

Traphaco Joint Stock Company

Separate financial statements

For the year ended 31 December 2022



Traphaco Joint Stock Company

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Traphaco Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Traphaco Joint Stock Company ("the Company") is a joint stock company which was transformed from a state-owned enterprise to a joint stock company under Decision No. 2566/1999/QĐ-BGTVT dated 27 September 1999 of the Ministry of Transport and the 1st Business Registration Certificate No. 058437 issued by Hanoi Department of Planning and Investment dated 24 December 1999. The Company also received Enterprise Registration Certificate for a joint stock company No. 0100108656 issued by Hanoi Department of Planning and Investment on 10 August 2011 (15th amendment) and other subsequent amendments with the latest being the 23rd amendment dated 6 April 2020.

The current principal activities of the Company during the year are to produce and trade pharmaceutical products, chemicals, medical supplies and equipment.

The Company's head office is located at 75 Yen Ninh street, Quan Thanh ward, Ba Dinh district, Ha Noi, Vietnam and 28 dependent branches at provinces and cities of Vietnam.

BOARD OF DIRECTORS

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

Mr. Chung Ji Kwang	Chairman	
Mr. Nguyen Phu Khanh	Vice Chairman	Appointed on 5 May 2022
	Member	Appointed on 31 March 2022
Mr. Nguyen Anh Tuan	Vice Chairman	Resigned on 5 May 2022
	Member	From 5 May 2022
Mr. Tran Tuc Ma	Member	
Mr. Kim Dong Hyu	Member	
Mr. Lee Tae Yon	Member	
Ms. Dao Thuy Ha	Member	
Mr. Lai Tran Dong	Member	Resigned on 31 March 2022

MANAGEMENT

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

Mr. Tran Tuc Ma	General Director	
Ms. Dao Thuy Ha	Deputy General Director	
Mr. Nguyen Huy Van	Deputy General Director	
Mr. Nguyen Van Bui	Deputy General Director	
Mr. Kim Dong Hyu	Deputy General Director	
Mr. Pham Hoang Anh	Deputy General Director	Appointed on 28 March 2022
	Director of Finance and Planning	Up to 28 March 2022

BOARD OF SUPERVISION

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

Ms. Nguyen Thi Luong Thanh	Head
Ms. Nguyen Thanh Hoa	Member
Mr. Kwon Ki Bum	Member

Traphaco Joint Stock Company

GENERAL INFORMATION (continued)

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Tran Tuc Ma, General Director.

AUDITOR

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



Traphaco Joint Stock Company

REPORT OF MANAGEMENT

Management of Traphaco Joint Stock Company ("the Company") is pleased to present this report and the separate financial statements of the Company, which have been approved by the Company's Board of Directors, for the year ended 31 December 2022.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

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

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2022 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of separate financial statements.

The Company has subsidiaries as disclosed in the separate financial statements. The Company has prepared these separate financial statements in order to meet with the reporting requirements in relation to disclosure of information on the securities market, specifically the Circular No. 96/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020. In addition, as required by this Circular, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2022 dated 20 March 2023.

Users of these separate financial statements should read them together with the consolidated financial statements in order to obtain full information on the consolidated financial position, the consolidated results of operations and the consolidated cash flows of the Company and its subsidiaries.

For and on behalf of Management:



Tran Tuc Ma
General Director

20 March 2023

Reference: 11755210/22963883

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Traphaco Joint Stock Company

We have reviewed the accompanying separate financial statements of Traphaco Joint Stock Company ("the Company"), as prepared on 20 March 2023 and set out on pages 6 to 41, which comprise the separate balance sheet as at 31 December 2022, and the separate income statement and separate cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2022, and of the separate results of its separate operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

Ernst & Young Vietnam Limited



Trình Xuân Hoa
Deputy General Director
Audit Practising Registration
Certificate No. 0754-2023-004-1



Le Minh Tung
Auditor
Audit Practising Registration
Certificate No. 4656-2023-004-1

Hanoi, Vietnam

20 March 2023

SEPARATE BALANCE SHEET
as at 31 December 2022

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning Balance
100	A. CURRENT ASSETS		965,299,503,788	943,654,620,900
110	I. Cash and cash equivalents	4	89,713,073,183	164,447,202,522
111	1. Cash		49,713,073,183	79,061,051,837
112	2. Cash equivalents		40,000,000,000	85,386,150,685
120	II. Short-term investments	5.1	295,514,741,053	264,305,000,271
121	1. Held-for-trading securities		10,000,000,000	-
123	2. Held-to-maturity investments		285,514,741,053	264,305,000,271
130	III. Current accounts receivable		296,883,830,256	223,551,213,519
131	1. Short-term trade receivables	6.1	282,543,495,566	204,275,790,304
132	2. Short-term advances to suppliers	6.2	8,299,597,928	14,743,250,321
136	3. Other short-term receivables	7	14,320,461,550	9,821,762,106
137	4. Provision for doubtful debts	8	(8,279,724,788)	(5,289,589,212)
140	IV. Inventories	10	265,447,139,749	277,138,407,945
141	1. Inventories		266,296,371,069	277,254,515,486
149	2. Provision for obsolete inventories		(849,231,320)	(116,107,541)
150	V. Other current assets		17,740,719,547	14,212,796,643
151	1. Short-term prepaid expenses		395,500,000	1,304,751,790
152	2. Value-added tax deductible		17,342,772,731	12,440,075,023
153	3. Tax and other receivables from the State		2,446,816	467,969,830
200	B. NON-CURRENT ASSETS		560,609,558,453	542,447,436,282
220	I. Fixed assets		163,132,616,692	150,066,673,203
221	1. Tangible fixed assets	11	112,545,472,032	99,135,260,852
222	Cost		280,343,957,015	257,859,905,371
223	Accumulated depreciation		(167,798,484,983)	(158,724,644,519)
227	2. Intangible fixed assets	12	50,587,144,660	50,931,412,351
228	Cost		60,634,337,520	58,615,937,520
229	Accumulated amortisation		(10,047,192,860)	(7,684,525,169)
240	II. Long-term assets in progress		5,737,727,272	6,856,127,272
242	1. Construction in progress	13	5,737,727,272	6,856,127,272
250	III. Long-term investments	5.2	366,726,676,011	366,726,676,011
251	1. Investments in subsidiaries		366,726,676,011	366,726,676,011
260	IV. Other long-term assets		25,012,538,478	18,797,959,796
261	1. Long-term prepaid expenses	14	10,162,981,661	4,979,017,405
262	2. Deferred tax assets	28.3	14,849,556,817	13,818,942,391
270	TOTAL ASSETS		1,525,909,062,241	1,486,102,057,182

