

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1
CONSOLIDATED FINANCIAL STATEMENTS
THE SECOND QUARTER OF 2025



HANOI, JULY 2025

STATEMENT OF THE BOARD OF MANAGEMENT

We, the members of the Board of Management of Central Pharmaceutical Joint Stock Company No.1 - Pharbaco (hereinafter referred to as the "Company"), submits this report together with the Company's consolidated financial statements for the accounting period from April 1, 2025 to June 30, 2025.

The boards of management and the general director

The members of the Boards of Directors, Board of Management of the Company who held office for the accounting period from April 1, 2025 to June 30, 2025 and to the date of this report are as follows:

Board of Directors

Mr. Vu Hong Khoa	Chairman (resigned on 10 April 2025)
Mr. Nguyen Dinh Tuan	Chairman (appointed on 10 April 2025)
Mr. To Thanh Hung	Member
Ms. Nguyen Thi Thu Ha	Member
Ms. Luu Quynh Mai	Member

Board of Management

Mr. To Thanh Hung	Chief Executive Officer
Ms. Nguyen Thi Thu Ha	Deputy Permanent Chief Executive Officer
Ms. Ha Thi Thanh Hoa	Deputy Chief Executive Officer
Mr. Nguyen Van Quang	Deputy Chief Executive Officer

Responsibilities of the Board of Management

The Board of Management of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the financial position of the Company during the period, and its financial performance and its cash flows in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these consolidated financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles 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 Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF MANAGEMENT

(Continued)

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of Management,

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1



Nguyen Thi Thu Ha

Deputy Permanent Chief Executive Officer

(Power of attorney No. 01/2021/UQ-PHARBACO dated January 7, 2021)

Hanoi, 28 July 2025

FORM B 01-DN

CONSOLIDATED BALANCE SHEET

As at 30 June 2025

ASSETS		Codes	Notes	30/06/2025	Unit: VND 01/01/2025
A	CURRENT ASSETS	100		767,009,612,293	777,700,050,219
I	Cash and cash equivalents	110	V.1.	3,945,154,699	228,457,616,692
1	Cash	111		3,945,154,699	228,457,616,692
2	Cash equivalents	112		-	-
II	Short-term financial investments	120	V.	-	-
1	Held-to-maturity investments	123		-	-
III	Short-term receivables	130		348,890,968,856	206,668,011,494
1	Short-term trade receivables	131	V.3.	173,797,416,231	211,124,937,554
2	Short-term advances to suppliers	132	V.4.	92,432,050,615	50,768,678,408
3	Other short-term receivables	136	V.5.	143,071,604,834	5,184,498,356
4	Provision for short-term doubtful debts	137		(60,410,102,824)	(60,410,102,824)
IV	Inventories	140		247,073,238,222	181,198,323,077
1	Inventories	141	V.7.	249,873,466,168	181,307,079,046
2	Provision for devaluation of inventories	149		(2,800,227,946)	(108,755,969)
V	Other short-term assets	150		167,100,250,516	161,376,098,956
1	Short-term prepayments	151	V.11.	4,332,511,553	3,635,354,640
2	Value added tax deductibles	152		159,142,709,361	157,740,744,316
3	Taxes and other receivables from the State	153	V.14.	3,625,029,602	-
B	NON-CURRENT ASSETS	200		2,491,501,201,976	2,389,916,323,016
I	Long-term receivables	210		219,411,409,918	156,854,697,592
1	Other long-term receivables	216	V.5.	219,411,409,918	156,854,697,592
II	Fixed assets	220		122,682,042,578	135,410,988,399
1	Tangible fixed assets	221	V.8.	76,693,516,266	87,482,750,362
-	Historical Cost	222		559,701,096,007	559,317,096,007
-	Accumulated depreciation	223		(483,007,579,741)	(471,834,345,645)
2	Intangible fixed assets	227	V.9.	45,988,526,312	47,928,238,037
-	Historical Cost	228		57,227,979,082	57,227,979,082
-	Accumulated depreciation	229		(11,239,452,770)	(9,299,741,045)
IV	Long-term assets in progress	240	V.10.	2,143,721,763,082	2,089,555,485,887
1	Construction in progress	242		2,143,721,763,082	2,089,555,485,887
V	Long-term financial investments	250	V.	283,853,641	283,853,641
1	Investments in joint-ventures, associates	252		283,853,641	283,853,641
VI	Other long-term assets	260		5,402,132,757	7,811,297,497
1	Long-term prepayments	261	V.11.	5,402,132,757	7,811,297,497
TOTAL ASSETS (270=100+200)		270		3,258,510,814,269	3,167,616,373,235

FORM B 01-DN

CONSOLIDATED BALANCE SHEET

As at 30 June 2025

(tiếp theo)

Đơn vị tính: VND

RESOURCES	Codes	Notes	30/06/2025	01/01/2025
C LIABILITIES	300		1,974,264,372,046	1,897,891,373,284
I Short-term liabilities	310		1,211,480,467,226	976,318,468,468
1 Short-term trade account payables	311	V.12.	243,256,639,623	174,563,722,890
2 Short-term advances from customers	312	V.13.	209,054,993,470	149,576,264,685
3 Taxes and amounts payable to the State budget	313	V.14.	3,369,830,830	4,890,201,326
4 Payables to employees	314		12,854,606,563	14,713,709,889
5 Short-term accrued expenses	315	V.15.	16,720,584,124	5,099,275,741
6 Short-term other payables	319	V.16.	5,061,670,611	6,026,920,376
7 Short-term borrowings and finance lease	320	V.17.	720,607,583,776	620,893,815,332
8 Bonus and welfare fund	322		554,558,229	554,558,229
II Long-term liabilities	330		762,783,904,820	921,572,904,816
1 Other long-term payables	337	V.16.	2,209,600,000	1,720,600,000
2 Long-term borrowings and finance lease	338	V.17.	760,280,016,892	919,558,016,888
3 Deferred income tax liability	341	V..	294,287,928	294,287,928
D OWNER'S EQUITY	400		1,284,246,442,223	1,269,724,999,951
I Owner's equity	410	V.18.	1,284,246,442,223	1,269,724,999,951
1 Owner's contributed capital	411		1,132,999,020,000	1,132,999,020,000
- Ordinary shares carrying voting rights	411a		1,132,999,020,000	1,132,999,020,000
2 Share capital surplus	412		25,731,363,636	25,731,363,636
3 Investment and development fund	418		38,505,239,661	38,505,239,661
4 Retained earnings	421		79,558,850,642	65,028,588,865
- Accumulated retained earnings to previous year	421a		65,028,588,865	43,343,785,822
- Retained earnings for current year	421b		14,530,261,777	21,684,803,043
5 Non-controlling shareholder interests	429		7,451,968,284	7,460,787,789
TỔNG CỘNG NGUỒN VỐN (440=300+400)	440		3,258,510,814,269	3,167,616,373,235

Hanoi, 28 July 2025

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

Preparer

Chief Accountant

Deputy Permanent Chief Executive Officer



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyen Thi Thu Ha

(Power of attorney No. 01/2021/UQ-
PHARBACO dated January 7, 2021)

