice Chairman of the Board of Directors of Viet A Bank
2018–present : Vice Chairman of the Human Resources Strategy Committee of Viet A Bank, Chairman of the Board of Directors of Huong Vuong Insurance, Vice Chairman of OPC Joint Stock Company.

Board Member - Mr. Tran Tri Duc



Date of birth : 1988 Gender: Male
Nation of birth : Lam Dong
Nationality : Vietnam
Contact phone number : 0906660831
Professional qualifications : University
Personal shares owned : 0 shares
Representative shares owned : 0 shares
Current job position : Deputy General Director of SAMLAND Real Estate Company

Working process:
From 2017-2021 : Head of Conference Room - Dat Xanh Group Joint Stock Company
From 2021 to present : Deputy General Director of Sacom Land Joint Stock Company (SAMLAND)

Board Member - Mr. Ha Duc Cuong

Date of birth : 1970 Gender: Male
Birthplace : Quang Nam
Contact phone number : 0903398120
Professional qualifications : University of Pharmacy
Number of personal shares owned : 2,000 shares
Number of shares owned by representative : 0 shares
Current job position : Deputy General Director of OPC Pharmaceutical Joint Stock Company



Working process:
From 2014-2016 : Quality Control Manager - OPC Company
Currently : Deputy General Director of OPC Pharmaceutical Joint Stock Company

Member of the Board of Supervisors - Ms. Nguyen Thu Thuy



Date of birth : 1984 Gender: Female
Nation of birth : Hanoi
Nationality : Vietnam
Contact phone number : 0962 523 668
Professional qualifications : Finance graduate.
Number of personal shares owned : 0 shares
Number of shares owned by representative : 0 shares
Current job position : Deputy General Director of Huong Vuong Insurance Joint Stock Company

Working process:
6/2011-8/2013 Head of Customer Relations - Techcombank
8/2013-5/2019 Deputy Director of Retail and Strategic Banking, Viet A Bank
5/2019 - present Deputy General Director, Huong Vuong Insurance Joint Stock Company



LIST OF MEMBERS OF THE SUPERVISORY BOARD



Head of the Board of Supervisors - Ms. Huynh Thi Anh Thu
Date of birth : 1990 Gender: Female
Nation of birth : Hanoi
Nationality : Vietnam
Contact phone number : 0979 480 228
Professional qualifications : Finance graduate.
Number of personal shares owned : 0 shares
Number of shares owned by representative : 0 shares

Working process:
From 2000 – 2006 : Accounting at Son A Dong Joint Stock Company
From 2000 – 2008 : Accounting at Saigon Thuong Tin Commercial Joint Stock Bank
From 2009 – Present : Accounting at OPC Pharmaceutical Joint Stock Company

Member of the Board of Supervisors - Ms. Le Thi Anh Nguyet



Date of birth : 1976 Gender: Female
Nation of birth : Hanoi
Nationality : Vietnam
Contact phone number : 0903888264
Professional qualifications : Secondary
Number of personal shares owned : 13,436 shares
Number of shares owned by representative : 0 shares
Current job position : OPC Pharmaceutical Joint Stock Company

Working process:
From 2010 - 2016 : Head of Sales Department, TW25 Pharmaceutical Joint Stock Company. : Deputy Marketing Director - OPC Pharmaceutical Joint Stock Company
From 2016 -11/2023 : Phó Giám đốc Marketing - Công ty CP Dược phẩm OPC
From 11/2023 - present : OTC Business Director - OPC Pharmaceutical Joint Stock Company



LIST OF MEMBERS OF THE BOARD OF DIRECTORS

General Director - Nguyen Manh Hai

Date of birth : 01/8/1988 Gender: Male
Domesticity : Ho Chi Minh City
ID/Passport : 079088012883
Nationality : Vietnam
Permanent address : A12A-10 Phu My Hong Residential Area, 79 Street 16, District 7, HCMC
Contact address : A12A-10 Phu My Hong Residential Area, 79 Street 16, District 7, HCMC
Contact phone number : 0919531530
Professional qualifications : Economic Master's Degree
Number of shares owned by individual : 0 shares



Working process:
From 2000 - 2024 : Director of Like Holding Company Limited, Green Waste Joint Stock Company
From 2024- Present : General Director of TW25 Pharmaceutical Joint Stock Company

Deputy General Director - Chief Accountant - Mr. Ngo Tan Long

Date of birth : 10/09/1976 Gender: Male
Domesticity : Hanoi
ID card : 023090409
Professional qualification : Finance Graduate
Regular address : 152 Street 130 Cao Lo, Ward 4, District 8, Ho Chi Minh C
Hometown : Quang Binh
Telephone : 0983.777.990



Working process:
2005 - 05/2010 : Deputy Director, Chief Accountant, OPC Pharmaceutical Company Limited Binh Duong
2011-04/2017 : Member of the Board of Directors, OPC Pharmaceutical Joint Stock Company
2017-04/2017 : Deputy General Director of Finance, TW25 Pharmaceutical Joint Stock Company
2017-present : Deputy General Director of Finance, in charge of accounting, TW25 Pharmaceutical Joint Stock Company.
Number of shares owned by individual : 1,000 shares.

BOARD OF DIRECTORS' RIGHTS

Board of Directors' income in 2024. Specifically:

| STT | FULL NAME | TITLE | AMOUNT (VND) |
|-----|---------------------|---|--------------|
| 1 | Mr. Nguyen Manh Hai | General Director | 492.573.339 |
| 2 | Mr. Dong Van Manh | General Director | 572.428.571 |
| 3 | Mr. Ngo Tan Long | Deputy General Director, Chief Accountant | 560.880.000 |



Number of staff and policies for employees

TOTAL NUMBER OF EMPLOYEES

The Company’s labor situation as of December 31, 2024 is 113 people, the labor structure by level is shown in the following table:

| | |
|--|------------|
| Number of employees at the beginning | 115 person |
| Employees increased | 15 person |
| Employees decreased | 18 person |
| Number of employees at the end of the period | 113 person |
| In which 78 are female workers. | |
| Labor contract indefinite | 85 person |
| Labor contract from 12-36 months | 27 person |
| Work during probation period | 01 person |



| Labor structure by professional level | |
|---------------------------------------|-------------|
| Master (Pharmacy 01) | : 02 person |
| University (Pharmacy 26) | : 40 person |
| College (Pharmacy 03) | : 8 person |
| Secondary (Pharmacy 17) | : 25 person |
| Technical worker | : 41 person |

EMPLOYEE POLICY

Working mode

Working hours: The company works 8 hours/day, 6 days/week, 1 hour lunch break, working hours of direct production workshops are divided into 3 shifts. When there is a requirement for production and business progress, the Company’s employees are responsible for working overtime and the Company has regulations to ensure the rights of employees according to State regulations and satisfactory compensation for employees.

Working hours: The company works 8 hours/day, 6 days/week, 1 hour lunch break, working hours of direct production workshops are divided into 3 shifts. When there is a requirement for production and business progress, the Company’s employees are responsible for working overtime and the Company has regulations to ensure the rights of employees according to State regulations and satisfactory compensation for employees.

ing to State regulations and satisfactory compensation for employees.

Maternity leave: Company employees are entitled to 03 days off (non-consecutive) per year and receive full salary. During maternity leave, in addition to 06 months of leave with

insurance regime according to regulations paid by Social Insurance. Working conditions: Office, workshop are spacious and airy. For direct labor force, the Company is fully equipped with labor protection and hygiene means.