SEPARATE BALANCE SHEET (continued)
as at 31 December 2022

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		420,848,119,726	430,803,295,012
310	I. Current liabilities		420,848,119,726	430,803,295,012
311	1. Short-term trade payables	15	231,303,720,175	191,504,758,278
312	2. Short-term advances from customers		40,804,301	119,056,923
313	3. Statutory obligations	16	10,262,911,724	18,295,257,485
314	4. Payables to employees		35,884,368,190	35,092,273,524
315	5. Short-term accrued expenses	17	48,685,318,666	55,962,973,827
318	6. Short-term unearned revenues	18	46,956,380,804	37,275,351,200
319	7. Other short-term payables	19	5,650,958,695	85,534,516,553
320	8. Short-term loans	20	40,000,000,000	
322	9. Bonus and welfare fund	21	2,063,657,171	7,019,107,222
400	D. OWNERS' EQUITY		1,105,060,942,515	1,055,298,762,170
410	I. Capital	22	1,105,060,942,515	1,055,298,762,170
411	1. Issued share capital		414,536,730,000	414,536,730,000
411a	- Shares with voting rights		414,536,730,000	414,536,730,000
412	2. Share premium		133,021,732,000	133,021,732,000
415	3. Treasury shares		(3,593,000)	(3,593,000)
418	4. Investment and development fund		420,216,708,233	374,280,746,927
421	5. Undistributed earnings		137,289,365,282	133,463,146,243
421a	- Undistributed earnings by the end of prior year		42,579,780,072	34,290,832,003
421b	- Undistributed earnings of current year		94,709,585,210	99,172,314,240
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,525,909,062,241	1,486,102,057,182

Nguyen Thi Ngoc Thuy
Preparer

Dinh Trung Kien
Chief Accountant



Tran Tuc Ma
General Director

20 March 2023

SEPARATE INCOME STATEMENT
for the year ended 31 December 2022

Currency: VND

Code	ITEMS	Notes	Current year	Previous Year
01	1. Revenue from sale of goods and rendering of services	24.1	2,647,693,045,445	2,192,623,176,830
02	2. Deductions	24.1	(14,426,018,439)	(7,845,807,904)
10	3. Net revenue from sale of goods and rendering of services	24.1	2,633,267,027,006	2,184,777,368,926
11	4. Cost of goods sold and services rendered	25	(1,606,846,475,261)	(1,308,115,698,116)
20	5. Gross profit from sale of goods and rendering of services		1,026,420,551,745	876,661,670,810
21	6. Finance income	24.2	31,735,062,447	27,874,772,272
22	7. Finance expenses		(1,083,918,565)	(97,533,010)
23	- In which: Interest expenses		(114,410,959)	-
25	8. Selling expenses	26	(633,007,757,478)	(514,029,120,021)
26	9. General and administrative expenses	26	(169,971,154,321)	(133,976,504,923)
30	10. Operating profit		254,092,783,828	256,433,285,128
31	11. Other income		237,570,190	80,080,614
32	12. Other expenses		(99,169,531)	(2,483,391,829)
40	13. Other (loss)/profit		138,400,659	(2,403,311,215)
50	14. Accounting profit before tax		254,231,184,487	254,029,973,913
51	15. Current corporate income tax expense	28.1	(50,736,647,238)	(53,223,402,869)
52	16. Deferred tax expense	28.3	1,030,614,426	3,136,966,123
60	17. Net profit after tax		204,525,151,675	203,943,537,167



Nguyen Thi Ngoc Thuy
Preparer



Dinh Trung Kien
Chief Accountant




Tran Tuc Ma
General Director

20 March 2023

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2022

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		254,231,184,487	254,029,973,913
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets	11, 12	18,155,461,367	15,761,255,194
03	Provisions		3,839,366,896	2,432,637,329
04	Foreign exchange gains arising from revaluation of monetary accounts denominated in foreign currency		(167,876,617)	(86,903,801)
05	Profits from investing activities		(31,084,207,843)	(27,236,244,566)
06	Interest expenses		114,410,959	-
08	Operating profit before changes in working capital		245,088,339,249	244,900,718,069
09	(Increase)/decrease in receivables		(62,796,989,991)	22,732,760,636
10	Decrease/(increase) in inventories		10,842,036,876	(45,375,121,002)
11	Increase in payables		44,387,663,126	86,634,327,208
12	Increase in prepaid expenses		(4,274,712,466)	(3,008,318,408)
13	Increase in held-for-trading securities		(10,000,000,000)	-
14	Interest paid		(41,424,658)	-
15	Corporate income tax paid	16	(58,434,486,803)	(58,876,406,017)
17	Other cash outflows for operating activities		(35,366,801,381)	(15,876,000,306)
20	Net cash flows from operating activities		129,403,623,952	231,131,960,180
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets and other long-term assets		(29,709,368,238)	(26,231,693,808)
22	Proceeds from disposals of fixed assets and other long-term assets		852,787,963	146,603,280
23	Loans to other entities and payments for purchase of debt instruments of other entities		(294,145,693,213)	(419,694,730,380)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		272,935,952,431	245,564,000,000
27	Interest and dividends received		12,907,849,529	9,886,990,917
30	Net cash flows used in investing activities		(37,158,471,528)	(190,328,829,991)

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2022

Currency: VND

Code	ITEMS	Notes	Current Year	Previous Year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		60,000,000,000	-
34	Repayment of borrowings		(20,000,000,000)	-
36	Dividends paid to shareholders	22.5	(206,931,573,000)	(124,388,872,000)
40	Net cash flows used in financing activities		(166,931,573,000)	(124,388,872,000)
50	Net decrease in cash for the year		(74,686,420,576)	(83,585,741,811)
60	Cash and cash equivalents at the beginning of the year	4	164,447,202,522	248,049,073,788
61	Impact of exchange rate fluctuation		(47,708,763)	(16,129,455)
70	Cash and cash equivalents at the end of the year	4	89,713,073,183	164,447,202,522



Nguyen Thi Ngoc Thuy
Preparer



Dinh Trung Kien
Chief Accountant



Tran Tuc Ma
General Director

20 March 2023

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at 31 December 2022 and for the year then ended

1. CORPORATE INFORMATION

Traphaco Joint Stock Company ("the Company") is a joint stock company which was transformed from a state-owned enterprise to a joint stock company under Decision No. 2566/1999/QĐ-BGTVT dated 27 September 1999 of the Ministry of Transport and the 1st Business Registration Certificate No. 058437 issued by Hanoi Department of Planning and Investment dated 24 December 1999. The Company also received Enterprise Registration Certificate for a joint stock company No. 0100108656 issued by Hanoi Department of Planning and Investment on 10 August 2011 (15th amendment) and other subsequent amendments with the latest being the 23rd amendment dated 6 April 2020.