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

Địa chỉ: Address: No. 160 Ton Duc Thang, O Cho Dua Ward,
Hanoi City, Vietnam

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER OF 2025

FORM B 02 - DN

CONSOLIDATED INCOME STATEMENT

The second quarter of 2025

Unit: VND

Items	Codes	Notes	2nd QUARTER		ACCUMULATED FROM THE BEGINNING OF THE YEAR	
			Current year	Previous year	Current year	Previous year
1. Gross revenue from goods sold and services rendered	01	VI.1.	290,734,582,522	263,412,738,852	511,142,617,234	502,020,466,067
2. Deductions	02		1,202,828,762	-	1,203,647,429	-
3. Net revenue from goods sold and services rendered (10=01-02)	10		289,531,753,760	263,412,738,852	509,938,969,805	502,020,466,067
4. Cost of sales	11	VI.2.	247,068,988,957	209,743,990,996	420,847,775,941	400,654,426,920
5. Gross profit from goods sold and services rendered (20=10-11)	20		42,462,764,803	53,668,747,856	89,091,193,864	101,366,039,147
6. Financial income	21	VI.3.	378,205,168	802,554,388	744,442,631	1,219,169,087
7. Financial expenses	22	VI.4.	20,174,031,411	14,456,148,512	22,655,432,918	21,851,976,264
<i>In which: Interest expense</i>	23		10,670,430,178	8,939,145,805	19,202,710,312	17,605,520,345
8. Selling expenses	25	VI.7.	1,247,063,410	1,441,544,846	2,536,472,456	2,492,917,184
9. General and administration expenses	26	VI.7.	22,660,503,368	23,659,696,322	46,149,017,125	55,234,301,615
10. Net profit from operating	30		(1,240,628,218)	14,913,912,564	18,494,713,996	23,006,013,171
{30=20+(21-22)-(25+26)}						
11. Other income	31	VI.5.	62,093,152	109,914,007	91,469,746	85,706,702
12. Other expenses	32	VI.6.	197,983,651	696,455,320	275,226,261	964,126,551
13. Profit from other activities (40= 31-32)	40		(135,890,499)	(586,541,313)	(183,756,515)	(878,419,849)
14. Accounting profit before tax	50		(1,376,518,717)	14,327,371,251	18,310,957,481	22,127,593,322
(50=30+40)						

15. Current corporate income tax expense	51	3,789,515,209	5,825,064,889	3,789,515,209	4,641,771,034
16. Deferred corporate income tax expense	52	-	-	-	-
17. Net profit after corporate income tax (60=50-51-52)	60	(5,166,033,926)	8,502,306,362	14,521,442,272	17,485,822,288
18. Profit after tax of shareholders of parent company	61	(5,157,964,344)	8,511,223,786	14,530,261,777	17,494,739,712
19. Profit after tax of non-controlling shareholder	62	(8,069,583)	(8,917,424)	(8,819,505)	(8,917,424)
20 Basic earnings per share	70		75.12	128.25	154

Hanoi, 28 July 2025

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

Deputy Permanent Chief Executive Officer

Preparer Chief Accountant



Tran Thi Bich Loan

Nguyen Duc Canh



Nguyen Thi Thu Ha

(Power of attorney No. 01/2025/HQ-PHARBACO dated January 7, 2021)

CONSOLIDATED CASH FLOW STATEMENT

(Using the indirect method)

The second quarter of 2025

Đơn vị tính: VND

Items	Code s	Accumulated from the beginning of the year to the end of the second quarter of 2025	Accumulated from the beginning of the year to the end of the second quarter of 2024
I. Cash flows from operating activities			
1. Profit before tax	01	18,310,957,481	22,127,593,322
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment	02	13,112,945,821	15,004,217,588
- Provisions	03	2,691,471,977	2,906,829,077
- (Profits)/losses of exchange rate differences from revaluation of accounts derived from foreign currencies	04	8,803,496,241	4,202,647,441
- (Profits)/losses from investing activities	05	(22,113,807)	(469,109,021)
- Interest expense	06	19,202,710,312	17,605,520,345
3. Operating profit before movements in working capital	08	62,099,468,025	61,377,698,752
- (Increase)/decrease in receivables	09	(209,800,396,959)	(227,106,808,282)
- (Increase)/decrease in inventories	10	(68,566,387,122)	45,338,359,235
- (Increase)/decrease in payables (excluding interest payable and corporate income tax payable)	11	116,597,175,418	85,301,470,619
- (Increase)/decrease in prepaid expenses	12	1,712,007,827	3,344,985,170
- Interest paid	14	(7,138,940,229)	(12,218,509,443)
- Corporate income tax paid	15	(5,295,876,770)	(11,500,000,000)
Net cash generated by/(used in) operating activities	20	(110,392,949,810)	(55,462,803,949)
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(54,550,277,195)	(73,398,281,582)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22		100,000,000
3. Cash outflow for lending, buying debt instruments of other entities	23	-	-
4. Cash recovered from lending, selling debt instruments of other entities	24	-	-
5. Interest earned, dividends and profits received	27	21,864,492	417,231,829
Net cash generated by/(used in) investing activities	30	(54,528,412,703)	(72,881,049,753)

CONSOLIDATED CASH FLOW STATEMENT

(Using the indirect method)

The second quarter of 2025

(Continued)

II Cash flows from financing activities

1. Proceeds from share issue and owners' contributed capital	31	-	-
2. Proceeds from borrowings	33	385,649,101,625	232,464,780,350
3. Repayment of borrowings	34	(445,213,333,177)	(294,303,181,239)
4. Repayment of obligations under finance leases	35	-	-
5. Dividends and profits paid	36	(43,029,573)	(12,875,000)
<i>Net cash generated by/(used in) financing activities</i>	<i>40</i>	<i>(59,607,261,125)</i>	<i>(61,851,275,889)</i>
<i>Net increase/(decrease) in cash (50=20+30+40)</i>	<i>50</i>	<i>(224,528,623,638)</i>	<i>(190,195,129,591)</i>
Cash and cash equivalents at the beginning of the period	60	228,457,616,692	206,216,639,888
Effects of changes in foreign exchange rates	61	16,161,645	119,560,664
Cash and cash equivalents at the end of the period (70 = 50+60+61)	70	3,945,154,699	16,141,070,961

Hanoi, 28 July 2025

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

Preparer

Chief Accountant

Deputy Permanent Chief Executive Officer



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyen Thi Thu Ha

(Power of attorney No. 01/2021/UQ-
PHARBACO dated January 7, 2021)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

I. Characteristics of business operations

1. Form of capital ownership

Pharbaco Central Pharmaceutical Joint Stock Company No. 1 (hereinafter referred to as the "Company") was formerly Central Pharmaceutical Factory No. 1, under the Vietnam Pharmaceutical Enterprises Union (now the Vietnam Pharmaceutical Corporation). It was established pursuant to Decision No. 401/BYT-QĐ dated April 22, 1993, issued by the Minister of Health. Central Pharmaceutical Factory No. 1 was converted into Pharbaco Central Pharmaceutical Joint Stock Company No. 1 pursuant to Decision No. 286/QĐ-BYT dated January 25, 2007, and Decision No. 2311/QĐ-BYT dated June 27, 2007, issued by the Minister of Health. The Company has been operating under Business Registration Certificate No. 0103018671 since July 25, 2007. The Company has undergone 20 amendments to its Business Registration Certificate (now referred to as the Enterprise Registration Certificate).

According to Enterprise Registration Certificate No. 0100109032, amended for the 20th time on March 21, 2025, the Company's charter capital is 1,132,999,020,000 VND (One trillion, one hundred thirty-two billion, nine hundred ninety-nine million, twenty thousand Vietnamese dong) and the legal representative of the Company is Mr. To Thanh Hung, General Director.

The Company has registered for trading common shares on the UPCOM Stock Exchange since November 18, 2019, pursuant to Decision No. 767/QĐ-SGDHN issued by the Hanoi Stock Exchange. The Company's stock code is PBC, with a total of 113,299,902 outstanding shares.

