

**PHONG PHU PHARMACEUTICAL  
JOINT STOCK COMPANY**

**Reviewed interim consolidated financial statements  
for the six-month period ended 30 June 2025**



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## THE BOARD OF DIRECTORS' REPORT

The Board of Directors have the pleasure in presenting this report and the Reviewed interim consolidated financial statements of Phong Phu Pharmaceutical Joint Stock Company and its subsidiary (referred to as "the Corporation") for the six-month period ended 30 June 2025.

### 1. General information

The Corporation includes: Phong Phu Pharmaceutical Joint Stock Company ("the Parent Company") and a subsidiary is USAR Vietnam Company Limited.

#### The Parent Company

Phong Phu Pharmaceutical Joint Stock Company ("the Parent Company") is a joint stock company, established in Vietnam and operating under the Business Registration Certificate No. 0301427564 first registered on 20 August 2000 issued by the Department of Planning and Investment of Ho Chi Minh City.

During its operation, the Parent Company has been granted the following additional Business Registration Certificates by the Department of Planning and Investment of Ho Chi Minh City:

- 1<sup>st</sup> amendment Business Registration Certificate dated 25 March 2003;
- 2<sup>nd</sup> amendment Business Registration Certificate dated 02 March 2007 to update the Parent Company's name and address;
- 3<sup>rd</sup> amendment Business Registration Certificate dated 25 October 2007 to increase the Parent Company's charter capital from VND 6,000,000,000 VND to VND 22,000,000,000;
- 4<sup>th</sup> amendment Business Registration Certificate dated 13 November 2008 to update the Parent Company's business activities;
- 5<sup>th</sup> amendment Business Registration Certificate dated 16 August 2010 to update the Parent Company's Business Registration Certificate to No. 0301427564;
- 6<sup>th</sup> amendment Business Registration Certificate dated 09 September 2010 to update the Parent Company's Legal Representative from Ms. Nguyen Thi Bich Ngoc to Mr. Ho Vinh Hien;
- 7<sup>th</sup> amendment Business Registration Certificate dated 28 October 2010 to increase the Parent Company's charter capital from VND 22,000,000,000 to VND 23,355,000,000 and update information regarding 83 branches of the Parent Company;
- 8<sup>th</sup> amendment Business Registration Certificate dated 11 February 2011 to decrease 83 branches of the Parent Company to 82 branches;
- 9<sup>th</sup> amendment Business Registration Certificate dated 28 February 2012 to update the Parent Company's business activities, also increase 82 branches of the Parent Company to 83 branches;
- 10<sup>th</sup> amendment Business Registration Certificate dated 18 April 2014 to increase the Company's charter capital from VND 23,355,000,000 to VND 29,799,990,000, also decrease 83 branches of the Parent Company to 69 branches;
- 11<sup>th</sup> amendment Business Registration Certificate dated 18 September 2014 to increase the Parent Company's charter capital from VND 29,799,990,000 to VND 45,000,000,000;
- 12<sup>th</sup> amendment Business Registration Certificate dated 24 December 2015 to dissolve all of the Parent Company's branches;
- 13<sup>th</sup> amendment Business Registration Certificate dated 03 March 2016 to increase the Parent Company's charter capital from VND 45,000,000,000 to VND 60,000,000,000;
- 14<sup>th</sup> amendment Business Registration Certificate dated 19 October 2018 to increase the Parent Company's charter capital from VND 60,000,000,000 to VND 80,000,000,000;
- 15<sup>th</sup> amendment Business Registration Certificate dated 21 August 2019 to increase the Parent Company's charter capital from VND 80,000,000,000 to VND 87,999,910,000;
- 16<sup>th</sup> amendment Business Registration Certificate dated 15 October 2021 to update information of the Parent Company's Legal Representative;

Charter capital of the Parent Company at 30/06/2025 and at 01/01/2025 is VND 87,999,910,000 equivalent with 8,799,991 shares which have par value of VND 10,000/ share.

The Parent Company's shares were accepted for listing on the Hanoi Stock Exchange with the stock code PPP and the first trading day was 18 July 2011.



## THE BOARD OF DIRECTORS' REPORT

According to Business registration certificate, the Parent Company's business activities are:

- Wholesale of other household products. Details: Wholesale of pharmaceuticals; medical instruments, medical equipment; cosmetics, perfumeries; antiseptic solutions.
- Other production not elsewhere classified. Details: Tea production;
- Manufacture of dairy products;
- Manufacture of bakery products from flour;
- Manufacture of macaroni, noodles and similar farinaceous products;
- Manufacture of non-alcoholic beverages, and mineral waters. Details: Production of mineral waters and other bottled waters; manufacture of non-alcoholic beverages;
- Wholesale of food. Details: Wholesale of tea; Wholesale of sugar (not operating at headquarters); milk and dairy products, confectionery and products processed from cereal, flour, starch; wholesale of functional foods;
- Other passenger land transport. Details: Freight transport by special-purpose motor vehicles; other urban and suburban passenger land transport (not operating at headquarters);
- Warehousing and storage of goods. Details: Storage of goods;
- Real estate activities, own or rented property and land use rights. Details: Real estate activities (not operating at headquarters);
- Manufacture of functional foods not elsewhere classified. Details: Manufacture of functional foods (except for fresh food processing);
- Manufacture of pharmaceuticals, medicinal chemical and herbal medicines. Details: Manufacture of pharmaceuticals, herbal medicines, herbal extracts;
- Manufacture of cocoa, chocolate and sugar confectionery;
- Wholesale of beverages. Details: Wholesale of non-alcoholic beverages;
- Manufacture of cosmetics, soap and detergents, cleaning and polishing preparations and toilet preparations. Details: Manufacture of cosmetics, chemicals and antiseptic solutions for household and medical use (except for manufacturing chemicals at headquarters);
- Manufacture of medical and dental, and orthopedic and rehabilitation instruments and supplies. Details: Manufacture of medical instruments and supplies;
- Other professional, scientific and technology activities not elsewhere classified. Details: Technology transfer and technology transfer services in the field of pharmaceuticals and health supplement; Product research and development services in the field of pharmaceuticals and health supplement;
- Growing spices, medicinal plants, perennial aromatic plants. Details: Growing and processing spices, medicinal plants, perennial aromatic plants (not operating at headquarters).

In the period, the Corporation's principal activities are producing, wholesale and retail of medicine.

The Parent Company's head office:

- Address : Lot No. 12, No. 8 Street, Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City, Vietnam
- Phone : 028 3754 7999
- Fax : 028 3754 7996

### Branches

The Parent Company has the following affiliated units:

No.	Unit's name	Address
1	Branch of Phong Phu Pharmaceutical Joint Stock Company - Functional Food Production Factory	179 Phong Phu Street, Phu Dinh Ward, Ho Chi Minh City, Vietnam
2	Phong Phu Pharmaceutical Joint Stock Company – Usarichpharm Factory Branch	Lot No. 12, No. 8 Street, Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City, Vietnam



THE BOARD OF DIRECTORS' REPORT

Subsidiaries

The Parent Company has the following subsidiary:

Name	Address	Main activities	Ownership rate	Voting right rate
USAR Vietnam Company Limited	Lot 12, No. 8 Street, Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City, Vietnam	Pharmaceutical trading business	100%	100%

2. The members of the Board of Directors, the Board of Supervisors, the General Director and Chief Accountant

The members of the Board of Directors, The General Director and the Board of Supervisors in the six-month period ended at 30 June 2025 and as at the date of this report include:

The Board of Directors

Full name	Position	
Mr. Pho Nghia Van	Chairman	Appointed on 25/04/2025
Ms. Le Thanh Truc	Chairwoman	Resigned on 25/04/2025
Mr. Thai Nha Ngon	Vice Chairman	Appointed on 25/04/2025
Ms. Nguyen Thi Mai Nguyet	Member	Appointed on 25/04/2025
Ms. Pham Thi Thach Thao	The Company's Administrative Officer	Appointed on 25/04/2025

The Board of Supervisors

Full name	Position	
Mr. Nguyen Van Chac	Chief Supervisor	Appointed on 25/04/2025
Ms. Nguyen Hoang Ngoc Chau	Chief Supervisor	Resigned on 25/04/2025
Ms. Ho Thuy Quynh Nhu	Member	Appointed on 25/04/2025
Ms. Vo Hong Hanh	Member	Appointed on 25/04/2025
Ms. Pham Thi Minh Tam	Member	Resigned on 25/04/2025

The General Director and Chief Accountant

Full name	Position
Mr. Thai Nha Ngon	General Director
Ms. Nguyen Thi Anh Chi	Chief Accountant

Legal Representative

The Legal Representative of the Company during the six-month period ended at 30 June 2025 and at the date of this report is:

Full name	Nationality	Position
Mr. Thai Nha Ngon	Vietnamese	General Director

3. The Corporation's financial position and operating results

The Corporation's financial position and its operating result for the six-month period ended at 30 June 2025 are reflected in the accompanying interim consolidated financial statements.

4. Events subsequent to the balance sheet date

There have been no significant events occurring after the balance sheet date for the six-month period ended at 30 June 2025 which would require adjustments or disclosures to be made in the Notes to the interim consolidated financial statements.

## THE BOARD OF DIRECTORS' REPORT

### 5. Auditors

AFC Vietnam Auditing Company Limited has been appointed to review the Corporation's consolidated financial statements for the six-month period ended at 30 June 2025.

### 6. Statement of the General Director' responsibility in respect of the interim consolidated financial statements

The General Director is responsible for preparing the interim consolidated financial statements for the six-month period ended at 30 June 2025 which give a true and fair view of the interim consolidated financial position of the Corporation, as well as of its consolidated operation results and its consolidated cash flows for the year then ended. In preparing those interim consolidated financial statements, the General Director 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 consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- Design, implement and maintain the Corporation's internal control for prevention and detection of fraud and error to preparation and presentation of the consolidated financial statements.

The General Director is responsible for ensuring that the proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Corporation and to ensure that the accounting records comply with the Vietnamese Accounting System. The General Director is also responsible for managing the assets of the Corporation and therefore has taken the appropriate measures to prevent and detect frauds and other irregularities.

The General Director confirmed that the Corporation has complied with the above requirements in preparing the accompanying interim consolidated financial statements.

### 7. Approval of the interim consolidated financial statements

The Board of Directors hereby approves the accompanying interim consolidated financial statements which give a true and fair view of the financial position of the Corporation as at 30 June 2025, its operation results and cash flows of the Corporation for the six-month period ended at 30 June 2025 in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System and comply with relevant statutory requirements relating to the preparation and presentation of interim consolidated financial statements.

