

Số: 29 /CV-LDP/2025

Lam Dong, 27 March 2025

**THE PERIODIC DISCLOSURE OF INFORMATION
FOR FINANCIAL STATEMENTS****To: Hanoi Stock Exchange**

In accordance with the provisions of Clause 3, Clause 4, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 by the Ministry of Finance guiding the disclosure of information on the stock market, Lam Dong Pharmaceutical Joint Stock Company announces the financial statements for the 4th Quarter of 2024:

1. Name of the organization: LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

- Stock Code: LDP
- Address: 18 Ngo Quyen, 6 Ward 6, Da Lat City, Lam Dong Province
- Tel: 02633 817937 – 824669
- Email: info@ladophar.com Website: www.ladophar.com và www.ladophar.vn

2. Content of Disclosure of Information:

- Financial Statements of 2024 as per the provisions in Clause 3, Article 14 of Circular No. 96/2020/TT-BTC including:

☒ Financial Statements;☒ Consolidated Financial Statements

- Explanatory documents that must be disclosed along with the financial statements as stipulated in Clause 4, Article 14 of Circular No. 96/2020/TT-BTC including:

+ Net profit after tax for the reporting period has converted from a loss in the same period last year to profit in this period:

☒ Yes☐ No

+ Explanatory document for net profit after tax in the period with profit, converted from a loss in the same period last year to profit in this period and audit opinion:

☒ Yes☐ No

This information is published on the company's electronic information page on the date of March 27, 2025, at the link www.ladophar.com

3. Report on transactions valued at 35% or more of total assets during the year: No

We hereby affirm that the information disclosed above is true and we fully as legal responsibility for the content of the disclosed information.

To:

- Hanoi Stock Exchange
- Accounting

**GENERAL DIRECTOR****LE TIEN THINH**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024**

**LAM DONG PHARMACEUTICAL
JOINT STOCK COMPANY**



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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as “the Company”) presents this statement together with the Consolidated Financial Statements for the fiscal year ended 31 December 2024, including the Financial Statements of the Company and those of its subsidiaries (hereinafter collectively referred to as “the Group”).

Business highlights

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has been operating in accordance with the Business Registration Certificate No. 5800000047, registered for the 1st time on 04 January 2000 and amended for the 31st time on 22 December 2023, granted by the Department of Planning and Investment of Lam Dong Province.

The Company’s shares have been listed on Hanoi Stock Exchange (HNX) under the stock code of LDP according to the Decision No. 604/TB-SGDCKHN dated 29 June 2010 of Hanoi Stock Exchange (HNX).

Head office

- Address : No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam.
- Tel. : 026 33 817 937

The Company’s has following affiliates: 3 extra-provincial branches and other branches and business locations in Lam Dong Province:

<u>Affiliates</u>	<u>Address</u>
Southern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar)	B8 Commercial Building No. 319 Ly Thuong Kiet Street, Ward 15, District 11, Ho Chi Minh City
Northern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) ⁽ⁱ⁾	No. 77 Nguyen Cong Hoan Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi City
Western Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) ⁽ⁱⁱ⁾	6-7 B4 Trinh Van An Street, Dong Xuyen Ward, Long Xuyen City, An Giang Province
Other branches and business locations in Lam Dong Province	

- (i) Northern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 01 January 2023 to 30 June 2024 according to the Confirmation dated 16 January 2024 and resumed its operations according to the 9th amended Branch Operation Registration Certificate dated 11 October 2024, granted by Hanoi City Department of Planning and Investment.
- (ii) Western Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 14 March 2024 to 04 September 2024 according to the Confirmation No. 2511/GXN-ĐKKD dated 12 March 2024 of the Department of Planning and Investment of Can Tho City. This Branch has resumed its operations according to the 1st amended Branch Operation Registration Certificate dated 04 December 2024, granted by the Department of Planning and Investment of An Giang Province.

The Company’s principal business activities are to produce oriental pharmaceuticals; trade medicines, pharmaceutical materials, medical equipment; export and import medicines and pharmaceutical materials.

Board of Management, Supervisory Board and Executive Board

The Board of Management, the Supervisory Board and the Board of Directors of the Company during the year and as at the date of this statement include:

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**STATEMENT OF THE BOARD OF DIRECTORS (cont.)*****The Board of Management***

Full name	Position	Appointing/resigning/re-appointing date
Mr. Pham Trung Kien	Chairman	Re-appointed on 20 December 2023
Mr. Le Tien Thinh	Member	Appointed on 21 March 2023
		Re-appointed on 20 December 2023
Mr. Le Xuan Thanh	Independent Member	Appointed on 20 December 2023
Mr. Nguyen Ho Hung	Member	Resigned on 10 April 2024
Mr. Vo Qui Lam	Member	Resigned on 10 April 2024
Ms. Nguyen Thi Hong Giang	Member	Appointed on 10 April 2024
Ms. Dang Thuy Linh	Member	Appointed on 10 April 2024

The Supervisory Board

Full name	Position	Appointing date
Ms. Dao Thi Nga	Head of the Board	Appointed on 20 December 2023
Mr. Vo Kim Nguyen	Member	Appointed on 20 December 2023
Ms. Nguyen Thi Quynh Nga	Member	Appointed on 20 December 2023

The Board of Directors

Full name	Position	Appointing date
Mr. Le Tien Thinh	General Director	Appointed on 20 December 2023
Mr. Ngo Van Tri	Deputy General Director	Appointed on 21 December 2021

Legal representative

The Company's legal representatives during the year and as at the date of this statement are as follows:

Full name	Position	Appointing date
Mr. Pham Trung Kien	Chairman	Appointed on 20 December 2023
Mr. Le Tien Thinh	General Director	Appointed on 20 December 2023

Auditors

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the audit on the Group's Consolidated Financial Statements for the fiscal year ended 31 December 2024.

Responsibilities of the Board of Directors

The Board of Directors of the Company is responsible for the preparation of the Consolidated Financial Statements to give a true and fair view of the consolidated financial position, the consolidated financial performance and the consolidated cash flows of the Group during the year. In order to prepare these Consolidated Financial Statements, the Board of Directors must:

- select appropriate accounting policies and apply them consistently;
- make judgments and estimates reasonably and prudently;
- state clearly whether the accounting standards applied to the Group are followed or not, and all the material differences from these standards are disclosed and explained in the Consolidated Financial Statements;
- prepare the Consolidated Financial Statements of the Group on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system to minimize the risks of material misstatements due to frauds or errors in the preparation and presentation of the Financial Statements.

The Board of Directors hereby ensures that all the proper accounting books of the Group have been fully recorded and can fairly reflect the financial position of the Group at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for managing the Group's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Consolidated Financial Statements.

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY
STATEMENT OF THE BOARD OF DIRECTORS (cont.)

Approval of the Financial Statements

The Board of Directors hereby approves the accompanying Consolidated Financial Statements, which give a true and fair view of the consolidated financial position as at 31 December 2024 of the Group, its consolidated financial performance and its consolidated cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Financial Statements.

For and on behalf of the Board of Directors,



Le Tien Thinh
General Director

Date: 22 March 2025

No. 1.0512/25/TC-AC

INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS
LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

We have audited the accompanying Consolidated Financial Statements of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as "the Company") and its subsidiaries (hereinafter collectively referred to as "the Group"), which were prepared on 22 March 2025 (from page 07 to page 42), including the Consolidated Balance Sheet as at 31 December 2024, the Consolidated Income Statement, the Consolidated Cash Flow Statement for the fiscal year then ended and the Notes to the Consolidated Financial Statements.

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation, true and fair presentation of the Consolidated Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Financial Statements; and responsible for the internal control as the Group's Board of Directors determines necessary to enable the preparation and presentation of the Consolidated Financial Statements to be free from material misstatement due to fraud or error.

Responsibility of Auditors

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

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

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

Basis for qualified audit opinion

As of 31 December 2024, the Group has a receivable amount of VND 50.050.000.000 from Bao Thu Industrial Development and Investment Joint Stock Company (hereinafter referred to as "Bao Thu Company") (see Note No. V.4 in the Notes to the Consolidated Financial Statements). This is the amount that the Group made investment under the Entrustment Contract on development consultancy on Nguyen Kim Da Lat Shopping Center Project and the two contracts on leasing land use right at Thang Hai 1 Industrial Cluster signed between the Group and Bao Thu Company. However, after more than 2 years since the Group transferred the investment amount, both projects could not be implemented and Bao Thu Company has not yet returned the above investment amount to the Group. On 18 February 2025 and 03 March 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgments No. 01/2025/KDTM-ST and No. 02/2025/KDTM-ST, requesting Bao Thu Company to return the total amount of VND 32.500.000.000 to the Group. However, with the available documents and information, we do not have enough basis to assess the recoverability and losses (if any) of this balance.

Qualified opinion of Auditors

In our opinion, except for the effects of the matters described in the “Basis for qualified audit opinion” paragraph, the Consolidated Financial Statements give a true and fair view, in all material respects, of the consolidated financial position as of 31 December 2024 of the Group, its consolidated financial performance and its consolidated cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Financial Statements.

For and on behalf of
A&C Auditing and Consulting Co., Ltd.