2. Business areas

The Company operates in the pharmaceutical manufacturing and trading sector.

3. Business activities

- Manufacturing pharmaceuticals, chemical drugs, and medicinal herbs;
- For conditional business sectors, the Company operates only when meeting the legal requirements;

Head Office: No. 160 Ton Duc Thang, O Cho Dua Ward, Ha Noi City.

4. Normal production and business cycle

The normal production and business cycle of the Company is carried out within a period of no more than 12 months.

5. The Company's structure

List of Directly Controlled Subsidiaries

The Company only invests in one subsidiary, Viet My Advanced Pharmaceutical Joint Stock Company (formerly Noi Bai Trading and Warehousing Joint Stock Company), headquartered in Thach Loi Village, Thanh Xuan Commune, Soc Son District, Hanoi. The main business activity of this subsidiary is warehouse and goods storage services. As of the end of the accounting period, the Company's investment stake in the subsidiary is 75%, with the same proportion of voting rights and benefit rights as the capital contribution.

List of Associated Companies

The Company only invests in one associated company, Pharbaco central hospital No1 Joint Stock Company, headquartered at 160 Ton Duc Thang Street, Hang Bot Ward, Dong Da District, Hanoi. The main business activity of this associated company is operating general, specialized, and dental clinics. As of the end of the accounting period, the Company's investment stake in the associated company is 44%, with the same proportion of voting rights and ownership as the capital contribution.

Pharbaco central hospital No1 Joint Stock Company was dissolved according to Resolution No. 01/2021/QĐ-ĐHĐCĐ dated April 22, 2021. However, no notification regarding the termination of operations has been received from the Hanoi Department of Planning and Investment as of the present time.

II. Accounting period, currency used in accounting

1. Accounting period

The financial year of the Corporation begins on January 1 and ends on December 31 of each year.

2. Currency used in accounting

The currency used in accounting is Vietnamese Dong ("VND"), accounting is based on the original cost principle, in accordance with Vietnamese Accounting Standards, corporate accounting regimes and legal regulations related to the preparation and presentation of consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

III. Accounting Standards And System Applied

1. Accounting Standards And System Applied

The Company applies Vietnamese Accounting Standards and the Accounting regime for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance guiding the accounting regime for enterprises and Circular No. 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC.

2. Statement on Compliance with Accounting Standards and Accounting Regime

The Company's consolidated financial statements are prepared and presented in compliance with the requirements of Vietnamese Accounting Standards and the current Vietnamese Enterprise Accounting Regime and legal regulations related to the preparation and presentation of consolidated financial statements.

IV. Summary Of Significant Accounting Policies

1. Basis for preparing consolidated financial statements

The consolidated financial statements include the financial statements of the Company and the financial statements of the companies controlled by the Company (subsidiaries) prepared up to June 30, 2025. Control is achieved when the Company has the power to govern the financial and operating policies of an investee company so as to obtain benefits from its activities.

All transactions and balances between companies within the same group are eliminated when consolidating the financial statements.

2. Financial instruments

The Circular No. 210/2009/TT-BTC dated November 6, 2009, issued by the Ministry of Finance, provides guidance on the application of International Financial Reporting Standards regarding the presentation of financial statements and disclosures for financial instruments, which has not yet been applied by the Company in the presentation of these consolidated financial statements.

3. Types of exchange rates applied in accounting

The exchange rate for converting transactions arising during the period in foreign currency is the exchange rate of the commercial bank where the Company regularly conducts transactions at the time of occurrence.

The exchange rate when revaluating foreign currency items at the time of preparing the consolidated financial statements is the exchange rate announced by the commercial bank where the company opens an account at the time of preparing the consolidated financial statements. In which:

- The exchange rate when revaluating foreign currency items classified as assets is the buying rate of the commercial bank where the Company opens a foreign currency account at the time of preparing the consolidated financial statements.

- The exchange rate when re-evaluating foreign currency items classified as liabilities is the selling rate of the commercial bank where the Company regularly conducts transactions at the time of preparing the consolidated financial statements.

4. Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year (reporting period). Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

5. Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, short-term investments with original maturities of no more than 03 months, highly liquid, readily convertible to cash and subject to little risk of changes in value.

6. Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

Held-to-maturity investments are recognized on the date of acquisition and are initially measured at cost, including the purchase price and any transaction costs. Interest income from investments held to maturity after the acquisition date is recognized in the Income Statement on an accrual basis. Interest earned before the Company holds the investment is deducted from the cost at the acquisition date.

Held-to-maturity investments are measured at cost less allowance for doubtful debts.

When there is strong evidence that part or all of an investment may not be recovered and the amount of loss can be reliably determined, the loss is recorded in financial expenses in the period and directly reduces the investment value.

Investments in subsidiaries, investments in associates

Investments in subsidiaries

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Investments in subsidiaries and associates are initially recorded at cost, including the purchase price or capital contribution plus costs directly related to the investment. In case of investment in non-monetary assets, the cost of the investment is recorded at the fair value of the non-monetary assets at the time of arising.

Dividends and profits from periods prior to the purchase of the investment are recorded as a reduction in the value of the investment itself. Dividends and profits from periods subsequent to the purchase of the investment are recorded as revenue. Dividends received in the form of shares are only recorded as the number of shares increased, not the value of the shares received.

Method of making provision for investment depreciation

Provision for losses on investments in subsidiaries and associates is made at the time of preparing the consolidated financial statements. When investments in subsidiaries and associates have decreased compared to the original price, the Company makes provisions as follows:

- For investments in subsidiaries and associates whose shares are listed on the market or whose fair value is reliably determined, provisions are made based on the market value of the shares.
- For investments whose fair value cannot be determined at the reporting date, provisions are made at an amount equal to the difference between the actual capital contributions of the parties at the subsidiaries and associated companies and the actual equity multiplied by the Company's capital contribution ratio compared to the total actual capital contributions of the parties at the subsidiaries and

Increase or decrease in the provision for investment losses in subsidiaries and associates that must be set up at the closing date of the consolidated financial statements is recorded in financial expenses.

7. Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful. The classification of receivables is carried out according to the following principles:

- Trade receivables reflect commercial receivables arising from purchase and sale transactions between the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

- Other receivables reflect non-commercial receivables not related to purchase and sale transactions.

Provision for doubtful debts is made for overdue receivables stated in economic contracts, contractual commitments or debt repayment commitments that the enterprise has repeatedly requested but has not yet recovered, or receivables that the debtor is unlikely to be able to pay due to liquidation, bankruptcy or similar difficulties.

Increases and decreases in the balance of the provision for doubtful debts that must be set up at the closing date of the consolidated financial statements are recorded in business management expenses.

8. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

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

Method of setting up inventory price reduction reserve: Inventory price reduction reserve is set up for each inventory item whose original cost is greater than its net realizable value. Increases and decreases in the inventory price reduction reserve balance required to be set up at the closing date of the consolidated financial statements are recorded in the cost of goods sold.

9. Principles of recording and depreciation methods of fixed assets

9.1 Principles of recognition and depreciation methods of tangible fixed assets

Tangible fixed assets are recorded at original cost, reflected on the Consolidated Balance Sheet according to the indicators of original cost, accumulated depreciation and residual value.

The original cost of purchased tangible fixed assets includes the purchase price (minus trade discounts or rebates), taxes and costs directly related to bringing the asset into a ready-to-use state.

The original cost of self-constructed or self-made tangible fixed assets includes the actual cost of the self-constructed or self-made tangible fixed assets and the cost of installation and trial operation.