On behalf of the Board of Directors



**PHO NGHIA VAN**  
Chairman

Ho Chi Minh City, 14 August 2025





Công ty TNHH Kiểm Toán AFC Việt Nam  
AFC Vietnam Auditing Co., Ltd.

Thành viên tập đoàn PKF Quốc tế  
Member firm of PKF International

No.: 175/2025/BCSXHN-HCM.00623



## REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

**To: The Shareholders, the Board of Directors and the General Director  
Phong Phu Pharmaceutical Joint Stock Company**

We have reviewed the accompanying interim consolidated financial statements of Phong Phu Pharmaceutical Joint Stock Company and its subsidiary (referred to as "the Corporation"), prepared on 14 August 2025, as set out from page 6 to 38, which comprise the Interim Consolidated Balance sheet as at 30 June 2025, the Interim Consolidated Income statement, the Interim Consolidated Cash flow statement for the six-month period ended 30 June 2025 and the Notes to the Interim Consolidated Financial statements.

### The General Director' responsibility

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

### Auditor's responsibility

Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagements No. 2410 - Review of Interim Financial information Performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material respects, of the interim consolidated financial position of the Corporation as at 30 June 2025, and of the interim consolidated income statement and their interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System, and the statutory requirements relevant to the preparation and presentation of interim consolidated financial statements.



**PHAM THI NGOC LIEN**

**Deputy General Director**

Audit Practicing Registration Certificate

No. 1180-2023-009-1

Authorized Representative

**AFC VIETNAM AUDITING COMPANY LIMITED**

Ho Chi Minh City, 14 August 2025

**LE HUYNH BAO**

**Auditor**

Audit Practicing Registration Certificate

No. 5449-2021-009-1



## INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2025

ITEMS	Code	Notes	30/06/2025 VND	01/01/2025 VND
<b>ASSETS</b>				
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>84,366,981,651</b>	<b>91,227,655,896</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	5.1	<b>5,331,987,499</b>	<b>8,876,231,902</b>
1. Cash	111		5,331,987,499	4,876,231,902
2. Cash equivalents	112		-	4,000,000,000
<b>II. Short term financial investments</b>	<b>120</b>		<b>24,584,000,000</b>	<b>31,108,072,981</b>
1. Trading securities	121		-	-
2. Provision for diminution in value of held for trading securities	122		-	-
3. Held-to-maturity investments	123	5.2	24,584,000,000	31,108,072,981
<b>III. Short-term receivables</b>	<b>130</b>		<b>15,680,452,896</b>	<b>13,936,937,385</b>
1. Short-term accounts receivable	131	5.3	12,984,419,845	11,210,699,585
2. Short-term advances to suppliers	132	5.4	1,645,444,018	1,959,182,981
3. Short-term inter-company receivables	133		-	-
4. Construction contract receivables based on progress billings	134		-	-
5. Short-term loan receivables	135		-	-
6. Other short-term receivables	136	5.5	1,187,589,434	883,915,393
7. Provision for doubtful short-term debts	137	5.6	(137,000,401)	(116,860,574)
8. Deficient assets pending resolution	139		-	-
<b>IV. Inventories</b>	<b>140</b>	5.7	<b>38,277,655,678</b>	<b>36,898,700,847</b>
1. Inventories	141		38,908,417,164	37,477,995,497
2. Provision for decline inventories	149		(630,761,486)	(579,294,650)
<b>V. Other short-term assets</b>	<b>150</b>		<b>492,885,578</b>	<b>407,712,781</b>
1. Short-term prepayments	151	5.8	440,293,230	387,273,318
2. Deductible VAT	152		25,052,562	7,611,281
3. Other receivables from State budget	153	5.15	27,539,786	12,828,182
4. Transactions to buy, resell government bonds	154		-	-
5. Other short-term assets	155		-	-



## INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2025

ITEMS	Code	Notes	30/06/2025 VND	01/01/2025 VND
<b>B - NON-CURRENT ASSETS</b>	<b>200</b>		<b>77,829,148,467</b>	<b>75,914,638,908</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>54,216,000</b>	<b>54,968,812</b>
1. Long-term receivables from customers	211		-	-
2. Long-term advances to suppliers	212		-	-
3. Business capital in dependent units	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Long-term loan receivables	215		-	-
6. Other long-term receivables	216	5.5	54,216,000	54,968,812
7. Provision for doubtful long-term debt	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>72,627,633,801</b>	<b>74,287,414,969</b>
1. Tangible fixed assets	221	5.9	56,125,004,946	57,436,446,124
- Cost	222		112,203,626,294	111,763,968,297
- Accumulated depreciation	223		(56,078,621,348)	(54,327,522,173)
2. Finance leases fixed assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	5.10	16,502,628,855	16,850,968,845
- Cost	228		24,609,806,901	24,609,806,901
- Accumulated depreciation	229		(8,107,178,046)	(7,758,838,056)
<b>III. Investment property</b>	<b>230</b>		-	-
- Cost	231		-	-
- Accumulated depreciation	232		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>1,867,482,318</b>	<b>61,775,000</b>
1. Long-term works in progress	241		-	-
2. Construction in progress	242	5.11	1,867,482,318	61,775,000
<b>V. Long-term financial investments</b>	<b>250</b>		<b>2,000,000,000</b>	-
1. Investment in subsidiaries	251		-	-
2. Investment in joint ventures, and associates	252		-	-
3. Investments in other entities	253		-	-
4. Provision for diminution in value of long-term financial investments	254		-	-
5. Long-term investments held-to-maturity	255	5.2	2,000,000,000	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>1,279,816,348</b>	<b>1,510,480,127</b>
1. Long-term prepaid expenses	261	5.8	649,016,253	1,042,210,669
2. Deferred income tax assets	262	5.12	630,800,095	468,269,458
3. Long-term equipment, spare parts for replacement	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill	269		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>162,196,130,118</b>	<b>167,142,294,804</b>

## INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2025


ITEMS	Code	Notes	30/06/2025 VND	01/01/2025 VND
<b>RESOURCES</b>				
<b>C – LIABILITIES</b>	<b>300</b>		<b>32,136,731,273</b>	<b>31,784,177,061</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>31,919,731,273</b>	<b>31,567,177,061</b>
1. Trade accounts payable	311	5.13	10,435,565,838	13,502,165,363
2. Short-term advance from customers	312	5.14	6,933,899,648	4,745,086,252
3. Taxes and payables to State budget	313	5.15	1,389,866,329	1,680,479,309
4. Payables to employees	314		3,166,437,252	4,008,448,351
5. Short-term accrued expenses	315	5.16	330,803,273	478,717,171
6. Short-term inter-company payables	316		-	-
7. Construction contract payables based on progress billings	317		-	-
8. Short-term unrealized revenues	318		-	-
9. Other current payables	319	5.17	868,926,613	803,488,321
10. Short-term loans and finance lease liabilities	320	5.18	2,278,669,368	-
11. Provision for short-term payables	321		-	-
12. Bonus and welfare funds	322	5.19	6,515,562,952	6,348,792,294
13. Price Stabilization Fund	323		-	-
14. Transactions to buy, resell government bonds	324		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>217,000,000</b>	<b>217,000,000</b>
1. Long-term trade payables	331		-	-
2. Long-term advance from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables on capital	334		-	-
5. Long-term payables to inter-company	335		-	-
6. Long-term unrealized revenues	336		-	-
7. Other long-term payables	337	5.17	217,000,000	217,000,000
8. Long-term loans and finance lease liabilities	338		-	-
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provision for long-term payables	342		-	-
13. Science and technology development fund	343		-	-




## INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2025

ITEMS	Code	Notes	30/06/2025 VND	01/01/2025 VND
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>130,059,398,845</b>	<b>135,358,117,743</b>
<b>I. Capital</b>	<b>410</b>	5.20	<b>130,059,398,845</b>	<b>135,358,117,743</b>
1. Owners' invested capital	411		87,999,910,000	87,999,910,000
- Ordinary shares with voting rights	411a		87,999,910,000	87,999,910,000
- Preferred shares	411b		-	-
2. Capital surplus	412		2,205,500,000	2,205,500,000
3. Convertible bonds option	413		-	-
4. Other owner's capital	414		-	-
5. Treasury shares (*)	415		-	-
6. Assets revaluation difference	416		-	-
7. Foreign exchange difference	417		-	-
8. Investment and development funds	418		10,732,649,455	10,260,754,744
9. Business arrangements support fund	419		-	-
10. Other owner's funds	420		-	-
11. Retained earnings	421		29,121,339,390	34,891,952,999
- Retained earnings brought forward	421a		21,691,966,499	20,250,207,928
- Retained earnings for the current year	421b		7,429,372,891	14,641,745,071
12. Construction capital sources	422		-	-
13. Non-controlling shareholder profit	429		-	-
<b>II. Non-business expenditure fund and other funds</b>	<b>430</b>		-	-
1. Non-business expenditure fund	431		-	-
2. Non-business expenditure fund invested in fixed assets	432		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>162,196,130,118</b>	<b>167,142,294,804</b>

  
**DANG TRUC KHANH**  
Preparer

  
**NGUYEN THI ANH CHI**  
Chief Accountant

  
**THAI NHA NGON**  
General Director

Ho Chi Minh City, 14 August 2025



## INTERIM CONSOLIDATED INCOME STATEMENT

For the six-month period ended 30 June 2025

ITEMS	Code	Notes	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
<b>1. Revenues from sale of goods and rendering of services</b>	01		<b>66,505,557,857</b>	<b>67,744,000,653</b>
2. Deductions	02		533,538,160	112,727,977
<b>3. Net revenue from sale of goods and rendering of services (10 = 01 - 02)</b>	10	6.1	<b>65,972,019,697</b>	<b>67,631,272,676</b>
4. Cost of goods sold	11	6.2	42,855,138,897	46,564,696,852
<b>5. Gross profit from sale of goods and rendering of services (20 = 10 - 11)</b>	20		<b>23,116,880,800</b>	<b>21,066,575,824</b>
6. Financial income	21	6.3	792,805,248	671,804,168
7. Financial expenses	22	6.4	64,266,606	18,505,068
- In which: Interest expenses	23		23,968,522	-
8. Profit or loss of joint venture and associate	24		-	-
9. Selling expenses	25	6.5	6,530,854,897	6,326,389,820
10. General and administration expenses	26	6.6	6,355,734,484	6,498,743,368
<b>11. Operating profit/(loss) {30 = 20 + (21 - 22 + 24) - (25 + 26)}</b>	30		<b>10,958,830,061</b>	<b>8,894,741,736</b>
12. Other income	31	6.7	79,749,188	90,086,780
13. Other expenses	32		159,635	1,927,777
<b>14. Other profit/(loss) (40 = 31 - 32)</b>	40		<b>79,589,553</b>	<b>88,159,003</b>
<b>15. Accounting profit before tax (50 = 30 + 40)</b>	50		<b>11,038,419,614</b>	<b>8,982,900,739</b>
16. Current corporate income tax expense	51	5.15	2,355,893,225	1,856,214,892
17. Deferred corporate income tax expense	52	5.12	(162,530,637)	(91,369,991)
<b>18. Net profit after corporate income tax (60 = 50 - 51 - 52)</b>	60		<b>8,845,057,026</b>	<b>7,218,055,838</b>
19. Profit after tax of shareholders of the parent company	61		8,845,057,026	7,218,055,838
20. Profit after tax of non-controlling shareholders	62		-	-
<b>21. Earnings per share</b>	70	6.9	<b>898</b>	<b>736</b>