The current principal activities of the Company during the year are to produce and trade pharmaceutical products, chemicals, medical supplies and equipment.

The Company's normal course of business cycle is 12 months which starts on 1 January and ends on 31 December.

The Company's head office is located at 75 Yen Ninh street, Quan Thanh ward, Ba Dinh district, Hanoi, Vietnam and 28 dependent branches at provinces and cities of Vietnam.

The number of the Company's employees as at 31 December 2022 is 743 (31 December 2021: 741)

Corporate structure

As at 31 December 2022, the Company has 4 subsidiaries (31 December 2021: 4 subsidiaries) with detail information is as follow:

<i>No.</i>	<i>Name</i>	<i>Equity interest</i>	<i>Voting rights</i>	<i>Head office's address</i>	<i>Principal activities</i>
1	Traphaco Hung Yen Co., Ltd.	100%	100%	Tan Quang commune, Van Lam district, Hung Yen province	Produce new medicine.
2	TraphacoSapa One Member Co., Ltd.	100%	100%	Group 2, Phan Si Pang ward, Sapa town, Lao Cai province	Plant, process pharmaceutical materials, agriculture and forestry products, food.
3	Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company	58.23%	58.23%	No, 9A Hung Vuong Street, Tu An ward, Buon Ma Thuot city, Dak Lak province	Produce and trade pharmaceutical products, nutritional foods; and export pharmaceutical products and medical equipments.
4	Traphaco Hi-tech Joint Stock Company	50.97%	50.97%	Tan Quang commune, Van Lam district, Hung Yen province	Produce oriental medicine.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

2. BASIS OF PREPARATION

2.1 *Basis of preparing the separate financial statements*

The Company has 28 dependent branches ("branches") as disclosed in Note 1. The separate financial statements of the Company are prepared based on the aggregation of the financial statements of the Company's Head Office and its branches. The financial statements of its branches are prepared for the same reporting period and applying consistent accounting policies with the financial statements of the Head Office.

Items on the separate financial statements of the Company are presented by aggregating similar items in the financial statements of Head Office and its branches. Transactions and balances of capital contribution, provision of services and goods, payments and collection on behalf between the Head Office and its branches are eliminated in the separate financial statements.

2.2 *Purpose of preparing the separate financial statements*

The Company has subsidiaries as disclosed in the separate financial statements. The Company has prepared these separate financial statements in order to meet with the reporting requirements in relation to disclosure of information on the securities market, specifically the Circular No. 96/2020/TT-BTC issued by the Ministry of Finance on 16 November 2020. In addition, as required by this Circular, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2022 dated 20 March 2023.

Users of these separate financial statements should read them together with the consolidated financial statements in order to obtain full information on the consolidated financial position, the consolidated results of operations and the consolidated cash flows of the Company and its subsidiaries.

2.3 *Accounting standards and system*

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

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.4 *Applied accounting documentation system*

The Company's applied accounting documentation system is the computer-based system.

2.5 *Fiscal year*

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

2.6 *Accounting currency*

The separate financial statements are prepared in VND which is also accounting currency of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

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

3.2 *Inventories*

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

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

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

Raw materials, tools and equipments and merchandise	- cost of purchase on a weighted average basis.
Work in process	- cost of direct materials.
Finished goods	- cost of direct materials and labour plus overhead expenses allocated based on normal operating capacity on a weighted average basis.

Provision for obsolete inventories

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

Increases and decreases to the provision balance are recorded into the cost of goods sold account in the separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 *Receivables*

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

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the separate income statement.

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

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

Land use rights

Land use rights comprise the indefinite land use rights and for which, land use right certificates have been issued. These land use rights are recorded as intangible fixed assets according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 *Leased assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Company is the lessee

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the lease term.

3.7 *Depreciation and amortisation*

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

Buildings and structures	3 - 35 years
Tools and equipment	3 - 12 years
Means of transportation	3 - 10 years
Machinery and equipment	5 - 13 years
Indefinite land use rights	Non-amortization
Computer software	3 - 6 years

3.8 *Prepaid expenses*

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

3.9 *Borrowing costs*

Borrowing costs include interest and other costs that the Company incurs in connection with the borrowing funds. Borrowing costs are accounted for as expenses incurred during the year.

3.10 *Investments*

Investments in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered as a recovery of investment and are deducted to the cost of the investment.

Held-for-trading securities

Held-for-trading securities are stated at their acquisition costs.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Investments* (continued)

Held-to-maturity investments

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

Provision for diminution in value of investments

Provision of the investments is made when there are reliable evidence of the diminution in value of those investments at the separate balance sheet date. Increases or decreases in the provision balance are recorded as finance expense in the separate income statement.

3.11 *Payables and accruals*

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

3.12 *Foreign currency transactions*

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

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

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

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

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

3.13 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

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

Investment and development fund

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

Bonus and welfare fund

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

3.15 *Revenue recognition*

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

Sale of goods

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

Rendering of services

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

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

Dividends

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation

Current income tax

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

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

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

Deferred tax

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

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

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

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Taxation* (continued)

Deferred tax (continued)

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

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

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

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

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

3.17 *Segment information*

The Company's principal activities are to manufacture and trade pharmaceutical products. In addition, these activities are entirely taking place within Vietnam. Therefore, the Company's risks and returns are not impacted by the Company's products that the Company is producing and providing or the locations where the Company is operating. As a result, the Company's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

3.18 *Related parties*

Parties are considered to be related parties of the Company if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

4. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	9,614,778,441	12,465,711,501
Cash at banks	39,032,274,742	66,595,340,336
Time deposits (*)	40,000,000,000	85,386,150,685
Cash in transit	1,066,020,000	-
TOTAL	<u>89,713,073,183</u>	<u>164,447,202,522</u>

(*) The represent VND deposits with original terms of less than 3 months and earn interest at rates ranging from 5.0% to 6.0% per annum (31 December 2021: 3.0% to 4.5% per annum).

5. INVESTMENTS

5.1 Short-term investments

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Term deposits (*)	285,514,741,053	264,305,000,271
Fund certificates (**)	10,000,000,000	-
TOTAL	<u>295,514,741,053</u>	<u>264,305,000,271</u>

(*) Term deposits as at 31 December 2022 represent VND deposits at commercial banks with original terms of from 4 to less than 12 months and earn interest at rates ranging from 3.8% per annum to 7.5% per annum (31 December 2021: from 3.5% per annum to 5.2% per annum).

