

Reference: 60758390/14592648

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of ICA Biotechnological – Pharmaceuticals Joint Stock Company

We have audited the consolidated balance sheet of ICA Biotechnological - Pharmaceuticals Joint Stock Company and its subsidiaries ("the Group") as at 31 December 2010, the consolidated income statement and consolidated cash flow statement for the year then ended and the notes thereto as set out on pages 4 to 33 (collectively referred to as "the consolidated financial statements"). These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Basis of opinion

We conducted our audit in accordance with Vietnamese and International Standards on Auditing applicable in Vietnam. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2010, and the consolidated results of its operations and the consolidated cash flows for the year then ended in accordance with the Vietnamese Accounting Standards and System and comply with the relevant statutory requirements.



Ernst & Young Vietnam Ltd.
Ernst & Young Vietnam Limited



Mai Viet Hung Tran
Deputy General Director
Registered Auditor
Certificate No. D.0048/KTV



Ronald C. Almera
Auditor-in-charge
Registered Auditor
Certificate No. N.0876/KTV

Ho Chi Minh City, Vietnam

28 June 2011

CONSOLIDATED BALANCE SHEET
as at 31 December 2010

VND

| Code | ASSETS | Notes | Ending balance | Beginning balance |
|------------|---|-----------|------------------------|------------------------|
| 100 | A. CURRENT ASSETS | | 218,076,643,420 | 151,152,628,155 |
| 110 | I. Cash | 4 | 6,889,554,338 | 6,746,020,058 |
| 130 | II. Current accounts receivable | | 189,072,707,066 | 88,227,395,379 |
| 131 | 1. Trade receivables | | 93,035,782,106 | 34,516,330,890 |
| 132 | 2. Advances to suppliers | | 22,349,077,072 | 22,972,949,082 |
| 135 | 3. Other receivables | 5 | 73,687,847,888 | 30,738,115,407 |
| 140 | III. Inventories | 6 | 14,948,463,292 | 44,944,918,905 |
| 141 | 1. Inventories | | 18,441,650,840 | 46,059,498,637 |
| 149 | 2. Provision for obsolete inventories | | (3,493,187,548) | (1,114,579,732) |
| 150 | IV. Other current assets | | 7,165,918,724 | 11,234,293,813 |
| 151 | 1. Short-term prepaid expenses | | 742,153,483 | 289,627,390 |
| 152 | 2. Value-added tax deductible | | 4,170,493,847 | 5,377,176,615 |
| 154 | 3. Tax and other receivables from the State | | 203,142,194 | 203,142,194 |
| 158 | 4. Other current assets | 7 | 2,050,129,200 | 5,364,347,614 |
| 200 | B. NON-CURRENT ASSETS | | 415,331,511,965 | 461,263,549,151 |
| 220 | I. Fixed assets | | 283,884,596,115 | 318,178,486,360 |
| 221 | 1. Tangible fixed assets | 8 | 26,558,394,953 | 31,880,616,372 |
| 222 | Cost | | 77,917,846,890 | 77,657,330,344 |
| 223 | Accumulated depreciation | | (51,359,451,937) | (45,776,713,972) |
| 227 | 2. Intangible fixed assets | 9 | 244,927,153,138 | 273,898,821,964 |
| 228 | Cost | | 322,522,435,501 | 322,522,435,501 |
| 229 | Accumulated amortisation | | (77,595,282,363) | (48,623,613,537) |
| 230 | 3. Construction in progress | 10 | 12,399,048,024 | 12,399,048,024 |
| 260 | II. Other long-term assets | | 6,931,927,823 | 5,278,860,460 |
| 261 | 1. Long-term prepaid expenses | 11 | 4,338,443,452 | 4,520,459,050 |
| 262 | 2. Deferred tax assets | 23.2 | 2,139,169,116 | 347,275,407 |
| 268 | 3. Other long-term assets | | 454,315,255 | 411,126,003 |
| 269 | III. Goodwill | 12 | 124,514,988,027 | 137,806,202,331 |
| 270 | TOTAL ASSETS | | 633,408,155,385 | 612,416,177,306 |