Hoang Thai Vuong
Partner

Audit Practice Registration Certificate No. 2129-2023-008-1
Authorized Signatory

Phan Vu Cong Ba
Auditor

Audit Practice Registration Certificate No. 0197-2023-008-1

Ho Chi Minh City, 22 March 2025

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		156.732.832.822	139.992.656.837
I. Cash and cash equivalents	110	V.1	11.451.460.827	16.204.906.948
1. Cash	111		4.451.460.827	7.204.906.948
2. Cash equivalents	112		7.000.000.000	9.000.000.000
II. Short-term financial investments	120		4.692.324.000	3.121.184.000
1. Trading securities	121	V.2a	8.132.580.000	6.101.680.000
2. Provisions for devaluation of trading securities	122	V.2a	(5.440.256.000)	(4.980.496.000)
3. Held-to-maturity investments	123	V.2b	2.000.000.000	2.000.000.000
III. Short-term receivables	130		89.103.640.638	82.246.942.927
1. Short-term trade receivables	131	V.3	35.456.284.741	27.859.116.481
2. Short-term prepayments to suppliers	132	V.4	51.826.302.557	50.273.152.766
3. Short-term inter-company receivables	133		-	-
4. Receivables according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135	V.5	8.000.333.300	8.000.333.300
6. Other short-term receivables	136	V.6a	2.359.994.427	2.768.206.408
7. Allowance for short-term doubtful debts	137	V.7	(8.539.274.387)	(6.653.866.028)
8. Deficit assets for treatment	139		-	-
IV. Inventories	140		48.962.000.419	37.751.221.722
1. Inventories	141	V.8	48.962.000.419	37.751.221.722
2. Allowance for devaluation of inventories	149		-	-
V. Other current assets	150		2.523.406.938	668.401.240
1. Short-term prepaid expenses	151	V.9a	2.075.828.721	220.823.023
2. Deductible VAT	152		-	-
3. Taxes and other receivables from the State	153	V.17	447.578.217	447.578.217
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Consolidated Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
B- NON-CURRENT ASSETS	200		50.424.285.919	54.779.935.447
I. Long-term receivables	210		162.400.000	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216	V.6b	162.400.000	-
7. Allowance for long-term doubtful debts	219		-	-
II. Fixed assets	220		39.773.409.103	46.558.515.051
1. Tangible fixed assets	221	V.10	39.704.811.854	46.329.044.488
- Historical cost	222		124.320.268.122	125.073.639.053
- Accumulated depreciation	223		(84.615.456.268)	(78.744.594.565)
2. Financial leased assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.11	68.597.249	229.470.563
- Initial cost	228		2.198.133.777	2.208.153.777
- Accumulated amortization	229		(2.129.536.528)	(1.978.683.214)
III. Investment property	230	V.12	2.270.906.487	2.370.089.871
- Historical costs	231		4.170.339.679	3.821.604.177
- Accumulated depreciation	232		(1.899.433.192)	(1.451.514.306)
IV. Long-term assets in process	240		2.850.681.000	-
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.13	2.850.681.000	-
V. Long-term financial investments	250		-	-
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252		-	-
3. Investments in other entities	253		-	-
4. Provisions for devaluation of long-term financial investments	254		-	-
5. Held-to-maturity investments	255		-	-
VI. Other non-current assets	260		5.366.889.329	5.851.330.525
1. Long-term prepaid expenses	261	V.9b	5.366.889.329	5.851.330.525
2. Deferred income tax assets	262	V.14	-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill	269		-	-
TOTAL ASSETS	270		207.157.118.741	194.772.592.284

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Consolidated Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		107.872.622.506	102.407.049.050
I. Current liabilities	310		106.102.892.506	100.687.319.050
1. Short-term trade payables	311	V.15	31.544.895.647	23.549.023.169
2. Short-term advances from customers	312	V.16	733.950.194	945.667.536
3. Taxes and other obligations to the State Budget	313	V.17	990.363.739	562.224.459
4. Payables to employees	314	V.18	7.536.730.224	3.577.839.287
5. Short-term accrued expenses	315	V.19	7.683.875.760	3.632.217.403
6. Short-term inter-company payables	316		-	-
7. Payables according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318	V.20	134.181.820	-
9. Other short-term payables	319	V.21a	1.938.596.095	1.335.986.332
10. Short-term borrowings and financial leases	320	V.22	55.026.209.724	65.960.116.553
11. Provisions for short-term payables	321		-	-
12. Bonus and welfare funds	322	V.23	514.089.303	1.124.244.311
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Non-current liabilities	330		1.769.730.000	1.719.730.000
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337	V.21b	1.769.730.000	1.719.730.000
8. Long-term borrowings and financial leases	338		-	-
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

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CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Consolidated Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
D - OWNER'S EQUITY	400		99.284.496.235	92.365.543.234
I. Owner's equity	410		99.284.496.235	92.365.543.234
1. Owner's capital	411	V.24	127.031.670.000	127.031.670.000
- Ordinary shares carrying voting rights	411a		127.031.670.000	127.031.670.000
- Preferred shares	411b		-	-
2. Share premiums	412		-	-
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415	V.24	(320.000)	(320.000)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.24	24.348.384.362	24.348.384.362
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained losses	421	V.24	(52.095.238.127)	(59.014.191.128)
- Retained losses accumulated to the end of the previous period	421a		(59.014.191.128)	(59.014.191.128)
- Retained earnings of the current period	421b		6.918.953.001	-
12. Construction investment fund	422		-	-
13. Benefits of non-controlling shareholders	429		-	-
II. Other sources and funds	430		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		207.157.118.741	194.772.592.284



Truong Thi Ngoc Hien
Chief Accountant/Preparer



Lam Dong, 22 March 2025

Le Tien Thinh
General Director

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

CONSOLIDATED INCOME STATEMENT

For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Revenue from sales of goods and provisions of services	01	VI.1	218.430.916.713	186.308.476.729
2. Revenue deductions	02	VI.2	473.159.410	307.760.265
3. Net revenue	10		217.957.757.303	186.000.716.464
4. Cost of sales	11	VI.3	153.567.357.354	148.835.019.074
5. Gross profit	20		64.390.399.949	37.165.697.390
6. Financial income	21	VI.4	331.278.579	846.132.157
7. Financial expenses	22	VI.5	7.040.737.944	7.664.322.348
In which: Loan interest expenses	23		4.978.613.417	7.026.592.246
8. Gain or loss in joint ventures, associates	24		-	-
9. Selling expenses	25	VI.6	30.928.157.490	29.943.047.377
10. General and administration expenses	26	VI.7	20.182.106.170	19.569.325.820
11. Net operating profit/(loss)	30		6.570.676.924	(19.164.865.998)
12. Other income	31	VI.8	583.253.468	251.032.039
13. Other expenses	32	VI.9	234.977.391	1.191.036.114
14. Other profit/(loss)	40		348.276.077	(940.004.075)
15. Total accounting profit/(loss) before tax	50		6.918.953.001	(20.104.870.073)
16. Current income tax	51	V.17	-	-
17. Deferred income tax	52		-	-
18. Profit/(loss) after tax	60		<u>6.918.953.001</u>	<u>(20.104.870.073)</u>
19. Profit/(loss) after tax of the Parent Company	61		<u>6.918.953.001</u>	<u>(20.104.870.073)</u>
20. Profit after tax of non-controlling shareholders	62		-	-
21. Basic earnings per share	70	VI.10	<u>545</u>	<u>(1.583)</u>
22. Diluted earnings per share	71	VI.10	<u>545</u>	<u>(1.583)</u>



Trương Thị Ngọc Hiền
Chief Accountant/Preparer



Lam Dong, 22 March 2025

Le Tien Thinh
General Director

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
I. Cash flows from operating activities				
1. Profit/(loss) before tax	01		6.918.953.001	(20.104.870.073)
2. Adjustments				
- Depreciation/Amortization of fixed assets and investment properties	02	V.10, V.11, V.12	6.964.078.221	8.237.159.694
- Provisions and allowances	03	V.2a, V.7	2.345.168.359	4.641.651.603
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04		-	-
- Gain/(loss) from investing activities	05	VI.4, VI.8	(345.184.666)	140.986.025
- Interest expenses	06	VI.5	4.978.613.417	7.026.592.246
- Others	07		-	690.200.000
3. Operating profit before changes of working capital	08		20.861.628.332	631.719.495
- Increase/(decrease) of receivables	09		(8.904.506.070)	(2.572.400.690)
- Increase/(decrease) of inventories	10		(11.210.778.697)	18.201.146.248
- Increase/(decrease) of payables	11		13.960.417.900	(9.415.232.283)
- Increase/(decrease) of prepaid expenses	12		(1.370.564.502)	5.355.022.779
- Increase/(decrease) of trading securities	13	V.2a	(2.030.900.000)	31.500.000
- Interests paid	14	V.19, VI.5	(1.929.396.024)	(5.413.382.105)
- Corporate income tax paid	15		-	-
- Other cash inflows	16		-	-
- Other cash outflows	17	V.23	(610.155.008)	(782.378.384)
Net cash flows from operating activities	20		8.765.745.931	6.035.995.060
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other non-current assets	21	V.13	(2.930.469.889)	(59.054.050)
2. Proceeds from disposals of fixed assets and other non-current assets	22	V.10, VI.8	63.636.364	-
3. Cash outflow for lending, buying debt instruments of other entities	23		-	(2.000.000.000)
4. Cash recovered from lending, selling debt instruments of other entities	24		-	-
5. Investments in other entities	25		-	-
6. Withdrawals of investments in other entities	26		-	-
7. Interest earned, dividends and profits received	27	VI.4	281.548.302	538.641.616
Net cash flows from investing activities	30		(2.585.285.223)	(1.520.412.434)

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For the fiscal year ended 31 December 2024

Consolidated Cash Flow Statement (cont.)

ITEMS	Code	Note	Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Proceeds from borrowings	33	V.22	118.841.525.996	117.631.774.534
4. Repayment for loan principal	34	V.22	(129.775.432.825)	(122.561.006.247)
5. Payments for financial leased assets	35		-	-
6. Dividends and profit paid to the owners	36		-	-
<i>Net cash flows from financing activities</i>	40		<u>(10.933.906.829)</u>	<u>(4.929.231.713)</u>
Net cash flows during the year	50		(4.753.446.121)	(413.649.087)
Beginning cash and cash equivalents	60	V.1	16.204.906.948	16.618.556.035
Effects of fluctuations in foreign exchange rates	61		-	-
Ending cash and cash equivalents	70	V.1	<u>11.451.460.827</u>	<u>16.204.906.948</u>



Trương Thị Ngọc Hiền
Chief Accountant/Preparer



Lam Dong, 22 March 2025

Le Tien Thinh
General Director

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

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CONSOLIDATED FINANCIAL STATEMENTS

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

I. GENERAL INFORMATION

1. Ownership form

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as “the Company” or “the Parent Company”) is a joint stock company.