The Company has used certain term deposits with the value of VND 40 billion as collateral for bank loans as presented in Note 20.

(**) This is an investment in fund certificates of Mirae Asset Vietnam Flexible Fixed Income Fund.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

5. INVESTMENTS (continued)

5.2 Long-term investments

Currency: VND

	Ending balance				Beginning balance			
	Number of shares	Cost	Provision	Fair value	Number of shares	Cost	Provision	Fair value
Investments in subsidiaries								
Traphaco Hung Yen Co., Ltd. (i)		250,000,000,000	-	(i)		250,000,000,000	-	(i)
Traphaco Hi-tech Joint Stock Company (ii)	5,791,986	71,382,500,000	-	163,334,005,200	5,791,986	71,382,500,000	-	178,405,810,737
TraphacoSapa One Member Co., Ltd. (i)		26,675,000,000	-	(i)		26,675,000,000	-	(i)
Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company (ii)	1,130,271	18,669,176,011	-	39,559,485,000	1,130,271	18,669,176,011	-	37,864,078,500
TOTAL		366,726,676,011	-			366,726,676,011	-	

(i) The Company has not been able to obtain necessary information to determine the fair value of investments in these subsidiaries as they are not listed on the stock exchanges.

(ii) The fair value of investments in these subsidiaries are determined by reference to the share's average closing prices on the stock exchange at the transaction date closest to the reporting date.

Detail information of these subsidiaries are presented in Note 1.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

	Currency: VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade receivables from other parties	145,815,593,345	118,551,782,225
Trade receivables from related parties (Note 29)	136,727,902,221	85,724,008,079
TOTAL	<u>282,543,495,566</u>	<u>204,275,790,304</u>
Provision for doubtful debts	(8,279,724,788)	(5,289,589,212)

6.2 Short-term advances to suppliers

	Currency: VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
ATI Equipment and Instruments JSC	2,047,770,000	2,357,520,000
Advances to other suppliers	6,251,827,928	12,385,730,321
TOTAL	<u>8,299,597,928</u>	<u>14,743,250,321</u>

7. OTHER SHORT-TERM RECEIVABLES

	Currency: VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Carrying value</i>	<i>Provision</i>	<i>Carrying value</i>	<i>Provision</i>
Advances to employees	1,904,993,599	-	3,413,630,179	-
Sales support from suppliers	3,008,994,600	-	-	-
Dividend receivables	1,766,681,891	-	1,766,681,879	-
Interest receivables	6,281,823,014	-	2,798,851,010	-
Deposits and mortgages	1,336,804,864	-	1,631,188,740	-
Other short-term receivables	21,163,582	-	211,410,298	-
TOTAL	<u>14,320,461,550</u>	<u>-</u>	<u>9,821,762,106</u>	<u>-</u>
<i>In which:</i>				
<i>Other short-term receivables from related parties (Note 29)</i>	4,707,374,168	-	1,766,681,879	-
<i>Other short-term receivables</i>	9,613,087,382	-	8,055,080,227	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

8. PROVISION FOR DOUBTFUL DEBTS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	5,289,589,212	6,970,768,359
Add: Provision made during the year	2,990,135,576	2,316,529,791
Less: Utilization during the year	-	(3,997,708,938)
Ending balance	<u>8,279,724,788</u>	<u>5,289,589,212</u>

9. BAD DEBTS

	<i>Currency: VND</i>			
	<u>Ending balance</u>		<u>Beginning balance</u>	
	<i>At cost</i>	<i>Recoverable amount (*)</i>	<i>At cost</i>	<i>Recoverable amount (*)</i>
Overdue receivables which are considered to be doubtful	16,662,871,519	8,383,146,731	12,202,580,616	6,912,991,404
TOTAL	<u>16,662,871,519</u>	<u>8,383,146,731</u>	<u>12,202,580,616</u>	<u>6,912,991,404</u>

(*) The Company determines the recoverable amount of doubtful debts at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

10. INVENTORIES

	<i>Currency: VND</i>			
	<u>Ending balance</u>		<u>Beginning balance</u>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Finished goods	125,549,777,413	(141,631,914)	127,849,646,722	(15,215,170)
Merchandise	90,497,374,125	(77,756,313)	72,734,645,444	(21,960,947)
Raw materials	20,143,562,674	(629,843,093)	36,742,168,616	(78,931,424)
Work in process	19,583,869,952	-	28,523,825,378	-
Goods in transit	10,511,811,706	-	11,386,418,703	-
Tools and supplies	9,975,199	-	17,810,623	-
TOTAL	<u>266,296,371,069</u>	<u>(849,231,320)</u>	<u>277,254,515,486</u>	<u>(116,107,541)</u>

Detail of movements of provision for obsolete inventories:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Prior year</i>
Beginning balance	116,107,541	930,290,957
Add: Provision made during the year	849,231,320	116,107,541
Less: Utilisation and reversal of provision during the year	(116,107,541)	(930,290,957)
Ending balance	<u>849,231,320</u>	<u>116,107,541</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

11. TANGIBLE FIXED ASSETS

	<i>Currency: VND</i>				
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Total</i>
Cost:					
Beginning balance	127,164,748,134	53,896,949,778	67,319,367,704	9,478,839,755	257,859,905,371
- New purchase	-	17,097,150,386	10,029,047,394	2,716,173,741	29,842,371,521
- Disposal	-	(1,445,704,909)	(5,567,897,983)	(344,716,985)	(7,358,319,877)
Ending balance	<u>127,164,748,134</u>	<u>69,548,395,255</u>	<u>71,780,517,115</u>	<u>11,850,296,511</u>	<u>280,343,957,015</u>
<i>In which:</i>					
<i>Fully depreciated</i>	22,036,957,310	38,730,563,616	24,655,192,519	5,417,309,355	90,840,022,800
Accumulated depreciation:					
Beginning balance	56,638,532,715	44,839,185,355	49,918,404,191	7,328,522,258	158,724,644,519
- Depreciation for the year	4,639,161,425	4,222,784,866	5,878,604,546	1,052,242,839	15,792,793,676
- Disposal	-	(1,118,793,579)	(5,255,442,648)	(344,716,985)	(6,718,953,212)
Ending balance	<u>61,277,694,140</u>	<u>47,943,176,642</u>	<u>50,541,566,089</u>	<u>8,036,048,112</u>	<u>167,798,484,983</u>
Net carrying amount:					
Beginning balance	<u>70,526,215,419</u>	<u>9,057,764,423</u>	<u>17,400,963,513</u>	<u>2,150,317,497</u>	<u>99,135,260,852</u>
Ending balance	<u>65,887,053,994</u>	<u>21,605,218,613</u>	<u>21,238,951,026</u>	<u>3,814,248,399</u>	<u>112,545,472,032</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