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2010

VND

| Code | RESOURCES | Notes | Ending balance | Beginning balance (As restated – Note 25) |
|------------|---|-------------|------------------------|---|
| 300 | A. LIABILITIES | | 406,524,505,786 | 402,677,253,530 |
| 310 | I. Current liabilities | | 364,141,455,037 | 344,847,446,317 |
| 311 | 1. Short-term loans | 13 | 165,752,260,092 | 193,034,260,448 |
| 312 | 2. Trade payables | | 74,039,831,011 | 64,312,444,745 |
| 313 | 3. Advance to customers | | 268,611,812 | - |
| 314 | 4. Statutory obligations | 14 | 43,346,539,462 | 35,932,015,619 |
| 315 | 5. Payables to employees | | 3,529,093,590 | 2,221,987,115 |
| 316 | 6. Accrued expenses | 15 | 20,452,124,418 | 13,829,478,932 |
| 319 | 7. Other payables | 16 | 46,250,984,540 | 23,776,964,859 |
| 323 | 8. Bonus and welfare fund | | 10,502,010,112 | 11,740,294,599 |
| 330 | II. Non-current liabilities | | 42,383,050,749 | 57,829,807,213 |
| 331 | 1. Long-term trade payables | | 7,572,800,000 | 8,970,500,000 |
| 333 | 2. Other long-term liabilities | | 250,000,500 | 230,000,000 |
| 334 | 3. Long-term loans | 17 | 31,105,000,000 | 46,093,717,389 |
| 336 | 4. Provision for severance allowance | | 3,455,250,249 | 2,535,589,824 |
| 400 | B. OWNERS' EQUITY | 18.1 | 226,862,046,714 | 209,722,424,444 |
| 410 | I. Capital | | 226,862,046,714 | 209,722,424,444 |
| 411 | 1. Share capital | 18.2 | 116,500,000,000 | 116,500,000,000 |
| 412 | 2. Share premium | | 13,475,000,000 | 13,475,000,000 |
| 417 | 3. Investment and development fund | | 22,421,624,675 | 17,550,526,900 |
| 418 | 4. Financial reserve fund | | 9,047,429,987 | 6,611,881,100 |
| 419 | 5. Other funds belonging to owners' equity | | 4,326,764,700 | 4,326,764,700 |
| 420 | 6. Undistributed earnings | | 61,091,227,352 | 51,258,251,744 |
| 439 | C. MINORITY OF INTERESTS | | 21,602,885 | 16,499,332 |
| 440 | TOTAL LIABILITIES AND OWNERS' EQUITY | | 633,408,155,385 | 612,416,177,306 |


Nguyen Huy Khang
Chief Accountant

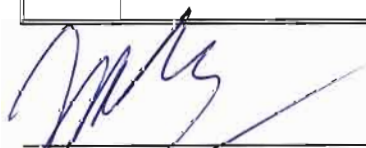

Lương Quang Sơn
General Director


28 June 2011

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2010

VND

| Code | ITEMS | Notes | Current year | Previous year (As restated – Note 25) |
|------|---|--------|-------------------|---|
| 01 | 1. Revenue from sale of goods | 19.1 | 346,175,732,505 | 318,566,931,823 |
| 02 | 2. Deductions | 19.1 | (188,894,420) | (3,545,736,141) |
| 10 | 3. Net revenue from sale of goods | 19.1 | 345,986,838,085 | 315,021,195,682 |
| 11 | 4. Cost of goods sold | 20, 22 | (163,493,589,179) | (197,072,265,702) |
| 20 | 5. Gross profit | | 182,493,248,906 | 117,948,929,980 |
| 21 | 6. Finance income | 19.2 | 1,768,014,142 | 16,829,417,583 |
| 22 | 7. Finance expenses | 21 | (23,840,392,589) | (32,746,639,520) |
| 23 | <i>In which: Interest expense</i> | | (20,815,841,548) | (19,235,288,533) |
| 24 | 8. Selling expenses | 22 | (50,120,723,090) | (32,367,455,756) |
| 25 | 9. General and administration expenses | 22 | (58,330,611,009) | (21,090,104,697) |
| 30 | 10. Operating profit | | 51,969,536,360 | 48,574,147,590 |
| 31 | 11. Other income | | 1,195,755,645 | 260,430,868 |
| 32 | 12. Other expenses | | (120,940,685) | (73,302,477) |
| 40 | 13. Other profit | | 1,074,814,960 | 187,128,391 |
| 50 | 14. Profit before tax | | 53,044,351,320 | 48,761,275,981 |
| 51 | 15. Current corporate income tax expense | 23.1 | (4,669,640,988) | (3,572,711,583) |
| 52 | 16. Deferred corporate income tax benefit (expense) | 23.2 | 1,791,893,709 | (221,639,209) |
| 60 | 17. Net profit after tax | | 50,166,604,041 | 44,966,925,189 |
| | <i>In which:</i> | | | |
| 61 | 17.1. Minority interest | | 5,103,553 | - |
| 62 | 17.2. Equity holders of the parent | | 50,161,500,488 | 44,966,925,189 |
| 80 | 18. Basic earnings per share | | 4,306 | 3,860 |