2. Operating field

Operating fields of the Company are manufacturing and trading.

3. Principal business activities

The Company’s principal business activities are to produce oriental pharmaceuticals; trade medicines, pharmaceutical materials, medical equipment; export and import medicines and pharmaceutical materials.

4. Normal operating cycle

The Company’s normal operating cycle is within 12 months.

5. Effects of the Company’s operation during the year on the Financial Statements

The revenue in the current year increased significantly against that in the previous year, mainly attributable to the growth in the revenue from manufacturing activity. Apart from the economic recovery, other factors such as proactive marketing and communication promotion also contributed to increase in revenue from sales in all channels, especially sales network, sales channels on e-commerce platforms, etc. Along with the insignificant fluctuations in operating costs, the Company earned profit in the current year.

6. Structure of the Group

The Group includes the Parent Company and 1 subsidiary under the control of the Parent Company. The subsidiary is consolidated in these Consolidated Financial Statements.

List of subsidiary to be consolidated

The Group only invests in its subsidiary which is Ladophar Herbal Beverage One-Member Company Limited located at No. 18 Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province with the benefit rate and voting rate of 100%. The principal business activity of this subsidiary is to produce non-alcoholic beverages, mineral water.

7. Statement of information comparability on the Consolidated Financial Statements

The figures in the current year can be comparable with corresponding figures in the previous year.

8. Headcount

As at the balance sheet date, the Group’s headcount is 247 (headcount at the beginning of the year: 213).

II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. Fiscal year

The Group’s fiscal year is from 01 January to 31 December annually.

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND) because transactions of the Group are primarily made in VND.

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Notes to the Consolidated Financial Statements (cont.)

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

The Group applies the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 guiding the Vietnamese Enterprise Accounting System, the Circular No. 53/2016/TT-BTC dated 21 March 2016, the Circular No. 202/2014/TT-BTC dated 22 December 2014 in preparation and presentation of the Consolidated Financial Statements as well as other Circulars guiding the implementation of the Accounting Standards of the Ministry of Finance in the preparation and presentation of the Consolidated Financial Statements.

2. Statement of the compliance with the Accounting Standards and System

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016, the Circular No. 202/2014/TT-BTC dated 22 December 2014 as well as other Circulars guiding the implementation of the Accounting Standards of the Ministry of Finance in the preparation and presentation of the Consolidated Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the Consolidated Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

2. Consolidation bases

The Consolidated Financial Statements include the Financial Statements of the Parent Company and those of its subsidiaries. A subsidiary is an enterprise that is controlled by the Parent Company. The control exists when the Parent Company has the power to directly or indirectly govern the financial and operating policies of the subsidiary to obtain economic benefits from its activities. In determining the control power, the potential voting right arising from options or debt and capital instruments that can be converted into common shares as of the balance sheet date should also be taken into consideration.

The financial performance of the subsidiaries, which are acquired or disposed during the year, are included in the Consolidated Income Statement from the date of acquisition or disposal of investments in these subsidiaries.

The Financial Statements of the Parent Company and those of subsidiaries used for consolidation are prepared in the same fiscal year and apply consistently accounting policies to the same types of transactions and events in similar circumstances. In the case that the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the Financial Statements of that subsidiary will be properly adjusted before being used for the preparation of the Consolidated Financial Statements.

Intra-group balances in the Balance Sheet and intra-group transactions and unrealized profits resulting from these transactions must be completely eliminated. Unrealized losses resulting from intra-group transactions are also eliminated unless costs cannot be recovered.

3. Foreign currency transactions

Transactions in foreign currencies are converted at the actual exchange rates ruling as at the transaction dates. The ending balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as at the balance sheet date.

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Notes to the Consolidated Financial Statements (cont.)

Foreign exchange differences arisen from foreign currency transactions during the year shall be included into financial income or financial expenses. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included into financial income or financial expenses.

The exchange rate used to convert foreign currency transactions is the actual exchange rate ruling as at the time of these transactions. The actual exchange rates applied to foreign currency transactions are as follows:

- For the foreign currency trading contract (including spot contract, forward contract, future contract, option contract, currency swap): the exchange rate stipulated in the contracts of trading foreign currency between the Group and the Bank.
- For capital contribution made or received: the buying rate of the bank where the Group opens its account to receive capital contributed from investors as at the date of capital contribution.
- For receivables: the buying rate ruling as at the time of transaction of the commercial bank where the Group designates the customers to make payments.
- For payables: the selling rate ruling as at the time of transaction of the commercial bank where the Group supposes to make payments.
- For acquisition of assets or immediate payments in foreign currency (not included into payable accounts): the buying rate of the commercial bank where the Group makes payments.

The exchange rate used to re-evaluate the ending balances of monetary items in foreign currencies (only bank deposits) is the buying rate of the bank where the Group opens its foreign currency account.

4. Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are short-term investments of which the due dates do not exceed 3 months from the dates of the investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value as of the balance sheet date.

5. Financial investments

Trading securities

Investments classified as trading securities are those held by the Group for the trading purpose with the aim of making profit.

Trading securities are recognized at original costs which include fair value of the payments made at the time of the transaction plus other costs attributable to transaction costs.

The time of recognizing trading securities is when the Group acquires the ownership, as follows:

- For listed securities: recognized at the time of order-matching (T+0).
- For unlisted securities: recognized at the time of acquiring official ownership as stipulated by law.

Dividends the periods prior to the acquisition of trading securities are deducted to the cost of such securities. Dividends of the periods after the acquisition of such securities are recorded in the Group's financial income. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity of shares is followed up.

Provisions for devaluation of trading securities are made for each particular type of securities in the market of which the fair value is lower than original costs. The fair value of securities listed on the stock market is the closing price at the most recent trading date by the balance sheet date.

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CONSOLIDATED FINANCIAL STATEMENTS

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Notes to the Consolidated Financial Statements (cont.)

Increases/decreases in the provisions for devaluation of trading securities as at the balance sheet date are recorded into financial expenses.

Gain or loss from transfer of trading securities is recognized into financial income or financial expenses. The costs are determined in accordance with the mobile weighted average method.

Held-to-maturity investments

Investments are classified as held-to-maturity investments that the Group intends and is able to hold to maturity. Held-to-maturity investments of the Group only include term deposits for the purpose of receiving periodical interest.

Held-to-maturity investments are initially recognized at cost including the purchase costs and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interest arising prior to the Group's acquisition of held-to-maturity investments is deducted to the costs as at the acquisition time.

When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss is reliably determined, the loss is recognized as financial expenses during the year while the investment value is derecognized.

6. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according to the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Group and customers who are independent to the Group.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of the ages of debts after offsetting against liabilities (if any) or estimated loss.

Increases/decreases in the obligatory allowance for doubtful debts as at the balance sheet date are recorded into general and administration expenses.

7. Inventories

Inventories are recognized at the lower of cost or net realizable value.

Costs of inventories are determined as follows:

- For materials and merchandise: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: Costs comprise costs of main materials, labor and other directly relevant costs.
- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs are determined in accordance with the specific identification method and recorded in line with the perpetual method.

Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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Notes to the Consolidated Financial Statements (cont.)

Allowance for devaluation of inventories is recognized for each type of inventories when their costs are higher than their net realizable values. Increases/decreases in the obligatory allowance for devaluation of inventories as at the balance sheet date are recorded into costs of sales.

8. Prepaid expenses

Prepaid expenses comprise actual expenses incurred and relevant to financial performance in several fiscal years. Prepaid expenses of the Group mainly include expenses of tools, repair expenses, software license fees, premises rental and land rental. These prepaid expenses are allocated over the prepayment period or period in which corresponding benefits are realized.

Tools

Expenses of tools being put into use are allocated into costs in accordance with the straight-line method for the maximum period of 3 years.

Repair expenses

Expenses of fixed asset repairs incurred once with high value are allocated into costs in accordance with the straight-line method in 3 years.

Software license fees

Software license fees incurred once with high value are allocated into costs in accordance with the straight-line method in 1 year.

Premises rental

Premises rental incurred once with high value are allocated into costs in accordance with the straight-line method over the lease term of the contract.

Land rental

Prepaid land rental reflects the rental prepaid for the land being used by the Group and is allocated into costs in accordance with the straight-line method over the lease term (i.e. 48 years).

9. Operating leased assets

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Group's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

10. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Group to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the year.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	03 - 30
Machinery and equipment	04 - 20
Vehicles	06 - 10
Office equipment	03 - 08

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Notes to the Consolidated Financial Statements (cont.)

11. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Group to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

The Group's intangible fixed assets include:

Land use right

Land use right includes all the actual expenses paid by the Group directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc.

The land use right of the Group is amortized as follows:

- Land use right granted by the State with collection of land use fees: if the land use right is permanent, it is not amortized.
- Land use right legally transferred: is amortized in accordance with the straight-line method over the land granting period.

Computer software

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Group until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 5 years.

12. Investment properties

Investment property is property which is land use right, a building held by the Group or by the lessee under a finance lease to earn rentals or for capital appreciation. Investment properties for lease are measured at their historical costs less accumulated depreciation. Investment properties for capital appreciation are measured at their historical costs less impairment. Historical cost includes all the expenses paid by the Group or the fair value of other considerations given to acquire the assets up to the date of its acquisition or construction.