DANG TRUC KHANH  
Preparer

NGUYEN THI ANH CHI  
Chief Accountant



THAI NHA NGON  
General Director  
Ho Chi Minh City, 14 August 2025



## INTERIM CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the six-month period ended 30 June 2025

ITEMS	Code	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Net profit before tax	01	11,038,419,614	8,982,900,739
2. Adjustments for:			
- Depreciation and amortisation of fixed assets, investment property	02	2,099,439,165	2,113,989,769
- Provisions, (reversal)	03	71,606,663	158,676,238
- (Gain), loss foreign exchange rate differences upon revaluation of monetary	04	-	-
- Gain, loss from investing activities	05	(792,805,248)	(671,804,168)
- Interest expense	06	23,968,522	-
- Other adjustments	07	-	-
3. Operating profit before movements in working capital	08	12,440,628,716	10,583,762,578
- (Increase), decrease in receivables	09	(1,557,657,226)	(363,223,413)
- (Increase), decrease in inventories	10	(1,430,421,667)	908,374,773
- Increase, (decrease) in account payable (other than interest payables, CIT payables)	11	(1,881,545,345)	(3,176,776,557)
- (Increase), decrease in accrued expenses	12	340,174,504	369,171,483
- Increase, decrease in trading securities	13	-	-
- Interest paid	14	(20,321,769)	-
- Corporate income tax paid	15	(2,623,237,632)	(2,012,461,356)
- Other cash inflows	16	-	-
- Other cash outflows	17	(777,018,766)	(797,064,993)
<b>Net cash flow from operating activities</b>	<b>20</b>	<b>4,490,600,815</b>	<b>5,511,782,515</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash outflow for purchasing and construction of fixed assets and other long-term assets	21	(2,245,365,315)	-
2. Proceeds from disposal of fixed assets and other long-term assets	22	-	-
3. Cash outflow for buying debt instruments of other entities	23	(13,084,000,000)	(13,589,600,521)
4. Cash recovered from lending, selling debt instruments of other companies	24	17,608,072,981	13,562,811,839
5. Investment in other entities	25	-	-
6. Cash recovered from investments in other entities	26	-	-
7. Interest income received, dividends received	27	568,867,248	810,526,976
<b>Net cash flow from investing activities</b>	<b>30</b>	<b>2,847,574,914</b>	<b>783,738,294</b>
<b>III. CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
1. Proceeds from issuing stocks, receiving capital from owners	31	-	-
2. Capital withdrawals, buying treasury shares	32	-	-
3. Proceeds from short-term borrowings	33	3,584,378,958	-
4. Repayment of borrowings	34	(1,305,709,590)	-
5. Repayment of obligations under finance lease	35	-	-
6. Dividends paid	36	(13,161,089,500)	(10,321,527,750)
<b>Net cash flow from financing activities</b>	<b>40</b>	<b>(10,882,420,132)</b>	<b>(10,321,527,750)</b>

INTERIM CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the six-month period ended 30 June 2025

ITEMS	Code	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
NET INCREASE/ DECREASE IN CASH IN YEAR (50 = 20 + 30 + 40)	50	(3,544,244,403)	(4,026,006,941)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	60	8,876,231,902	8,481,639,139
Effects of changes in foreign exchange rate	61	-	-
CASH AND CASH EQUIVALENTS AT THE END OF YEAR (70 = 50 + 60 + 61)	70	5,331,987,499	4,455,632,198

DANG TRUC KHANH  
Preparer

NGUYEN THI ANH CHI  
Chief Accountant



THAI NHA NGON  
General Director  
Ho Chi Minh City, 14 August 2025



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 1. BUSINESS HIGHLIGHTS

#### 1.1 Structure of ownership

Phong Phu Pharmaceutical Joint Stock Company ("the Parent Company") is a joint stock company, established in Vietnam and operating under the Business Registration Certificate No. 0301427564 first registered on 20 August 2000 and the 16<sup>th</sup> amendment dated 15 October 2021 issued by the Department of Planning and Investment of Ho Chi Minh City.

Charter capital of the Parent Company at 30/06/2025 and at 01/01/2025 is VND 87,999,910,000 equivalent with 8,799,991 shares which have par value of VND 10,000/ share.

The Parent Company's shares were accepted for listing on the Hanoi Stock Exchange with the stock code PPP and the first trading day was 18 July 2011.

The Parent Company's head office is located at Lot No. 12, No. 8 Street, Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City, Vietnam.

#### 1.2 Scope of operating activities

The Corporation (include the Parent Company and its subsidiary) operates in the field of production and trading.

#### 1.3 Line of business

According to Business registration certificate, the Parent Company's business activities are:

- Wholesale of other household products. Details: Wholesale of pharmaceuticals; medical instruments, medical equipment; cosmetics, perfumeries; antiseptic solutions.
- Other production not elsewhere classified. Details: Tea production;
- Manufacture of dairy products;
- Manufacture of bakery products from flour;
- Manufacture of macaroni, noodles and similar farinaceous products;
- Manufacture of non-alcoholic beverages, and mineral waters. Details: Production of mineral waters and other bottled waters; manufacture of non-alcoholic beverages;
- Wholesale of food. Details: Wholesale of tea; Wholesale of sugar (not operating at headquarters); milk and dairy products, confectionery and products processed from cereal, flour, starch; wholesale of functional foods;
- Other passenger land transport. Details: Freight transport by special-purpose motor vehicles; other urban and suburban passenger land transport (not operating at headquarters);
- Warehousing and storage of goods. Details: Storage of goods;
- Real estate activities, own or rented property and land use rights. Details: Real estate activities (not operating at headquarters);
- Manufacture of functional foods not elsewhere classified. Details: Manufacture of functional foods (except for fresh food processing);
- Manufacture of pharmaceuticals, medicinal chemical and herbal medicines. Details: Manufacture of pharmaceuticals, herbal medicines, herbal extracts;
- Manufacture of cocoa, chocolate and sugar confectionery;
- Wholesale of beverages. Details: Wholesale of non-alcoholic beverages;
- Manufacture of cosmetics, soap and detergents, cleaning and polishing preparations and toilet preparations. Details: Manufacture of cosmetics, chemicals and antiseptic solutions for household and medical use (except for manufacturing chemicals at headquarters);
- Manufacture of medical and dental, and orthopedic and rehabilitation instruments and supplies. Details: Manufacture of medical instruments and supplies;
- Other professional, scientific and technology activities not elsewhere classified. Details: Technology transfer and technology transfer services in the field of pharmaceuticals and health supplement; Product research and development services in the field of pharmaceuticals and health supplement;
- Growing spices, medicinal plants, perennial aromatic plants. Details: Growing and processing spices, medicinal plants, perennial aromatic plants (not operating at headquarters).

In the year, the Corporation's principal activities are producing, wholesale and retail of medicine.



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

**1.4 Normal business cycle**

Business cycle of the Corporation is not exceeding 12 months.

**1.5 The structure of the Corporation**

The Corporation includes Phong Phu Pharmaceutical Joint Stock Company (the Parent Company) and 1 subsidiary is USAR Vietnam Company Limited.

**The Parent Company**

The Parent Company has the following affiliated units:

No.	Unit's name	Address
1	Branch of Phong Phu Pharmaceutical Joint Stock Company - Functional Food Production Factory	179 Phong Phu Street, Phu Dinh Ward, Ho Chi Minh City, Vietnam
2	Phong Phu Pharmaceutical Joint Stock Company – Usarichpharm Factory Branch	Lot No. 12, No. 8 Street, Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City, Vietnam

**Subsidiaries**

List of subsidiaries reflected in consolidated financial statements under the equity method:

Name	Address	Main activities	Ownership rate	Voting right rate
USAR Vietnam Company Limited	Lot 12, No. 8 Street, Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City, Vietnam	Pharmaceutical trading business	100%	100%

**1.6 Declaration on the comparability of information on the consolidated financial statements**

The figures are presented in the consolidated financial statements for the six-month period ended at 30 June 2025 compared with the corresponding figures prior period.

**1.7 Employees**

As at 30 June 2025, the total number of employees of the Corporation was 201 (31 December 2024: 206 persons).

**2. ACCOUNTING YEAR AND ACCOUNTING CURRENCY**

**2.1 Fiscal year**

The fiscal year of the Corporation is from January 01 to December 31 annually.

**2.2 Accounting currency**

The Corporation maintains its accounting records in Vietnamese dong (VND) due to the collect and spending are made primarily by currency VND.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 3. ACCOUNTING STANDARDS AND REGULATIONS APPLICATION

#### 3.1 Accounting Standards and regulations application

The Corporation's consolidated financial statements are prepared and presented in accordance with Vietnamese Accounting System issued Circular No. 200/2014/TT-BTC on 22 December 2014, the Circular No. 53/2016/TT-BTC on 21 March 2016, the Circular No. 202/2014/TT-BTC on 22 December 2014 issued by the Ministry of Finance guiding the preparation and presentation methods of the consolidated financial statements and Vietnam Accounting Standards.

The Corporation applied Vietnamese accounting standards; Accounting System issued Circular No. 200/2014/TT-BTC, No. 53/2016/TT-BTC, No. 202/2014/TT-BTC and other circulars guiding the implementation of accounting standards by the Ministry of Finance in the preparation and presentation of consolidated financial statements.

#### 3.2 Comply with the Vietnamese Accounting Standards and Vietnamese Accounting System

The General Director is ensure that complied with the Vietnamese Accounting Standards, Vietnamese Accounting System according to Circular No. 200/2014/TT-BTC, Circular No. 53/2016/TT-BTC, Circular No. 202/2014/TT-BTC and as well as the guiding implementation of Vietnamese Accounting Standards issued by the Ministry of Finance in relating to the preparation and presentation of consolidated financial statements.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Basis of preparation the consolidated financial statements

The consolidated financial statements include the financial statements of the Parent Company and the financial statements of subsidiaries controlled by the Parent Company until the date of the annual report. The control is achieved when the parent company has the ability to control the financial and operating policies of investee companies to obtain benefits from the activities of these companies.