Expenses incurred after the initial recognition of tangible fixed assets are recorded as an increase in the original cost of the asset when these expenses certainly increase future economic benefits. Expenses incurred that do not satisfy the above conditions are recorded by the Company as production and business expenses in the period.

The Company applies the straight-line depreciation method for tangible fixed assets. Tangible fixed asset accounting is classified according to groups of assets with the same nature and purpose of use in the Company's production and business activities, including:

Type of fixed asset	Thời gian khấu hao (năm)
Buildings and structures	06 - 30
Machinery and equipment	03 - 15
Motor vehicles	06 - 10
Office equipment	05 - 10

9.2 Principles of recognition and depreciation methods of intangible fixed assets

Intangible fixed assets are recorded at original cost, reflected on the Consolidated Balance Sheet according to the indicators of original cost, accumulated depreciation and residual value.

The original cost of intangible fixed assets includes all costs incurred by the Company to acquire the fixed assets up to the time the asset is ready for use. Expenses related to intangible fixed assets incurred after initial recognition are recognized as production and business expenses in the period, unless these expenses are associated with a specific intangible fixed asset and increase the economic benefits from these assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

When fixed assets are sold for liquidation, their original cost and accumulated depreciation are written off and any gain or loss arising from their disposal is recognized as income or expense for the period.

The Company's intangible assets are computer software, virtual servers and drug formula.

Software program

Costs relating to computer software programs that are not an integral part of the related hardware are capitalized. The cost of computer software is the total cost incurred by the Company up to the date the software is put into use. Computer software is amortized on a straight-line basis over 08 years.

10. Principles for recording construction in progress costs

The Company's construction in progress costs include the construction costs of the EU GMP standard pharmaceutical factory project, the Noi Bai freight forwarding and transit center, which are recorded at historical cost. These costs include construction costs, services and other related costs in accordance with the Company's accounting policy.

11. Prepayments

Prepaid expenses include actual expenses that have been incurred but are related to the results of production and business activities of many accounting periods. Prepaid expenses are costs of tools and equipment issued for use awaiting allocation, repair costs and other prepaid expenses.

Tools and equipment: Tools and equipment put into use are allocated to expenses using the straight-line method over a period of 03 months to 36 months.

Fixed asset repair costs: One-time asset repair costs of large value are allocated to expenses using the straight-line method over a period of no more than 36 months.

Other prepaid expenses: Other prepaid expenses incurred once with large value are allocated to expenses by the straight-line method over a period of no more than 36 months.

12. Payables

Liabilities are amounts payable to suppliers and others. Liabilities include trade and other payables. Liabilities are not recorded as less than the obligation to pay.

The classification of payables is carried out according to the following principles:

- Trade payables include commercial payables arising from transactions of purchasing goods, services, assets and the seller is an independent entity from the buyer.
- Other payables include non-commercial payables not related to the purchase, sale or provision of goods or services.

Payables are monitored in detail by each subject and payment term. Foreign currency payables are re-evaluated by the Company at the end of the period or year at the selling exchange rate of the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch.

13. Loan recognition principles

Loans are recorded on the basis of bank documents, contracts and loan agreements. Loans are monitored by subject and term.

14. Principles of recognition and capitalization of borrowing costs

Borrowing costs include interest and other costs incurred in connection with borrowing.

Borrowing costs are recognized as production and business expenses in the year when incurred, unless capitalized in accordance with the provisions of the Accounting Standard "Borrowing costs". Accordingly, borrowing costs directly related to the purchase, construction or production of assets that require a relatively long time to complete and put into use or business are added to the original cost of the asset until such time as the asset is put into use or business. Income arising from temporary investment of loans is recorded as a reduction in the original cost of the related assets. For separate loans for the construction of fixed assets, investment real estate, interest is capitalized even when the construction period is less than 12 months.

15. Principle of recording accrued expenses

The Company's accrued expenses include pre-deducted interest expenses, auditing expenses... which are actual expenses that have arisen in the reporting period but have not been paid due to lack of invoices or insufficient accounting records and documents, recorded in the production and business expenses of the reporting period and payables that have not arisen due to lack of recorded goods and services but are calculated in advance into the production and business expenses of this period to ensure that when they actually arise, they do not cause sudden changes in production and business expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

The provision for production and business expenses in the period must be calculated strictly and there must be reasonable and reliable evidence of the expenses that must be provisioned in the period, to ensure that the amount of expenses payable recorded in this account matches the actual expenses incurred.

16. Principle of equity recognition

Owner's equity is recorded according to the actual capital contributed by shareholders.

Share premium is recorded at the larger difference between the actual issue price and the par value of shares when issuing shares.

Undistributed profit after tax is the profit from the business's operations after deducting the current year's corporate income tax expense.

Profit after corporate income tax is distributed to shareholders after setting aside funds in accordance with the Company's Charter and legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to shareholders takes into account non-monetary items in undistributed profits after tax that may affect cash flow and the ability to pay dividends such as interest from revaluation of contributed assets, interest from revaluation of monetary items, financial instruments and other non-monetary items.

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

17. Principles and methods of revenue and income recognition

The Company's revenue includes revenue from sales of materials, semi-finished products (injections, pills, etc.), revenue from providing services (entrusted import-export services; office rental, warehouse rental) and interest revenue from bank deposits.

Revenue from sales of goods and finished products

Revenue from the sale of goods and finished products is recognized when all five (5) following conditions are simultaneously satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the products or goods;
- The Company no longer holds the right to manage the goods as the owner of the goods or the right to control the goods;
- Revenue is determined with relative certainty. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist and the buyer is not entitled to return the products or goods (except in cases where the customer has the right to return the goods in exchange for other goods or services);
- The Company has obtained or will obtain economic benefits associated with the transaction; and
- Identify the costs associated with a sales transaction.

Service revenue

Revenue from a service transaction is recognized when the outcome of the transaction can be reliably measured. In cases where a service transaction involves multiple periods, revenue is recognized in a period based on the results of the work completed at the closing date of the financial statements of that period. The outcome of a service transaction is determined when all four (4) of the following conditions are satisfied:

- Revenue is measured reliably; When a contract provides that the buyer has the right to return the purchased services under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer has no right to return the services provided;
- It is possible to obtain economic benefits from the transaction of providing that service;
- Determine the portion of work completed at the closing date of financial statements; and
- Identify the costs incurred for the transaction and the costs to complete the transaction to provide that service.

Interest Revenue

Interest is recognized on an accrual basis, determined on the deposit account balance and the actual interest rate for each period.

Advances from customers are not recognized as revenue during the year.

The Company's other income includes income from liquidation of fixed assets and other income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

18. Principles of financial cost accounting

Financial expenses recorded in the separate income statement are total financial expenses incurred during the period, not offset against financial revenue, including interest expenses and exchange rate differences.

19. Other accounting principles and methods

19.1 Tax obligations

Value Added Tax (VAT)

The Company applies VAT declaration and calculation according to the guidance of current tax laws.

Corporate income tax

Corporate income tax represents the sum of current and deferred tax liabilities.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including losses carried forward, if any) and it further excludes items that are not taxable or deductible.

The company applies a corporate income tax rate of 20% on taxable income.

The determination of the Company's corporate income tax is based on current tax regulations. However, these regulations are subject to change from time to time and the final determination of corporate income tax depends on the results of the examination by the competent tax authority.

Other taxes

Other taxes and fees must be declared and paid by the enterprise to the local tax authorities according to current tax laws in Vietnam.