Recruitment and training policy

Recruitment: The company has a clear recruitment and training policy. The company recruits through labor sources from universities, colleges and vocational high schools in Ho Chi Minh City. The Company’s recruitment goal is to attract capable workers to work for the Company, meeting the needs of expanding production and business. Depending on each specific position, the Company sets out its own mandatory standards, but all positions must meet basic requirements such as: having basic professional qualifications, managers must have graduated from university in the major, be enthusiastic, eager to learn, love the job, be proactive in work, and have creative ideas.

Talent attraction policy: CThe company has a salary and bonus policy that is worthy of intellectual contributions, especially for good employees with a lot of experience in related fields, on the one hand to retain employees long-term, on the other hand to attract capable workers from many different sources to work for the Company.

Training: The company focuses on promoting training and development activities, especially professional expertise and GMP standards. The company also organizes vocational training and skills for employees through various forms of training, experience transfer during work, and sending employees for external training. For newly recruited employees, the Company will conduct professional training and create favorable conditions for work-



ers to quickly adapt and grasp the new job. In addition, based on the Company’s development needs, capacity, staff qualifications, and level of commitment to the Company, the Company sets out appropriate training plans in many forms: on-site training, on-site training through training courses, etc.

Salary, bonus and benefits policy

Salary policy: CThe company builds its own salary policy in accordance with the characteristics of the industry and ensures that employees enjoy full benefits according to State regulations. The salary system is established based on the qualifications, ranks and skills of employees, ensuring appropriateness. With the capacity and work of each person, encourage the Company’s employees to work enthusiastically, contributing to the development of the Company’s production and business.

Bonus policy: In order to encourage and motivate employees in the Company to increase work efficiency and contribute to the Company, the Company has a policy of regular and occasional bonuses for individuals and groups. Bonuses are based on individual or group achievements in performing work effectively, having initiatives in improving working

methods, etc. In addition, the Company also has a year-end bonus regime, depending on the Company’s production and business results in the year, the bonus amount will increase or decrease accordingly.

Binsurance and benefits: VSocial insurance, health insurance, and unemployment insurance contributions are deducted by the Company in accordance with the provisions of law.



The Company implements social insurance regimes for employees in accordance with the Labor Law and organizes periodic health check-ups for employees.

Trade Union and Youth Union: CThe company always creates favorable conditions for the Company’s Trade Union and Youth Union to operate, creating conditions for employees to improve their spiritual life and improve their health. In addition, every year, the Company’s employees are organized to go on vacation on holidays.

Preferential stock policy for employees: In order to create long-term commitment of employees to the Company and to motivate employees to work, the Company has implemented a policy to support employees to buy shares at preferential prices when the Company converts to a joint stock company.

List of Board of Directors/
General Director, Supervisory Board, Chief Accountant:

MEMBER OF THE BOARD OF DIRECTORS, BOARD OF SUPERVISORS

On May 28, 2022, the 2022 Annual General Meeting of Shareholders elected the Board and the Supervisory Board for the fourth term (2022-2027) with the following members:

The Board of Directors for the fourth term (2022 – 2027) includes:

| NO | FULL NAME | POSITION | NOTE |
|----|-----------------------------|--------------|-------------------------|
| 1 | Mrs. Pham Thi Xuan Huong | Chairman | |
| 2 | Mrs. Phuong Thanh Nhung | Board Member | |
| 3 | Mrs. Ha Lan Anh | Board Member | Infected from 20/4/2024 |
| 4 | Mr. Tran Tri Duc | Board Member | |
| 5 | Mr. Ha Duc Cuong | Board Member | |
| 6 | Mr. Nguyen Van Khai | Board Member | Immune from 20/4/2024 |

The Board of Supervisors for the fourth term (2022–2027),includes:

| NO | FULL NAME | POSITION | NOTE |
|----|------------------------|---------------------------|-------------------------|
| 1 | Mrs. Huynh Thi Anh Thu | Head of Supervisory Board | Infected from 20/4/2024 |
| 2 | Mrs. Nguyen Thi Thuy | Head of Supervisory Board | Immune from 20/4/2024 |
| 3 | Mrs. Le Thi Anh Nguyet | Board Member | |
| 4 | Mrs. Nguyen Thu Thuy | Board Member | |

MEMBER OF THE BOARD OF DIRECTORS, CHIEF ACCOUNTANT

| NO | FULL NAME | POSITION | NOTE |
|----|---------------------|--|---------------------------|
| 1 | Mr. Nguyen Manh Hai | General Director | Appointed 01/06/2024 |
| 2 | Mr. Dong Van Manh | General Director | Resigned 01/06/2024 |
| 2 | Mr. Ngo Tan Long | Deputy General Director, Chief Accountant | Appointed from 01/04/2017 |

On behalf of the Board





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FINANCIAL REPORT 2024

No. 25 Central Pharmaceutical Joint Stock Company

Financial statements

For the year ended 31 December 2024



No. 25 Central Pharmaceutical Joint Stock Company

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No. 25 Central Pharmaceutical Joint Stock Company

GENERAL INFORMATION

THE COMPANY

No. 25 Central Pharmaceutical Joint Stock Company ("the Company") is a joint stock company established based on the equitization of a state-owned enterprise - No. 25 Central Pharmaceutical Enterprise according to Decision No. 5112/QĐ9-BYT dated 11 December 2006 by the Minister of Health. Accordingly, the Company was granted the Enterprise Registration Certificate ("ERC") No. 0300468511 by the Ho Chi Minh City Department of Planning and Investment for the first time on 19 June 2007 and the latest 19th amended ERC on 6 June 2024.

The Company's shares are traded on the unlisted public companies stock market ("UPCOM") with the stock code UPH issued by the Hanoi Stock Exchange on 29 December 2016.

The current principal activities of the Company are manufacturing pharmaceutical medicine, pharmaceutical chemistry, trading, services and real estates.

The head office of the Company is located at 448B, Nguyen Tat Thanh Street, Ward 18, District 4, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

| | | |
|------------------------|------------|----------------------------|
| Ms Pham Thi Xuan Huong | Chairwoman | |
| Ms Phuong Thanh Nhung | Member | |
| Mr Tran Tri Duc | Member | |
| Mr Ha Duc Cuong | Member | |
| Ms Ha Lan Anh | Member | appointed on 20 April 2024 |
| Mr Nguyen Van Khai | Member | resigned on 20 April 2024 |

BOARD OF SUPERVISION

The members of the Board of Supervision during the year and at the date of this report are:

| | | |
|----------------------|--------|----------------------------|
| Ms Huynh Thi Anh Thu | Head | appointed on 20 April 2024 |
| Ms Nguyen Thi Thuy | Head | resigned on 20 April 2024 |
| Ms Le Thi Anh Nguyet | Member | |
| Ms Nguyen Thu Thuy | Member | |

MANAGEMENT

The members of the management during the year and at the date of this report are:

| | | |
|--------------------|-------------------------|--------------------------|
| Mr Nguyen Manh Hai | General Director | appointed on 1 June 2024 |
| Mr Dong Van Manh | General Director | resigned on 1 June 2024 |
| Mr Ngo Tan Long | Deputy General Director | |

LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report are:

| | | |
|------------------------|--|--------------------------|
| Ms Pham Thi Xuan Huong | | |
| Mr Nguyen Manh Hai | | appointed on 6 June 2024 |
| Mr Dong Van Manh | | resigned on 6 June 2024 |

AUDITORS

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

No. 25 Central Pharmaceutical Joint Stock Company

REPORT OF THE MANAGEMENT

The Management of No. 25 Central Pharmaceutical Joint Stock Company ("the Company") is pleased to present this report and the financial statements of the Company for the year ended 31 December 2024.

THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

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

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The 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 for ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

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

For and on behalf of the management:



Nguyen Manh Hai
General Director

Ho Chi Minh City, Vietnam

21 March 2025

Reference: 61519112/66925146/FN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of No. 25 Central Pharmaceutical Joint Stock Company

We have audited the accompanying financial statements of No. 25 Central Pharmaceutical Joint Stock Company ("the Company") as prepared on 21 March 2025 and set out on pages 5 to 32, which comprise the balance sheet as at 31 December 2024, the income statement, the cash flow statement for the year then ended and the notes thereto.

The Management's responsibility

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

Auditors' responsibility

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

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

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

Opinion

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

Ernst & Young Vietnam Limited



Phạm Thị Cam Tu
Deputy General Director
Audit Practicing Registration Certificate
No. 2266-2023-004-1



Dương Phúc Kiên
Auditor
Audit Practicing Registration Certificate
No. 4613-2023-004-1

Ho Chi Minh City, Vietnam

21 March 2025

BALANCE SHEET
as at 31 December 2024

VND

| Code | ASSETS | Notes | Ending balance | Beginning balance |
|------------|--|----------|------------------------|------------------------|
| 100 | A. CURRENT ASSETS | | 292,739,521,837 | 276,258,362,601 |
| 110 | I. Cash and cash equivalents | 4 | 28,283,162,460 | 29,373,283,684 |
| 111 | 1. Cash | | 15,881,615,411 | 9,110,316,259 |
| 112 | 2. Cash equivalents | | 12,401,547,049 | 20,262,967,425 |
| 120 | II. Short-term investment | | 38,000,000,000 | 21,769,777,151 |
| 123 | 1. Held- to-maturity investments | 5 | 38,000,000,000 | 21,769,777,151 |
| 130 | III. Current accounts receivable | | 26,703,495,054 | 25,776,266,141 |
| 131 | 1. Short-term trade receivables | 6.1 | 41,267,169,521 | 37,745,259,525 |
| 132 | 2. Short-term advances to suppliers | 6.2 | 1,112,434,887 | 5,067,493,887 |
| 136 | 3. Other short-term receivables | 7 | 6,437,509,409 | 4,213,782,909 |
| 137 | 4. Provision for short-term doubtful receivables | 8 | (22,113,618,763) | (21,250,270,180) |
| 140 | IV. Inventories | 9 | 199,231,781,635 | 198,175,934,868 |
| 141 | 1. Inventories | | 201,768,051,752 | 200,227,756,189 |
| 149 | 2. Provision for obsolete inventories | | (2,536,270,117) | (2,051,821,321) |
| 150 | V. Other current assets | | 521,082,688 | 1,163,100,757 |
| 151 | 1. Short-term prepaid expenses | | 97,400,000 | 43,500,000 |
| 152 | 2. Deductible value-added tax | 14 | 146,265,258 | 1,119,600,757 |
| 153 | 3. Tax and other receivables from the State | 14 | 277,417,430 | - |
| 200 | B. NON-CURRENT ASSETS | | 94,104,163,912 | 95,955,969,060 |
| 210 | I. Long-term receivable | | 3,761,660,200 | 3,761,660,200 |
| 216 | 1. Other long-term receivables | 7 | 3,761,660,200 | 3,761,660,200 |
| 220 | II. Fixed assets | | 19,885,928,823 | 22,643,575,381 |
| 221 | 1. Tangible fixed assets | 10 | 19,885,928,823 | 22,643,575,381 |
| 222 | Cost | | 109,629,094,697 | 111,989,308,056 |
| 223 | Accumulated depreciation | | (89,743,165,874) | (89,345,732,675) |
| 227 | 2. Intangible fixed assets | | - | - |
| 228 | Cost | | 334,130,000 | 334,130,000 |
| 229 | Accumulated amortisation | | (334,130,000) | (334,130,000) |
| 240 | III. Long-term asset in progress | | 21,237,108,032 | 19,155,621,629 |
| 242 | 1. Long-term work-in-process | 11 | 21,237,108,032 | 19,155,621,629 |
| 260 | IV. Other long-term assets | | 49,219,466,857 | 50,395,111,850 |
| 261 | 1. Long-term prepaid expenses | 12 | 48,562,134,538 | 50,186,494,000 |
| 262 | 2. Deferred tax assets | 23.3 | 657,332,319 | 208,617,850 |
| 270 | TOTAL ASSETS | | 386,843,685,749 | 372,214,331,661 |

BALANCE SHEET (continued)
as at 31 December 2024

VND

| Code | RESOURCES | Notes | Ending balance | Beginning balance |
|------------|--|-------------|------------------------|------------------------|
| 300 | C. LIABILITIES | | 231,691,580,577 | 220,132,539,936 |
| 310 | I. Current liabilities | | 230,681,484,623 | 218,980,933,987 |
| 311 | 1. Short-term trade payables | 13.1 | 14,081,726,952 | 2,737,597,363 |
| 312 | 2. Short-term advances from customers | 13.2 | 183,085,955,477 | 209,512,299,972 |
| 313 | 3. Statutory obligations | 14 | - | 390,224,339 |
| 314 | 4. Payables to employees | | 5,088,183,710 | 3,559,706,767 |
| 315 | 5. Short-term accrued expenses | 15 | 739,841,076 | 1,183,797,434 |
| 319 | 6. Other short-term payables | 16 | 27,636,071,461 | 1,485,702,165 |
| 322 | 7. Bonus and welfare fund | 17 | 49,705,947 | 111,605,947 |
| 330 | II. Non-current liabilities | | 1,010,095,954 | 1,151,605,949 |
| 342 | 1. Long-term provisions | 3.10 | 959,997,500 | 1,043,089,250 |
| 343 | 2. Scientific and technological development fund | | 50,098,454 | 108,516,699 |
| 400 | D. OWNERS' EQUITY | | 155,152,105,172 | 152,081,791,725 |
| 410 | I. Owners' equity | 18.1 | 155,152,105,172 | 152,081,791,725 |
| 411 | 1. Share capital | | 132,946,410,000 | 132,946,410,000 |
| 411a | - Ordinary shares with voting rights | | 132,946,410,000 | 132,946,410,000 |
| 412 | 2. Share premium | | 17,589,282,000 | 17,589,282,000 |
| 418 | 3. Investment and development fund | | 12,490,339,501 | 12,490,339,501 |
| 421 | 4. Accumulated losses | | (7,873,926,329) | (10,944,239,776) |
| 421a | - Accumulated losses by the end of prior year | | (10,944,239,776) | (13,155,164,174) |
| 421b | - Undistributed earnings of the year | | 3,070,313,447 | 2,210,924,398 |
| 440 | TOTAL LIABILITIES AND OWNERS' EQUITY | | 386,843,685,749 | 372,214,331,661 |