Operating results of subsidiaries which acquired or disposed during the year are presented in the consolidated statement of operations from the date of purchase or to the date of sale of investments in those subsidiaries.

The financial statements of the subsidiary are prepared for the same reporting year as the Parent Company, using accounting policies consistent with those of the Corporation. In case of necessity, the financial statements of subsidiaries are adjusted to the accounting policies applied in the parent company and its subsidiaries are the same.

All transactions and balances between companies in the Corporation are eliminated on consolidation of financial statements.

Non-controlling interest in net assets of consolidated subsidiaries are identified as a target separately from the equity component of the shareholders of the parent company. Interests of non-controlling shareholders include the value of the benefit of non-controlling shareholders as at the initial business combination and share the interests of non-controlling shareholders in the volatility of the total equity since the date of incorporation most business. The losses corresponding to the capital of non-controlling shareholders exceed their share of equity in the total equity of the subsidiary are charged against the interests of the Corporation unless the non-controlling shareholders have a binding obligation and have the ability to offset such losses.

#### Business consolidation

Assets, liabilities and contingent liabilities of the subsidiaries are determined under the fair value at the acquisition date. Any additional terms of the cost of acquisition below the fair value of identifiable net assets acquired is recorded as goodwill. Any deficiency of the cost of acquisition and the fair value of total assets acquired is recognized in the results of operations of the accounting period incurred acquisition activity.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

Non-controlling interest at the date of the original business combination is determined on the basis of the percentage of non-controlling shareholders in the total fair value of assets, liabilities and contingent liabilities recognized.

### 4.2 Foreign currency transactions

In the period, transactions in currencies other than VND during the year have been translated into VND at exchange rates ruling at the date of the transaction. The balances of monetary items denominated in foreign currencies at the period end date are converted by the buying transfer exchange rate and selling exchange rate of the commercial bank which the Parent Company and its subsidiaries have often transactions prevailing on this date.

Exchange differences arising during the year from transactions in foreign currencies are recognized in the financial income or financial expense. Exchange differences arising from revaluation of monetary items denominated in foreign currencies at the balance sheet date after off-setting the differences is recognized in the financial income or financial expense.

### 4.3 Cash and cash equivalents

Cash comprises cash on hand, cash in banks (demand deposits) and cash in transit. Cash equivalents are short-term highly liquid investments with an original maturity of three months or less which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value at the report date.

### 4.4 Receivables

Trade and other receivables are stated at cost less provision for doubtful debts.

The classifications of receivables are trade receivables and other receivables, which complied with the following principles:

- Trade receivables reflect the nature of the receivables arising from commercial transactions with purchase - sale between the Corporation and an independent purchaser.
- Other receivables reflect the nature of the receivables arising from non-commercial transactions, and not to be related to the purchase – sale transactions.

The provision for doubtful debts represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recognized as general and administrative expense in the Consolidated Income statement.

### 4.5 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined as follows:

- Materials, goods: comprising all costs of purchase and related expenses directly incurred in bringing the inventories to their present location and condition.
- Finished goods: comprising costs of raw materials, direct labor and general production costs directly related to the production process.
- Work-in-process: including raw materials expenses, direct labor and production expenses.

Net realisable value means 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.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

The Corporation applies the perpetual inventory method of accounting for inventories and the cost is determined on the weighted average method.

Provision for decline of inventories is made for each inventory with the cost greater than the net value realizable.

An inventory provision is created for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc.) of raw materials, finished goods and other inventories owned by the Corporation, based on appropriate evidence of impairment available at the balance sheet date. Increases and decreases to the provision balance are recognised as cost of goods sold in the consolidated income statement.

### 4.6 Prepaid expenses

Prepaid expenses include short-term or long-term prepaid expenses on the balance sheet and are allocated over the period in which economic benefits are generated in relation to these expenses. The Group's prepaid expenses include the following:

#### *Tools and equipment*

Tools and equipment already in use are allocated to expenses using the straight-line method over a period not exceeding 3 years.

### 4.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The historical cost of tangible fixed assets include all the expenses that the Corporation incurs to get fixed assets by the time the asset is put into a state ready for use. Costs incurred after initial recognition is only recorded as increase in cost of fixed assets if these costs are sure to increase economic benefits in the future by using this assets. The costs incurred are not satisfied conditions are recognized as an expense in the period.

When selling or liquidating assets, their cost and accumulated depreciation of the assets are written off in the financial statements and any gain or loss which are arising from disposal are recorded in the Consolidated income statement.

Depreciation of tangible fixed assets which is calculated under the straight-line depreciation method with useful time of the asset is estimated as follows:

	Years
Building and structure	06 – 50
Machinery and equipment	05 – 10
Transportation	08 – 10
Office equipment	05
Other fixed assets	04

### 4.8 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated depreciation.

The historical cost of intangible fixed assets include all the expenses that the Corporation incurs to get fixed assets by the time the asset is put into a state ready for use. Costs related to intangible assets incurred after initial recognition are recognized as expenses in the period, unless these costs are associated with an intangible asset and increase economic benefits from these assets.

When assets are sold or retired, their cost and accumulated depreciation are removed from the balance sheet and any gain or losses resulting from their disposal are recognized in other income or other expense.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

The Corporation's intangible fixed assets include:

### ***Land use rights***

Land use rights are all the actual costs that the Corporation spent related directly to the land use, includes: money spent to have the right to use land, compensation and site clearance expense, leveling, registration fee,... The land use right of the Corporation is depreciated using the straight-line method over the 40-year land lease term.

### ***Computer software***

The expenses of purchasing computer software, which is not a part associated with the relevant hardware, will be capitalised. The initial cost of computer software includes all the expenses paid until the date the software is put into use. Computer software is amortised according to straight-line method in 3 years.

## **4.9 Accounts payables and accrued expenses**

Accounts payable and accrued payable are recognized for amounts to be paid in the future, which are related to the goods and services received. Accrued payables are recorded based on reasonable estimates of the amounts payable.

The classification of liabilities is trade payable, accrued expenses and other payables are in accordance with the following principles:

- Trade payables reflects the payables occurring from the commercial transactions with purchase of goods, services, property and the seller, which is an independent unit with the Corporation.
- Accrued payables reflect the amounts payable for goods and services received from the seller or has provided to the buyer but not paid due to no or insufficient billing records, accounting records and payable to employees on sabbatical salary, accrued production costs
- Other payables reflect the payables from non-commercial payables and not relate to the purchase – sale transactions.

## **4.10 Salary**

Salary expenses are determined based on salary, wage and allowances as stated in agreed-upon labor contracts.

## **4.11 Salary deduction**

Social insurance is deducted base on salary under labor contract at a cost of 17.5% and deducted from employees' salaries 8%.

Health insurance is deducted base on salary under labor contract at a cost of 3% and deducted from employees' salaries 1.5%.

Unemployment insurance is deducted base on salary under labor contract at a cost of 1% and deducted from employees' salaries 1%

Trade unions fees deducted on salaries to the cost of 2%.

## **4.12 Owners' equity**

### **Contributed capital of the owner**

Capital is recorded according to the amount actually invested by shareholders.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### Capital Surplus

Capital Surplus are recognized at the difference between the issued price and face value of shares when first released, the release added, the difference between the price reissued and the book value of treasury shares and structures the capital of the convertible bond at maturity. Direct expenses related to the issuance of additional shares and treasury shares reissued are reduced Capital Surplus.

### 4.13 Profit distribution

Profit after corporate income tax is distributed to shareholders after the deduction of funds under the Charter of the Parent Company and the provisions of the law which were approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered non-monetary assets and liabilities in net undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital and interest due to the revaluation of monetary items, the financial instruments and non-monetary items other.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders.

### 4.14 Earnings per share

Basic earnings per share amount is calculated by dividing net profit for the year after any appropriation of bonus and welfare fund according to the Parent Company's Charter as well as current legal regulations and approved by the General Meeting of Shareholders distributed to shareholders owning common stock of the Parent Company, to the weighted average number of ordinary shares outstanding during the year.

### 4.15 Revenues

#### Revenues from sales of goods

Revenues from sales shall be recognized if it meets all following five (5) conditions:

- (a) The Corporation has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- (b) The Corporation no longer holds the right to manage the goods as the goods owner, or the right to control the goods;
- (c) Revenues from sales has been determined with relative certainty;
- (d) The Corporation has gained or will gain economic benefits from the good sale transaction;
- (e) It is possible to determine the costs related to the goods sale transaction.

#### Revenues from rendering services

The revenue of transaction related to the provision of services is recorded when the result of the transaction can be measured reliably. In case that the services are to be provided in many accounting periods, the determination of sales in each period is done on the basis of the service completion rate as of the balance sheet date. The result of this transaction can be measured reliably when satisfy all following conditions:

- (a) Revenue can be measured reliably;
- (b) It is possible to obtain economic benefits from the service provision transaction;
- (c) The work volume finished on the date of the balance sheet can be determined;
- (d) The costs incurred from the service provision transaction and the costs of its completion can be determined.

### Interest income

Income from interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 4.16 Loan expenses

Loan expenses are loan interest and other costs incurred in direct relation to loans of an enterprise. Loan expenses are recognised as financial expense for the period except where loan expenses directly related to the construction investment or production of uncompleted assets shall be accounted into the value of such assets (capitalized). The capitalization of loan expenses shall terminate when the major activities necessary to prepare the uncompleted asset for its intended use or sale are completed.

### 4.17 Corporate income tax

Corporate income tax expenses comprises current income tax and deferred income tax.

#### **Current income tax**

Current income tax is the tax amount is calculated on taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between accounting and tax, non-deductible expenses as well as adjusted income are not taxed and losses be transferred.

#### **Deferred income tax**

Deferred income tax is the corporate income tax will pay or will be refunded by the temporary differences between the carrying amounts of assets and liabilities for the purpose of preparing the financial statements and the basis to calculate income tax. Deferred income tax is recognized for all temporary differences tax. Deferred income tax assets are only recognized when the certainty of future get the taxable profits to use those temporary deductible differences.

The carrying amount of deferred tax assets are reconsidered at closing of the financial year and will be reversed to make sure that there is enough taxable profit to allow the benefit of part or all assets to be used. The deferred tax assets did not previously recognize to be reconsidered at closing of the financial year and is recognized when it is sure to enough taxable profit to be able to use this deferred tax assets.