Expenses related to investment property arising subsequent to initial recognition should be added to the historical cost of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposals is included in the income or the expenses during the year.

The transfer from owner-occupied property or inventories into investment property shall be made when, and only when, there is a change in use evidenced by the end of owner-occupation and the commencement of an operating lease to another party or the end of construction. The transfer from investment property to owner-occupied property or inventories shall be made when, and only when, there is a change in use evidenced by the commencement of owner-occupation or the commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the historical cost or net book value of investment property at the date of transfer.

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Notes to the Consolidated Financial Statements (cont.)

Investment property for lease is depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years of the investment property are as follows:

<u>Fixed assets</u>	<u>Years</u>
Land use right	42
Building	25

13. Construction-in-progress

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Group) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

14. Business combination and goodwill

The business combination is accounted by applying acquisition method. The costs of business combination include the fair values as at the acquisition date of the exchanged assets, the incurred or assumed liabilities as well as the equity instruments issued by the Group in exchange for control of the acquiree, plus any cost directly attributable to the business combination. The acquired assets, the identifiable and contingent liabilities assumed from the business combination are recognized at their fair values as at the acquisition date.

If the business combination covers some accounting periods, the cost of business combination equals the total investment made at the date of obtaining the control of subsidiaries plus the amount of previous investments which are re-evaluated at fair value as at the date of obtaining the control of subsidiaries. The difference between the re-evaluated amount and the cost of investment shall be recorded in the financial performance provided that the Group does not have any significant influence on subsidiaries prior the date of obtaining the control and the investment in subsidiaries is presented in line with the cost method. In case where the Group has significant influence on the subsidiaries prior the date of obtaining the control the investment in subsidiaries is presented in line with the equity method, the difference between the re-evaluated amount and the cost of investment determined in line with the equity method shall be recorded in the financial performance; and the difference between the investment determined in line with the equity method and the cost of investment shall be directly recorded in "Retained earnings" of the Consolidated Balance Sheet.

15. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Group.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Consolidated Balance Sheet on the basis of their remaining terms as at the balance sheet date.

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Notes to the Consolidated Financial Statements (cont.)

16. Ordinary bonds

These are ordinary bonds, which are unconvertible into shares.

The carrying value of ordinary bonds is reflected on the net value of the face value minus discount and plus bond premium.

The Group follows discount and premium for each type of issued ordinary bonds and the allocation of each discount and premium when determining borrowing costs included into expenses or capitalized for each period. Details are as follows:

- Bond discounts are gradually allocated into borrowing costs for each period during the term of bonds.
- Bond premiums are gradually allocated as a decrease into borrowing costs for each period during the term of bonds.

The Group may choose to apply the effective interest method or straight-line method to allocate discounts or premiums:

- For the effective interest method, discounts or premiums are allocated to each period by the differences between the interest expenses payable in each interest payment period (calculated by the beginning balance of the bonds multiplied by the actual market interest rate) with the amount payable for each period.
- For straight-line method: discounts or premiums are gradually allocated throughout the term of bonds.

Issuing costs of bonds are allocated matching the term of bonds under the straight-line method or the effective interest rate method and recognized in financial expenses or capitalized.

17. Owner's equity

Owner's capital

The owner's capital is recorded according to the actual amounts invested by shareholders of the Parent Company.

Treasury shares

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury shares and a corresponding decrease in owner's equity then is recognized. When this share capital is re-issued, the difference between the re-issuance price and carrying value of treasury shares is recorded in "share premiums".

18. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Company as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profit to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and notification on dividend payment of the Board of Management.

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Notes to the Consolidated Financial Statements (cont.)

19. Recognition of revenue and income

Revenues from sales of merchandise, finished goods

Revenues from sales of merchandise, finished goods shall be recognized when all of the following conditions are satisfied:

- The Group transfers most of risks and benefits incident to the ownership of products or merchandise to customers.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandise, products sold.
- The amount of sales can be measured reliably. When the contracts stipulate that buyers have the right to return products, merchandise purchased under specific conditions, sales are recorded only when those specific conditions are no longer exist and buyers retains no right to return products, merchandise (except for the case that such returns are in exchange for other merchandises or services).
- The Group received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

Revenue from provisions of services

Revenue from provisions of services shall be recognized when all of the following conditions are satisfied:

- The amount of sales can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, sales is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.
- The Group received or shall probably receive the economic benefits associated with the provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

In the case that the services are provided in several accounting periods, the determination of sales is done on the basis of the volume of work done as at the balance sheet date.

Revenue from operating lease

Revenue from operating lease is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

Interest

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

20. Revenue deductions

Revenue deductions only include sales returns incurred in the same period of providing products, merchandise, services, in which revenues are derecognized.

In case of products, merchandise, services provided in the previous years but sales returns incurred in the current year, revenues are derecognized as follows:

- If sales returns incur prior to the release of the Consolidated Financial Statements, revenues are derecognized on the Consolidated Financial Statements of the current year.
- If sales returns incur after the release of the Consolidated Financial Statements, revenues are derecognized on the Consolidated Financial Statements of the following year.

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21. Borrowing costs

Borrowing costs are interests and other costs that the Group directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the year, except for particular borrowings serving the purpose of obtaining a specific asset.

22. Expenses

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

23. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Consolidated Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as at the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as at the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

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Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as at the balance sheet date. Deferred income tax is recognized in the Consolidated Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Group shall offset deferred tax assets and deferred tax liabilities if:

- The Group has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
 - Of the same subject to corporate income tax; or
 - The Group has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

24. Related parties

A party is considered a related party of the Group in case that party is able to control the Group or to cause material effects on the financial decisions as well as the operations of the Group. A party is also considered a related party of the Group in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

25. Segment reporting

A business segment is a distinguishable component of the Group that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Group that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Consolidated Financial Statements of the Group.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE SHEET

1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	147.190.000	97.557.000
Cash in bank	4.304.270.827	7.107.349.948
Cash equivalents (<i>Bank deposits of which the principal maturity is from or under 3 months</i>)	7.000.000.000	9.000.000.000
Total	<u>11.451.460.827</u>	<u>16.204.906.948</u>

2. Financial investments

The financial investments of the Group include trading securities and held-to-maturity investments. The Group's financial investments are as follows:

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	Ending balance			Beginning balance		
	Original amount	Fair values	Provisions	Original amount	Fair values	Provisions
An Giang Import-Export Company	6.101.680.000	608.224.000	(5.440.256.000)	6.101.680.000	1.121.184.000	(4.980.496.000)
AAV Group Joint Stock Company	2.029.100.000	2.202.410.000	-			
VICEM Energy and Environment Joint Stock Company	1.800.000	2.560.000	-			
Total	8.132.580.000	2.813.194.000	(5.440.256.000)	6.101.680.000	1.121.184.000	(4.980.496.000)

Reasons for changes in trading securities:

- Shares of AAV Group Joint Stock Company: increase due to additional acquisition of 301.700 shares at the acquisition price and acquisition expenses of VND 2.029.100.000
- Shares of VICEM Energy and Environment Joint Stock Company: increase due to additional acquisition of 400 shares at the acquisition price and acquisition expenses of VND 1.800.000.

Changes in provisions for impairments of trading securities are as follows:

	Current year	Previous year
Beginning balance	4.980.496.000	4.488.792.000
Additional provisions	459.760.000	635.704.000
Decrease due to sale of securities		(144.000.000)
Ending balance	5.440.256.000	4.980.496.000

2b. Held-to-maturity investments

This item reflects the 6-month deposit at BIDV – Lam Dong Branch.

3. Short-term trade receivables

	Ending balance	Beginning balance
Receivables from related party	1.192.550.003	-
APG ECO Joint Stock Company	1.192.550.003	-
Receivables from other customers	34.263.734.738	27.859.116.481
FPT Long Chau Pharma Joint Stock Company	4.118.257.702	1.582.604.794
Lam Dong General Hospital	3.200.199.437	4.343.104.489
In Di Co Co., Ltd.	2.635.337.320	2.728.388.095
Lam Dong II General Hospital	2.172.833.193	2.291.212.881
Other customers	22.137.107.086	16.913.806.222
Total	35.456.284.741	27.859.116.481

4. Short-term prepayments to suppliers

	Ending balance	Beginning balance
Prepayments to related party	1.110.000.000	-
APG Securities Joint Stock Company	1.110.000.000	-
Prepayments to other suppliers	50.716.302.557	50.273.152.766
Bao Thu Industrial Development and Investment Joint Stock Company (formerly known as Louis Land Joint Stock Company) (*)	50.050.000.000	50.050.000.000
Other suppliers	666.302.557	223.152.766
Total	51.826.302.557	50.273.152.766

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(*) The prepayment to Bao Thu Industrial Development and Investment Joint Stock Company (formerly known as Louis Land Joint Stock Company) includes:

- The advance for the land rental for implementation of the Entrustment Contract No. 0104/2022/HĐTV/LL-LDH dated 04 April 2022 with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company) regarding development consultancy on Nguyen Kim Da Lat Shopping Center Project. However, this project could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Group the amount of VND 20.900.000.000 according to the Judgment No. 01/2025/KDTM-ST dated 18 February 2025 of the People's Court of Lagi Town, Binh Thuan Province.
- The deposit for leasing land at Thang Hai 1 Industrial Cluster under the Land Use Right Lease Contract No. 0504/2022/HĐTD/LL-LDP dated 05 April 2022 signed with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company). However, this project also could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Group the amount of VND 11.600.000.000 according to the Judgment No. 02/2025/KDTM-ST dated 03 March 2025 of the People's Court of Lagi Town, Binh Thuan Province.
- The first prepayment for the land rental for Hai Thang 1 Industrial Cluster under the Land Use Right Lease Contract No. 010/2022/HĐTD/LL-LDP dated 14 April 2023 with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company). However, this project also could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Group the remaining amount of VND 17.550.000.000 as of 31 December 2024.