Ngo Tan Long
Preparer cum Deputy General Director



Nguyễn Mạnh Hải
General Director

Ho Chi Minh City, Vietnam
21 March 2025

INCOME STATEMENT
for the year ended 31 December 2024

VND

| Code | ITEMS | Notes | Current year | Previous year |
|------|--|-------|-----------------|-----------------|
| 01 | 1. Revenue from sale of goods and rendering of services | 19.1 | 130,580,736,698 | 140,425,031,762 |
| 02 | 2. Deductions | 19.1 | 157,457 | 285,445,730 |
| 10 | 3. Net revenue from sale of goods and rendering of services | 19.1 | 130,580,579,241 | 140,139,586,032 |
| 11 | 4. Cost of goods sold and services rendered | 20 | 113,540,448,882 | 121,886,661,971 |
| 20 | 5. Gross profit from sale of goods and rendering of services | | 17,040,130,359 | 18,252,924,061 |
| 21 | 6. Finance income | 19.2 | 2,178,507,752 | 2,623,221,346 |
| 22 | 7. Finance expenses | | 30,289,235 | 21,640,948 |
| 25 | 8. Selling expenses | 21 | 2,327,329,782 | 4,099,249,307 |
| 26 | 9. General and administrative expenses | 21 | 14,302,022,766 | 14,422,485,205 |
| 30 | 10. Operating profit | | 2,558,996,328 | 2,332,769,947 |
| 31 | 11. Other income | | 64,020,000 | 81,078 |
| 32 | 12. Other expenses | | 1,417,350 | 118,741,885 |
| 40 | 13. Other profit (loss) | | 62,602,650 | (118,660,807) |
| 50 | 14. Accounting profit before tax | | 2,621,598,978 | 2,214,109,140 |
| 51 | 15. Current corporate income tax expense | 23.1 | - | - |
| 52 | 16. Deferred tax (income) expense | 23.3 | (448,714,469) | 3,184,742 |
| 60 | 17. Net profit after corporate income tax | 18.5 | 3,070,313,447 | 2,210,924,398 |
| 70 | 18. Basic earnings per share | 18.5 | 231 | 166 |
| 71 | 19. Diluted earnings per share | 18.5 | 231 | 166 |



Ngo Tan Long
Preparer cum Deputy General Director



Nguyen Manh Hai
General Director

Ho Chi Minh City, Vietnam
21 March 2025

CASH FLOW STATEMENT
for the year ended 31 December 2024

VND

| Code | ITEMS | Notes | Current year | Previous year |
|-----------|--|-------|-------------------------|-----------------------|
| | I. CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| 01 | Profit before tax | | 2,621,598,978 | 2,214,109,140 |
| | <i>Adjustments for:</i> | | | |
| 02 | Depreciation of tangible fixed assets | 22 | 2,699,228,313 | 3,292,369,171 |
| 03 | Provisions | | 1,264,705,629 | 107,533,013 |
| 04 | Foreign exchange gains arising from revaluation of monetary accounts denominated in foreign currency | | (10,610,533) | (8,439,102) |
| 05 | Profits from investing activities | | (2,124,108,066) | (2,339,148,195) |
| 08 | Operating profit before changes in working capital | | 4,450,814,321 | 3,266,424,027 |
| 09 | (Increase) decrease in receivables | | (1,075,983,612) | 1,467,155,141 |
| 10 | (Increase) decrease in inventories | | (1,540,295,563) | 15,056,311,718 |
| 11 | Increase (decrease) in payables | | 11,762,450,636 | (4,425,723,549) |
| 12 | Increase in prepaid expenses | | (511,026,941) | (13,966,354) |
| 17 | Other cash outflows for operating activities | 17 | (61,900,000) | (95,800,000) |
| 20 | Net cash flows from operating activities | | 13,024,058,841 | 15,254,400,983 |
| | II. CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| 22 | Proceeds from disposals of fixed assets | | 55,700,000 | - |
| 23 | Repayment of term deposits | | (65,000,000,000) | (38,170,755,656) |
| 24 | Collections from term deposits | | 48,769,777,151 | 35,000,000,000 |
| 27 | Interest received | | 2,049,732,251 | 2,339,148,195 |
| 30 | Net cash flows used in investing activities | | (14,124,790,598) | (831,607,461) |
| | III. CASH FLOWS FROM A FINANCING ACTIVITY | | | |
| 36 | Dividends paid | 18.4 | - | (2,566,000) |
| 40 | Net cash flows used in a financing activity | | - | (2,566,000) |

CASH FLOW STATEMENT (continued)
for the year ended 31 December 2024

VND

| Code | ITEMS | Notes | Current year | Previous year |
|------|---|-------|-----------------|----------------|
| 50 | Net (decrease) increase in cash and cash equivalents for the year | | (1,100,731,757) | 14,420,227,522 |
| 60 | Cash and cash equivalents at beginning of year | | 29,373,283,684 | 14,944,617,060 |
| 61 | Impact of foreign exchange rate fluctuation | | 10,610,533 | 8,439,102 |
| 70 | Cash and cash equivalents at end of year | 4 | 28,283,162,460 | 29,373,283,684 |



Ngo Tan Long
Preparer cum Deputy General Director



Ho Chi Minh City, Vietnam
21 March 2025

Nguyễn Mạnh Hải
General Director

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

1. CORPORATE INFORMATION

No. 25 Central Pharmaceutical Joint Stock Company ("the Company") is a joint stock company established based on the equitization of a state-owned enterprise - No. 25 Central Pharmaceutical Enterprise according to Decision No. 5112/QĐ9-BYT dated 11 December 2006 by the Minister of Health. Accordingly, the Company was granted the Enterprise Registration Certificate ("ERC") No. 0300468511 by the Ho Chi Minh City Department of Planning and Investment for the first time on 19 June 2007 and the latest 19th amended ERC on 6 June 2024.

The Company's shares are traded on the unlisted public companies stock market ("UPCOM") with the stock code UPH issued by the Hanoi Stock Exchange on 29 December 2016.

The current principal activities of the Company are manufacturing pharmaceutical medicine, pharmaceutical chemistry, trading, services and real estates.

The head office of the Company is located at 448B Nguyen Tat Thanh Street, Ward 18, District 4, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2024 was 113 (31 December 2023: 115 employees).

2. Basis of preparation

2.1 Accounting standards and system

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

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

Accordingly, the accompanying financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and the results of operations and the cash flows of the Company in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

The Company's applied accounting documentation system is General Journal system.

2.3 Fiscal year

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

2.4 Accounting currency

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly-liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

3.2 *Receivables*

Receivables are presented in the balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the income statement.

3.3 *Inventories*

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

Perpetual method is used to record inventories, which are valued as follows:

Raw materials, tools and spare parts - cost of purchase on a first-in, first-out basis.
Finished goods and work-in process - cost of finished goods on a specific identification basis.

Provision for obsolete inventories

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the income statement.

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and NRV.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Inventories (continued)

Inventory property (continued)

Cost of inventory property comprise:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts paid to contractors for construction; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market price discounted for the time value of money if significant at the balance sheet date, and less cost to complete and the estimated selling price.

The cost of the inventory property sold recognized in the income statement based on specific identification method.

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use and the costs of dismantling and removing the asset and restoring the site on which it is located, if any.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

3.6 Depreciation and amortisation

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

| | |
|-----------------------------|--------------|
| Buildings and structures | 5 - 45 years |
| Machinery and equipment | 5 - 10 years |
| Waterway transport vehicles | 6 - 10 years |
| Office equipment | 3 - 6 years |
| Computer software | 2 - 3 years |
| Others | 3 years |

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

The prepaid land rental represents the unamortised balance of advance payment made in accordance with the lease contract signed with Northwest Saigon City Development Corporation on 18 December 2018 for a period of 36 years. Such prepaid rental is recognised as a long-term prepaid expense for allocation to the income statement over the remaining lease period according to Circular 45.

3.8 Investments

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the income statement and deducted against the value of such investments.

3.9 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.10 Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting year for employees who have been worked for more than 12 months at the Company. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labor Code and related implementing guidance. The average monthly salary used in this calculation is adjusted at the end of each reporting period following the average monthly salary of the last 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labor contract following Article 46 of the Labor Code.

3.11 Foreign currency transactions

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

- ▶ Transactions resulting in receivables are recorded at the buying exchange rate of the commercial bank designated for collection; and
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rate of the commercial bank designated for payment.