Deferred tax assets and deferred income tax payable is calculated at the estimated tax rates that is applied in the asset is realized or the liability is settled in accordance with the tax rates in effect at closing fiscal year. Deferred income tax is recognized in the income statement and record directly to equity when the tax relates to items directly to equity.

Deferred tax assets and deferred income tax payables are off set as below:

- The Corporation has a legal right to offset between current income tax assets and current income taxes payable; and
- Deferred tax assets and deferred income tax payables are related to corporate income tax is administered by the same tax authority:
  - For the same taxable Company; or
  - The Corporation intends to pay current income taxes and deferred tax assets on the basis of net assets or recovered asset at the same with the payment of liabilities for each of periods in future when the materiality of deferred income tax or deferred tax assets to be paid or recovered.

Tax settlement of the Parent Company and its subsidiary will be assessed by the Tax Department. Due to the application of laws and regulations on taxes for different incurred transactions which can be explained in many different ways, tax payable presented in the financial statements can be immediately changed according to the decision of the tax authorities.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 4.18 Segment reporting

A business segment is a distinguishable component that is engaged in providing a product or service and that has its own risks and returns which are different from those of other business segments.

A geographical segment a distinguishable component that is engaged in providing a product or services in a particular economic environment and that has its own risks and returns which are different from of segment operating in other economic environment.

### 4.19 Financial instrument

#### Financial assets

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets of the Corporation include cash and cash equivalents, customer receivables and other receivables.

At the time of initial recognition, financial assets are determined at cost plus any costs directly transaction of such financial assets.

#### Financial liabilities

The classification of financial liabilities depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition. Financial liabilities of the Corporation include payable to suppliers, accrued expenses and other payables.

At the time of initial recognition, except for financial liabilities related to financial leasing and convertible bonds are recorded at cost allocation, other financial liabilities are determined at cost plus costs directly transaction of such financial liabilities.

Amortized cost is determined by the value of the initial recognition of financial liabilities minus principal repayments, plus or minus the cumulative amortization of interest calculated at the actual interest rate method of the difference between the value initially recognized and the maturity value, minus deductions (directly or through the use of a provision) by reducing the value or by irrevocable.

The real interest method is a method of calculating the amortized cost of one or a Company of financial liabilities and amortizing the interest income or interest expense in the relevant period. Real interest rate is the interest rate discounting the cash flows estimated to be paid or received in future during the expected lifetime of the financial instrument or a shorter, if necessary, return to the current book value net financial liabilities.

#### Owner's equity instruments

Owner's equity instruments are contracts that prove benefits remaining about asset of Company after deducting all of its obligation.

#### Offsetting of financial instruments

The financial assets and financial liabilities are offset and the net amount is presented on the balance sheet, and if only:

- The Corporation has the legal right to offset the values were recognized, and
- It intends to pay on a net basis or recognized assets and paid liabilities at the same time.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 4.20 Related parties

The parties are related if having the ability to control or significant influence across the decision making of financial policies and operations. Parties are also considered to be related if they are subjected to common control or common significant influences.

The following individuals/ companies are considered as related parties:

Individuals / Company	Location	Relationship
An Medicol Pharma Company Limited	Vietnam	Company with same key members
Unite Pharmaceutical Joint Stock Company	Vietnam	Other related party
Minh Luan Precision Mechanical Company Limited	Vietnam	Other related party ( <i>no longer related party since 25/04/2025</i> )
Tuyen Hiep Company Limited	Vietnam	Other related party
The Board of Directors, the Board of Supervisors, the General Director		Key members

### 5. ADDITIONAL INFORMATION TO ITEMS IN THE INTERIM CONSOLIDATED BALANCE SHEET

#### 5.1 Cash and cash equivalents

	30/06/2025 VND	01/01/2025 VND
Cash on hand	76.742.168	138,669,816
Cash in banks	5.255.245.331	4,737,562,086
Cash equivalents	-	4,000,000,000
	<u>5.331.987.499</u>	<u>8,876,231,902</u>

#### 5.2 Financial investments

##### 5.2.1 Short-term financial investments

Financial investments of the Corporation include held-to-maturity investments, details as follows:

	30/06/2025		01/01/2025	
	Cost VND	Carrying amount VND	Cost VND	Carrying amount VND
<b>Short-term</b>				
Term deposit	24.584.000.000	24.584.000.000	31,108,072,981	31,108,072,981
	<u>24.584.000.000</u>	<u>24.584.000.000</u>	<u>31,108,072,981</u>	<u>31,108,072,981</u>

Balance at 30 June 2025 are no more than 12-month term deposits at commercial banks with interest rates with 4.2% to 5.8%/year.

The Corporation has pledged its term deposits for bank loans (see Note 5.18).

##### 5.2.1 Long-term financial investments

Financial investments of the Corporation include held-to-maturity investments, details as follows:

	30/06/2025		01/01/2025	
	Cost VND	Carrying amount VND	Cost VND	Carrying amount VND
<b>Long-term</b>				
Term deposit	2,000,000,000	2,000,000,000	-	-
	<u>2,000,000,000</u>	<u>2,000,000,000</u>	<u>-</u>	<u>-</u>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

Balance at 30 June 2025 are over-12-month term deposits at commercial banks with interest rates with 5.8%/year.

### 5.3 Short-term accounts receivables

	30/06/2025	01/01/2025
	VND	VND
<b>Trade receivables – related parties</b>		
Unite Pharmaceutical Joint Stock Company	1.288.277.873	108.229.507
An Medical Pharma Company Limited	2.090.492.847	882.899.817
<b>Trade receivables – other parties</b>		
Dai Quang Pharmaceutical Company Limited	3.462.124.650	793.027.380
Long Phat Pharmaceutical Company Limited	3.634.376.995	1.933.285.676
Thang Long Pharmaceutical Company Limited	215.984.795	3.528.822.360
Other customers	2.293.162.685	3.964.434.845
	<b>12.984.419.845</b>	<b>11.210.699.585</b>

### 5.4 Short-term advances to suppliers

	30/06/2025	01/01/2025
	VND	VND
<b>Advances to other suppliers</b>		
Gold Seal Trading Service Company Limited	896,028,480	896,028,480
Trung Son T.S.S.E Scientific Equipment & Tourist Joint Stock Company	213,720,000	-
Vietnam VCS Chemical Service Company Limited	210,138,390	-
Other suppliers	325,557,148	1,063,154,501
	<b>1,645,444,018</b>	<b>1,959,182,981</b>

### 5.5 Other short-term, long-term receivables

#### 5.5.1 Other short-term receivables

	30/06/2025		01/01/2025	
	Amount	Provision	Amount	Provision
	VND	VND	VND	VND
<b>Receivables – other parties</b>				
Deposit interest	810,536,000	-	586,598,000	-
Advances	101,807,000	-	123,090,000	-
Pledge, mortgage, deposit	15,427,177	-	11,639,680	-
Logistics Pharma Service Company Limited – Collection on behalf	85,893,423	-	-	-
Viettel Post Joint Stock Corporation – Collection on behalf	152,567,004	-	150,751,926	-
Other receivables	21,358,830	-	11,835,787	-
	<b>1,187,589,434</b>	-	<b>883,915,393</b>	-

#### 5.5.2 Other long-term receivables

	30/06/2025		01/01/2025	
	Amount	Provision	Amount	Provision
	VND	VND	VND	VND
<b>Receivables – other parties</b>				
Pledge, mortgage, deposit	16,040,000	-	16,232,812	-
Other receivables	38,176,000	-	38,736,000	-
	<b>54,216,000</b>	-	<b>54,968,812</b>	-

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 5.6 Bad debts

	30/06/2025			01/01/2025		
	Cost Recoverable amount		Provision	Cost Recoverable amount		Provision
	VND	VND		VND	VND	VND
<b>Trade receivables</b>						
Yen Thanh Pharmacy	40,141,583	20,070,791	(20,070,792)	40,141,583	20,070,791	(20,070,792)
Dang Duong Trading Pharma Company Limited	19,260,242	-	(19,260,242)	19,260,242	-	(19,260,242)
Other customers	122,796,262	25,126,895	(97,669,367)	87,029,762	9,500,222	(77,529,540)
	<b>182,198,087</b>	<b>45,197,686</b>	<b>(137,000,401)</b>	<b>146,431,587</b>	<b>29,571,013</b>	<b>(116,860,574)</b>

### 5.7 Inventories

	30/06/2025		01/01/2025	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	16,919,443,889	(630,194,950)	17,483,558,635	(579,294,650)
Tools	1,681,392	-	1,027,454	-
Work-in-process	2,123,989,097	-	2,593,261,976	-
Finished goods	7,912,871,943	(566,536)	9,618,502,159	-
Goods	11,950,430,843	-	7,781,645,273	-
	<b>38,908,417,164</b>	<b>(630,761,486)</b>	<b>37,477,995,497</b>	<b>(579,294,650)</b>

Increase and decrease in the provision of inventories in year as follow:

	From 01/01/2025 to 30/06/2025 VND	2024 VND
Opening balance	(579,294,650)	(851,995,723)
Provision in period	(66,891,477)	(206,578,783)
Reversal in period	15,424,641	50,344,312
Inventory disposal	-	428,935,544
<b>Ending balance</b>	<b>(630,761,486)</b>	<b>(579,294,650)</b>

### 5.8 Short-term, long-term prepaid expenses

#### 5.8.1 Short-term prepaid expenses

	30/06/2025 VND	01/01/2025 VND
Fire insurance expense	25,077,780	83,232,450
Repair, inspection, other services	87,132,262	117,673,652
Production equipment and tools	64,785,577	100,084,299
Uniform expense	263,297,611	86,282,917
	<b>440,293,230</b>	<b>387,273,318</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 5.8.2 Long-term prepaid expenses

	30/06/2025 VND	01/01/2025 VND
Store leasing expenses	6,323,932	12,647,842
Repair, maintenance expenses	29,831,860	33,764,635
Filter equipment	29,162,969	16,666,668
Production and administration equipment and tools	526,758,470	905,138,015
Landscaping, processing and panel installation	-	57,808,681
Office repair expense	43,914,994	6,241,970
Other long-term prepaid expenses	13,024,028	9,942,858
	<b>649,016,253</b>	<b>1,042,210,669</b>