5. Receivables for short-term loans

This item reflects the loan given to Mr. Le Minh Duc at the interest rate of 12%/year. The balance as of 31 December 2024 was VND 8.000.333.300 (beginning balance: VND 8.000.333.300).

As of 31 December 2024, the allowance for the receivables for loans was made at the rate of 50% because this amount has been overdue for 1 year and 9 months.

6. Other receivables**6a. Other short-term receivables**

	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
Mr. Le Minh Duc – Interest on loan given	1.097.778.518	(548.889.259)	1.097.778.518	(329.333.555)
Input VAT undeclared	-	-	753.041.573	-
Advances	38.400.000	-	-	-
Short-term deposits and mortgages	1.013.602.020	-	895.800.000	-
Other short-term receivables	210.213.889	-	21.586.317	-
Total	2.359.994.427	(548.889.259)	2.768.206.408	(329.333.555)

6b. Other long-term receivables

This item reflects long-term deposits and mortgages.

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	Overdue period	Ending balance		Overdue period	Beginning balance	
		Original amount	Recoverable amount		Original amount	Recoverable amount
In Di Co Co., Ltd.	From 3 years or more	2.635.337.320	-	From 3 years or more	2.750.337.320	-
PDS International Group Joint Stock Company	From 3 years or more	625.202.434	-	From 3 years or more	625.202.434	-
VKC Holdings Joint Stock Company	From 2 years to less than 3 years	584.101.610	175.230.483	From 1 year to less than 2 years	584.101.610	292.050.805
Sametel Corporation	From 2 years to less than 3 years	319.828.370	95.948.511	From 1 year to less than 2 years	319.828.370	159.914.185
Mr. Le Minh Duc – Receivables for loans	From 1 year to less than 2 years	8.000.333.300	4.000.166.651	From 6 months to less than 1 year	8.000.333.300	5.600.233.310
Mr. Le Minh Duc - Interest on loan given	From 1 year to less than 2 years	1.097.778.518	548.889.259	From 6 months to less than 1 year	1.097.778.518	768.444.963
Other individuals and organizations	From 3 years or more	96.927.739	-	From 3 years or more	96.927.739	-
Total		13.359.509.291	4.820.234.904		13.474.509.291	6.820.643.263

Changes in allowances for doubtful debts are as follows:

	Current year	Previous year
Beginning balance	6.653.866.028	2.655.963.860
Extraction of additional allowances	1.885.408.359	4.005.947.603
Writing off debts	-	(8.045.435)
Ending balance	8.539.274.387	6.653.866.028

8. Inventories

	Ending balance			Beginning balance	
	Original costs	Allowance		Original costs	Allowance
Goods in transit	1.264.221.513	-		641.043.796	-
Materials and supplies	11.124.858.515	-		8.082.271.034	-
Tools	254.938.287	-		315.956.515	-
Work-in-process	1.597.176.706	-		1.749.927.382	-
Finished goods	21.595.267.791	-		17.301.355.157	-
Merchandise	12.903.016.917	-		9.660.652.288	-
Goods on consignment	222.520.690	-		15.550	-
Total	48.962.000.419	-		37.751.221.722	-

9. Prepaid expenses**9a. Short-term prepaid expenses**

	Ending balance	Beginning balance
Tools	163.997.455	11.927.272
Repair expenses	127.153.201	81.679.568
Software license fees	1.143.000.000	-
Other short-term prepaid expenses	641.678.065	127.216.183
Total	2.075.828.721	220.823.023

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Notes to the Consolidated Financial Statements (cont.)**9b. Long-term prepaid expenses**

	Ending balance	Beginning balance
Tools	459.606.715	484.961.282
Land rental	2.015.810.026	2.111.800.978
Premises rental	2.050.107.418	1.988.105.098
Initial investment in Phu Hoi Plant	108.556.180	238.823.548
Repair expenses	424.661.552	561.357.396
Other long-term prepaid expenses	308.147.438	466.282.223
Total	5.366.889.329	5.851.330.525

The land rental, of which the carrying value is VND 2.015.810.026, has been mortgaged to secure the loans from BIDV - Northern An Giang Branch (see Note No. V.22).

10. Tangible fixed assets

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
Historical costs					
Beginning balance	62.903.489.128	50.996.592.533	10.455.800.210	717.757.182	125.073.639.053
Acquisition during the year	38.888.889	-	-	40.900.000	79.788.889
Transfer to investment properties	(338.715.502)	-	-	-	(338.715.502)
Disposal and liquidation	-	-	(494.444.318)	-	(494.444.318)
Ending balance	62.603.662.515	50.996.592.533	9.961.355.892	758.657.182	124.320.268.122
<i>In which:</i>					
Assets fully depreciated but still in use	15.203.622.708	15.682.297.251	7.151.914.075	437.983.955	38.475.817.989
Assets waiting for liquidation	-	-	-	-	-
Depreciation					
Beginning balance	36.413.192.782	33.026.389.302	8.756.794.619	548.217.862	78.744.594.565
Depreciation during the year	2.730.393.347	3.551.612.747	370.777.485	51.237.944	6.704.021.523
Transfer to investment properties	(338.715.502)	-	-	-	(338.715.502)
Disposal and liquidation	-	-	(494.444.318)	-	(494.444.318)
Ending balance	38.804.870.627	36.578.002.049	8.633.127.786	599.455.806	84.615.456.268
Carrying value					
Beginning balance	26.490.296.346	17.970.203.231	1.699.005.591	169.539.320	46.329.044.488
Ending balance	23.798.791.888	14.418.590.484	1.328.228.106	159.201.376	39.704.811.854
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-

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	Land use right	Computer software	Total
Initial costs			
Beginning balance	163.783.777	2.044.370.000	2.208.153.777
Transfer to investment properties	(10.020.000)	-	(10.020.000)
Ending balance	153.763.777	2.044.370.000	2.198.133.777
<i>In which:</i>			
Assets fully amortized but still in use	153.763.777	1.595.370.000	1.749.133.777
Amortization			
Beginning balance	153.763.777	1.824.919.437	1.978.683.214
Amortization during the year	-	150.853.314	150.853.314
Ending balance	153.763.777	1.975.772.751	2.129.536.528
Carrying value			
Beginning balance	10.020.000	219.450.563	229.470.563
Ending balance	-	68.597.249	68.597.249
<i>In which:</i>			
Assets temporarily not in use	-	-	-
Assets waiting for liquidation	-	-	-

12. Investment property***Investment property for lease***

	Land use right	Building	Total
Historical/Initial costs			
Beginning balance	2.696.695.000	1.124.909.177	3.821.604.177
Transfer from tangible fixed assets	-	338.715.502	338.715.502
Transfer from intangible fixed assets	10.020.000	-	10.020.000
Ending balance	2.706.715.000	1.463.624.679	4.170.339.679
<i>In which:</i>			
Assets fully depreciated/amortized but still leasing	-	338.715.502	338.715.502
Depreciation/Amortization			
Beginning balance	642.009.083	809.505.223	1.451.514.306
Depreciation/Amortization during the year	64.207.020	44.996.364	109.203.384
Transfer from tangible fixed assets	-	338.715.502	338.715.502
Ending balance	706.216.103	1.193.217.089	1.899.433.192
Carrying value			
Beginning balance	2.054.685.917	315.403.954	2.370.089.871
Ending balance	2.000.498.897	270.407.590	2.270.906.487

According to Vietnamese Accounting Standard No. 05 "Investment property", it is required to present fair value of investment property as at the balance sheet date. However, the Group has not had conditions to measure fair value of investment property. Based on the actual lease and market value, the Parent Company's Board of Directors believes that the fair value of investment property is greater than the carrying value as at the balance sheet date.

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List of investment properties as at the balance sheet date is as follows:

	Historical/Initial costs	Accumulated depreciation/amortization	Carrying value
Land use right	2.706.715.000	706.216.103	2.000.498.897
Building	1.463.624.679	1.193.217.089	270.407.590
Total	4.170.339.679	1.899.433.192	2.270.906.487

Land use right, of which the carrying value is VND 1.990.478.897, has been mortgaged to secure the loans from BIDV – Northern An Giang Branch (see Note No. V.22).

13. Construction-in-progress

This item reflects expenses for acquisition of fixed assets. Details are as follows:

	Beginning balance	Increase during the year	Inclusion into fixed assets during the year	Ending balance
Software development expenses	-	822.681.000	-	822.681.000
Acquisition of 7-seat car	-	2.028.000.000	-	2.028.000.000
Other fixed assets	-	79.788.889	(79.788.889)	-
Total	-	2.930.469.889	(79.788.889)	2.850.681.000

14. Deferred income tax assets**14a. Unrecognized deferred income tax assets**

The Group has not recognized deferred income tax assets for the following items:

	Ending balance	Beginning balance
Loan interest expenses ⁽ⁱ⁾	17.688.674.887	18.460.888.617
Taxable losses ⁽ⁱⁱ⁾	29.899.274.909	38.719.407.967
Total	47.587.949.796	57.180.296.584

The previous year's figures were re-presented for the year 2022 and the year 2023 according to the Tax Inspection Minutes dated 25 October 2024.

(i) Details of loan interest expenses brought forward are as follows:

2020	3.117.840.204
2022	7.544.242.437
2023	7.026.592.246
Total	17.688.674.887

According to the Government's Decree No. 132/2020/NĐ-CP dated 05 November 2020, from the tax period of 2019 onwards, the non-deductible loan interest is carried forward to the next tax period for the determination of total deductible loan interest if the actually incurred loan interest in the next tax period is lower than the amount of prescribed deductible loan interest. The loan interest may be carried forward for a maximum consecutive period of 5 years, counting from the year following the year of incurring non-deductible loan interest. Deferred income tax assets are not recognized since there is little possibility on use of such loan interest expenses.