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

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Earnings per share

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

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

3.13 Appropriation of net profits

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval by the General Meeting of Shareholders, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

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

Investment and development fund

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

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the balance sheet.

3.14 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Where the contract outcome can be reliably measured, revenue is recognised by reference to the stage of completion.

Interest income

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

3.15 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Taxation (continued)

Current income tax (continued)

Current income tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.
- ▶ in respect of taxable temporary differences associated with investments in associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except :

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.
- ▶ in respect of deductible temporary differences associated with investments in associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Company intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Segment information

A segment is a component determined separately by the Company which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Company's principal activities are manufacturing pharmaceutical medicine, pharmaceutical chemistry, trading, services and real estates. In addition, these activities are mainly taking place within Vietnam. Therefore, the Company's risks and returns are not impacted by the Company's products that the Company is manufacturing or the locations where the Company is trading. As a result, the Company's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

3.17 Related parties

Parties are considered to be related parties of the Company if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

4. CASH AND CASH EQUIVALENTS

| | VND | |
|----------------------|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Cash on hand | 72,000,507 | 317,936,444 |
| Cash at banks | 15,809,614,904 | 8,792,379,815 |
| Cash equivalents (*) | 12,401,547,049 | 20,262,967,425 |
| TOTAL | 28,283,162,460 | 29,373,283,684 |

(*) Cash equivalents represent deposits in VND with a term of one (1) month at commercial banks and earned interest at the rate of 3.0% to 3.4% per annum.

5. HELD-TO-MATURITY INVESTMENTS

These are term deposits at commercial banks with original terms of over (3) three months and a remaining term of no more than one year and earn interest at the rate of 4.1% to 5.4% per annum.

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

6. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Trade receivables

| | VND | |
|--|-----------------------|-----------------------|
| | Ending balance | Beginning balance |
| Trade receivables from customers | 24,310,509,936 | 21,325,804,909 |
| <i>Kim Long House Construction and Trading Company Limited</i> | 12,825,176,072 | 12,825,176,072 |
| <i>Da Hoang Chuong Pharmacy Company Limited</i> | 3,829,790,142 | 2,528,899,089 |
| <i>Other customers</i> | 7,655,543,722 | 5,971,729,748 |
| Trade receivable from a related party (Note 24) | 16,956,659,585 | 16,419,454,616 |
| TOTAL | 41,267,169,521 | 37,745,259,525 |
| Provision for doubtful receivables | (17,648,469,382) | (17,648,469,382) |
| NET | 23,618,700,139 | 20,096,790,143 |

6.2 Advances to suppliers

| | VND | |
|---|----------------------|----------------------|
| | Ending balance | Beginning balance |
| Dung Phat Trading Development Investment Company Limited | 431,200,000 | 431,200,000 |
| Sagen Constructive Design Consultancy Joint Stock Company | 254,260,000 | 254,260,000 |
| Others | 426,974,887 | 4,382,033,887 |
| TOTAL | 1,112,434,887 | 5,067,493,887 |
| Provision for advance to suppliers | (820,914,887) | - |
| NET | 291,520,000 | 5,067,493,887 |

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

7. OTHER RECEIVABLES

| | VND | |
|--|-----------------------|----------------------|
| | Ending balance | Beginning balance |
| Short-term | 6,437,509,409 | 4,213,782,909 |
| Receivables of land rentals from Kim Long Construction and Housing Business Company Limited | 3,601,800,798 | 3,601,800,798 |
| Tan Hiep Loi Packaging Production Trading Joint Stock Company | 1,995,664,090 | - |
| Advance to employees | 120,124,000 | - |
| Others | 719,920,521 | 611,982,111 |
| Long-term | 3,761,660,200 | 3,761,660,200 |
| Receivables from Business Cooperation Contract to Kim Long Construction and Housing Business Company Limited (*) | 3,636,096,600 | 3,636,096,600 |
| Deposits | 125,563,600 | 125,563,600 |
| TOTAL | 10,199,169,609 | 7,975,443,109 |
| Provision for doubtful other receivables | (3,644,234,494) | (3,601,800,798) |
| NET | 6,554,935,115 | 4,373,642,311 |

(*) This receivable represents the value of the house which the Company contributed under the Business Cooperation Contract No. 24/HD/XN25 dated 24 February 2005 ("Contract No. 24") with Kim Long Construction and Housing Business Company Limited to develop Master Building located at No. 41-43 Tran Cao Van, Ward 6, District 3, Ho Chi Minh City. As at 31 December 2024, the Company was in the process of transferring its entire rights and obligations arising from Contract No. 24 to An Phat Investment and Trading Joint Stock Company (Note 13.2).

8. BAD DEBTS

| | VND | | | | | |
|--|-----------------------|-------------------------|--------------------|-----------------------|-------------------------|--------------------|
| | Ending balance | | | Beginning balance | | |
| | Cost | Provision | Recoverable amount | Cost | Provision | Recoverable amount |
| Kim Long Construction and Housing Business Company Limited | 16,426,976,870 | (16,426,976,870) | - | 16,426,976,870 | (16,426,976,870) | - |
| Khác | 5,686,641,893 | (5,686,641,893) | - | 4,823,293,310 | (4,823,293,310) | - |
| TOTAL | 22,113,618,763 | (22,113,618,763) | - | 21,250,270,180 | (21,250,270,180) | - |

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

9. INVENTORIES

| | <i>Ending balance</i> | | <i>Beginning balance</i> | | VND |
|--------------------------|------------------------|------------------------|--------------------------|------------------------|-----|
| | <i>Cost</i> | <i>Provision</i> | <i>Cost</i> | <i>Provision</i> | |
| Real estate property (*) | 160,622,501,912 | - | 160,622,501,912 | - | |
| Raw materials | 29,512,724,979 | (2,536,270,117) | 26,903,004,876 | (2,051,821,321) | |
| Finished goods | 9,958,599,769 | - | 10,785,275,543 | - | |
| Work in process | 1,640,958,292 | - | 1,903,501,858 | - | |
| Tools and supplies | 22,024,800 | - | - | - | |
| Merchandise goods | 11,242,000 | - | 13,472,000 | - | |
| TOTAL | 201,768,051,752 | (2,536,270,117) | 200,227,756,189 | (2,051,821,321) | |

(*) This represents the leasehold right for land located at No. 120 Hai Ba Trung, Da Kao Ward, District 1, Ho Chi Minh City, which has been paid to the Tax Department of District 1, in relation to the agreement between the Company and Tay Ninh Industrial Park Infrastructure Development Joint Stock Company (Note 13.2).