### 5.9 Increase, decrease of tangible fixed assets

	Building and structure VND	Machinery and equipment VND	Transportation VND	Office equipment VND	Other fixed assets VND	Total VND
<b>HISTORICAL COST</b>						
As at 01/01/2025	67,996,454,436	40,108,509,686	1,730,930,101	1,561,065,909	367,008,165	111,763,968,297
Purchase in period	147,314,815	292,343,182	-	-	-	439,657,997
<b>As at 30/06/2025</b>	<b>68,143,769,251</b>	<b>40,400,852,868</b>	<b>1,730,930,101</b>	<b>1,561,065,909</b>	<b>367,008,165</b>	<b>112,203,626,294</b>
<b>ACCUMULATED DEPRECIATION</b>						
As at 01/01/2025	18,868,013,995	32,894,330,961	1,730,930,101	467,238,951	367,008,165	54,327,522,173
Depreciation in period	815,900,486	858,545,389	-	76,653,300	-	1,751,099,175
<b>As at 30/06/2025</b>	<b>19,683,914,481</b>	<b>33,752,876,350</b>	<b>1,730,930,101</b>	<b>543,892,251</b>	<b>367,008,165</b>	<b>56,078,621,348</b>
<b>NET BOOK VALUE</b>						
As at 01/01/2025	49,128,440,441	7,214,178,725	-	1,093,826,958	-	57,436,446,124
<b>As at 30/06/2025</b>	<b>48,459,854,770</b>	<b>6,647,976,518</b>	<b>-</b>	<b>1,017,173,658</b>	<b>-</b>	<b>56,125,004,946</b>

The historical cost of fully depreciated tangible fixed assets but still in use:

As at 01/01/2025	4,268,916,667	24,697,129,239	1,730,930,101	229,818,182	367,008,165	31,293,802,354
<b>As at 30/06/2025</b>	<b>4,268,916,667</b>	<b>24,802,329,239</b>	<b>1,730,930,101</b>	<b>229,818,182</b>	<b>367,008,165</b>	<b>31,399,002,354</b>

The Corporation has pledged several tangible fixed assets for bank loans (see Note 5.18).

### 5.10 Increase, decrease of intangible fixed assets

	Land use right VND	Accounting software VND	Total VND
<b>HISTORICAL COST</b>			
As at 01/01/2025	23,880,406,901	729,400,000	24,609,806,901
<b>As at 30/06/2025</b>	<b>23,880,406,901</b>	<b>729,400,000</b>	<b>24,609,806,901</b>
<b>ACCUMULATED DEPRECIATION</b>			
As at 01/01/2025	7,113,078,765	645,759,291	7,758,838,056
Depreciation in period	298,155,576	50,184,414	348,339,990
<b>As at 30/06/2025</b>	<b>7,411,234,341</b>	<b>695,943,705</b>	<b>8,107,178,046</b>
<b>NET BOOK VALUE</b>			
As at 01/01/2025	16,767,328,136	83,640,709	16,850,968,845
<b>As at 30/06/2025</b>	<b>16,469,172,560</b>	<b>33,456,295</b>	<b>16,502,628,855</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 5.11 Construction in progress

	01/01/2025 VND	Increase in period VND	30/06/2025 VND
Environmental Permit Survey Cost	61,775,000	35,300,000	97,075,000
Tablet press machine	-	17,332,382	17,332,382
Pharmaceutical factory construction	-	1,753,074,936	1,753,074,936
	<b>61,775,000</b>	<b>1,805,707,318</b>	<b>1,867,482,318</b>

### 5.12 Deferred income tax assets

	01/01/2025 VND	Recorded in the income statement VND	30/06/2025 VND
Deferred tax assets relating to deductible temporary differences			
- Provision for inventories	115,858,931	10,293,367	126,152,298
- Provision for bad debts	23,372,115	4,027,966	27,400,081
- Unrealized profits in inventories	329,038,412	148,209,304	477,247,716
	<b>468,269,458</b>	<b>162,530,637</b>	<b>630,800,095</b>

### 5.13 Trade accounts payable

	30/06/2025		01/01/2025	
	Amount VND	Payment capability VND	Amount VND	Payment capability VND
<b>Trade payables - related parties</b>				
Minh Luan Precision Mechanical Company Limited	-	-	68,640,000	68,640,000
Tuyen Hiep Company Limited	13,197,600	13,197,600	-	-
<b>Trade payables - other parties</b>				
Tan Thanh Packaging Company Limited	1,936,693,138	1,936,693,138	1,695,616,077	1,695,616,077
Benovas Pharmaceutical Joint Stock Company	614,281,320	614,281,320	607,273,200	607,273,200
Chemico - Pharmaceutical No1 Joint Stock Company	458,376,750	458,376,750	759,345,810	759,345,810
Phuong Phuc Pharmaceutical Chemical Company Limited	501,900,000	501,900,000	374,403,750	374,403,750
Other suppliers	6,911,117,030	6,911,117,030	9,996,886,526	9,996,886,526
	<b>10,435,565,838</b>	<b>10,435,565,838</b>	<b>13,502,165,363</b>	<b>13,502,165,363</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 5.14 Short-term advance from customers

	30/06/2025 VND	01/01/2025 VND
<b>Advances from other customers</b>		
Thang Long Pharmaceutical Company Limited	400,000,000	1,000,000,000
Medbolide Pharmaceutical Joint Stock Company	2,204,809,130	1,320,990,044
Nam Phuong Pharma Ceutical Joint Stock Company	1,131,578,829	198,646,354
Other customers	3,197,511,689	2,225,449,854
	<b>6,933,899,648</b>	<b>4,745,086,252</b>

### 5.15 Taxes and receivables, payables to State budget

	01/01/2025		Transaction in period		30/06/2025	
	Payables VND	Receivables VND	Payables VND	Paid/ Deductibles VND	Payables VND	Receivables VND
VAT on domestic goods	166,746,632	-	5,835,204,887	(5,919,080,353)	82,871,166	-
VAT on import goods	-	8,837,500	214,866,405	(206,028,905)	-	-
Corporate income tax	1,403,773,902	-	2,355,893,225	(2,623,237,632)	1,136,429,495	-
Personal income tax	109,958,775	-	834,559,074	(964,104,810)	7,952,825	27,539,786
Housing tax, land rental	-	3,990,682	333,215,525	(166,612,000)	162,612,843	-
Other taxes	-	-	20,000,000	(20,000,000)	-	-
	<b>1,680,479,309</b>	<b>12,828,182</b>	<b>9,593,739,116</b>	<b>(9,899,063,700)</b>	<b>1,389,866,329</b>	<b>27,539,786</b>

#### Value-added tax

The Parent Company and subsidiary declares value-added tax by deduction method. VAT rates for domestic goods are 5%, 8% and 10%.

#### Corporate income tax

Corporate income tax ("CIT") payable in period is estimated as follows:

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Accounting profit before tax	11,038,419,614	8,982,900,739
Adjusted in accounting profit to determine taxable profit:		
Increase adjustments	-	-
Unrealized profits in inventories	741,046,517	298,173,720
<b>Assessable income</b>	<b>11,779,466,131</b>	<b>9,281,074,459</b>
CIT rate	20%	20%
<b>Current CIT expenses</b>	<b>2,355,893,225</b>	<b>1,856,214,892</b>

The Parent Company and subsidiary are obliged to pay tax at the normal rate of 20% of taxable income.

#### Other taxes

The Parent Company and subsidiary declares and pays other taxes in accordance to current regulations.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 5.16 Short-term accrued expenses

	30/06/2025 VND	01/01/2025 VND
Loan interest expense	17,186,138	-
Electricity expense	105,627,109	110,029,442
Toxic allowance	33,750,000	40,020,000
Promotion expenses	150,000,000	254,064,000
Other accrued expenses	24,240,026	74,603,729
	<b>330,803,273</b>	<b>478,717,171</b>

### 5.17 Other short-term, long-term payables

#### 5.17.1 Other short-term, long-term payables

	30/06/2025 VND	01/01/2025 VND
<b>Other payables - related parties</b>		
Dividend payables	731,200,911	692,383,111
<b>Other payables - other parties</b>		
Trade union funds	20,836,556	75,573,210
Consulting contract payables	34,500,000	31,000,000
Other payables	82,389,146	4,532,000
	<b>868,926,613</b>	<b>803,488,321</b>

#### 5.17.2 Other long-term payables

	30/06/2025 VND	01/01/2025 VND
<b>Other payables - other parties</b>		
Deposit received	217,000,000	217,000,000
	<b>217,000,000</b>	<b>217,000,000</b>

### 5.18 Short-term loans and financial leases

	30/06/2025		01/01/2025	
	Amount VND	Payment capability VND	Amount VND	Payment capability VND
<b>Short-term loans and financial leases - other individuals and organizations</b>				
Vietnam Joint Stock Commercial Bank For Industry And Trade – Western Saigon Branch (a)	1,273,828,544	1,273,828,544	-	-
Joint Stock Commercial Bank For Investment And Development Of Viet Nam - Ky Hoa Branch (b)	1,004,840,824	1,004,840,824	-	-
	<b>2,278,669,368</b>	<b>2,278,669,368</b>	<b>-</b>	<b>-</b>

- (a) Short-term loan from Vietnam Joint Stock Commercial Bank for Industry and Trade – Western Saigon Branch under the loan contract No. 256936049/2025HDCVHM/NHCT923-PHONGPHU dated 25 June 2025. The loan limit is VND 10,000,000,000. The loan term is from 15 June 2025 to 31 May 2026. The purpose of the loan is to supplement working capital for production and business activities. Interest is based on each debt acknowledgment contract.

The loan is secured by mortgaging the pharmaceutical factory (phase 2) - Lot No. 12, Road No. 8, Tan Tao Industrial Park, Tan Tao Ward, Ho Chi Minh City with a value of VND 9,898,865,520 under real estate mortgage contract No. 180580132/2018/HDBD/NHCT923 dated 07 June 2018.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

- (b) Short-term loan from Vietnam Joint Stock Commercial Bank for Investment and Development - Ky Hoa Branch under Credit Contract No. 01/2025/2778396/HDTD dated 15 April 2025. Loan limit is VND 5,000,000,000. Loan limit maintenance period is 12 months from the date of signing the contract. Loan purpose is to supplement working capital, guarantee, open LC. Loan interest rate according to each debt acknowledgment contract.

The loan is secured by:

- Deposit contract No. 04/2024/HDTG.180.2778396 with a value of VND 1,000,000,000, interest rate of 4.2%/year, term of 12 months from 03 October 2024 to 03 October 2025 according to deposit pledge contract No. 01/2025/2778396/HDBD dated 21 January 2025.
- Deposit contract No. 01/2024/HDTG.180.2778396 with a value of VND 2,084,000,000, interest rate of 4.2%/year, term of 12 months from 10 May 2025 to 10 May 2026 according to deposit mortgage contract No. 02/2025/2778396/HDBD dated 16 April 2025.