12. INTANGIBLE FIXED ASSETS

	<i>Currency: VND</i>		
	<i>Indefinite land use rights</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
Beginning balance	45,687,172,520	12,928,765,000	58,615,937,520
- New purchase	-	2,018,400,000	2,018,400,000
Ending balance	<u>45,687,172,520</u>	<u>14,947,165,000</u>	<u>60,634,337,520</u>
<i>In which:</i>			
Fully amortised	-	5,575,090,000	5,575,090,000
Accumulated amortisation:			
Beginning balance	-	7,684,525,169	7,684,525,169
- Amortisation for the year	-	2,362,667,691	2,362,667,691
Ending balance	<u>-</u>	<u>10,047,192,860</u>	<u>10,047,192,860</u>
Net carrying amount:			
Beginning balance	<u>45,687,172,520</u>	<u>5,244,239,831</u>	<u>50,931,412,351</u>
Ending balance	<u>45,687,172,520</u>	<u>4,899,972,140</u>	<u>50,587,144,660</u>

13. CONSTRUCTION IN PROGRESS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Land use right at Hung Yen branch	3,385,000,000	3,385,000,000
Can Tho Office project	2,352,727,272	2,352,727,272
HR and payroll management software	-	1,118,400,000
TOTAL	<u>5,737,727,272</u>	<u>6,856,127,272</u>

14. LONG-TERM PREPAID EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Renovation and maintenance expenses	6,005,599,547	3,368,125,262
Tools and equipment	4,092,648,783	1,519,592,144
Other long-term prepaid expenses	64,733,331	91,299,999
TOTAL	<u>10,162,981,661</u>	<u>4,979,017,405</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

15. SHORT-TERM TRADE PAYABLES

Currency: VND

	Ending balance		Beginning balance	
	Amount	Payable amount	Amount	Payable amount
Trade payables to other parties	94,518,581,978	94,518,581,978	61,367,046,477	61,367,046,477
Trade payables to related parties (Note 29)	136,785,138,197	136,785,138,197	130,137,711,801	130,137,711,801
TOTAL	231,303,720,175	231,303,720,175	191,504,758,278	191,504,758,278

16. STATUTORY OBLIGATIONS

Currency: VND

	Beginning balance	Payable in the year	Payment made during the year	Ending balance
Value added tax	5,978,546	51,102,225,098	(51,090,073,588)	18,130,056
Corporate income tax (Note 28)	14,182,568,450	50,736,647,238	(58,434,486,803)	6,484,728,885
Personal income tax	4,106,710,489	21,807,098,261	(22,177,791,141)	3,736,017,609
Other taxes	-	3,399,412,444	(3,375,377,270)	24,035,174
TOTAL	18,295,257,485	127,045,383,041	(135,077,728,802)	10,262,911,724

17. SHORT-TERM ACCRUED EXPENSES

Currency: VND

	Ending balance	Beginning balance
Sale discounts payable to customers	27,989,859,749	30,199,678,463
Remuneration for sale collaborators and representatives	19,781,812,910	22,099,520,338
Other accruals	913,646,007	3,663,775,026
TOTAL	48,685,318,666	55,962,973,827

18. SHORT-TERM UNEARNED REVENUE

Currency: VND

	Ending balance	Beginning balance
Unearned revenue from customer loyalty program	46,956,380,804	37,275,351,200
TOTAL	46,956,380,804	37,275,351,200

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

19. OTHER SHORT-TERM PAYABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Dividend payables	1,262,002,978	83,841,955,978
Social, health and unemployment insurances	412,494,716	417,436,474
Trade union fee	67,583,865	80,403,911
Others	3,908,877,136	1,194,720,190
TOTAL	<u>5,650,958,695</u>	<u>85,534,516,553</u>
In which:		
<i>Other short-term payables to related parties</i> <i>(Note 29)</i>	-	62,830,372,000
<i>Other short-term payables</i>	5,650,958,695	22,704,144,553

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

20. SHORT-TERM LOANS

	<i>Currency: VND</i>					
	<i>Beginning balance</i>		<i>Movement during the year</i>		<i>Ending balance</i>	
	<i>Balance</i>	<i>Payable amount</i>	<i>Increase</i>	<i>Decrease</i>	<i>Balance</i>	<i>Payable amount</i>
Short-term loans from banks	-	-	60,000,000,000	(20,000,000,000)	40,000,000,000	40,000,000,000
TOTAL	-	-	60,000,000,000	(20,000,000,000)	40,000,000,000	40,000,000,000

Details of short-term loans from banks are as follows:

<i>Loans</i>	<i>Ending balance (VND)</i>	<i>Principal and interest repayment term</i>	<i>Interest rate per annum</i>	<i>Description of collateral</i>
Vietnam Bank for Agriculture and Rural Development – Hanoi branch	40,000,000,000	2 months and is repaid on 31 January 2023. Interest is paid on maturity date.	4.6% - 6%	Deposit contracts between Vietnam Bank for Agriculture and Rural Development – Hanoi branch and the Company amounted to 40,000,000,000 VND.
TOTAL	40,000,000,000			

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

21. BONUS AND WELFARE FUND

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	7,019,107,222	748,056,717
Add: Appropriation in the year (Note 22)	30,411,351,330	21,870,142,927
Less: Utilisation in the year	<u>(35,366,801,381)</u>	<u>(15,599,092,422)</u>
Ending balance	<u>2,063,657,171</u>	<u>7,019,107,222</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