Detail of movements of provision for obsolete inventories are as follows:

| | <i>Current year</i> | <i>Previous year</i> | VND |
|---------------------------------------|----------------------|----------------------|-----|
| Beginning balance | 2,051,821,321 | 1,928,364,600 | |
| Provision made during the year | 1,128,776,831 | 123,456,721 | |
| Reversal of provision during the year | (644,328,035) | - | |
| Ending balance | <u>2,536,270,117</u> | <u>2,051,821,321</u> | |

No. 25 Central Pharmaceutical Joint Stock Company

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

10. TANGIBLE FIXED ASSETS

| | Buildings and structures | Machinery and equipment | Means of transportation | Office equipment | VND Total |
|----------------------------------|-----------------------------|----------------------------|----------------------------|------------------|-----------------|
| Cost: | | | | | |
| Beginning balance | 38,973,526,498 | 69,540,110,815 | 2,713,306,813 | 762,363,930 | 111,989,308,056 |
| Disposal | - | (2,360,213,359) | - | - | (2,360,213,359) |
| Ending balance | 38,973,526,498 | 67,179,897,456 | 2,713,306,813 | 762,363,930 | 109,629,094,697 |
| <i>In which:</i> | | | | | |
| Fully depreciated | 4,513,091,128 | 54,871,901,441 | 2,081,615,904 | 762,363,930 | 62,228,972,403 |
| Accumulated depreciation: | | | | | |
| Beginning balance | 22,916,293,602 | 63,151,224,150 | 2,516,897,514 | 761,317,409 | 89,345,732,675 |
| Depreciation for the year | 871,321,552 | 1,795,036,925 | 90,241,560 | 1,046,521 | 2,757,646,558 |
| Disposal | - | (2,360,213,359) | - | - | (2,360,213,359) |
| Ending balance | 23,787,615,154 | 62,586,047,716 | 2,607,139,074 | 762,363,930 | 89,743,165,874 |
| Net carrying amount: | | | | | |
| Beginning balance | 16,057,232,896 | 6,388,886,665 | 196,409,299 | 1,046,521 | 22,643,575,381 |
| Ending balance | 15,185,911,344 | 4,593,849,740 | 106,167,739 | - | 19,885,928,823 |

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

11. CONSTRUCTION IN PROGRESS

The balance represents the cost incurred relating to topographic surveys, geological surveys, appraisal, and design for the purpose of building a factory at Tan Phu Trung Industrial Park, Tram Bom Hamlet, Tan Phu Trung Commune, Cu Chi District, Ho Chi Minh City.

12. PREPAID EXPENSES

| | VND | |
|---------------------------|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Infrastructure rental fee | 48,562,134,538 | 50,186,494,000 |

This amount represents the prepaid infrastructure rental fees arising from the land lease contract No.109/HDTD/SCD-2018 dated 12 October 2018 between the Company and Northwest Saigon Urban Development Joint Stock Company (SCD) to lease infrastructure at Lot B5-4, Zone B5, Road D2, Tan Phu Trung Industrial Park, Tram Bom Hamlet, Tan Phu Trung Commune, Cu Chi District, Ho Chi Minh City with an area of 30,866 m2 for the construction of the factory. The lease term is from 10 January 2020 to 16 December 2054.

13. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS**13.1 Trade payables**

| | VND | |
|--|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Trade payables to suppliers | 14,035,264,452 | 2,688,247,363 |
| <i>Sinobright Pharmaceutical Co, Ltd.</i> | 4,225,113,360 | - |
| <i>Viet Uy Trading Joint Stock Company</i> | 1,921,500,000 | - |
| <i>Benovas Pharmaceutical Joint Stock Company</i> | 1,813,699,620 | 991,525,428 |
| <i>Phuong Phuc Pharmaceutical Chemical Company Limited</i> | 1,600,630,668 | - |
| <i>Others</i> | 4,474,320,804 | 1,696,721,935 |
| Trade payable to a related party (Note 24) | 46,462,500 | 49,350,000 |
| TOTAL | 14,081,726,952 | 2,737,597,363 |

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

13. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS (continued)

13.2 Advances from customers

| | VND | |
|---|------------------------|------------------------|
| | Ending balance | Beginning balance |
| Tay Ninh Industrial Park Infrastructure Development Joint Stock Company (i) | 178,082,838,961 | 178,082,838,961 |
| An Phat Business Trading Investment Joint Stock Company (ii) | 5,000,000,000 | 5,000,000,000 |
| Southern Public Interest Environmental Corporation (Note 16) | - | 26,250,000,000 |
| Others | 3,116,516 | 179,461,011 |
| TOTAL | 183,085,955,477 | 209,512,299,972 |

(i) This represents the advance received from Tay Ninh Industrial Park Infrastructure Development Joint Stock Company ("INDECO") in pursuant to the Cooperation, Investment, and Properties Transfer Contract No. 58/TW25-INDECO dated 27 August 2018 between the Company and INDECO to invest in the construction of an Office Building located at No. 120 Hai Ba Trung, Da Kao Ward, District 1, Ho Chi Minh City. In addition, on 11 September 2018, the Company and INDECO also signed a contract in relation to the designing, supplying technological equipment and construction works (EPC) No. 59/TW25-INDECO for the Office Building project on this land lot. Accordingly, all works, procedures and costs related to the construction and completion of the building will be carried out and born by INDECO. As at 31 December 2024, this project is in the stage of applying for the construction permit.

(ii) This represents the advance received from An Phat Investment Trading Business Joint Stock Company ("An Phat") under the Contract No. 20/2018/HĐCN/TW25-AP regarding the transfer of the Company's rights and obligations from the Business Cooperation Contract No. 24/HĐ/XN25 dated 24 February 2005, with Kim Long Construction and Housing Business Company Limited and the right to lease the land at No. 41-43 Tran Cao Van, Ward 6, District 3, Ho Chi Minh City. As at 31 December 2024, the transfer procedure has not been completed yet.

14. STATUTORY OBLIGATIONS

| | VND | | | |
|-----------------------------------|----------------------|-----------------------|-------------------------|--------------------|
| | Beginning balance | Increase in year | Decrease in year | Ending balance |
| Receivables | | | | |
| Value-added tax on imported goods | - | 2,639,879,318 | (2,431,319,018) | 208,560,300 |
| Value-added tax | 1,119,600,757 | 6,661,396,073 | (7,634,731,572) | 146,265,258 |
| Personal income tax | - | 68,857,130 | - | 68,857,130 |
| TOTAL | 1,119,600,757 | 9,370,132,521 | (10,066,050,590) | 423,682,688 |
| Payables | | | | |
| Personal income tax | 390,224,339 | 1,045,738,947 | (1,435,963,286) | - |
| Land rental | - | 13,843,782,797 | (13,843,782,797) | - |
| Others | - | 68,071,391 | (68,071,391) | - |
| TOTAL | 390,224,339 | 14,957,593,135 | (15,347,817,474) | - |

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

15. SHORT-TERM ACCRUED EXPENSES

| | VND | |
|-------------------------------|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Professional service expenses | 89,613,840 | 92,000,000 |
| Others | 650,227,236 | 1,091,797,434 |
| TOTAL | 739,841,076 | 1,183,797,434 |

16. OTHER SHORT-TERM PAYABLES

| | VND | |
|--|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Southern Public Interest Environmental Corporation (i) | 26,250,000,000 | - |
| Deposits | 420,000,000 | 420,000,000 |
| Trade Union | 225,233,841 | 220,118,044 |
| Dividend | 221,634,744 | 221,444,934 |
| Others | 519,202,876 | 624,139,187 |
| TOTAL | 27,636,071,461 | 1,485,702,165 |

- (i) This is the amount received from Southern Public Interest Environmental Corporation ("SPEC") in pursuant to the Transfer Contract No. 68/2017/HDCN/SPEC/TW-25 dated 2 November 2017 between the Company and SPEC to transfer the assets attached to the leasehold land and the right to exploit and develop the project on this land located at No. 448B Nguyen Tat Thanh, Ward 18, District 4, Ho Chi Minh City with a total contract value of VND 75,000,000,000. In accordance with Resolution No. 58/NQ-HDQT-TW25 dated 12 August 2022, the Board of Directors approved the liquidation of the Transfer Contract. As at 31 December 2024, the Company is in the process to negotiate with SPEC to proceed with necessary procedures to liquidate the contract.