V. SUPPLEMENTING INFORMATION FOR THE ITEMS IN THE CONSOLIDATED BALANCE SHEET

1. CASH AND CASH EQUIVALENTS

	30/06/2025	01/01/2025
	VND	VND
Cash	3,945,154,699	228,457,616,692
<i>Cash on hand</i>	<i>2,703,334,102</i>	<i>2,716,021,955</i>
Cash on hand VND	2,521,676,282	2,539,189,202
Cash on hand USD	181,657,820	176,832,753
<i>Bank demand deposits</i>	<i>1,241,820,597</i>	<i>225,741,594,737</i>
Bank demand deposits VND	1,021,909,553	223,030,531,211
Bank demand deposits USD	192,183,234	2,686,900,833
Bank demand deposits EUR	27,727,810	24,162,693
Cash equivalents		-
Total	3,945,154,699	228,457,616,692

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

2. Investment in Associates

	30/06/2025 VND	01/01/2025 VND				
	Cost	Cumulative adjustments	Carrying Value	Cost	Cumulative adjustments	Carrying Value
	1,176,000,000	(892,146,359)	283,853,641	1,176,000,000	(892,146,359)	283,853,641
Pharbaco central hospital No1 Joint Stock Company	1,176,000,000	(892,146,359)	283,853,641	1,176,000,000	(892,146,359)	283,853,641
Total	1,176,000,000	(892,146,359)	283,853,641	1,176,000,000	(892,146,359)	283,853,641

Summary of the operations of the associated company

Pharbaco central hospital No1 Joint Stock Company operates under the Business Registration Certificate No. 0108606011 first issued on January 29, 2019. The business activities of Pharbaco central hospital No1 JSC are polyclinic, specialist and dentistry. On April 22, 2021, the General Meeting of Shareholders of Pharbaco central hospital No1 Joint Stock Company issued Resolution No. 01/2021/QĐ-DHĐCD on the dissolution of the company. Therefore, the Company made a provision for 100% of the value of the investment in Pharbaco central hospital No1 Joint Stock Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

3. Short-term trade receivables

	30/06/2025 VND		01/01/2025 VND	
	Cost	Provision	Cost	Provision
<i>Short-term</i>				
Appollo Oil JSC	48,554,676,661	(33,988,273,662)	48,554,676,661	(33,988,273,662)
Vina Australia Trading JSC	1,248,408,000	-	-	-
Thien Y Pharmaceutical And Trading Company Limited	1,076,519,997	-	11,076,519,997	-
Phuong Phuc Pharmaceutical Chemical Company Limited	3,442,186,477		2,927,575,506	
Others	119,475,625,096	(7,050,310,169)	148,566,165,390	(7,050,310,169)
Total	173,797,416,231	(41,038,583,831)	211,124,937,554	(41,038,583,831)

4. Short-term advances to suppliers

	30/06/2025 VND	01/01/2025 VND
<i>Short-term</i>		
Appollo Oil JSC	8,066,635,605	8,066,635,605
Yoosung Filling System Co., Ltd.	6,598,252,000	6,598,252,000
Qui Long Refrigeration Electrical Engineering Technology Co., Ltd	15,481,044,300	15,481,044,300
Others	62,286,118,710	20,622,746,503
Total	92,432,050,615	50,768,678,408

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

5. Other receivables

	30/06/2025		01/01/2025	
	VND		VND	
	Cost	Provision	Cost	Provision
<i>a) Short-term</i>	<i>143,071,604,834</i>	-	<i>5,184,498,356</i>	-
Short-term collateral, deposits	892,108,457	-	898,286,197	-
Vietnam Maritime Commercial	190,029,214	-	218,943,598	-
Joint Stock Bank - Thanh Xuan				
Saigon Thuong Tin Commercial	500,000,000	-	500,000,000	-
Joint Stock Bank - Ha Dong				
Others	202,079,243	-	179,342,599	-
Other receivables	141,772,217,320	-	3,762,551,122	-
Accrued interest	30,468,493	-	30,219,178	-
Social insurance arrears	57,156,501	-	47,739,618	-
Others	141,684,592,326	-	3,684,592,326	-
Receivable from employees	367,013,900	-	483,395,880	-
Mr. Le Phu Duc	35,000,000	-	70,000,000	-
Ms. Do Thi Bich Hue	50,000,000	-	50,000,000	-
Mr. Nguyen Quoc Dat	50,000,000	-	50,000,000	-
Others	232,013,900	-	313,395,880	-
Debit balance of account 3388	40,265,157	-	40,265,157	-
<i>b) Long-term</i>	<i>219,411,409,918</i>	<i>(19,371,518,993)</i>	<i>156,854,697,592</i>	<i>(19,371,518,993)</i>
BV Pharma Joint Stock Company	19,371,518,993	(19,371,518,993)	19,371,518,993	(19,371,518,993)
Hai Ha Waterway Transport			137,443,287,674	
Company Limited				
Pharbaco Thai Binh	200,000,000,000			
Pharmaceutical Joint Stock				
Long - term collateral, deposits	39,890,925		39,890,925	
Total	362,483,014,752	(19,371,518,993)	162,039,195,948	(19,371,518,993)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

6. Bad debts

	30/06/2025		01/01/2025	
	VND		VND	
	Cost	Recoverable amount	Cost	Recoverable amount
Total value of receivables that are overdue or not yet due but are unlikely to be recovered				
<i>Receivables from customers</i>				
Appollo Oil JSC	33,988,273,662		33,988,273,662	
Huong Que Trading Investment Joint Stock Company	2,565,085,530		2,565,085,530	
Tien Thanh Trading and Pharmaceutical Limited Company	1,814,538,915		1,814,538,915	
Tuyen Quang Tuberculosis and Lung Disease Hospital	6,082,005	-	6,082,005	
Thanh Phuong Pharmaceutical Trading Company Limited	980,000,001		980,000,001	
Hien - Vi Pharmaceuticals Company Limited	866,127,058		866,127,058	
Phuc Sinh Pharmaceutical Company Limited	713,493,422		713,493,422	
Winvet Vietnam Joint Stock Company	48,394,552		48,394,552	
Viet Nhat International Commerce And General Services Limited Company	28,420,686		28,420,686	
Phuc Lam Company Limited	28,168,000		28,168,000	
BV Pharma Joint Stock Company	19,371,518,993		19,371,518,993	
Total	60,410,102,824	-	60,410,102,824	-

7. Inventories

	30/06/2025		01/01/2025	
	VND		VND	
	Cost	Provision	Cost	Provision
Goods in transit	250,075,990	-	293,996,260	-
Raw materials	174,457,027,673	(2,792,529,942)	116,595,122,061	(100,876,303)
Tools and supplies	2,266,086,237		2,210,998,157	
Work in progress	21,596,300,188		21,929,047,964	
Finished goods	38,976,767,309	(7,698,004)	37,952,402,131	(7,879,666)
Merchandise	12,327,208,771		2,325,512,473	
Total	249,873,466,168	(2,800,227,946)	181,307,079,046	(108,755,969)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

Increases, decreases in tangible fixed assets

Items	Buildings, Structures	Machinery, Equipment	Means of Transportation Transmitters	Office Equipment, Furniture	Total
Unit: VND					
Historical Cost					
Balance as at January 1, 2025	126,732,541,191	413,526,075,065	14,893,321,615	4,165,158,136	559,317,096,007
Additions	-	384,000,000			384,000,000
Other increase	-	30,000,000		75,875,000	105,875,000
Other discounts				(105,875,000)	(105,875,000)
Liquidation of transfer					-
Balance as at June 30, 2025	126,732,541,191	413,940,075,065	14,893,321,615	4,135,158,136	559,701,096,007
Accumulated depreciation					
Balance as at January 1, 2025	91,863,641,635	365,467,027,175	12,469,698,846	2,033,977,989	471,834,345,645
Depreciation for the period	2,248,823,195	8,102,005,349	515,991,238	306,414,314	11,173,234,096
Liquidation of transfer					-
Balance as at June 30, 2025	94,112,464,830	373,569,032,524	12,985,690,084	2,340,392,303	483,007,579,741
Net book value					
As at January 1, 2025	34,868,899,556	48,059,047,890	2,423,622,769	2,131,180,147	87,482,750,362
As at June 30, 2025	32,620,076,361	40,371,042,541	1,907,631,531	1,794,765,833	76,693,516,266