22. OWNERS' EQUITY

22.1 Increase and decrease in owners' equity

Currency: VND

	<i>Issued share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Investment and development fund</i>	<i>Undistributed earnings</i>	<i>Total</i>
Previous year:						
Beginning balance	414,536,730,000	133,021,732,000	(3,593,000)	347,373,440,047	102,648,678,883	997,576,987,930
- Profit for the year	-	-	-	-	203,943,537,167	203,943,537,167
- Dividends declared from the Company's profit of 2020	-	-	-	-	(41,450,540,000)	(41,450,540,000)
- Appropriation of investment and development fund from profit of 2020	-	-	-	26,907,306,880	(26,907,306,880)	-
- Provisional appropriation of bonus and welfare fund from profit of 2021	-	-	-	-	(21,870,142,927)	(21,870,142,927)
- Advanced dividends from profit of 2021	-	-	-	-	(82,901,080,000)	(82,901,080,000)
Ending balance	<u>414,536,730,000</u>	<u>133,021,732,000</u>	<u>(3,593,000)</u>	<u>374,280,746,927</u>	<u>133,463,146,243</u>	<u>1,055,298,762,170</u>
Current year:						
Beginning balance	414,536,730,000	133,021,732,000	(3,593,000)	374,280,746,927	133,463,146,243	1,055,298,762,170
- Profit for the year	-	-	-	-	204,525,151,675	204,525,151,675
- Dividends declared from profit of 2021 (*)	-	-	-	-	(41,450,540,000)	(41,450,540,000)
- Appropriation of investment and development fund from profit of 2021 (*)	-	-	-	45,935,961,306	(45,935,961,306)	-
- Appropriation of bonus and welfare fund from profit of 2021 (*)	-	-	-	-	(3,496,864,865)	(3,496,864,865)
- Provisional appropriation of bonus and welfare fund from profit of 2022 (**)	-	-	-	-	(26,914,486,465)	(26,914,486,465)
- Provisional dividends from profit of 2022 (***)	-	-	-	-	(82,901,080,000)	(82,901,080,000)
Ending balance	<u>414,536,730,000</u>	<u>133,021,732,000</u>	<u>(3,593,000)</u>	<u>420,216,708,233</u>	<u>137,289,365,282</u>	<u>1,105,060,942,515</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

22. OWNERS' EQUITY (continued)

22.1 Increase and decrease in owners' equity (continued)

(*) The Company made appropriation for funds and declared dividends by cash from from profit after tax of 2021 in accordance with the Resolution No. 34/2022/NQ-ĐHĐCĐ dated 31 March 2022 ("Resolution No.34") of the Annual General Shareholders' Meeting. In accordance with this Resolution, dividends from profits for the year ended 31 December 2021 totalled at 124,351,620,000 VND, in which 82,901,080,000 VND was declared as provisional dividend and accounted for in 2021 and the remaining was declared and paid in 2022.

(**) The Company has also made provisional appropriation for Bonus and welfare Fund from profit after tax for the year ended 31 December 2022 according to the 2022's profit distribution plan approved by the Annual General Meeting of Shareholders and disclosed under the Resolution No. 34.

(***) The Company has also declared provisional dividend from undistributed profit after tax for the year 2022 in accordance with the Resolution No. 34 and the Resolution No. 77/2022/NQ-HĐQT dated 31 October 2022 of the Company's Board of Directors.

22.2 Details of owners' shares capital

	Ending balance			Beginning balance		
	Number of shares	Share capital (VND)	Percentage (%)	Number of shares	Share capital (VND)	Percentage (%)
State Capital and Investment Corporation	14,786,512	147,865,120,000	35.67%	14,786,512	147,865,120,000	35.67%
Magbi Fund Limited	10,361,385	103,613,850,000	25.00%	10,361,385	103,613,850,000	25.00%
Super Delta Pte. Ltd.	6,267,289	62,672,890,000	15.12%	6,267,289	62,672,890,000	15.12%
Other shareholders	10,035,354	100,353,540,000	24.20%	10,035,354	100,353,540,000	24.20%
Treasury shares	3,133	31,330,000	0.01%	3,133	31,330,000	0.01%
TOTAL	41,453,673	414,536,730,000	100%	41,453,673	414,536,730,000	100%

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

22. OWNERS' EQUITY (continued)

22.3 Shares

	<i>Ending balance</i>	<i>Beginning balance</i>
Shares registered for issuance	41,453,673	41,453,673
Issued shares	41,453,673	41,453,673
Ordinary shares	41,453,673	41,453,673
Treasury shares	(3,133)	(3,133)
Ordinary shares	(3,133)	(3,133)
Shares in circulation	41,450,540	41,450,540
Ordinary shares	41,450,540	41,450,540

Par value of outstanding share: VND 10,000/share (31 December 2021: VND 10,000/share),
The Company's shares are listed on the Ho Chi Minh City Stock Exchange with the stock code of TRA.

22.4 Dividend

	<i>Current year</i>	<i>Previous year</i>
		<i>Currency: VND</i>
Dividends declared and paid during the year		
<i>Dividends on ordinary shares</i>		
Cash dividend for 2020 (2 nd announcement): VND 1,000 per share	-	41,450,540,000
Cash dividend for 2021 (1 st announcement): VND 2,000 per share	-	82,901,080,000
Cash dividend for 2021 (2 nd announcement): VND 1,000 per share	41,450,540,000	-
Cash dividend for 2022 (1 st announcement): VND 2,000 per share	82,901,080,000	-
Dividends declared after the date of reporting year and not recognised as liability at 31 December	-	-

22.5 Capital transactions with owners and distribution of dividends, profits

	<i>Current year</i>	<i>Previous year</i>
		<i>Currency: VND</i>
Contributed capital		
Beginning balance and ending balance	414,536,730,000	414,536,730,000
Dividends declared	124,351,620,000	124,351,620,000
Dividends paid	206,931,573,000	124,388,872,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

23. OFF BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
1. Foreign Currency		
- US Dollar (USD)	3,255	86,552
2. Bad debts written-off (VND)	9,500,253,738	9,500,253,738

24. REVENUE

24.1 Revenue from sale of goods and rendering of services

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gross revenue	2,647,693,045,445	2,192,623,176,830
<i>In which:</i>		
<i>Sale of finished goods and goods from cooperation with subsidiaries</i>	1,610,994,516,499	1,467,164,400,780
<i>Sale of merchandise</i>	575,677,499,774	427,164,180,471
<i>Sale of materials</i>	460,801,381,458	297,965,718,726
<i>Rendering of services</i>	219,647,714	328,876,853
Less	(14,426,018,439)	(7,845,807,904)
<i>Sales return</i>	(14,426,018,439)	(7,845,807,904)
Net revenue	<u>2,633,267,027,006</u>	<u>2,184,777,368,926</u>
<i>In which:</i>		
<i>Sales to others</i>	2,014,541,431,003	1,764,028,178,230
<i>Sales to related parties (Note 29)</i>	618,725,596,003	420,749,190,696

24.2 Finance income

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Dividend income	16,401,425,700	18,437,142,144
Interest income	14,469,360,845	8,801,202,704
Foreign exchange gains	864,275,902	636,427,424
TOTAL	<u>31,735,062,447</u>	<u>27,874,772,272</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

25. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of finished goods and goods sold from business co-operation with subsidiaries	764,769,951,713	713,293,321,727
Cost of merchandise sold	383,811,627,652	310,501,140,938
Cost of materials sold	458,264,895,896	284,321,235,451
TOTAL	<u>1,606,846,475,261</u>	<u>1,308,115,698,116</u>