17. BONUS AND WELFARE FUND

| | VND | |
|---------------------|---------------------|----------------------|
| | <i>Current year</i> | <i>Previous year</i> |
| Beginning balance | 111,605,947 | 207,405,947 |
| Utilization of fund | (61,900,000) | (95,800,000) |
| Ending balance | 49,705,947 | 111,605,947 |

No. 25 Central Pharmaceutical Joint Stock Company

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

18. OWNERS' EQUITY

18.1 Increase and decrease in owners' equity

| | Share capital | Share premium | Investment and development fund | Undistributed earnings | VND Total |
|-------------------------|------------------------|-----------------------|---------------------------------|-------------------------|------------------------|
| Previous year: | | | | | |
| Beginning balance | 132,946,410,000 | 17,589,282,000 | 12,490,339,501 | (13,155,164,174) | 149,870,867,327 |
| Net profit for the year | - | - | - | 2,210,924,398 | 2,210,924,398 |
| Ending balance | <u>132,946,410,000</u> | <u>17,589,282,000</u> | <u>12,490,339,501</u> | <u>(10,944,239,776)</u> | <u>152,081,791,725</u> |
| Current year: | | | | | |
| Beginning balance | 132,946,410,000 | 17,589,282,000 | 12,490,339,501 | (10,944,239,776) | 152,081,791,725 |
| Net profit for the year | - | - | - | 3,070,313,447 | 3,070,313,447 |
| Ending balance | <u>132,946,410,000</u> | <u>17,589,282,000</u> | <u>12,490,339,501</u> | <u>(7,873,926,329)</u> | <u>155,152,105,172</u> |

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

18. OWNERS' EQUITY (continued)**18.2 Contributed charter capital**

| | <i>Ending balance and Beginning balance</i> | | |
|--|---|-------------------------|------------------------|
| | <i>Number of ordinary shares</i> | <i>Amount (VND)</i> | <i>Ownership %</i> |
| OPC Pharmaceutical Joint Stock Company | 7,730,000 | 77,300,000,000 | 58.14 |
| Vietnam Pharmaceutical Corporation | 3,780,000 | 37,800,000,000 | 28.43 |
| Others | 1,784,641 | 17,846,410,000 | 13.43 |
| TOTAL | 13,294,641 | 132,946,410,000 | 100.00 |

18.3 Share capital

| | <i>Quantity</i> | |
|------------------------------|-----------------------|-----------------------|
| | <i>Ending balance</i> | <i>Ending balance</i> |
| Authorized shares | 13,294,641 | 13,294,641 |
| Shares issued and fully paid | 13,294,641 | 13,294,641 |
| Shares in circulation | 13,294,641 | 13,294,641 |

The Company's shares are issued with par value of VND 10,000 per share.

18.4 Dividends

| | <i>VND</i> | |
|-------------------------------|---------------------|----------------------|
| | <i>Current year</i> | <i>Previous year</i> |
| Dividend paid by cash in year | - | 2,566,000 |

18.5 Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share computations:

| | <i>Current year</i> | <i>Previous year</i> |
|--|---------------------|----------------------|
| Net profit after tax allocated to shareholders owning common shares (VND) | 3,070,313,447 | 2,210,924,398 |
| Distribution to bonus and welfare fund | - | - |
| Net profit after tax is allocated to shareholders owning common shares to calculate the above basic interest (VND) | 3,070,313,447 | 2,210,924,398 |
| The average number of ordinary shares circulated (shares) | 13,294,641 | 13,294,641 |
| Earnings per share | | |
| Basic earnings per share (VND per share) | 231 | 166 |
| Diluted earnings per share (VND per share) | 231 | 166 |

There have been no dilutive potential ordinary shares during the year and up to the date of these financial statements.

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

19. REVENUES**19.1 Revenue from sale of goods and rendering of services**

| | VND | |
|---|------------------------|------------------------|
| | Current year | Previous year |
| Gross revenue | 130,580,736,698 | 140,425,031,762 |
| <i>In which:</i> | | |
| <i>Sales of finished goods, merchandise</i> | 128,465,430,275 | 138,395,597,830 |
| <i>Sales of rendering the services</i> | 2,115,306,423 | 2,029,433,932 |
| Less | (157,457) | (285,445,730) |
| Sales returns | (157,457) | (285,445,730) |
| TOTAL | 130,580,579,241 | 140,139,586,032 |
| <i>In which:</i> | | |
| <i>Sales to related parties (Note 24)</i> | 105,625,525,463 | 119,477,828,760 |
| <i>Sales to others</i> | 24,955,053,778 | 20,661,757,272 |

19.2 Finance income

| | VND | |
|------------------------|----------------------|----------------------|
| | Current year | Previous year |
| Interest income | 2,068,408,066 | 2,339,148,195 |
| Foreign exchange gains | 110,099,686 | 284,073,151 |
| TOTAL | 2,178,507,752 | 2,623,221,346 |

20. COST OF GOODS SOLD AND SERVICES RENDERED

| | VND | |
|---|------------------------|------------------------|
| | Current year | Previous year |
| Cost of finished goods and merchandise sold | 112,394,296,914 | 120,737,073,635 |
| Cost of services rendered | 1,146,151,968 | 1,149,588,336 |
| TOTAL | 113,540,448,882 | 121,886,661,971 |

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

21. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

| | VND | |
|--|------------------------------|------------------------------|
| | Current year | Previous year |
| Selling expenses | 2,327,329,782 | 4,099,249,307 |
| Labour cost | 1,178,764,934 | 1,440,744,224 |
| Depreciation expenses | 50,436,360 | 50,436,360 |
| Commission expenses | - | 2,187,160,577 |
| Others | 1,098,128,488 | 420,908,146 |
| General and administrative expenses | 14,302,022,766 | 14,422,485,205 |
| Labour cost | 6,858,767,449 | 7,396,763,330 |
| External services | 320,842,000 | 3,893,634,307 |
| Depreciation expenses | 89,370,521 | 100,880,484 |
| Others | 7,033,042,796 | 3,031,207,084 |
| TOTAL | <u>16,629,352,548</u> | <u>18,521,734,512</u> |

22. PRODUCTION AND OPERATING COSTS

| | VND | |
|--------------------------------|-------------------------------|-------------------------------|
| | Current year | Previous year |
| Raw materials | 83,789,175,552 | 88,339,918,296 |
| Labour cost | 23,403,188,419 | 26,038,643,915 |
| Expenses for external services | 7,760,561,142 | 5,601,733,179 |
| Depreciation expenses | 2,699,228,313 | 3,292,369,171 |
| Others | 11,428,428,664 | 13,089,952,648 |
| TOTAL | <u>129,080,582,090</u> | <u>136,362,617,209</u> |

23. CORPORATE INCOME TAX

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

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the separate financial statements could change at a later date upon final determination by the tax authorities.