Details of short-term loans and finance leases incurred during the period are as follows:

	01/01/2025 VND	Increase in period VND	Paid in period VND	30/06/2025 VND
Short-term loans from banks	-	3,584,378,958	(1,305,709,590)	2,278,669,368
	-	<b>3,584,378,958</b>	<b>(1,305,709,590)</b>	<b>2,278,669,368</b>

### 5.19 Bonus and welfare funds

	01/01/2025 VND	Increase in period VND	Paid in period VND	30/06/2025 VND
Bonus and welfare fund	6,348,792,294	943,789,424	(777,018,766)	6,515,562,952
	<b>6,348,792,294</b>	<b>943,789,424</b>	<b>(777,018,766)</b>	<b>6,515,562,952</b>

### 5.20 Owner's equity

#### 5.20.1 Owner's equity movements

	Owners' invested capital VND	Capital surplus VND	Investment and development fund VND	Retained earnings VND	Total VND
As at 01/01/2024	87,999,910,000	2,205,500,000	9,354,954,223	30,810,197,128	130,370,561,351
Profit in period	-	-	-	7,218,055,838	7,218,055,838
Deduction for Investment and development fund	-	-	372,829,741	(372,829,741)	-
Deduction for Bonus and welfare funds	-	-	-	(745,659,481)	(745,659,481)
Dividends distribution	-	-	-	(10,559,989,200)	(10,559,989,200)
<b>As at 30/06/2024</b>	<b>87,999,910,000</b>	<b>2,205,500,000</b>	<b>9,727,783,964</b>	<b>26,349,774,544</b>	<b>126,282,968,508</b>
As at 01/07/2024	87,999,910,000	2,205,500,000	9,727,783,964	26,349,774,544	126,282,968,508
Profit in period	-	-	-	10,141,090,795	10,141,090,795
Deduction for Investment and development fund	-	-	532,970,780	(532,970,780)	-
Deduction for Bonus and welfare funds	-	-	-	(1,065,941,560)	(1,065,941,560)
<b>As at 31/12/2024</b>	<b>87,999,910,000</b>	<b>2,205,500,000</b>	<b>10,260,754,744</b>	<b>34,891,952,999</b>	<b>135,358,117,743</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

	Owners' invested capital VND	Capital surplus VND	Investment and development fund VND	Retained earnings VND	Total VND
As at 01/01/2025	87,999,910,000	2,205,500,000	10,260,754,744	34,891,952,999	135,358,117,743
Profit in period	-	-	-	8,845,057,026	8,845,057,026
Deduction for Investment and development fund	-	-	471,894,711	(471,894,711)	-
Deduction for Bonus and welfare funds	-	-	-	(943,789,424)	(943,789,424)
Dividends distribution	-	-	-	(13,199,986,500)	(13,199,986,500)
<b>As at 30/06/2025</b>	<b>87,999,910,000</b>	<b>2,205,500,000</b>	<b>10,732,649,455</b>	<b>29,121,339,390</b>	<b>130,059,398,845</b>

### 5.20.2 Detail of owner's invested equity

According to the Parent Company's the Business Registration Certificate (amended), Charter capital of the Parent Company is VND 87,999,910,000. As at 30 June 2025, the Parent Company's Charter capital was fully contributed as follows:

	30/06/2025			01/01/2025		
	Shares	Value VND	Rate %	Shares	Value VND	Rate %
Mr. Thai Nha Ngon	4,044,580	40,445,800,000	45.96	4,044,580	40,445,800,000	45.96
Ms. Le Thanh Truc	1,194,276	11,942,760,000	13.57	1,194,276	11,942,760,000	13.57
Mr. Ho Vinh Hien	270,290	2,702,900,000	3.07	270,290	2,702,900,000	3.07
Other shareholders	3,290,845	32,908,450,000	37.40	3,290,845	32,908,450,000	37.40
	<b>8,799,991</b>	<b>87,999,910,000</b>	<b>100.00</b>	<b>8,799,991</b>	<b>87,999,910,000</b>	<b>100.00</b>

### 5.20.3 Shares

	30/06/2025 Share	01/01/2025 Share
Number of issued registered shares	8,799,991	8,799,991
Number of shares sold to the public	8,799,991	8,799,991
Common shares	8,799,991	8,799,991
Preferred shares	-	-
Number of repurchased shares	-	-
Common shares	-	-
Preferred shares	-	-
Number of shares in circulation	8,799,991	8,799,991
Common shares	8,799,991	8,799,991
Preferred shares	-	-

Par value of shares in circulation: VND 10,000/ share.

### 5.20.4 Profit distribution

In the year, the Corporation distributed dividends according to the Resolution of the Annual General Meeting of Shareholders No. 01/2025/NQ-DHDCD.PP dated 25 April 2025 with the value of 15% par value.

In addition, the Corporation temporarily distributed profit of 2025 according to the Resolution of the Annual General Meeting of Shareholders No. 01/2025/NQ-DHDCD.PP dated 25 April 2025 as follows:

	VND
- Deduct 5% from retained earnings of 2025 for Investment and development fund	471,894,711
- Deduct 10% from retained earnings of 2025 for Bonus and welfare funds	943,789,424



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 5.21 Off-consolidated balance sheet items

#### Operating lease assets

The total future minimum lease payments under non-cancelable operating leases over the following terms are as follows:

	30/06/2025 VND	01/01/2025 VND
No more than 1 year	193,425,408	386,850,816
	<b>193,425,408</b>	<b>386,850,816</b>

Total lease rental for 4 booths with an area of 192 m<sup>2</sup> at No. L4 + L5 + L6 + L7 located in the Pharmaceutical and Medical Equipment Trade Center of Muoi Trading Service Collect Corporation, No. 134/1 To Hien Thanh, Ward 15, District 10, Ho Chi Minh City for the purpose of trading in pharmaceutical and medical equipment. The lease contract has a term from 01 July 2014 to 31 December 2025. The booth rental and service fees are adjusted according to Contract Appendix No. L4/2022/PLHD-MB dated 31 December 2021.

### 6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED INCOME STATEMENT

#### 6.1 Revenues from sale of goods and rendering of services

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Revenue from sale of goods	35,474,347,959	34,972,403,867
Revenue from sale of finished goods	31,021,746,935	32,751,596,786
Revenue from rendering service	9,462,963	20,000,000
	<b>66,505,557,857</b>	<b>67,744,000,653</b>
Sale deductions:		
- Trade deduction	(347,212,304)	(84,246,739)
- Sale returns	(186,325,856)	(28,481,238)
<b>Net revenues</b>	<b>65,972,019,697</b>	<b>67,631,272,676</b>

#### 6.2 Cost of sales

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Cost of goods sold	22,080,825,529	23,773,893,663
Cost of finished goods sold	20,722,846,532	22,632,126,951
Provision for devaluation of inventories	51,466,836	158,676,238
	<b>42,855,138,897</b>	<b>46,564,696,852</b>

#### 6.3 Financial income

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Interest from bank deposit	792,805,248	671,804,168
	<b>792,805,248</b>	<b>671,804,168</b>

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 6.4 Financial expenses

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Loan interest expense	23,968,522	-
Foreign exchange loss	31,284,000	874,800
Other financial expenses	9,014,084	17,630,268
	<b>64,266,606</b>	<b>18,505,068</b>

### 6.5 Selling expenses

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Labor expenses	4,781,707,007	4,921,607,364
Material and packaging expenses	6,703,972	11,859,479
Tools and equipment expenses	-	850,000
Depreciation expenses	24,531,093	31,605,244
Transportation expenses	277,376,402	254,296,052
Leasing expenses	727,337,463	206,838,180
Promotion expenses	184,209,730	169,433,296
Other selling expenses	528,989,230	729,900,205
	<b>6,530,854,897</b>	<b>6,326,389,820</b>

### 6.6 General and administration expenses

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Labor expenses	4,028,406,773	3,921,649,830
Tools and equipment expenses	196,377,854	236,556,023
Depreciation expenses	60,005,402	70,864,110
Tax and fees	176,189,152	170,896,062
Provision expenses	20,139,827	-
Security expenses	210,000,000	204,000,000
Drug registration expenses	146,500,000	168,500,000
Other general and administration expenses	1,518,115,476	1,726,277,343
	<b>6,355,734,484</b>	<b>6,498,743,368</b>

### 6.7 Other income

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Inventory difference	77,895,536	82,659,043
Other incomes	1,853,652	7,427,737
	<b>79,749,188</b>	<b>90,086,780</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### 6.8 Basic earnings per share

The calculation of basic earnings per share attributable to shareholders holding common shares of the Parent Company are made on the basis of the following data:

		From 01/01/2025 to 30/06/2025	From 01/01/2024 to 30/06/2024
Profit for the year attributable to shareholders holding common shares of the Parent Company	VND	8,845,057,026	7,218,055,838
Deduction: bonus and welfare funds	VND	(943,789,424)	(745,659,481)
<b>Profit to calculate EPS</b>	VND	<b>7,901,267,602</b>	<b>6,472,396,357</b>
Outstanding common shares on average during the year	share	8,799,991	8,799,991
<b>Earnings per share</b>	VND/share	<b>898</b>	<b>736</b>

Outstanding common shares on average during the year is calculated as follows:

	From 01/01/2025 to 30/06/2025 Shares	From 01/01/2024 to 30/06/2024 Shares
Outstanding common shares at the beginning of the period	8.799.991	8.799.991
Impact from issuance of common shares	-	-
Outstanding common shares on average during the period	8.799.991	8.799.991

### 6.9 Production and business costs by element

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
Raw materials expenses	28,208,660,723	30,872,298,070
Labor expenses	16,365,876,873	16,200,643,876
Depreciation expenses	2,099,439,165	2,113,989,769
External service expenses	3,507,533,169	3,306,984,609
Other expenses	2,297,062,101	2,544,183,755
	<b>52,478,572,031</b>	<b>55,038,100,079</b>

## 7. FINANCIAL INSTRUMENTS

The Corporation has financial assets such as customer receivables and other receivables, cash and short-term deposits that occur directly from the operations of the Corporation. Financial liabilities of the Corporation mainly include loans, payables to suppliers and other payables. The main purpose of these financial liabilities is to mobilize financial resources to serve the activities of the Corporation.

The Corporation has market risk, credit risk and liquidity risk.

Operational risk management is indispensable operations for the entire operations of the Corporation. The Corporation has developed control system to ensure balance between the extent reasonable costs incurred when risk and risk management costs. The Corporation has not implemented measures to prevent this risk due to lack of a market to purchase financial instruments.