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

9. Increases, decreases in intangible assets

Items	Computer software, virtual servers and pharmaceutical formula	Unit: VND Total
Historical Cost		
Balance as at January 1, 2025	57,227,979,082	57,227,979,082
Additions		-
Balance as at June 30, 2025	57,227,979,082	57,227,979,082
Giá trị hao mòn lũy kế		
Balance as at January 1, 2025	9,299,741,045	9,299,741,045
Depreciation for the period	1,939,711,725	1,939,711,725
Balance as at June 30, 2025	11,239,452,770	11,239,452,770
Net book value		
As at January 1, 2025	47,928,238,037	47,928,238,037
As at June 30, 2025	45,988,526,312	45,988,526,312

10. Construction in progress

	30/06/2025 VND	01/01/2025 VND
Project to build a pharmaceutical factory with EU GMP standards in two phases (*)	2,116,838,592,355	2,062,672,315,160
+ PMU1	1,459,877,103,926	1,432,868,660,346
+ PMU2	656,961,488,429	629,803,654,814
The Noi Bai Cargo Handling and Transit Shopping Center Project	26,883,170,727	26,883,170,727
Total	2,143,721,763,082	2,089,555,485,887

(*) GMP EU standard Pharmaceutical Manufacturing Plant Project in Thach Loi Village, Noi Bai Commune, Hanoi City

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

11. Prepayments

	30/06/2025	01/01/2025
	VND	VND
<i>a) Short-term</i>	4,332,511,553	3,635,354,640
Tools and dies issued for consumption;	1,462,702,663	1,811,936,450
Other short - term prepayments	2,869,808,890	1,823,418,190
<i>b) Dài hạn</i>	5,402,132,757	7,811,297,497
Tools and dies issued for consumption;	1,183,677,197	1,247,323,773
Other long - term prepayments	4,218,455,560	6,563,973,724
Total	9,734,644,310	11,446,652,137

12. Short-term Trade Account Payables

	30/06/2025		01/01/2025	
	VND		VND	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
<i>Ngắn hạn</i>				
Truking Technology Limited	15,461,708,700	15,461,708,700	15,461,708,700	15,461,708,700
Tien Tuan Pharmaceutical Machinery Co.Ltd	4,042,930,396	4,042,930,396	3,945,394,516	3,945,394,516
Yunnan Baiyao Group Co, LTD	490,588,590	490,588,590	490,588,590	490,588,590
Apec Import Export Trade Joint Stock Company	36,756,720	36,756,720	36,756,720	36,756,720
Others	223,224,655,217	223,224,655,217	154,629,274,364	154,629,274,364
Total	243,256,639,623	243,256,639,623	174,563,722,890	174,563,722,890

13. Short-term Advances from Customers

	30/06/2025	01/01/2025
	VND	VND
<i>Ngắn hạn</i>		
Viet Anh Medical Equipment And Pharmaceutical Joint Stock Company	17,544,495,316	13,853,016,361
Vina Australia Trading Joint Stock Company	2,467,400,000	2,467,400,000
Helios Pharmaceutical Company Limited	3,841,283,786	2,697,114,240
An Duc Pharmaceutical Company Limited	8,438,665,827	7,149,199,151
Dp Euphar Joint Stock Company	1,345,003,185	2,272,000,000
Hmh Medical Pharmaceutical Co.,Ltd	18,020,930,712	16,682,180,840
Toan Phuc Pharmaceutical Chemical Company Limited	8,117,434,918	2,729,259,671
Others	149,279,779,726	101,726,094,422
Total	209,054,993,470	149,576,264,685

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

14. Taxes and receivables and payables to the State Budget

	01/01/2025	Amount payable during the period	Actual amount paid in the period	Unit: VND 30/06/2025
<i>a) Account Payables</i>				
Corporate income tax	4,876,192,391	3,789,515,209	5,295,876,770	3,369,830,830
Personal income tax	14,008,935		14,008,935	-
Total	4,890,201,326	3,818,246,191	5,338,616,687	3,369,830,830
<i>b) Account Receivables</i>				
Value Added Tax	-	25,005,719,883	25,005,719,883	-
Value Added Tax on imported	-	8,218,656,966	8,236,641,606	17,984,640
Import tax	-	1,673,097,053	1,673,097,053	-
Business license tax	-	5,000,000	5,000,000	-
Personal income tax	-	417,607,125	461,135,825	43,528,700
Land tax, land lease fees	-	6,077,422,634	9,640,938,896	3,563,516,262
Fee, charge, and other payables	-	10,726,595	10,726,595	-
Total	-	41,408,230,256	45,033,259,858	3,625,029,602

15. Short-term Accrued expenses

	30/06/2025 VND	01/01/2025 VND
Rent advance	138,757,500	
Audit fees advance	225,000,000	270,000,000
Interest expenses advance	15,841,066,920	3,777,296,837
Other expenses advance	515,759,704	1,051,978,904
Total	16,720,584,124	5,099,275,741

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

16. Other payables

	30/06/2025	01/01/2025
	VND	VND
<i>a) Short-term</i>	<i>5,061,670,611</i>	<i>6,026,920,376</i>
Trade union fund	247,222,781	856,081,701
Short-term deposits received	657,020,000	1,174,020,000
Other payables	4,157,427,830	3,996,818,675
<i>Dividend payment to shareholders</i>	<i>861,643,575</i>	<i>904,673,148</i>
<i>Viet-Tiep Friendship Hospital (ii)</i>	<i>21,622,000</i>	<i>21,622,000</i>
<i>Others</i>	<i>3,274,162,255</i>	<i>3,070,523,527</i>
<i>b) Long-term</i>	<i>2,209,600,000</i>	<i>1,720,600,000</i>
Long-term deposits received	2,209,600,000	1,720,600,000
<i>Van Lang High School</i>	<i>1,140,000,000</i>	<i>1,140,000,000</i>
<i>Viet Land Corporation</i>	<i>500,000,000</i>	<i>500,000,000</i>
<i>Phuong Linh Export-Import & Trading Limited Liability Company</i>	<i>216,000,000</i>	<i>-</i>
<i>Others</i>	<i>353,600,000</i>	<i>80,600,000</i>
Total	7,271,270,611	7,747,520,376