26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses incurred during the year		
Labour costs	202,597,273,796	176,489,896,250
Advertising expenses	173,734,963,814	110,624,540,629
Support and promotion expenses	85,692,500,770	70,491,276,327
Allowance for sale collaborators	64,495,729,228	55,072,432,121
Depreciation and amortisation	8,835,527,375	8,046,816,083
Others	97,651,762,495	93,304,158,611
	<u>633,007,757,478</u>	<u>514,029,120,021</u>
General and administrative expenses incurred during the year		
Labour costs	84,691,140,920	69,917,932,628
Expenses for external services	40,700,003,415	25,755,345,272
Depreciation and amortisation	7,338,974,599	5,365,968,060
Allowance for doubtful debts	2,990,135,576	2,316,529,791
Others	34,250,899,811	30,620,729,172
	<u>169,971,154,321</u>	<u>133,976,504,923</u>
TOTAL	<u>802,978,911,799</u>	<u>648,005,624,944</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

27. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Expenses for goods purchased from business co-operation with subsidiaries and raw materials purchased	743,179,656,382	725,780,634,234
Labour costs	290,993,371,560	254,799,175,910
Depreciation and amortisation	18,155,461,367	15,761,255,194
Expenses for external services	283,419,730,217	198,125,329,818
Others	220,760,819,251	197,006,706,742
TOTAL	<u>1,556,509,038,777</u>	<u>1,391,473,101,898</u>

28. CORPORATE INCOME TAX

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

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

28.1 CIT expenses

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expenses	50,736,647,238	53,223,402,869
Deferred tax expense	<u>(1,030,614,426)</u>	<u>(3,136,966,123)</u>
TOTAL	<u>49,706,032,812</u>	<u>50,086,436,746</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

28. CORPORATE INCOME TAX (continued)

28.1 CIT expenses (continued)

The reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	254,231,184,487	254,029,973,913
At CIT rate of 20% applicable to the Company	50,846,236,897	50,805,994,783
<i>Adjustments to increase</i>		
Remuneration to non-executive members of the Board of Directors	252,960,000	346,300,000
Non-deductible depreciation expenses	24,133,972	33,849,533
Other non-deductible expenses	1,693,140,819	2,050,180,059
Provision for inventories	169,846,264	23,221,508
Tax collection in arrears and adjustment for under accruals of CIT in prior years	-	514,350,682
<i>Adjustments to decrease</i>		
Dividend income	(3,280,285,140)	(3,687,459,819)
CIT expenses	<u>49,706,032,812</u>	<u>50,086,436,746</u>

28.2 Current tax

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

28.3 Deferred tax

The following are the deferred tax assets recognized by the Company, and the movements thereon, during the current and previous years:

	<i>Currency: VND</i>			
	<i>Separate balance sheet</i>		<i>Separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Deferred tax assets				
Unearned revenue from customer loyalty program	5,295,222,285	3,359,016,364	1,936,205,921	2,182,731,126
Sales discounts	5,952,203,750	6,040,021,959	(87,818,209)	(422,673,375)
Allowance for sale collaborators and representatives not yet paid	3,602,130,782	4,419,904,068	(817,773,286)	1,376,908,372
	<u>14,849,556,817</u>	<u>13,818,942,391</u>		
Net deferred tax expenses charged to the separate income statement			<u>1,030,614,426</u>	<u>3,136,966,123</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have a controlling relationship or have significant influence and/or have transactions with the Company and its subsidiaries during the year is as follows:

<i>No.</i>	<i>Related parties</i>	<i>Relationship</i>
1	State Capital Investment and Trading Corporation	Major shareholder
2	Magbi Fund Limited	Major shareholder
3	Super Delta Pte. Ltd.	Major shareholder
4	Traphaco Hi-tech Joint Stock Company	Subsidiary
5	TraphacoSapa One Member Co., Ltd.	Subsidiary
6	Traphaco Hung Yen Co., Ltd.	Subsidiary
7	Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company	Subsidiary
8	Daewoong Pharmaceuticals Co., Ltd.	Company related to a Member of BoD (Mr. Lee Tae Yon)
9	Sao Mai Joint Stock Company	Company related to a Member of BoM (Ms. Dao Thuy Ha)

The list of members of Board of Directors ("BoD"), Board of Supervision, Management of the Company is as follows:

<i>No.</i>	<i>Related parties</i>	<i>Relationship</i>
1	Mr. Chung Ji Kwang	Chairman
2	Mr. Nguyen Phu Khanh	Vice Chairman (Appointed on 5 May 2022)
		Member (Appointed on 31 March 2022)
3	Mr. Nguyen Anh Tuan	Vice Chairman (Resigned on 5 May 2022)
		Member (From 5 May 2022)
4	Mr. Tran Tuc Ma	Member of BoD cum General Director
5	Mr. Kim Dong Hyu	Member of BoD cum Deputy General Director
6	Mr. Lee Tea Yon	Member of BoD
7	Ms. Dao Thuy Ha	Member of BoD cum Deputy General Director
8	Mr. Lai Tran Dong	Member of BoD (Resigned on 31 March 2022)
9	Mr. Nguyen Huy Van	Deputy General Director
10	Mr. Nguyen Van Bui	Deputy General Director
11	Mr. Pham Hoang Anh	Deputy General Director (Appointed on 28 March 2022)
		Director of Finance and Planning (Up to 28 March 2022)
12	Ms. Nguyen Thi Luong Thanh	Head of BoS
13	Ms. Nguyen Thanh Hoa	Member of BoS
14	Mr. Kwon Ki Bum	Member of BoS
15	Mr. Dinh Trung Kien	Chief Accountant

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions of the Company with related parties during the current and previous year were as follows:

Currency: VND

Related parties	Relationship	Transactions	Current year	Previous year
Traphaco Hi-tech Joint Stock Company	Subsidiary	Sale of goods	277,683,266,690	245,545,910,545
		Sale return	1,934,514,325	1,138,217,495
		Purchase of merchandise, processed goods and services	575,850,458,714	538,462,728,844
		Dividend income	14,479,965,000	14,479,965,000
TraphacoSapa One Member Co., Ltd.	Subsidiary	Sale of goods	24,608,437,827	20,324,682,748
		Purchase of goods and services	42,290,160,280	31,896,857,091
		Profit distributed	-	3,392,174,555
Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company	Subsidiary	Sale of goods	53,796,265,220	47,317,181,858
		Sale return	448,272,866	-
		Dividend income	1,921,460,700	565,134,336
		Trade discounts	8,208,033,365	7,022,145,743
Traphaco Hung Yen Co., Ltd.	Subsidiary	Sale of goods	181,412,334,270	38,014,754,326
		Sale return	4,244,201,580	164,325,412
		Purchase of merchandise, processed goods and services	350,458,803,066	240,189,934,540
		Promotion fee	3,367,897,578	-
Daewoong Pharmaceutical Co., Ltd.	Entity related to a member of Board of Directors	Purchase of goods and services	58,147,524,329	38,375,029,475
		Promotion fee	11,501,074,537	22,241,496,767
Sao Mai Joint Stock Company	Entity related to a member of Board of Manager	Sale of goods	87,852,280,767	69,546,661,219
State Capital and Investment Corporation	Major shareholder	Dividend declared	44,359,536,000	44,359,536,000
		Dividend paid	73,932,560,000	73,326,086,435
Magbi Fund Limited	Major shareholder	Dividend declared	31,084,155,000	31,084,155,000
		Dividend paid	51,806,925,000	51,381,949,448
Super Delta Pte. Ltd.	Major shareholder	Dividend declared	18,801,867,000	18,801,867,000
		Dividend paid	31,336,445,000	31,079,390,118

Terms and conditions of transactions with related parties:

The sales and purchases of goods from related parties are made based on the contractual agreement.

Outstanding receivable and payable balances at 31 December 2022 are unsecured, interest free and will be settled in cash. For the year ended 31 December 2022, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2021: Nil). This assessment is undertaken each financial year through the examination of the separate financial position of the related party and the market in which the related party operates.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related parties	Relationship	Transactions	Currency: VND	
			Ending balance	Beginning balance
Short-term trade receivables (Note 6.1)				
Traphaco Hi-tech Joint Stock Company	Subsidiary	Sale of materials	129,459,493,789	80,616,718,860
Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company	Subsidiary	Sale of goods	3,635,014,442	1,310,927,954
TraphacoSapa One Member Co., Ltd.	Subsidiary	Sale of goods	1,132,660,503	1,296,366,515
Sao Mai Joint Stock Company	Entity related to a member of Board of Directors	Sale of goods	2,500,733,487	2,499,994,750
TOTAL			136.727.902.221	85.724.008.079
Other short-term receivables (Note 7)				
Daewoong Pharmaceutical Co., Ltd.	Entity related to a member of Board of Directors	Sale supports	2,940,692,277	-
TraphacoSapa One Member Co., Ltd.	Subsidiary	Profit distribution receivable	1,766,681,891	1,766,681,879
TOAL			4,707,374,168	1,766,681,879
Short-term trade payables (Note 15)				
Traphaco Hung Yen Co., Ltd.	Subsidiary	Purchase of goods and services	45,821,174,894	58,884,663,237
Traphaco Hi-tech Joint Stock Company	Subsidiary	Purchase of goods and services	55,262,820,284	52,868,084,197
Daewoong Pharmaceutical Co., Ltd.	Entity related to a member of Board of Directors	Purchase of goods and services	29,817,895,694	14,770,055,357
TraphacoSapa One Member Co., Ltd.	Subsidiary	Purchase of goods and services	5,883,247,325	3,614,909,010
TOTAL			136,785,138,197	130,137,711,801
Other short-term payables (Note 19)				
State Capital and Investment Corporation	Shareholder	Dividend payables	-	29,573,024,000
Magbi Fund Limited	Shareholder	Dividend payables	-	20,722,770,000
Super Delta Pte. Ltd.	Shareholder	Dividend payables	-	12,534,578,000
TOTAL			-	62,830,372,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

Remuneration to members of the Board of Directors ("BoD"), Board of Supervision ("BoS") and the management during the year:

Currency: VND

Name	Position	Income (*)	
		Current year	Previous year
Remuneration of Board of Directors			
Mr. Chung Ji Kwang	Chairman	-	-
Ms. Vu Thi Thuan	Chairwoman (Up to 31 March 2021)	-	458,500,000
Mr. Nguyen Phu Khanh	Member of BoD (From 31 March 2022)		
Mr. Nguyen Anh Tuan	Vice Chairman (From 5 May 2022)	406,800,000	-
	Vice Chairman (Up to 5 May 2022)		
	Member of BoD (From 5 May 2022)	445,200,000	438,000,000
Mr. Lee Tae Yon	Member of BoD	412,800,000	338,000,000
Mr. Lai Tran Dong	Member of BoD (Up to 31 March 2022)	103,200,000	258,000,000
Mr. Vu Tri Thuc	Member of BoD (Up to 31 March 2021)	-	99,000,000
Remuneration of Board of Supervision			
Ms. Nguyen Thi Luong Thanh	Head of BoS (From 7 April 2021)	168,000,000	108,000,000
Mr. Duong Duc Hung	Head of BoS (Up to 31 March 2021)	-	54,942,030
Ms. Nguyen Thanh Hoa	Member of BoS	144,000,000	153,000,000
Mr. Kwon Ki Bum	Member of BoS	194,000,000	120,000,000
Remuneration of Management			
Mr. Tran Tuc Ma	General Director cum Member of BoD	5,406,459,996	3,278,489,262
Ms. Dao Thuy Ha	Deputy General Director cum Member of BoD	3,095,028,474	1,436,805,908
Mr. Kim Dong Hyu	Deputy General Director cum Member of BoD	3,898,559,735	2,779,515,611
Mr. Nguyen Van Bui	Deputy General Director	2,036,194,035	1,344,876,017
Mr. Nguyen Huy Van	Deputy General Director	2,085,694,766	1,275,641,485
Ms. Nguyen Thi Lan	Deputy General Director (Up to 15 December 2021)	-	907,735,770
Mr. Pham Hoang Anh	Deputy General Director (From 28 March 2022)		
	Director of Finance and Planning (Up to 28 March 2022)	1,996,428,273	1,073,873,729
Mr. Dinh Trung Kien	Chief Accountant	1,457,264,851	1,052,502,898
TOTAL		21,849,630,130	15,176,882,710

(*) Including salary, allowance and bonus.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

30. COMMITMENTS


Operating lease commitment

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

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	4,104,712,888	4,056,605,873
From 1 - 5 years	9,777,776,397	9,611,087,213
More than 5 years	3,148,508,784	4,846,310,700
TOTAL	<u>17,030,998,069</u>	<u>18,514,003,786</u>

31. EVENTS AFTER THE BALANCE SHEET DATE

There has not been any matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the separate financial statements of the Company.



Nguyen Thi Ngoc Thuy
Preparer



Dinh Trung Kien
Chief Accountant



Tran Tuc Ma
General Director



20 March 2023