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

23. CORPORATE INCOME TAX (continued)

23.1 CIT expense

| | VND | |
|-------------------------------|----------------------|------------------|
| | Current year | Previous year |
| Current tax expense | - | - |
| Deferred tax (income) expense | (448,714,469) | 3,184,742 |
| TOTAL | (448,714,469) | 3,184,742 |

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

| | VND | |
|---|----------------------|----------------------|
| | Current year | Previous year |
| Accounting profit before tax | 2,621,598,978 | 2,214,109,140 |
| At CIT rate of 20% applicable to the Company | 524,319,796 | 442,821,828 |
| <i>Adjustment of tax expense due to</i> | | |
| Non-deductible expenses | 223,540,777 | 437,056,683 |
| Tax loss recognized deferred tax assets (Note 23.3) | (465,332,819) | - |
| Adjustment for under accrual of tax from prior years | - | 58,774,800 |
| Tax loss carried forward | (731,242,223) | (935,468,569) |
| CIT (income) expense | (448,714,469) | 3,184,742 |

23.2 Current tax

The current CIT payable is based on taxable profit for the current year. The taxable income of the Company for the year differs from the accounting profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

23.3 Deferred tax

The following are the deferred tax assets and deferred tax liabilities recognised by the Company, and the movements thereon, during the current and previous years.

| | VND | | | |
|---|--------------------|--------------------|--------------------|--------------------|
| | Balance sheet | | Income statement | |
| | Ending balance | Beginning balance | Current year | Previous year |
| Tax losses available for offset against future taxable income (Note 23.4) | 465,332,819 | - | 465,332,819 | - |
| Severance allowance | 191,999,500 | 208,617,850 | (16,618,350) | (3,184,742) |
| Net deferred tax assets | 657,332,319 | 208,617,850 | | |
| Net deferred tax income (expenses) | | | 448,714,469 | (3,184,742) |

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

23. CORPORATE INCOME TAX (continued)

23.4. Tax losses carried forward

The Company is entitled to carry tax loss forward to offset against taxable income arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Company has aggregated accumulated tax losses of VND 2,326,664,097 (31 December 2023: VND 5,982,875,213) available for offset against future taxable income. Details are as follows:

| VND | | | | | |
|-------------------------|------------------------------|------------------------|--|--|---------------------------------------|
| <i>Originating year</i> | <i>Can be utilized up to</i> | <i>Tax loss amount</i> | <i>Utilized up to 31 December 2024</i> | <i>Deduction according to tax inspection records (*)</i> | <i>Unutilized at 31 December 2024</i> |
| 2019 | 2024 | 2,732,196,644 | (2,732,196,644) | - | - |
| 2020 | 2025 | 4,985,629,762 | (4,139,979,647) | (845,650,115) | - |
| 2021 | 2026 | 5,022,160,956 | (1,461,377,670) | (1,234,119,189) | 2,326,664,097 |
| TOTAL | | 12,739,987,362 | (8,333,553,961) | (2,079,769,304) | 2,326,664,097 |

(*) Tax loss is adjusted according to Decision No. 549/QD-CT dated 29 March 2023 issued by Ho Chi Minh City Tax Department.

24. TRANSACTIONS WITH RELATED PARTIES

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

| <i>Related parties</i> | <i>Relationship</i> |
|--|---|
| OPC Pharmaceutical Joint Stock Company | Parent company |
| OPC Binh Duong Pharmaceutical One Member Co., Ltd. | Common ownership by ultimate parent company |
| Ms Pham Thi Xuan Huong | Chairwoman |
| Ms Phuong Thanh Nhung | Member of the Board of the Directors |
| Mr Tran Tri Duc | Member of the Board of the Directors |
| Mr Ha Duc Cuong | Member of the Board of the Directors |
| Ms Ha Lan Anh | Member of the Board of the Directors (from 20 April 2024) |
| Mr Nguyen Van Khai | Member (up to 20 April 2024) |
| Mr Nguyen Manh Hai | General Director (from 1 June 2024) |
| Mr Dong Van Manh | General Director (up to 1 June 2024) |
| Mr Ngo Tan Long | Deputy General Director |

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

24. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with related parties during the year were as follows:

| | | VND | |
|--|--------------------------------|---------------------|----------------------|
| <i>Related parties</i> | <i>Transactions</i> | <i>Current year</i> | <i>Previous year</i> |
| OPC Pharmaceutical Joint Stock Company | Sale of goods | 105,541,525,463 | 119,477,828,760 |
| | Sale of others | 84,000,000 | - |
| | Purchase of goods | 51,211,340 | - |
| | Return of goods | 157,457 | 121,346,690 |
| | Customer service expense | - | 880,209,438 |
| | Franchise fee for booth rental | - | 399,000,000 |
| OPC Binh Duong Pharmaceutical One Member Co., Ltd. | Purchase of raw materials | 403,500,000 | 497,000,000 |

Remuneration to members of the Board of Directors, the management and the Board of Supervision including salary, bonus and other benefits was as follows:

| | | VND | |
|-----------------------------|-------------------------|----------------------|----------------------|
| | <i>Position</i> | <i>Current year</i> | <i>Previous year</i> |
| Board of Directors | | 270,000,000 | 263,250,000 |
| Ms Pham Thi Xuan Huong | Chairwoman | 78,000,000 | 81,250,000 |
| Ms Phuong Thanh Nhung | Member | 48,000,000 | 50,000,000 |
| Mr Tran Tri Duc | Member | 48,000,000 | 50,000,000 |
| Mr Ha Duc Cuong | Member | 48,000,000 | 32,000,000 |
| Ms Ha Lan Anh | Member | | |
| | (from 20 April 2024) | 32,000,000 | - |
| Mr Nguyen Van Khai | Member | | |
| | (up to 20 April 2024) | 16,000,000 | 50,000,000 |
| Board of Supervision | | 120,000,000 | 125,000,000 |
| Ms Huynh Thi Anh Thu | Head | 32,000,000 | - |
| Ms Nguyen Thi Thuy | Former head | | |
| | (up to 20 April 2024) | 16,000,000 | 50,000,000 |
| Ms Le Thi Anh Nguyet | Member | 36,000,000 | 37,500,000 |
| Ms Nguyen Thu Thuy | Member | 36,000,000 | 37,500,000 |
| Management | | 1,625,881,910 | 1,975,129,327 |
| Mr Nguyen Manh Hai | General Director | | |
| | (from 1 June 2024) | 572,428,571 | - |
| Mr Dong Van Manh | Former General Director | | |
| | (up to 1 June 2024) | 492,573,339 | 1,267,059,033 |
| Mr Ngo Tan Long | Deputy General Director | 560,880,000 | 708,070,294 |
| TOTAL | | 2,015,881,910 | 2,363,379,327 |

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

24. TRANSACTIONS WITH RELATED PARTIES (continued)

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

| | | VND | |
|--|---------------------|-----------------------|--------------------------|
| <i>Related parties</i> | <i>Transactions</i> | <i>Ending balance</i> | <i>Beginning balance</i> |
| <i>Short-term trade receivable (Note 6.1)</i> | | | |
| OPC Pharmaceutical Joint Stock Company | Sale of goods | <u>16,956,659,585</u> | <u>16,419,454,616</u> |
| <i>Short-term trade payable (Note 13.1)</i> | | | |
| OPC Binh Duong Pharmaceutical One Member Co., Ltd. | Purchase of goods | <u>46,462,500</u> | <u>49,350,000</u> |

25. COMMITMENTS

Operating lease commitment

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

| | | VND | |
|------------------|--|-----------------------|--------------------------|
| | | <i>Ending balance</i> | <i>Beginning balance</i> |
| Less than 1 year | | <u>1,201,734,194</u> | <u>370,909,091</u> |

Commitment relating to significant investment costs

As at 31 December 2024, the Company has a commitment amounting to VND 12,525,700,000 (as at 31 December 2023: VND 12,525,700,000), primarily related to the construction of a factory.

26. OFF BALANCE SHEET ITEMS

| | | <i>Ending balance</i> | <i>Beginning balance</i> |
|----------------------------|--|-----------------------|--------------------------|
| Foreign currency: | | | |
| United States dollar (USD) | | <u>387.45</u> | <u>618.35</u> |

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

27. EVENTS AFTER THE BALANCE SHEET DATE

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



Ngo Tan Long
Preparer cum Deputy General Director



Ho Chi Minh City, Vietnam
21 March 2025



Nguyen Manh Hai
General Director