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

CONSOLIDATED FINANCIAL STATEMENTS

Địa chỉ: Address: No. 160 Ton Duc Thang, O Cho Dua Ward, Hanoi City, Vietnam

FOR THE SECOND QUARTER OF 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

17. Short-term borrowings and finance lease liabilities

	30/06/2025		In the period		01/01/2025	
	VND		VND		VND	
	Giá trị	Số có khả năng trả nợ	Tăng	Giảm	Giá trị	Số có khả năng trả nợ
a) Short-term	720,607,583,776	720,607,583,776	544,927,101,621	445,213,333,177	620,893,815,332	620,893,815,332
Short-term	472,646,032,118	472,646,032,118	385,649,101,625	371,655,319,776	458,652,250,269	458,652,250,269
Bank loan (VND)	472,646,032,118	472,646,032,118	385,649,101,625	371,655,319,776	458,652,250,269	458,652,250,269
Joint Stock Commercial Bank for Investment and Development of Vietnam - Long Bien Branch (1)	388,738,583,861	388,738,583,861	319,484,595,379	339,479,401,808	408,733,390,290	408,733,390,290
Tienphong commercial Joint Stock Bank- Hoan Kiem Branch (2)	83,907,448,257	83,907,448,257	66,164,506,246	32,175,917,968	49,918,859,979	49,918,859,979
Current portion of long-term loans	247,961,551,658	247,961,551,658	159,277,999,996	73,558,013,401	162,241,565,063	162,241,565,063
Joint Stock Commercial Bank for Investment and Development of Vietnam - Long Bien Branch	203,556,000,000	203,556,000,000	138,778,000,000	55,778,000,000	120,556,000,000	120,556,000,000
Tienphong commercial Joint Stock Bank- Hoan Kiem Branch	44,405,551,658	44,405,551,658	20,499,999,996	17,780,013,401	41,685,565,063	41,685,565,063

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FOR THE SECOND QUARTER OF 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

b) Long-term					
Joint Stock Commercial Bank for Investment and Development of Vietnam - Long Bien Branch (3)	760,280,016,892	760,280,016,892	-	159,277,999,996	919,558,016,888
Tienphong commercial Joint Stock Bank - Hoan Kiem Branch (4)	613,922,874,004	613,922,874,004		138,778,000,000	752,700,874,004
	146,357,142,888	146,357,142,888		20,499,999,996	166,857,142,884
Total	1,480,887,600,668	1,480,887,600,668	544,927,101,621	604,491,333,173	1,540,451,832,220

(1) Credit Agreement No. 02/2024/1809635/HDTD dated November 25, 2024 with Joint Stock Commercial Bank for Investment and Development of Vietnam- Long Bien Branch, with a credit limit of 420 billion VND. The credit limit is valid for 12 months from the signing date until October 30, 2025. The loan term is determined for each specific credit agreement. The interest rate is defined in each credit agreement according to the bank's interest rate policy at the time. The loan is intended to supplement the Company's working capital (including loans, issuing guarantees, opening LCs) to support the Company's production and business activities.

(2) Credit contract No. 04/2025/HDTD/HGM dated January 13, 2025 with Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch with a credit limit of VND 100 billion. The credit limit is granted for 12 months from the date of signing the contract. The loan term is determined according to each specific credit contract. The interest rate is determined according to each specific credit contract according to the bank's interest rate regime from time to time. The purpose of the loan is to supplement working capital for the Company's production and business activities.

(3) These are the loan agreements with Joint Stock Commercial Bank for Investment and Development of Vietnam- Long Bien Branch, as follows:

- Credit Agreement No. 01/2021/1809635/HDTD dated January 11, 2021, with a credit limit of 400 billion VND. The loan term is 96 months, starting from the day following the first disbursement. The interest rate is determined according to the bank's regulations at the time of disbursement. The loan purpose is to issue LCs for legitimate and reasonable costs to proceed with Phase II of the GMP-EU standard pharmaceutical manufacturing plant project (PMU2). Collateral is the entire property formed from the loan and self-capital at the Phase 2 investment project (PMU2).

- Credit Agreement No. 02/2022/1809635/HDTD dated September 29, 2022, with a credit limit of 450 billion VND. The loan term is 72 months, starting from the day following the first disbursement. The interest rate is determined according to the bank's regulations at the time of disbursement. The loan purpose is to repay the self-capital that was invested in Phase I of the GMP-EU standard pharmaceutical manufacturing plant project (PMU1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

- Credit Agreement No. 03/2022/1809635/HĐTD dated August 30, 2022, with a maximum credit limit of 247 billion VND, but not exceeding the actual principal balance of the loan at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch at the time of disbursement by BIDV. The loan term follows the existing repayment schedule of the loan at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch but does not exceed July 8, 2026. The interest rate is determined according to the bank's regulations at the time of disbursement. The loan purpose is to early repay the entire outstanding principal of the loan financing Phase I of the GMP-EU standard pharmaceutical manufacturing plant project (PMU1) at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch. Collateral includes the entire property formed from the loan and self-capital at the Phase I investment project (PMU1), as well as other assets currently mortgaged at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch.

(4) These are the loan agreements with Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch, as follows:

- Long-term loan agreement No. 18/2021/HĐTD/HGM/03 dated April 28, 2021, with a loan amount of 27 billion VND. The loan term is a maximum of 84 months from the first disbursement date. The interest rate is defined in each debt acknowledgment document from the customer. The loan is intended for the payment of investment costs for the rooftop solar power project on the customer's factory roof in Thach Loi Village, Soc Son, Hanoi. Collateral is specified in the Mortgage Agreement No. 18/2021/HĐBD/HGM/04 dated April 28, 2021.

- Loan agreement No. 31/2023/HĐTD/HGM/01 dated March 14, 2023, with a loan amount of 198 billion VND. The loan term is 84 months from the first disbursement date. The interest rate is defined in each debt acknowledgment document from the customer. The loan is intended to supplement the Company's medium-term capital. The collateral for this loan is specified in the individual mortgage agreements signed between the Company and the bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

18. Owner's Equity

a) Movement in owner's equity

Unit: VND

Items	Owner's contributed capital	Share premium	Undistributed profit after tax	Total
Số dư tại 01/01/2024	1,132,999,020,000	25,731,363,636	43,343,785,822	1,202,074,169,458
Capital increase during the year	-	-	-	-
Profit from the previous year	-	-	21,684,803,043	21,684,803,043
Distribution of funds	-	-	-	-
Dividend distribution (*)	-	-	-	-
Balance as at December 31, 2024	1,132,999,020,000	25,731,363,636	65,028,588,865	1,223,758,972,501
Capital increase during the year (*)	-	-	-	-
Profit for the current year	-	-	14,530,261,777	14,530,261,777
Distribution of funds	-	-	-	-
Dividend distribution (*)	-	-	-	-
Balance as at June 30, 2025	1,132,999,020,000	25,731,363,636	79,558,850,642	1,238,289,234,278

b) Details of owner's investment capital

	30/06/2025 VND	01/01/2025 VND
Vietnam Pharmaceutical Corporation	58,707,830,000	58,707,830,000
Reliv Pharma Company Limited	14,217,330,000	14,217,330,000
Hai Ha Waterway Transport Company Limited	412,000,000,000	412,000,000,000
Hai Minh Hung Transportation Construction Investment Company Limited	139,420,660,000	139,420,660,000
Dai Hai Ha Petro Company Limited	154,500,000,000	154,500,000,000
Phap Van Agriculture Material Joint Stock Company	206,000,000,000	206,000,000,000
Others	148,153,200,000	148,153,200,000
Total	1,132,999,020,000	1,132,999,020,000

c) Capital transactions with owners and distribution of dividends, profit sharing

	Current period VND	Prior period VND
Owner's contributed capital		
Capital contribution at the beginning of the period	1,132,999,020,000	1,100,000,000,000
Capital increase during the period	-	-
Capital decrease during the period	-	-
Capital contribution at the end of the period	1,132,999,020,000	1,100,000,000,000
Dividends and profits distributed	-	-

d) Shares

	30/06/2025 Cổ phiếu	01/01/2025 Cổ phiếu
Number of shares registered for issuance	113,299,902	113,299,902
Number of shares issued to the public	113,299,902	113,299,902
- Ordinary shares	113,299,902	113,299,902
Number of outstanding shares in circulation	113,299,902	113,299,902
- Ordinary shares	113,299,902	113,299,902

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

Par value of outstanding shares: 10,000 VND per share

f) Company's funds

Item	01/01/2025	Increase during the period	Decrease during the period	Đơn vị tính: VND 30/06/2025
Investment and Development fund	38,505,239,661	-	-	38,505,239,661
Total	38,505,239,661	-	-	38,505,239,661

* The purpose of setting up and using the company's funds.