The General Director considered and uniformly applies policies to manage each of these risks are summarized below:



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### **i. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk has four types of risk: interest rate risk, currency risk, goods price risk and other price risk, such as equity price risk.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Market risk for changes in interest rates of the Corporation primarily relating to cash, short term deposits, and loans of the Corporation .

The Corporation is managing interest rate risk by analyzing the competitive situation in the market to acquire beneficial interest for the purposes of the Corporation and remain within the limits of their risk management.

#### *Foreign currency risk*

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Corporation bears the risk of changes in exchange rates, which are directly related to the business operations of the Corporation.

#### *Stock price risk*

The shares held by the Corporation are affected by market risks arising from uncertainty about the future value of the investment shares. The Corporation manages stock price risk by setting investment limits. The General Director of the Parent Company also reviews and approves investment decisions in shares. The Parent Company considers the share price risk to be negligible.

### **ii. Credit risk**

Credit risk is the risk that one party of a financial instrument or contract not performing its obligations, resulting in financial losses. The Corporation has credit risk from its operating activities (primarily for trade receivables account), and from its financial activities, including bank deposits and other financial instruments.

#### *Trade receivables*

The Corporation regularly monitors the receivables, which is not yet collected. For big customers, the Corporation considered the decline in the credit quality of each customer at the reporting date. The Corporation seeks the way to remained the tight control of the receivables and arranging credit control staff to minimize credit risk. On this basis and the trade receivables of the Corporation related to many different customers, credit risk is not significantly concentrated in a certain customer.

#### *Cash in bank*

The Corporation mainly maintains deposit balances at banks, which is well known in Vietnam. Credit risk of the deposit balances at banks is managed by the treasury department of the Corporation under the policies of the Corporation. The maximum credit risk of the Corporation for the items on the balance sheet at the end of the financial year is the value book as presented in Note 5.1. The Corporation found that the level of concentration of credit risk on bank deposits is low.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

### iii. Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulties in implementing their financial obligations due to lack of funds. Liquidity risk of the Corporation mainly arising from financial assets and financial liabilities with maturity mismatches.

The Corporation minimizes the liquidity risk by maintaining an amount of cash and cash equivalents and bank loans at a level that the General Director supposes it is sufficient to meet the Corporation's operations and minimize the risks due to the volatility of cash flows.

The table below summarizes the maturity of the financial liabilities of the Corporation based on expected payments on undiscounted basic contracts:

	Less than 1 year VND	From 1 to 5 years VND	Total VND
<b>As at 30 June 2025</b>			
Trade payables	10,422,368,238	-	10,422,368,238
Accrued expenses	330,803,273	-	330,803,273
Other payables	116,889,146	-	116,889,146
Payables to related parties	744,398,511	-	744,398,511
Deposits received	-	217,000,000	217,000,000
Loans and financial leases	2,278,669,368	-	2,278,669,368
	<b>13,893,128,536</b>	<b>217,000,000</b>	<b>14,110,128,536</b>
<b>As at 01 January 2025</b>			
Trade payables	13,433,525,363	-	13,433,525,363
Accrued expenses	478,717,171	-	478,717,171
Other payables	35,532,000	-	35,532,000
Payables to related parties	761,023,111	-	761,023,111
Deposits received	-	217,000,000	217,000,000
	<b>14,708,797,645</b>	<b>217,000,000</b>	<b>14,925,797,645</b>

The Corporation considered that the level of concentration risk to the repayment is low. The Corporation has sufficient access to the necessary capital.

### Collaterals

The Corporation holds collateral of another party as at 30 June 2025 and 01 January 2025 (see Notes 5.17).

### iv. Fair value

(1) Compare fair value and book value

The following table showing the financial assets and financial liabilities of the Corporation :

	Book value		Fair value (*)	
	30/06/2025 VND	01/01/2025 VND	30/06/2025 VND	01/01/2025 VND
Financial assets				
Held-to-maturity investments	26,584,000,000	31,108,072,981	26,584,000,000	31,108,072,981
Receivables				-
Trade receivables	9,605,649,125	10,219,570,261	9,468,648,724	10,102,709,687
Receivables from related parties	3,378,770,720	991,129,324	3,378,770,720	991,129,324
Other receivables	1,139,998,434	815,794,205	1,139,998,434	815,794,205
Financial assets available for sale				
Cash and cash equivalents	5,331,987,499	8,876,231,902	5,331,987,499	8,876,231,902
	<b>46,040,405,778</b>	<b>52,010,798,673</b>	<b>45,903,405,377</b>	<b>51,893,938,099</b>



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

	Book value		Fair value (*)	
	30/06/2025	01/01/2025	30/06/2025	01/01/2025
<b>Financial liabilities</b>				
Financial liabilities are determined according to the distribution value				
Loans and financial leases	2,278,669,368	-	2,278,669,368	-
Payables to related parties	744,398,511	761,023,111	744,398,511	761,023,111
Trade payables	10,422,368,238	13,433,525,363	10,422,368,238	13,433,525,363
Accrued expenses	330,803,273	478,717,171	330,803,273	478,717,171
Other payables	116,889,146	35,532,000	116,889,146	35,532,000
Deposits received	217,000,000	217,000,000	217,000,000	217,000,000
	<b>14,110,128,536</b>	<b>14,925,797,645</b>	<b>14,110,128,536</b>	<b>14,925,797,645</b>

(\*) The Corporation has not revaluated its financial assets and financial liabilities at their fair values as at 30 June 2025 and 01 January 2025. However, the General Director believes that the fair value of these financial assets and liabilities is not significantly different from their carrying amounts as at the balance sheet date.

(2) *Basis of determining fair value*

### **Accounts receivable and other receivables**

The fair value of accounts receivables and other receivables, excluding accounts receivable and payable under the scheduled progress of construction contracts, is estimated based on the present value of cash flows future, discounted at market interest rates at the report date. The fair value of these instruments is determined only intended disclosures.

### **Non-derivative financial liabilities**

Fair value, measured for disclosure purposes only, is calculated based on the present value of future cash flows to pay principal and interest, discounted at market rates at the balance sheet date.

### **v. Hedging**

The Corporation does not apply a hedging accounting policy.

## **8. OTHER INFORMATION**

### **8.1 Transactions and balances with related parties**

The related parties with the Corporation include key members of management, the individuals involved with key members and other related parties.

#### **8.1.1 Transactions and balances with key management members and individuals involved with key management members**

Key management members include: members of the Board of Directors and the General Director. Individuals related to key members are close family members of key management members.

#### **Transactions and balances with key management members and individuals involved with key management members**

The Corporation does not have any transactions relating to sales and providing services to key management members and individuals related to key management members.



## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

Other transactions with key management members during the period were as follows:

	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
<b>The Board of Directors</b>		
Ms. Le Thanh Truc – Chairwoman (resigned from 25/04/2025)		
Dividends distributed	1,791,414,000	1,433,131,200
Mr. Thai Nha Ngon – Vice Chairman		
Dividends distributed	6,066,870,000	4,853,496,000
Remuneration paid to key managers was as follow:		
	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
<b>Remuneration, salary, bonus and other income</b>		
<b>The Board of Directors (excluding members concurrently holding the position of General Director)</b>		
Mr. Pho Nghia Van	36,000,000	30,000,000
Ms. Le Thanh Truc (resigned from 25/04/2025)	165,270,500	269,141,000
Ms. Nguyen Thi Mai Nguyet	32,000,000	30,000,000
Ms. Pham Thi Thach Thao	133,073,278	127,985,140
<b>The General Director</b>		
Mr. Thai Nha Ngon	343,545,000	360,820,000
<b>Chief Accountant</b>		
Ms. Nguyen Thi Anh Chi	270,704,316	252,352,876
<b>The Board of Supervisors</b>		
Mr. Nguyen Van Chac	181,743,295	184,008,320
Ms. Ho Thuy Quynh Nhu	8,000,000	-
Ms. Vo Hong Hanh	26,375,123	-
Ms. Nguyen Hoang Ngoc Chau (resigned from 25/04/2025)	20,000,000	30,000,000
Ms. Pham Thi Minh Tam (resigned from 25/04/2025)	16,000,000	24,000,000
	<b>1,232,711,512</b>	<b>1,308,307,336</b>

### 8.1.2 Transactions and balances with other related parties

Transactions with other related parties

Transactions with other related parties in period are as follows:

Related parties	Transaction	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
<b>Unite Pharmaceutical Joint Stock Company</b>			
	Sales and services rendered	2,685,354,827	2,003,585,746
	Return of goods sold	6,351,666	-

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

*These notes form an integral part of and should be read in conjunction with the accompanying financial statements.*

Related parties	Transaction	From 01/01/2025 to 30/06/2025 VND	From 01/01/2024 to 30/06/2024 VND
<b>An Medicol Pharma Company Limited</b>			
	Sales and services rendered	5.388.816.650	6.175.002.100
<b>Minh Luan Precision Mechanical Company Limited</b> (no longer related party since 25/04/2025)			
	Sales and services rendered	38,220,000	24,250,000
<b>Tuyen Hiep Company Limited</b>			
	Sales and services rendered	35,936,500	73,931,000

*Balance with related parties*

Balance with related parties are as follows:

Related parties	Transaction	30/06/2025 VND	01/01/2025 VND
<b>An Medicol Pharma Company Limited</b>			
	Trade receivables	2,090,492,847	882,899,817
<b>Unite Pharmaceutical Joint Stock Company</b>			
	Trade receivables	1,288,277,873	108,229,507
<b>Minh Luan Precision Mechanical Company Limited</b> (no longer related party since 25/04/2025)			
	Trade payables	-	68,640,000
<b>Tuyen Hiep Company Limited</b>			
	Trade payables	13,197,600	-

### 8.2 Segment information

Segment information is presented by business segment and geographical area. The primary segment reporting is by geographical area based on the Corporation's internal organizational and management structure and internal financial reporting system.

We do not present Segment Reporting in the financial statements because the General Director has assessed and concluded that the Corporation does not have more than one segment (both business segment and geographical area) to report in accordance with the regulations of the Accounting Standards. The Corporation is currently operating mainly in a single field, which is the production and trading of pharmaceuticals in a single geographical area, which is Vietnam.

### 8.3 Events subsequent to the balance sheet date

There have been no significant events occurring after the balance sheet date (30 June 2025) to the date of this report, which would require adjustments or disclosures to be made in the interim consolidated financial statements.

**DANG TRUC KHANH**  
Preparer

**NGUYEN THI ANH CHI**  
Chief Accountant



**THAI NHA NGON**  
General Director

Ho Chi Minh City, 14 August 2025