(ii) Details of unrecognized taxable losses are as follows:

2022	23.218.163.600
2023	6.678.833.071
2024	2.278.238
Total	29.899.274.909

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According to the current Law on Corporate Income Tax, the loss of any tax year is brought forward to offset against the profit of the following years for the maximum period of 5 years from year after the loss suffering year and the temporary differences can be deducted without any limit on time. Deferred income tax assets are not recognized for these accounts since there is little possibility on the availability of taxable income in the future against which these accounts can be used.

15. Short-term trade payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>1.238.470.000</i>	<i>862.500.000</i>
Louis Angimex Commercial Company Limited	700.000.000	700.000.000
Louis Rice Import and Export Joint Stock Company	162.500.000	162.500.000
DK PCF International Trading Joint Stock Company	350.220.000	-
Angimex Food Company Limited	25.750.000	-
<i>Payables to other suppliers</i>	<i>30.306.425.647</i>	<i>22.686.523.169</i>
Branch of OPC Pharmaceutical Joint-Stock Company in Nha Trang	5.568.006.897	1.970.953.585
Branch of DHG Pharmaceutical Joint Stock Company in Binh Thuan	4.191.751.422	4.500.454.058
Other suppliers	20.546.667.328	16.215.115.526
Total	31.544.895.647	23.549.023.169

In which, the ending balance of trade payables for acquisition of fixed assets is VND 299.667.000 (beginning balance: VND 299.667.000).

The Group has no overdue trade payables.

16. Short-term advances from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
Thanhdat Company Ltd.	375.859.159	375.859.159
FPT Long Chau Pharma Joint Stock Company	287.117.999	-
Rohto-Mentholatum (Vietnam) Co., Ltd.	-	551.627.188
Other customers	70.973.036	18.181.189
Total	733.950.194	945.667.536

17. Taxes and other obligations to the State Budget

	<u>Beginning balance</u>		<u>Increase during the year</u>		<u>Ending balance</u>	
	<u>Payables</u>	<u>Receivables</u>	<u>Amount payable</u>	<u>Amount paid</u>	<u>Payables</u>	<u>Receivables</u>
VAT on local sales	405.035.493	-	6.444.856.291	(6.032.218.659)	817.673.125	-
Corporate income tax	-	447.578.217	-	-	-	447.578.217
Personal income tax	157.188.966	-	1.263.927.657	(1.248.426.009)	172.690.614	-
Land rental	-	-	776.608.757	(776.608.757)	-	-
Property tax	-	-	33.084.014	(33.084.014)	-	-
Other taxes	-	-	193.602.888	(193.602.888)	-	-
Total	562.224.459	447.578.217	8.712.079.607	(8.283.940.327)	990.363.739	447.578.217

Value added tax (VAT)

The Group has paid VAT in accordance with the deduction method. The tax rates applied are as follows:

- Goods with drug registration numbers	5%
- Other goods and services ⁽ⁱ⁾	10%

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- (i) From 01 January 2024 to 31 December 2024, the VAT rate applied to some goods and services is 8% according to the Government's Decree No. 94/2023/NĐ-CP dated 28 December 2023 specifying the VAT reduction policy under the Resolution No. 110/2023/QH15 dated 29 November 2023 of the National Assembly and the Government's Decree No. 72/2024/NĐ-CP dated 30 June 2024 specifying the VAT reduction policy under the Resolution No. 142/2024/QH15 dated 29 June 2024 of the National Assembly.

Import duty

The Group companies have declared and paid this duty in line with the Customs' notices.

Corporate income tax

The Group companies have to pay corporate income tax on taxable income at the rate of 20%.

The Group companies have incurred no corporate income tax obligations during the year.

Determination of corporate income tax liability of the Group is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Consolidated Financial Statements can be changed upon the inspection of tax authorities.

Property tax

Property tax is paid according to the notices of the tax department.

Other taxes

The Group companies have declared and paid these taxes in line with the prevailing regulations.

18. Payables to employees

The salary payable to the employees as of the balance sheet date is VND 7.536.730.224 (beginning balance: VND 3.577.839.287).

19. Short-term accrued expenses

	Ending balance	Beginning balance
Bond interest expenses	5.698.146.000	2.614.403.000
Bank loan interest expenses	5.496.036	40.021.643
Remuneration to the Board of Management	630.194.612	583.742.612
Selling expenses	1.262.439.112	309.050.148
Other short-term accrued expenses	87.600.000	85.000.000
Total	7.683.875.760	3.632.217.403

20. Short-term unearned revenues

The revenue from leasing premises as of 31 December 2024 is VND 134.181.820 (beginning balance: VND 0).

21. Other payables**21a. Other short-term payables**

	Ending balance	Beginning balance
Trade Union's expenditure	152.932.000	147.924.000
Dividends payable	89.663.784	89.663.784
Other short-term payables	1.696.000.311	1.098.398.548
Total	1.938.596.095	1.335.986.332

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	<u>Ending balance</u>	<u>Beginning balance</u>
Receipt of deposits and mortgages	546.500.000	496.500.000
Other long-term payables	1.223.230.000	1.223.230.000
Total	1.769.730.000	1.719.730.000

21c. Overdue debts

The Group has no other overdue payables.

22. Short-term borrowings

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan from BIDV – Northern An Giang Branch ⁽ⁱ⁾	27.206.209.724	35.148.471.567
Current portions of short-term ordinary bonds ⁽ⁱⁱ⁾	27.820.000.000	30.220.000.000
Current portions of long-term loans	-	591.644.986
Total	55.026.209.724	65.960.116.553

(i) The loan from BIDV – Northern An Giang Branch under the Loan Agreement No. 01/2024/590445/HĐTD is to supplement the working capital at the interest rate applied to each loan receipt. The loan term is 12 months. This loan is secured by mortgaging the land use right with the total collateral value of VND 66.587.361.400 according to the Valuation Minutes dated 19 April 2024 (see Notes No. V.9b and V.12).

(ii) On 14 April 2022, according to the Resolution No. 50/NQ-HĐQT/LDP-2022 of the Board of Management, the Parent Company announced the private placement of secured, unconvertible bonds without warrants, with the term of 12 months, face value of VND 100.000, interest rate of 12%/year, to professional securities investors who are allowed to acquire bonds in accordance with the laws of Vietnam. The bonds are to supplement the capital for cooperative investment in construction of a beverage plant and to supplement capital for other activities. The total maximum issuance value is VND 300.000.000.000.

As to 01 July 2022, according to the Resolution No. 62/NQ-HĐQT/2022 of the Board of Management, the Parent Company's Board of Management approved to close the LDPH2223001 bond package, which was issued on 18 April 2022. The Group got consent with bondholders, paid off all bond obligations, and actively used capital sources to make repayments as committed to investors.

On 15 July 2022, the Parent Company issued the Official Letter No. 360/CV-LDP/2022 announcing the payment plan to investors. According to this Official Letter, the Company will carry out procedures to prematurely redeem bonds within 40 days, from the date of the notice on cancellation of issuance of LDPH2223001 bond. The Parent Company commits to paying principal and interest obligations to bondholders up to the time of bond redemption.

On 17 April 2023, according to the Resolution No. 09/NQ-HĐQT/2023 of the Board of Management, the Parent Company announced the payment plan for interest of LDPH22233001 bond from the date of bond issuance cancellation by the end of 18 April 2023. The Parent Company expects to get consent and sign on an agreement with the investors regarding the conversion of bond investment into liability. Then the Parent Company will repay the principal by instalments. During the year, the Parent Company only got consent and made payments to two investors with an amount of VND 2.400.000.000.

The Group is solvent over short-term loans.

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

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Notes to the Consolidated Financial Statements (cont.)

Details of increases/(decreases) of short-term loans during the year are as follows:

	<u>Beginning balance</u>	<u>Increase during the year</u>	<u>Amount repaid during the year</u>	<u>Ending balance</u>
Short-term loans from banks	35.148.471.567	113.848.575.520	(121.790.837.363)	27.206.209.724
Short-term loans from other organizations	-	4.992.950.476	(4.992.950.476)	-
Current portions of ordinary bonds	30.220.000.000	-	(2.400.000.000)	27.820.000.000
Current portions of long-term loans	591.644.986	-	(591.644.986)	-
Total	65.960.116.553	118.841.525.996	(129.775.432.825)	55.026.209.724

Overdue borrowings

The Group has no overdue loans except for current portions of short-term ordinary bonds (The Group is negotiating to sign on an agreement with investors on the conversion of bond investment into liability).

23. Bonus and welfare funds

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	1.124.244.311	1.906.622.695
Disbursement during the year	(610.155.008)	(782.378.384)
Ending balance	514.089.303	1.124.244.311

24. Owner's equity**24a. Statement of changes in owner's equity**

	<u>Owner's capital</u>	<u>Treasury stocks</u>	<u>Investment and development fund</u>	<u>Retained earnings</u>	<u>Total</u>
Beginning balance of the previous year	127.031.670.000	(320.000)	24.348.384.362	(38.909.321.055)	112.470.413.307
Profit/(loss) in the previous year	-	-	-	(20.104.870.073)	(20.104.870.073)
Ending balance of the previous year	127.031.670.000	(320.000)	24.348.384.362	(59.014.191.128)	92.365.543.234
Beginning balance of the current year	127.031.670.000	(320.000)	24.348.384.362	(59.014.191.128)	92.365.543.234
Profit in the current year	-	-	-	6.918.953.001	6.918.953.001
Ending balance of the current year	127.031.670.000	(320.000)	24.348.384.362	(52.095.238.127)	99.284.496.235

24b. Details of owner's capital

	<u>Ending balance</u>	<u>Beginning balance</u>
Louis Holdings Joint Stock Company	64.807.250.000	64.807.250.000
APG Securities Joint Stock Company	23.977.000.000	23.977.000.000
Other shareholders	38.247.100.000	38.247.100.000
Total	127.031.350.000	127.031.350.000

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Notes to the Consolidated Financial Statements (cont.)**24c. Shares**

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	12.703.167	12.703.167
Number of shares issued	12.703.167	12.703.167
- Common shares	12.703.167	12.703.167
- Preferred shares	-	-
Number of shares repurchased	32	32
- Common shares	32	32
- Preferred shares	-	-
Number of outstanding shares	12.703.135	12.703.135
- Common shares	12.703.135	12.703.135
- Preferred shares	-	-

Face value of outstanding shares: VND 10.000.