- The company's development investment fund is established from the portion of profit after corporate income tax and is used to supplement the company's charter capital through investments to expand production and business scale or to deepen the business's investment. It complies with the provisions of the company's charter.

19. Off balance sheet items

	30/06/2025	01/01/2025
<i>Foreign currencies</i>		
USD	14,411.76	113,410.70
Cash on hand	7,003.00	7,003.00
Cash at bank	7,408.76	106,407.70
EUR	920.34	925.30
Cash at bank	920.34	925.30

VI. Information supplementing for items presented in the consolidated income statement

1. Gross revenue from goods sold and services rendered

	From 01/04/2025 to 30/06/2025	From 01/04/2024 to 30/06/2024	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND	VND	VND
<i>a) Revenue</i>				
Revenue from sales of goods and	109,499,547,007	66,652,136,933	142,745,592,865	147,236,726,097
Revenue from sales of finished	178,581,930,695	194,821,073,497	363,611,592,175	350,556,350,633
Revenue from provision of	2,653,104,820	1,939,528,422	4,785,432,194	4,227,389,337
Total	290,734,582,522	263,412,738,852	511,142,617,234	502,020,466,067

2. Cost of sales

	From 01/04/2025 to 30/06/2025	From 01/04/2024 to 30/06/2024	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND	VND	VND
Cost of goods sold, materials	105,824,109,959	66,147,830,848	136,998,918,070	145,765,736,239
Cost of finished goods sold	136,617,367,451	140,842,752,237	279,221,346,324	251,531,370,234
Cost of service	793,981,481	-	793,981,481	-
Damaged goods handling	1,142,058,089	-	1,142,058,089	8,375,538,603
Provision for inventory devaluation	2,713,884,349	2,753,407,911	2,713,884,349	2,753,407,911
Reversal of inventory write-down pr	(22,412,372)	-	(22,412,372)	(7,771,626,067)
Total	247,068,988,957	209,743,990,996	420,847,775,941	400,654,426,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

3. Financial income

	From 01/04/2025 to 30/06/2025	From 01/04/2024 to 30/06/2024	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND	VND	VND
Bank and loan interest	11,206,671	282,996,957	22,113,807	398,213,498
Exchange rate differences arising during the period	366,998,497	519,557,431	722,328,824	820,955,589
Total	378,205,168	802,554,388	744,442,631	1,219,169,087

4. Financial expenses

	From 01/04/2025 to 30/06/2025	From 01/04/2024 to 30/06/2024	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND	VND	VND
Interest expense	10,670,430,178	8,939,145,805	19,202,710,312	17,605,520,345
Exchange rate difference loss arising during the period	683,943,347	1,194,794,602	(5,366,935,280)	4,246,455,919
Exchange rate difference revaluation at end of period	8,819,657,886	4,322,208,105	8,819,657,886	
Total	20,174,031,411	14,456,148,512	22,655,432,918	21,851,976,264

5. Other income

	From 01/04/2025 to 30/06/2025	From 01/04/2024 to 30/06/2024	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND	VND	VND
Sale, disposal of fixed assets:	-	100,000,000		75,000,000
Other income	62,093,152	9,914,007	91,469,746	10,706,702
Total	62,093,152	109,914,007	91,469,746	85,706,702

6. Other expenses

	From 01/04/2025 to 30/06/2025	From 01/04/2024 to 30/06/2024	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND	VND	VND
Pay administrative fines and late tax payment	750,000	3,066,855	10,726,595	3,066,855
Remuneration paid to the Board of Management	180,000,000	120,000,000	180,000,000	120,000,000
Carrying amount of fixed assets and sale, disposal of fixed assets:		29,104,477		4,104,477

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

Other expenses	17,233,651	544,283,988	84,499,666	836,955,219
Total	197,983,651	696,455,320	275,226,261	964,126,551

7. Selling expenses and general and administration expenses

	From 01/04/2025 to 30/06/2025	From 01/04/2024 to 30/06/2024	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND	VND	VND
<i>a) Selling expenses</i>	<i>1,247,063,410</i>	<i>1,441,544,846</i>	<i>2,536,472,456</i>	<i>2,492,917,184</i>
Employee costs	559,690,497	627,412,106	1,203,148,277	1,231,779,426
Cost of materials and packaging	130,174	9,433,803	7,840,467	32,172,886
Cost of tools and supplies	-	108,667	4,733,636	1,238,667
Fixed asset depreciation costs	4,647,186	4,647,186	9,294,372	9,294,372
Outsourcing service costs	321,001,190	577,372,507	666,981,397	707,390,779
Other cash expenses	361,594,363	222,570,577	644,474,307	511,041,054
<i>b) General and administration expenses</i>	<i>22,660,503,368</i>	<i>23,659,696,322</i>	<i>46,149,017,125</i>	<i>55,234,301,615</i>
Management staff costs	12,195,941,461	12,601,655,904	24,509,629,234	24,258,931,887
Management material costs	711,044,441	730,796,985	1,203,104,166	1,582,192,574
Office supplies costs	477,477,587	622,628,919	1,015,524,242	1,477,193,642
Fixed asset depreciation costs	1,753,653,148	1,944,299,783	3,505,069,806	4,015,461,233
Taxes, fees and charges	3,544,976,086	-	7,237,653,121	7,608,106,267
Provision	-	-	-	5,943,583,738
Outsourcing service costs	2,339,744,047	3,127,852,745	4,660,200,370	2,423,785,041
Other cash expenses	1,637,666,598	4,632,461,986	4,017,836,186	7,925,047,233
Total	23,907,566,778	25,101,241,168	48,685,489,581	57,727,218,799

VII. Additional information for items presented in the separate consolidated statement of cash flows

1. Actual amounts of borrowings received during the year

	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND
Proceeds from borrowings under normal contracts	385,649,101,625	232,464,780,350
Total	385,649,101,625	232,464,780,350

2. Actual amounts of principal paid during the year

	Cumulative from the beginning of the year to the end of the second quarter of 2025	Cumulative from the beginning of the year to the end of the second quarter of 2024
	VND	VND
Repayment of borrowings under normal contracts	445,213,333,177	294,303,181,239
Total	445,213,333,177	294,303,181,239

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statement)

VIII. Other information

Comparative information

The data is taken from the audited Consolidated Financial Statements by International Auditing Company Limited for the fiscal year ending December 31, 2024, and the Consolidated Financial Statements for the second Quarter of 2024 prepared by Pharbaco central pharmaceutical JSC No.1.

Hanoi, 28 July 2025

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

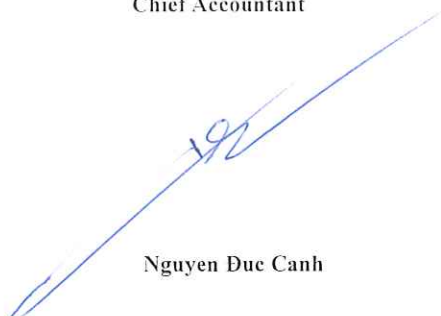
Preparer

Chief Accountant

Deputy Permanent Chief Executive Officer



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyen Thi Thu Ha

(Power of attorney No. 01/2021/UQ-PHARBACO
dated January 7, 2021)