Nguyen Huy Khang
Chief Accountant


Luong Quang Son
General Director



28 June 2011

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2010

VND

| Code | ITEMS | Notes | Current year | Previous year (As restated – Note 25) |
|------|---|----------|-------------------------|---|
| | I. CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| 01 | Profit before tax | | 53,044,351,320 | 48,761,275,981 |
| | Adjustments for: | | | |
| 02 | Depreciation and amortisation | 8, 9, 12 | 48,290,343,694 | 21,178,501,119 |
| 03 | Provisions | | 2,378,607,816 | (698,088,827) |
| 04 | Unrealised foreign exchange losses | | 440,987,234 | 8,892,380,352 |
| 05 | Gain from investing activities | | (182,079,780) | (14,146,265,809) |
| 06 | Interest expense | 21 | 20,815,841,548 | 19,235,288,533 |
| 08 | Operating profit before changes in working capital | | 124,788,051,832 | 83,223,091,349 |
| 09 | Increase in receivables | | (96,725,225,463) | (3,466,754,992) |
| 10 | Decrease (increase) in inventories | | 27,617,847,797 | (4,125,047,336) |
| 11 | Increase (decrease) in payables | | 6,974,384,471 | (2,438,589,450) |
| 12 | Increase in prepaid expenses | | (270,510,495) | (224,469,813) |
| 13 | Interest paid | | (15,464,796,547) | (16,016,746,348) |
| 14 | Corporate income tax paid | 23.1 | - | (478,735,556) |
| 16 | Other cash outflows from operating activities | | (5,135,162,705) | (1,306,179,021) |
| 20 | Net cash flows from operating activities | | 41,784,588,890 | 55,166,568,833 |
| | II. CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| 21 | Purchase of fixed assets | | (705,239,145) | (1,348,615,940) |
| 26 | Payment for acquisition of subsidiaries, net of cash acquired | | - | (15,785,519,482) |
| 28 | Interest received | | 182,079,780 | 185,385,788 |
| 30 | Net cash flows used in investing activities | | (523,159,365) | (16,948,749,634) |
| | III. CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| 33 | Drawdown of borrowings | | 74,572,667,406 | 157,670,762,711 |
| 34 | Repayment of borrowings | | (115,690,562,651) | (162,862,022,200) |
| 36 | Dividends paid | | - | (30,608,250,000) |
| 40 | Net cash flows used in financing activities | | (41,117,895,245) | (35,799,509,489) |

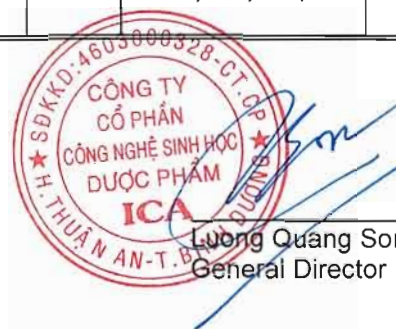
CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2010

VND

| Code | ITEMS | Notes | Current year | Previous year (As restated – Note 25) |
|------|---------------------------|-------|---------------|---|
| 50 | Net increase in cash | | 143,534,280 | 2,418,309,710 |
| 60 | Cash at beginning of year | 4 | 6,746,020,058 | 4,327,710,348 |
| 70 | Cash at end of year | 4 | 6,889,554,338 | 6,746,020,058 |



Nguyen Huy Khang
Chief Accountant



CÔNG TY
CỔ PHẦN
CÔNG NGHỆ SINH HỌC
DƯỢC PHẨM
ICA
H. THUAN AN-T. B. PHU THUAN

Luong Quang Son
General Director

28 June 2011