24d. Information on additional share issuance

According to the Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 dated 10 April 2024 of 2024 Annual General Meeting of Shareholders, the private offering plan was approved at the General Meeting of Shareholders as follows:

- Offering subjects: Individuals and/or organizations who are professional securities investors.
- Maximum number of shares expected to be offered: 8.250.000 shares.
- Value of shares expected to be offered at face value: VND 82.500.000.000.
- Expected offering price: The General Meeting of Shareholders authorized the Board of Management to decide on the offering price but not lower than VND 11.000/share.
- Expected issuance time: in 2024.

Additionally, the Employee Stock Ownership Plan (ESOP) was approved at the General Meeting of Shareholders as follows:

- Offering subjects: Members of the Board of Management, members of the Board of Directors, key managers and other employees of the Company.
- Maximum number of shares expected to be offered: 635.000 shares.
- Value of shares expected to be offered at face value: VND 6.350.000.000.
- Expected offering price: The General Meeting of Shareholders authorized the Board of Management to decide on the offering price but not lower than VND 10.000/share.
- Transfer conditions: The issued shares are restricted from transfer for at least 1 year from the completion of the issuance tranche.
- Expected issuance time: in 2024.

However, because the documents have not been completed as prescribed, it is expected to continue to prepare documents for issuing shares in 2025.

25. Off- consolidated balance sheet items**25a. External leased assets**

The total minimum lease payment in the future for irrevocable leasing contracts (Contract on Leasing Land of the State) will be settled as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	1.553.217.514	1.509.202.892
More than 1 year to 5 years	6.212.870.056	7.546.014.460
More than 5 years	13.937.807.414	13.996.302.243
Total	21.703.894.984	23.051.519.595

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Notes to the Consolidated Financial Statements (cont.)**25b. Foreign currencies**

As at the balance sheet date, cash includes USD 66,32 (beginning balance: USD 119,12).

25c. Treated doubtful debts

The Group's receivables from Hoang Kim Tuyen Drugstore for an amount of VND 16.090.871 as at the balance sheet date (beginning balance: VND 16.090.871) have been written off due to being irrecoverable.

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT**1. Revenue from sales of goods and provisions of services****1a. Gross revenue**

	<u>Current year</u>	<u>Previous year</u>
Revenue from sales of merchandise	85.653.267.392	85.482.197.815
Revenue from sales of finished goods	130.368.103.870	98.329.213.218
Revenue from provisions of services	2.409.545.451	2.497.065.696
Total	218.430.916.713	186.308.476.729

1b. Revenue from sales of goods and provisions of services to related parties

Sales of goods and service provisions to related parties are as follows:

	<u>Current year</u>	<u>Previous year</u>
Board Member		
Mr. Pham Trung Kien	2.770.789	-
Other related parties		
An Giang Import-Export Company	-	15.250.286
APG Securities Joint Stock Company	-	25.956.895
Long An Transport Construction Joint Stock Company	-	6.807.713
Angimex Food Company Limited	11.218.418	-
APG ECO Joint Stock Company	4.976.967.122	-

2. Revenue deductions

The sales returns in the current year are VND 473.159.410 (previous year: VND 307.760.265).

3. Costs of sales

	<u>Current year</u>	<u>Previous year</u>
Costs of merchandise sold	80.856.051.399	80.639.610.729
Costs of finished goods sold	72.602.102.572	68.086.204.962
Costs of services provided	109.203.383	109.203.383
Total	153.567.357.354	148.835.019.074

4. Financial income

	<u>Current year</u>	<u>Previous year</u>
Bank deposit interest	281.548.302	538.641.616
Interest on loans given	-	236.722.191
Discount/bonus received	49.522.327	67.663.763
Gain from securities trading	-	3.104.587
Other financial income	207.950	-
Total	331.278.579	846.132.157

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Notes to the Consolidated Financial Statements (cont.)**5. Financial expenses**

	Current year	Previous year
Loan interest expenses	1.894.870.417	3.306.657.190
Bond interest expenses	3.083.743.000	3.719.935.056
Cash discounts	634.334.887	-
Expenses for securities holding	1.427.789.640	637.730.102
Total	7.040.737.944	7.664.322.348

6. Selling expenses

	Current year	Previous year
Expenses for employees	17.225.172.160	14.259.872.130
Materials, packages	519.497.275	274.853.572
Tools, supplies	94.574.090	130.712.131
Depreciation/(amortization) of fixed assets	355.378.600	1.000.917.576
Expenses for external services	7.402.799.886	7.497.889.067
Other expenses	5.330.735.479	6.778.802.901
Total	30.928.157.490	29.943.047.377

7. General and administration expenses

	Current year	Previous year
Expenses for employees	9.723.380.440	9.507.753.315
Office supplies	58.944.572	27.623.662
Office stationery	22.522.947	22.929.965
Depreciation/(amortization) of fixed assets	550.105.938	616.122.464
Allowance for doubtful debts	1.885.408.359	4.005.947.603
Expenses for external services	3.990.692.624	2.091.109.377
Other expenses	3.951.051.290	3.297.839.434
Total	20.182.106.170	19.569.325.820

8. Other income

	Current year	Previous year
Proceeds from liquidation of tools	-	22.340.905
Proceeds from liquidation and disposal of fixed assets	63.636.364	-
Proceeds from support	280.232.421	-
Compensation, sales discount	9.481.156	48.405.000
Other income	229.903.527	180.286.134
Total	583.253.468	251.032.039

9. Other expenses

	Current year	Previous year
Loss from liquidation of fixed assets	-	916.349.832
Tax and administrative fines	229.846.188	67.812.757
Other expenses	5.131.203	206.873.525
Total	234.977.391	1.191.036.114

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Notes to the Consolidated Financial Statements (cont.)**10. Earnings per share****10a. Basic/diluted earnings per share**

	<u>Current year</u>	<u>Previous year</u>
Accounting profit/(loss) after corporate income tax	6.918.953.001	(20.104.870.073)
Increases/(decreases) in accounting profit used to determine profit distributed to ordinary equity holders:	-	-
Profit/(loss) used to calculate basic/diluted earnings per share	6.918.953.001	(20.104.870.073)
The weighted average number of ordinary shares outstanding during the year	12.703.167	12.703.167
Basic/diluted earnings per share	545	(1.583)

10b. Other information

There are no transactions over the common share or potential common share from the balance sheet date until the date of these Consolidated Financial Statements.

11. Operating costs by factors

	<u>Current year</u>	<u>Previous year</u>
Materials and supplies	76.303.606.914	58.163.322.323
Labor costs	46.373.827.621	38.789.629.838
Depreciation/(amortization) of fixed assets	6.964.078.221	8.237.159.694
Expenses for external services	18.641.141.482	15.799.667.164
Other expenses	12.588.132.054	14.826.172.939
Total	160.870.786.292	135.815.951.958

VII. OTHER DISCLOSURES**1. Transactions and balances with related parties**

The Group's related parties include the key managers, their related individuals and other related parties.

1a. Transactions and balances with the key managers and their related individuals

The Group's key managers include the Board of Management, the Supervisory Board and the Board of Directors. The key managers' related individuals are their close family members.

Transactions with the key managers and their related individuals

Apart from sales of goods and service provisions to other related parties as presented in Note No. VI.1b, the Group has no sales of goods and service provisions and other transactions with the key managers and their related individuals.

Receivables from and payables to the key managers and their related individuals

The Group has no receivables from and payables to the key managers and their related individuals.

Remuneration of the key managers and the Supervisory Board

	<u>Position</u>	<u>Current year</u>	<u>Previous year</u>
Mr. Pham Trung Kien	Chairman	622.452.745	212.000.000
Mr. Le Tien Thinh	Board Member	120.000.000	93.548.387
Mr. Le Xuan Thanh	Board Member	154.000.000	3.871.000
Ms. Dang Thuy Linh	Board Member	87.000.000	-
Ms. Nguyen Thi Hong Giang	Board Member	106.500.000	-

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Notes to the Consolidated Financial Statements (cont.)

	Position	Current year	Previous year
Resigned members of the Board of Management		66.000.000	406.580.613
Ms. Dao Thi Nga	Head of Supervisory Board	120.000.000	3.871.000
Mr. Vo Kim Nguyen	Supervisory Board Member	60.000.000	1.935.000
Ms. Nguyen Thi Quynh Nga	Supervisory Board Member	60.000.000	1.935.000
Resigned members of the Supervisory Board		-	204.194.000
Mr. Le Tien Thinh	General Director	1.750.777.889	-
Mr. Ngo Van Tri	Deputy General Director	821.184.000	824.184.000
Resigned members of the Board of Directors		-	2.570.494.431
Total		3.967.914.634	4.322.613.431

1b. Transactions and balances with other related parties

Other related parties of the Group include:

Other related parties	Relationship
Louis Holdings Joint Stock Company	Parent Company
APG Securities Joint Stock Company	Shareholder owning 18,87% of charter capital
Louis Rice Import and Export Joint Stock Company	Fellow subsidiary
Long An Louis Rice Co., Ltd.	Fellow subsidiary
Kien Giang Louis Rice Co., Ltd.	Fellow subsidiary
Long An Transport Construction Joint Stock Company	Fellow subsidiary
An Giang Import-Export Company	Company having the same key managers
APG ECO Joint Stock Company	Company having the same key managers
DK PCF International Trading Joint Stock Company	Company having the same key managers
Angimex Food Company Limited	Subsidiary of An Giang Import-Export Company
Louis Angimex Commercial Company Limited	Subsidiary of Louis Rice Import and Export Joint Stock Company
Angimex Food Processing Company Limited	Subsidiary of An Giang Import-Export Company

Transactions with other related parties

Apart from sales of goods and service provisions to other related parties presented in Note No. VI.1b, other transactions between the Group and other related parties are as follows:

	Current year	Previous year
Angimex Food Processing Company Limited		
Purchase of merchandise	-	59.400.000
Angimex Food Company Limited		
Purchase of merchandise	564.844.810	-
DK PCF International Trading Joint Stock Company		
Purchase of merchandise	318.381.817	-
APG Securities Joint Stock Company		
Advance for stock issuance service fees	1.110.000.000	-

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Notes to the Consolidated Financial Statements (cont.)

The prices of merchandise, services supplied to other related parties are mutually agreed prices. The purchases of merchandise, services from other related parties are done at the agreed prices.

Receivables from and payables to other related parties

Receivables from and payables to other related parties are presented in Notes No.V.3, V.4 and V.15.

The receivables from other related parties are unsecured and will be paid in cash. There are no allowances for doubtful debts made for the receivables from other related parties.

2. Segment information

The primary reporting format is the business segment based on the internal organizational and management structure as well as the system of internal financial reporting of the Group.

2a. Information on business segment

The Group has the following business segment:

- Trading: to trade medicines, pharmaceutical materials, medical equipment.
- Manufacturing: to manufacture medicines, pharmaceutical materials.
- Others: to lease assets, cooperative business.

Information on business segments of the Group is presented in the attached Appendix.

2b. Information on geographical segment

All activities of the Group take place only in the territory of Vietnam.

3. Subsequent events

On 18 February 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgment No. 01/2025/KDTM-ST requesting Bao Thu Industrial Development and Investment Joint Stock Company to return an amount of VND 20.900.000.000 to the Group.

On 03 March 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgment No. 02/2025/KDTM-ST requesting Bao Thu Industrial Development and Investment Joint Stock Company to return an amount of VND 11.600.000.000 to the Group.

Apart from the foregoing events, there are no other material subsequent events which are required adjustments or disclosures in the Consolidated Financial Statements.

Lam Dong, 22 March 2025

Truong Thi Ngoc Hien
Chief Accountant/Preparer



Le Tien Thinh
General Director

LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

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Appendix: Segment information on business segment

Unit: VND

The information on financial performance, fixed assets, other non-current assets and remarkable non-cash expenses according to business segments of the Group is as follows:

	Trading	Manufacture	Others	Total
Current year				
Net external sales	85.637.336.871	129.910.874.981	2.409.545.451	217.957.757.303
Net inter-segment sales	-	-	-	-
Total net sales	85.637.336.871	129.910.874.981	2.409.545.451	217.957.757.303
Segment financial performance	4.781.285.472	57.308.772.409	2.300.342.068	64.390.399.949
Expenses not attributable to segments				(51.110.263.660)
Operating profit				13.280.136.289
Financial income				331.278.579
Financial expenses				(7.040.737.944)
Other income				583.253.468
Other expenses				(234.977.391)
Current income tax				-
Deferred income tax				-
Profit after tax				6.918.953.001
Total expenses on acquisition of fixed assets and other non-current assets	-	-	-	2.930.469.889
Total depreciation/(amortization) and allocation of long-term prepayments	-	-	-	8.379.359.579

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Appendix: Segment information on business segment (cont.)

	Trading	Manufacture	Others	Total
Previous year				
Net external sales	85.426.522.425	98.077.128.343	2.497.065.696	186.000.716.464
Net inter-segment sales	-	-	-	-
Total net sales	85.426.522.425	98.077.128.343	2.497.065.696	186.000.716.464
Segment financial performance	4.786.911.697	29.990.923.382	2.387.862.312	37.165.697.390
Expenses not attributable to segments				(49.512.373.197)
Operating profit				(12.346.675.807)
Financial income				846.132.157
Financial expenses				(7.664.322.348)
Other income				251.032.039
Other expenses				(1.191.036.114)
Current income tax				-
Deferred income tax				-
Profit after tax				(20.104.870.073)
Total expenses on acquisition of fixed assets and other non-current assets	-	-	-	59.054.050
Total depreciation/(amortization) and allocation of long-term prepayments	-	-	-	13.121.637.150



Truong Thi Ngoc Hien
Chief Accountant/Preparer



Lam Dong, 22 March 2025

Le Tien Thinh
General Director



No: 28/ CV-LDP/2025

Da Lat, March 27, 2025

 (Re: Explanation of changes
 in Profit after tax and Explanation
 of the auditor's opinion)

To:

- THE STATE SECURITIES COMMISSION OF VIET NAM (SSC)
- HANOI STOCK EXCHANGE (HNX)
- INVESTORS

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) provides an explanation regarding the changes in Profit after tax of the Income Statement: Profit after tax in the reporting period shows a profit, shifting from a loss in the same period of the previous year to a profit in this period, as follows:

1/ Explanation of the difference in Profit after tax:

Unit: VND

Indicators	Audited Financial Statements Year 2024	Audited Fianancial Statements Year 2023	Change
Profit after tax in Separate Financial Statements	6,918,953,001	(20,093,806,710)	134.4%
Profit after tax in Consolidated Financial Statements	6,918,953,001	(20,104,870,073)	134.4%

Explanation for the difference above:

+ Total revenue from sales of goods and provision of services increased by VND 31.96 billion, reaching 17.18% compared to the same period; specially:

- Revenue from manufactured goods increased by VND 31.8 billion, reaching 32.46% compared to the same period last year;

The strong growth in manufacturing revenue was the reason for the VND 27.2 billion increase in Gross Profit, corresponding to a 73.25% increase compared to the same period.

+ The Company's operating expenses increased lightly by VND 0.95 billion, equivalent to a 1.67% increase compared to the same period last year, as follows:

- Financial expenses decreased by VND 0.65 billion, a 8.5% reduction compared to the same period last year;

- Selling and administrative expenses increased by VND 1.6 billion, corresponding to a 3.26% increase, mainly due to higher expenses for employees as in 2024 the Company experienced strong revenue growth and profits exceeded 130.63% of the annual plan.



2/ Explanation of the auditor's opinion

Basis for the adverse opinion

Audited Separate Financial Statements Year 2024	Audited Consolidated Financial Statements year 2024
<p>As of December 31, 2024, the Company has receivable from Bao Thu Industrial Development and Investment Joint Stock Company (hereinafter referred to as "Bao Thu Company") amounting to VND 32,500,000,000 (see Note V.4 in the Notes to the Financial Statements). This is the amount the Company invested under the Entrusted Contract for consultancy on the development of the Nguyen Kim Da Lat Commercial Center Project and the Land Use Rights Lease Contract for Thang Hai 1 Industrial Cluster, signed between the Company and Bao Thu Company. However, more than two (02) years after the Company transferred the investment funds, neither of the two projects has been implemented, and Bao Thu Company has not yet repaid the above amount to the Company. On February 18, 2025, and March 3, 2025, the People's Court of La Gi Town, Binh Thuan Province, issued Judgment No. 01/2025/KDTM-ST and Judgment No. 02/2025/KDTM-ST, ordering Bao Thu Company to repay the total amount of VND 32,500,000,000 to the Company. However, based on the available documents and information, we do not have sufficient grounds to assess the recoverability and any potential losses (if any) related to this receivable.</p>	<p>As of December 31, 2024, the Corporation has receivable from Bao Thu Industrial Development and Investment Joint Stock Company (hereinafter referred to as "Bao Thu Company") amounting to VND 50,050,000,000 (see Note V.4 in the Notes to the Consolidated Financial Statements). This is the amount the Corporation invested under the Entrusted Contract for consultancy on the development of the Nguyen Kim Da Lat Commercial Center Project and two (02) Land Use Rights Lease Contracts for Thang Hai 1 Industrial Cluster, signed between the Corporation and Bao Thu Company. However, more than two (02) years after the Corporation transferred the investment funds, none of the projects were implemented, and Bao Thu Company has not yet repaid the above amount to the Group. On February 18, 2025, and March 3, 2025, the People's Court of La Gi Town, Binh Thuan Province, issued Judgment No. 01/2025/KDTM-ST and Judgment No. 02/2025/KDTM-ST, ordering Bao Thu Company to repay the total amount of VND 32,500,000,000 to the Corporation. However, based on the available documents and information, we do not have sufficient grounds to assess the recoverability and any potential losses (if any) related to this receivable.</p>

Explanation from Ladophar: In Judgment No. 01/2025/KDTM-ST dated February 18, 2025, and Judgment No. 02/2025/KDTM-ST dated March 3, 2025, the People's Court of La Gi Town, Binh Thuan Province, ruled that Bao Thu Industrial Development and Investment Joint Stock Company is obligated to repay Lam Dong Pharmaceutical Joint Stock Company (Ladophar) the total amount of VND 32,500,000,000 (*Thirty-two billion Vietnamese dong*). Additionally, Lam Dong Pharmaceutical Joint Stock Company (Ladophar) is currently in the process of filing a criminal complaint for fraud related to the remaining contract with Bao Thu Industrial Development and Investment Joint Stock Company in order to promptly recover the invested amount.

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) hereby affirms that the information disclosed above is true and we fully assume legal responsibility for the content of the disclosed information.

Recipients

- As above
- Archived: Accounting Department



GENERAL DIRECTOR

Lê Tiến Thịnh